



SoftBank Corp. supports the Sustainable Development Goals

# SoftBank

## Sustainability Report 2021

SoftBank Corp. Sustainability Report 2021



SoftBank Corp.  
<https://www.softbank.jp/corp/sustainability/>

Corporate Philosophy

# Information Revolution — Happiness for Everyone

Since its foundation, SoftBank has sought to use the Information Revolution to contribute to the wellbeing of people and society. Driven by this corporate philosophy, SoftBank will continue to pursue growth by harnessing the unlimited potential of the Information Revolution, deploying it in the right way to benefit humanity.

Vision

## Becoming a Corporate Group Needed Most by People Around the World

SoftBank aims to contribute to people's happiness through the Information Revolution and to become "the Corporate Group needed most by people around the world." To achieve this vision, SoftBank will advance an Information Revolution that brings "happiness for everyone," with leading technologies essential to the times and superior business models.



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Message from the CEO



Junichi Miyakawa  
President & CEO SoftBank Corp.

*Junichi Miyakawa*

SoftBank Corp. has always contributed to people and communities by following its corporate philosophy of “Information Revolution — Happiness for Everyone.” As society’s digitalization advances at a breakneck pace and the age of full-fledged 5G services draws nearer, SoftBank will contribute to solving society’s problems by executing its own digital shift, leveraging cutting-edge technologies such as AI and IoT to maximum advantage, and by leading the charge toward digital transformation (DX). By listening widely to the voices of a wide variety of customers, offering services as only SoftBank can, co-creating with a diverse range of partners, and working closely with our Group companies, we at SoftBank are aiming to become the technology Company needed most by people around the world.

Today a host of problems are growing ever more severe worldwide. Natural disasters are growing in scale, the environment is being degraded, and economic disparities are widening. In Japan, a declining birthrate coupled with an aging demographic profile is bringing labor shortages and other complex problems to the fore. To confront these challenges, the international community is accelerating efforts to achieve the United Nations Sustainable Development Goals (SDGs). As a good corporate member of society, SoftBank regards contributing to the formation of a sustainable society as one of its most essential management issues. Guided by the concept of “a world where all things, information and minds are connected,” SoftBank has identified six priority issues (materiality themes, or key challenges) with which it must contend. The standard we apply in identifying these materiality themes is not their importance to SoftBank but how closely they relate to the SDGs and the concerns of stakeholders. By grappling with these issues as we pursue our Beyond Carrier Strategy, which calls on the Company to diversify into other fields while further growing its core business of communications, SoftBank will enhance its corporate value and contribute to a sustainable society.

Communication infrastructure is a vital and indispensable lifeline for society. SoftBank seeks to fulfill its role as a communications infrastructure enterprise by providing a stable supply of reliable information and communication services. To provide even better service, SoftBank is working to achieve early nationwide rollout of 5G across Japan and put its stratosphere-based High-Altitude Platform Station (HAPS) communication platform into service. Through these efforts, we aim to deliver a global network that brings people, places and goods together.

Ten years have passed since northeastern Japan was devastated by the Great East Japan Earthquake. As soon as the earthquake struck, large numbers of SoftBank employees, centered on engineering personnel, and staff of affiliated companies entered the disaster zone to carry out recovery activities. As leader of that effort, I will never forget my frustration at how weak our recovery framework was. Since that time, we have worked tirelessly to expand our network area and make it more resilient. SoftBank will continue to build infrastructure that is strongly resistant to disasters and fortify our support measures in preparation for disasters.

Responding to global environmental issues is another important management issue for SoftBank. Since the signing of the Paris Accords in 2015, the importance of responding to climate change has risen tremendously, prompting many countries worldwide to adopt a united front. SoftBank has endorsed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and is working hard to advance disclosure regarding climate change. While the government of Japan has declared its intention to make the country carbon-neutral, reducing overall emissions of greenhouse gases to zero, by 2050, SoftBank has set a more ambitious target. Aiming to contribute to the achievement of a carbon-free society, SoftBank has issued the Declaration of Carbon-neutral 2030. This Declaration sets the Company’s sights on effective zero output of greenhouse gases by 2030, the international community’s target year for achieving the SDGs. To do so, SoftBank will switch to 100% use of effectively renewable energy while reducing energy consumption of its facilities and equipment by applying leading-edge technologies such as AI and IoT to maximum effect. We are also vigorously moving to contribute to achieving a zero-environmental-impact society through initiatives such as R&D toward the commercialization of next-generation batteries and the construction of next-generation communication systems such as HAPS.

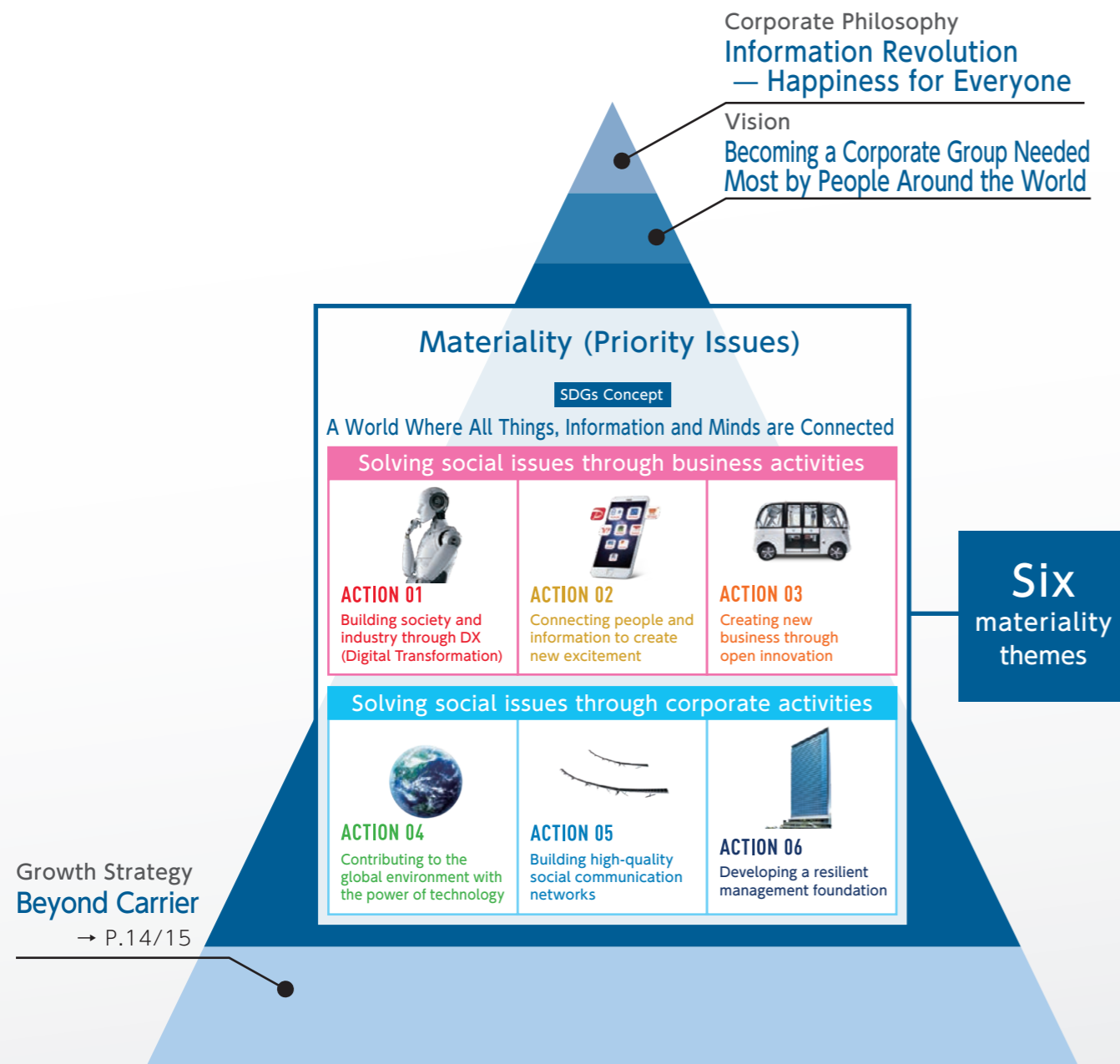
By accelerating its implementation of the Beyond Carrier Strategy, SoftBank will contribute to the achievement of the SDGs and to solutions to issues in society, and to realize its management philosophy.

# Sustainability Strategy

## Contributing to Business Growth and the Creation of a Sustainable Society Under the Concept of "A World Where All Things, Information and Minds are Connected" to achieve SDGs

Faced with a variety of increasingly serious social problems, companies must work toward the global SDGs, which aim for a peaceful, prosperous and sustainable society.

Since our founding, we have contributed to resolving social issues through technology based on our corporate philosophy "Information Revolution — Happiness for Everyone." SoftBank has declared "a world where all things, information and minds are connected" as the concept by which it will achieve the SDGs, which comprise a universal theme for the realization of a sustainable society. We have identified six priority issues (materiality themes, or key challenges) as the theme for realizing this concept. We believe these six materiality themes embody our corporate philosophy "Information Revolution — Happiness for Everyone" and serve as an important compass connected to our "Beyond Carrier" growth strategy. Through the identification and response to materiality, SoftBank will accelerate its "Beyond Carrier" management strategy and contribute to realizing a society as envisioned by the SDGs.



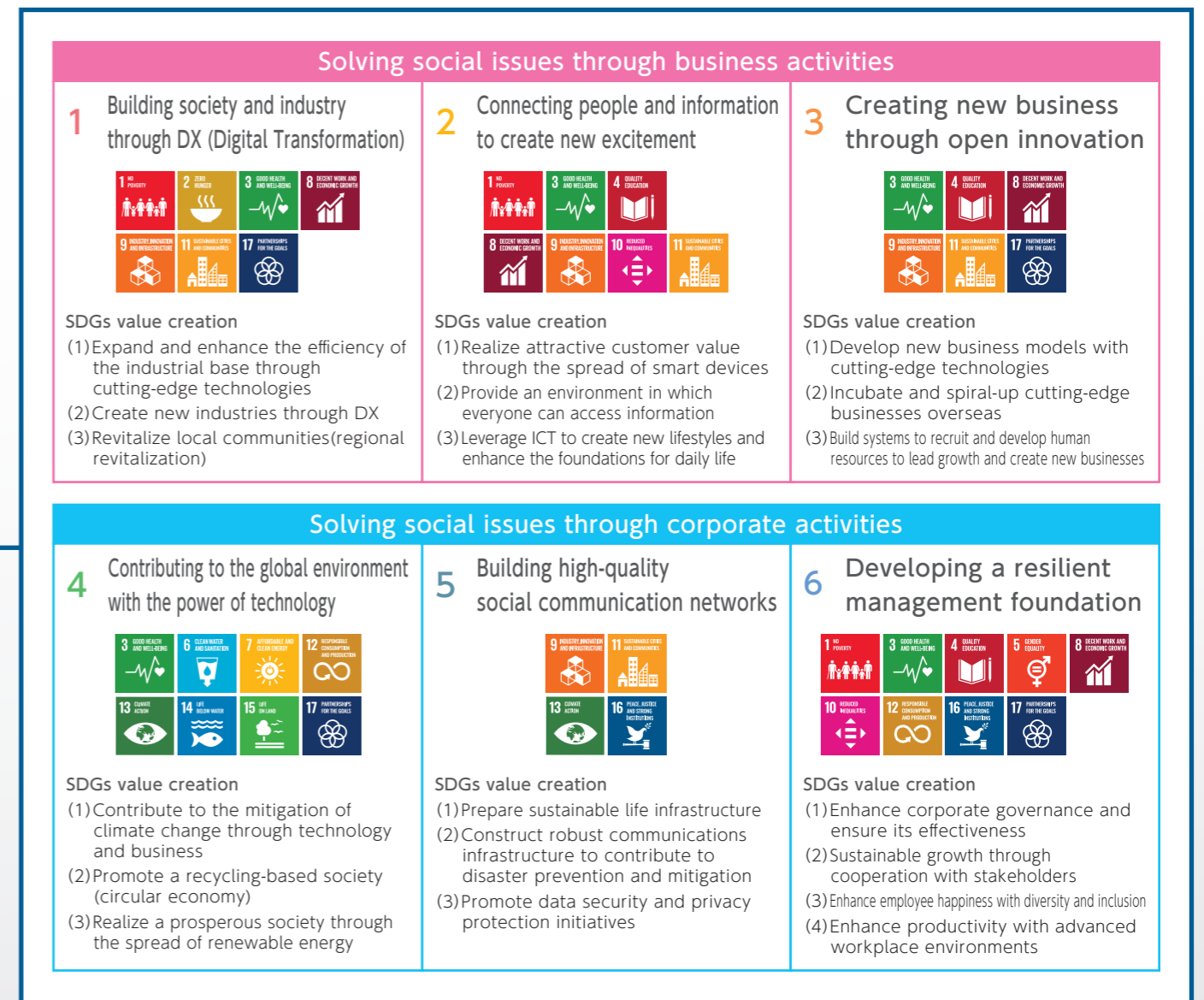
# Materiality Approach

## Resolving Social Issues through Business and Corporate Activities

Based on the concept of "a world where all things, information and minds are connected," SoftBank will contribute to the realization of a sustainable society through the power of technology, which is its strength, and identify six materiality issues as themes for achieving sustainable growth. These materiality themes will accelerate our "Beyond Carrier" growth strategy, which is positioned as the key driver of our business.

In addition to resolving social issues through business activities by "building society and industry through Digital Transformation (DX)" and "creating new businesses through open innovation," materiality involves "contributing to the global environment with the power of technology," "building high-quality social communication networks" and "developing a resilient management foundation" to resolve social issues through corporate activities. The six materiality themes originate from contemporary society and our business, as well as from our determination to achieve the SDGs by 2030, becoming a visionary perspective for the next 10 years that requires SoftBank's unique capabilities.

### Materiality (Priority issues)



## Materiality Approach

SoftBank has identified three materiality themes each for the "resolution of social issues through business activities" and the "resolution of social issues through corporate activities," which determine the value that contribute to the SDGs through the materiality activities and outcomes. We have arranged key actions, businesses, services and initiatives to realize this value creation.

### Materiality List

	Materiality	SDGs value creation	Main businesses and initiatives
Solving social issues through business activities	1 Building society and industry through DX	(1) Expand and enhance the efficiency of the industrial base through cutting-edge technologies (2) Create new industries through DX (3) Revitalize local communities (regional revitalization)	<ul style="list-style-type: none"> <li>Leverage 5G, big data, AI, and other technologies</li> <li>Streamline industry through AI, RPA (Robotic Process Automation), IoT, and other technologies</li> <li>Create new businesses in various industries using DX solutions through co-creation with our customers</li> <li>Solve social issues by providing DX solutions to local communities and governments</li> <li>Engage in co-creation to bring about smart cities</li> <li>Implement initiatives using technologies to promote collaboration with local governments and stimulate local communities</li> </ul>
	2 Connecting people and information to create new excitement	(1) Realize attractive customer value through the spread of smart devices (2) Provide an environment in which everyone can access information (3) Leverage ICT to create new lifestyles and enhance the foundations for daily life	<ul style="list-style-type: none"> <li>Provide a wide range of customer value, price plans and services through spread of smart devices and multiple brands</li> <li>Provide new experiences using 5G such as VR and sports viewing</li> <li>Hold smartphone classes in our stores nationwide</li> <li>Enhance accessibility to news and various information provided on the Internet</li> <li>Promote the expansion of Internet communications throughout the world</li> <li>Implement initiatives aimed at expanding and enhancing online shopping from smartphones, providing new payment methods, and improving logistics efficiency</li> <li>Contribute to education, healthcare and financial fields using ICT</li> </ul>
	3 Creating new business through open innovation	(1) Develop new business models with cutting-edge technologies (2) Incubate and spiral-up cutting-edge businesses overseas (3) Build systems to recruit and develop human resources to lead growth and create new businesses	<ul style="list-style-type: none"> <li>Realize a safe and comfortable mobility society</li> <li>Build a high-altitude communications network in the stratosphere</li> <li>Provide opportunities for mobility through the practical utilization of self-driving vehicles</li> <li>Provide innovative community-style workspaces</li> <li>Leverage AI and data analytics technologies to provide taxi dispatch platforms</li> <li>Promote a cashless economy through the spread of barcode and QR code payment settlements</li> <li>Job posting system that aims to shift human resources to new businesses and growth businesses</li> <li>Allocate personnel to new businesses through improvements in operational efficiency</li> <li>Human resources recruitment and development systems (SoftBank Academia, SoftBank InnoVenture, SoftBank University) necessary to create and promote new businesses</li> </ul>
Solving social issues through corporate activities	4 Contributing to the global environment with the power of technology	(1) Contribute to the mitigation of climate change through technology and business (2) Promote a recycling-based society (circular economy) (3) Realize a prosperous society through the spread of renewable energy	<ul style="list-style-type: none"> <li>Improve power use efficiency</li> <li>Substitute energy-saving equipment</li> <li>Utilize IoT and other technologies to improve power use efficiency and promote environmental awareness</li> <li>Convert electricity consumed by facilities and equipment such as mobile phone base stations to electricity generated using renewable energy*</li> <li>Implement initiatives aimed at achieving carbon neutral</li> <li>Mobile phone recycling</li> <li>Adopt carry bags made from materials other than paper or plastic</li> <li>Promote the reduction of reliance on paper-based procedures through the application of smart devices</li> <li>Proper use of water resources and waste reduction</li> <li>Propagate renewable energy (including power provided under a feed-in tariff (FIT) policy mechanism) through the supply of electricity from renewable sources</li> </ul> <p>* We will primarily achieve this goal by using renewable energy sources that have been certified as non-dependent on fossil fuels</p>
	5 Building high-quality social communication networks	(1) Prepare sustainable life infrastructure (2) Construct robust communications infrastructure to contribute to disaster prevention and mitigation (3) Promote data security and privacy protection initiatives	<ul style="list-style-type: none"> <li>Construct 5G mobile communications systems to enable "high-speed, large-capacity," "ultra-high-reliability, low-latency" and "massive device connectivity"</li> <li>Provide communications services with stable connections</li> <li>Provide redundancy in backbone networks</li> <li>Secure communications in the event of a disaster mainly through tethered balloon radio relay systems, mobile base stations, and portable satellite antennas</li> <li>Implement network monitoring and operation utilizing AI</li> <li>Develop and operate high-level security environments</li> <li>Educate employees thoroughly on security</li> </ul>
	6 Developing a resilient management foundation	(1) Enhance corporate governance and ensure its effectiveness (2) Sustainable growth through cooperation with stakeholders (3) Enhance employee happiness with diversity and inclusion (4) Enhance productivity with advanced workplace environments	<ul style="list-style-type: none"> <li>Enhance corporate governance systems and thoroughly prevent compliance violations</li> <li>Implement sophisticated internal controls, eliminate antisocial forces, and prevent corruption</li> <li>Ethical procurement and transactions</li> <li>Sound and transparent information disclosure</li> <li>Cooperation with local communities through initiatives such as disaster management agreements and the Social Emergency Management Alliance (SEMA)</li> <li>Support for employee growth and career realization (Free-agent system and job posting system, SoftBank University, SoftBank career dock)</li> <li>Fair evaluation and recruitment system</li> <li>Promote participation by women, including recruitment and employment of persons with disabilities, and initiatives related to LGBTQ+ persons</li> <li>Harassment prevention</li> <li>Work-style reforms (Super Flextime System, teleworking, operational improvements using AI and RPA, permit employees to take side jobs)</li> <li>Promote health and productivity management</li> <li>Diverse workstyles using smart buildings, satellite offices and telework</li> <li>Promoting diverse working styles unconstrained by time or place (teleworking, use of co-working spaces), in preparation for the post-COVID-19 environment</li> </ul>

## SoftBank Sustainability

### SoftBank SDGs

### SDGs Initiatives as a Key Driver of Growth

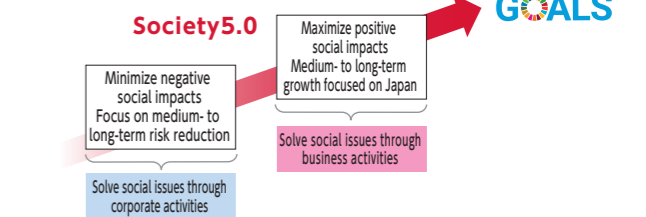
SoftBank considers its contribution to the achievement of SDGs targets to be an important management priority and is working to enhance corporate value and realize a sustainable society by contributing to the resolution of social issues pursued by the global community through our business and corporate activities. In addition to establishing the concept of "a world where all things, information and minds are connected" to promote our response to the SDGs, we are focused on the achievement of the SDGs and on society in 2030, which is within the scope of the SDGs, and have identified six priority issues (materiality themes, or key challenges) that take into account the importance of our corporate and business activities as well as external stakeholders. By responding to these six materiality themes, we will accelerate our "Beyond Carrier" growth strategy and target further corporate growth.

The Cabinet Office (Government of Japan) advocates "Society 5.0," a new society realizing economic development and the resolution of social issues through an advanced system integrating the cyber space and physical (actual) space. In addition, the Keidanren has announced the "Society 5.0 for SDGs" concept that aims to achieve economic development and the resolution of social issues by maximizing the use of innovative technologies to achieve the SDGs. This means technology is essential for achieving SDGs. In other words, technology can "minimize negative social impacts" and "reduce medium- to long-term risks" while "maximizing positive social impacts" and achieving "medium- to long-term enterprise growth," giving it a central role in leading the achievement of the SDGs. For SoftBank, whose main business is telecommunications and technology, contributing to the achievement of SDGs will be useful in resolving social issues from a variety of perspectives, and at the same time responding to external stakeholder demands will become the driving force that will further advance our business and corporate growth.

Furthermore, to ensure SoftBank contributes to the SDGs, we must ensure that the corporate and business activities conducted by our Company and group companies address social issues. We also believe that it is important to inculcate a collective awareness among employees. In each business, initiative and individual job performed by each of our group companies, we promote an understanding of all 17 SDGs and 169 targets, setting advance goals and plotting steps backward to the present with a focus on the goals of the SDGs to consider and respond to business, initiatives and work with an awareness that enables us to work toward each of the SDGs independently.

We will resolve issues faced by society and people to realize further contributions to a sustainable society targeted in the SDGs with all group company employees working together toward the SDGs.

#### (Methods of Achieving SDGs)



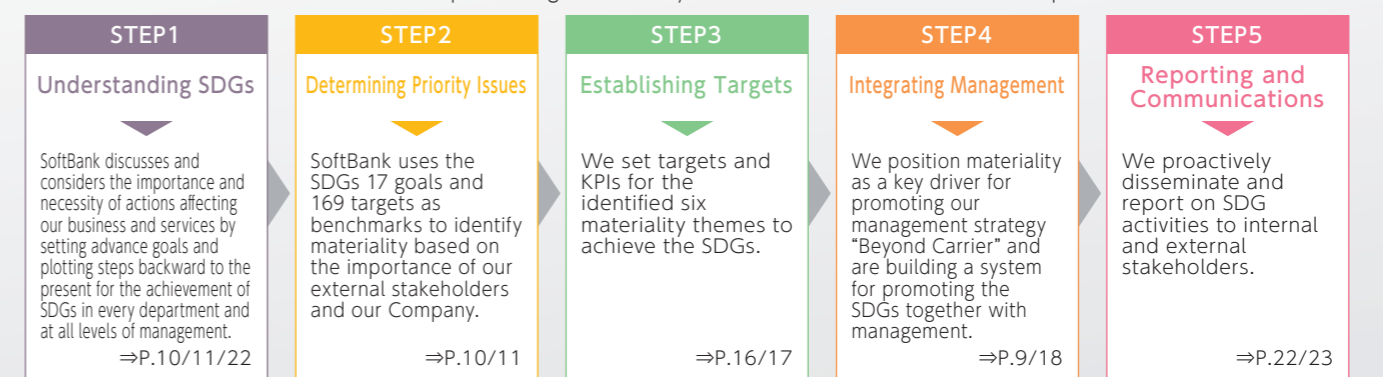
\*Created by SoftBank using a joint research report regarding the promotion of investment in problem-solving innovations from the Japan Business Federation, The University of Tokyo, and the Government Pension Investment Fund (GPIF)

#### (Strategic Positioning of SDGs)



### Response to the SDGs Compass

The SDGs Compass was developed in March 2016 by Global Reporting Initiative (GRI), the UN Global Compact and the World Business Council for Sustainable Development (WBCSD) to explain the impact of the SDGs on individual businesses as a corporate SDGs implementation guide aimed at providing the tools and knowledge necessary for placing sustainability at the center of corporate strategies. It is a global guideline for corporate integration of SDGs into management strategies, a way to measure contributions to SDGs and a method for managing performance and implementation status. The SDGs Compass framework comprises STEP 1 to STEP 5. SoftBank also utilizes STEP 1 to STEP 5 in implementing the PDCA cycle in accordance with the SDGs Compass.



\*Prepared by SoftBank, based on the GRI, the UN Global Compact and "SDGs Compass," issued by WBCSD

SoftBank Sustainability

# Materiality Selection Flow

SoftBank identified six priority issues (materiality themes, or key challenges) that must be addressed to develop a sustainable society based on the concept "a world where all things, information and minds are connected." In identifying materiality, we have selected items of greatest importance from the perspective of issues valued by stakeholders as well as priorities for our business based on SDGs, which are global in scope.

## Importance of External Factors

We considered the perspective of stakeholders based on SDGs and a variety of other angles, including the requirements for Socially Responsible Investment (SRI) and ratings agencies, GRI standards, SASB standards, ISO26000 and other international guidelines as well as major external ratings agency requirements. In addition, we proactively engaged in discussions with stakeholders outside the company, including exchanging opinions with external directors and experts, and identified the degree of external importance associated with specific standards and requirements.

## Importance of Internal Factors

While consulting to the 17 goals and 169 targets encompassed by SDGs, we discuss, examine, and evaluate which kinds of businesses and services are important to our Company and which methods and services we are capable of implementing based on the circumstances and plans in each of our divisions and in businesses throughout SoftBank Corp. group. At the same time, the SDGs Promotion Committee holds relevant discussions and identifies the relative importance and impact of all associated factors.

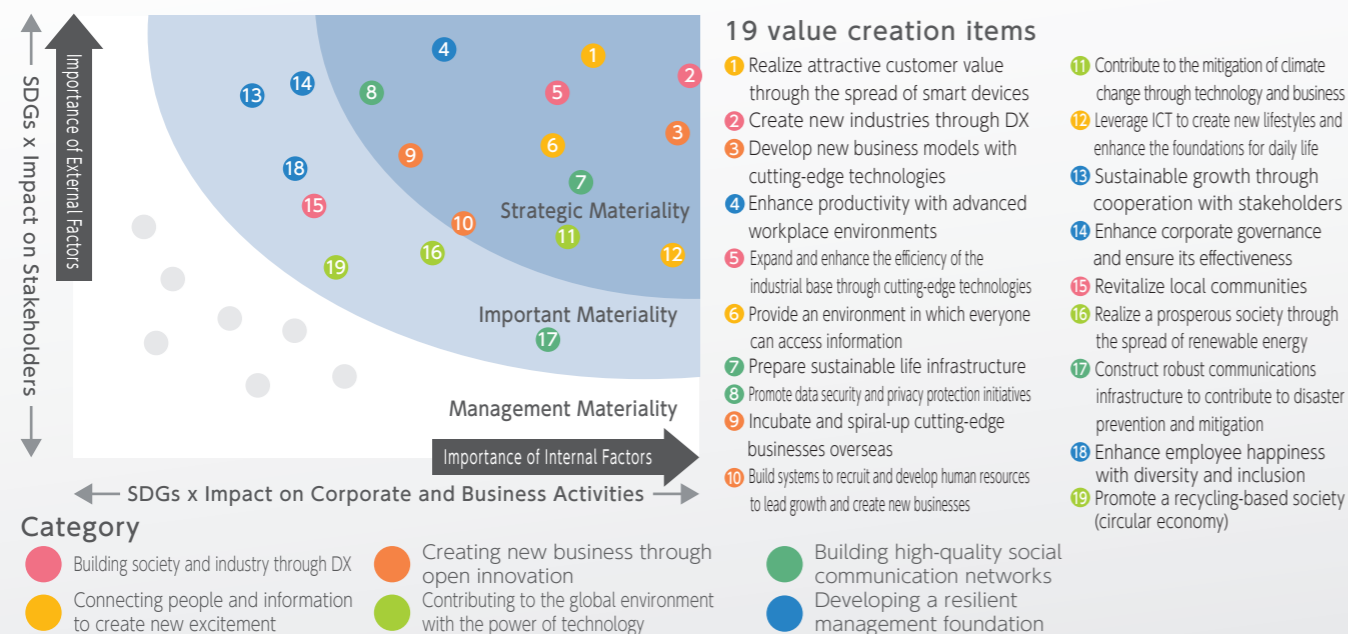
Matching and plotting internal and external evaluations based on the results of their importance and impact, results were classified and evaluated according to three levels: "strategic materiality," "important materiality" "management materiality." The 19 items (SDGs value creation items) within "strategic materiality" and "important materiality" are integrated into the six materiality themes categorized according to item contents and relationships.

In selecting materiality items, materiality is determined annually by final approval of the Board of Directors, following numerous discussions with SDGs Promotion Managers in each department and Group company and after deliberations by higher-level bodies such as the Management Council and consultations with the SDGs Promotion Committee.

## Reverification of Materiality

SoftBank is in the process of reverifying its materiality themes and SDGs value creation, in view of changes in the external environment, such as the growing effects of climate change and the COVID-19 pandemic, and impact on SoftBank's operations and changes in the operating environment due to LINE's participation in the Group and the appointment of Junichi Miyakawa as president of SoftBank in April 2021. The importance of items instrumental in movements such as DX and lifestyle innovation, which drive SoftBank's management strategy, is mounting in terms of their impact on the Company. Similarly, matters such as response to climate change, corporate governance, diversity and data security are growing in importance to outside observers. At the same time, SoftBank has identified its materiality items and SDGs value creation based on its efforts to achieve the SDGs by 2030, its medium-to-long-term management strategy and its operating orientation. Through this process of reverification, the SDGs Promotion Committee and Board of Directors are confirming that none of the items has declined significantly in importance and that the materiality items and SDGs value creation continue to be important elements driving the advancement of SoftBank's operations.

## Materiality Map



## Relationship Between Materiality and the 169 SDGs Targets

Materiality		SDGs																
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Building society and industry through DX	Expand and enhance the efficiency of the industrial base through cutting-edge technologies	1-2,1-3	2-4	3-6						8-2	9-1,9-2,9-b		11-2,11-3,11-a					17-16,17-17
	Create new industries through DX	1-3								8-3	9-2							
	Revitalize local communities (regional revitalization)	1-2,1-3	2-4							8-9	9-1,9-2,9-a		11-1,11-2,11-3,11-4,11-7,11-a					17-16,17-17
Connecting people and information to create new excitement	Realize attractive customer value through the spread of smart devices	1-2											11-1					
	Provide an environment in which everyone can access information	1-2				4-7					9-1,9-b,9-c	10-2	11-1					
	Leverage ICT to create new lifestyles and enhance the foundations for daily life	1-2		3-3	4-1,4-3,4-4,4-7					8-3,8-10	9-3							
Creating new business through open innovation	Develop new business models with cutting-edge technologies			3-6						8-2,8-3	9-2,9-4,9-b		11-1,11-3,11-a					
	Incubate and spiral-up cutting-edge businesses overseas										9-2,9-3,9-b		11-1,11-3,11-a					17-6
	Build systems to recruit and develop human resources to lead growth and create new businesses					4-3,4-4,4-7					9-5							
Contributing to the global environment with the power of technology	Contribute to the mitigation of climate change through technology and business										7-2,7-3			13-1,13-3				17-16,17-17
	Promote a recycling-based society (circular economy)									6-4				12-5	14-1	15-2,15-5		
	Realize a prosperous society through the spread of renewable energy				3-9						7-2			13-1				17-16,17-17
Building high-quality social communication networks	Prepare sustainable life infrastructure												9-1,9-4,9-a,9-c		11-1			16-10
	Construct robust communications infrastructure to contribute to disaster prevention and mitigation														11-5	13-1		
	Promote data security and privacy protection initiatives																	16-6,16-10
Developing a resilient management foundation	Enhance corporate governance and ensure its effectiveness																	16-4,16-5,16-6,16-7
	Sustainable growth through cooperation with stakeholders													12-6				16-6,16-7
	Enhance employee happiness with diversity and inclusion	1-3		3-1	4-3,4-4,4-7	5-1,5-2,5-4,5-5				8-5,8-7	10-2,10-3							16-1,16-b
	Enhance productivity with advanced workplace environments	1-3		3-3,3-8,3-a	4-3,4-4					8-2,8-5,8-8								

1. Created from the United Nations "Sustainable Development Goals (SDGs) 169 Targets" and Keio Research Institute at SFC x SDG Lab "SDGs Action List for Corporations, Ver. 1"  
 2. Numbers in table are associated with the 169 SDGs targets

## Relationship between Materiality and Key Guidelines

Materiality	SDGs Value Creation	Guidelines		
		SASB*	ISO26000 (core issues)	GRI
1 Building society and industry through DX (digital transformation) - Redefining industry with DX -	(1) Expand and enhance the efficiency of the industrial base through cutting-edge technologies	-	●	●
	(2) Create new industries through DX	-	●	●
	(3) Revitalize local communities (regional revitalization)	-	●	●
2 Connecting people and information to create new excitement - Enhancing lifestyles with information and communications technology (ICT) -	(1) Realize attractive customer value through the spread of smart devices	-	●	●
	(2) Provide an environment in which everyone can access information	-	●	●
	(3) Leverage ICT to create new lifestyles and enhance the foundations for daily life	-	●	●
3 Creating new business through open innovation - Creating new value through the new businesses of SoftBank Corp. group companies -	(1) Develop new business models with cutting-edge technologies	-	●	●
	(2) Incubate and spiral-up cutting-edge businesses overseas	-	●	●
	(3) Build systems to recruit and develop human resources to lead growth and create new businesses	-	●	●
4 Contributing to the global environment with the power of technology - Realizing a carbon-neutral, recycling-oriented society -	(1) Contribute to the mitigation of climate change through technology and business	●	●	●
	(2) Promote a recycling-based society (circular economy)	●	●	●
	(3) Realize a prosperous society through the spread of renewable energy	●	●	●
5 Building high-quality social communication networks - Highly convenient, stable, and trustworthy networks and security -	(1) Prepare sustainable life infrastructure	●	●	●
	(2) Construct robust communications infrastructure to contribute to disaster prevention and mitigation	●	●	●
	(3) Promote data security and privacy protection initiatives	●	●	●
6 Developing a resilient management foundation - Resilient and honest corporate governance, organization, and personnel -	(1) Enhance corporate governance and ensure its effectiveness	●	●	●
	(2) Sustainable growth through cooperation with stakeholders	-	●	●
	(3) Enhance employee happiness with diversity and inclusion	-	●	●
	(4) Enhance productivity with advanced workplace environments	-	●	●

\*Sustainability Accounting Standards Board (SASB; located in the United States)

SoftBank Sustainability

SoftBank Value Creation Process

Beyond Carrier Strategy: Phase Two Begins

By solving social problems with the power of technology, we aim to maximize our corporate value and become the corporate Group the world needs most.

To achieve further growth in our mainstay communications business, we will expand our smartphone and broadband subscriber bases and grapple with the new communication infrastructure of 5G. At the same time, we will advance into domains other than communications. In March 2021, we completed the integration of the businesses of Z Holdings and LINE Corporation, which provides one of the largest social communication services in Japan. As a result, the Group has become one of the largest telecommunications and IT groups in Japan. We aim to become a "comprehensive digital platformer" that creates new value by connecting our dynamic platforms with the power of cutting-edge technologies, based on the strength of the compelling user touchpoints we have cultivated to date.

Input (Source of competitive advantage)

Social Capital

- Smartphone subscribers: **25.93** million (As of March 31, 2021)
- SoftBank Hikari subscribers: **6.92** million<sup>1</sup>(As of March 31, 2021)
- 95%** of leading corporations
- Number of users<sup>3</sup>  
SoftBank subscribers: **38** million/Yahoo! JAPAN users: 53 million  
PayPay users: **38** million/LINE (Japan) users: 88 million

Human Capital

- Number of consolidated Group employees: **47,313**
- Number of Group sales personnel<sup>4</sup>: Approx. **15,000**
- Number of Group engineering personnel<sup>4</sup>: Approx. **10,000** (as of March 31, 2021)

Manufacturing Capital

- Capital expenditure: Approximately **¥400** billion per year<sup>5</sup>
- Investment: **¥50-¥70** billion per year
- Shops: Approximately **6,100** locations<sup>6</sup>(As of March 31, 2021)

Social Capital

- Cutting-edge technologies and business models possessed by SoftBank investment targets
- Co-creation with corporate partners represented by 5G x IoT Studio

Intellectual Capital

- Best Japan Brands 2021<sup>7</sup>  
USD**4,958**million

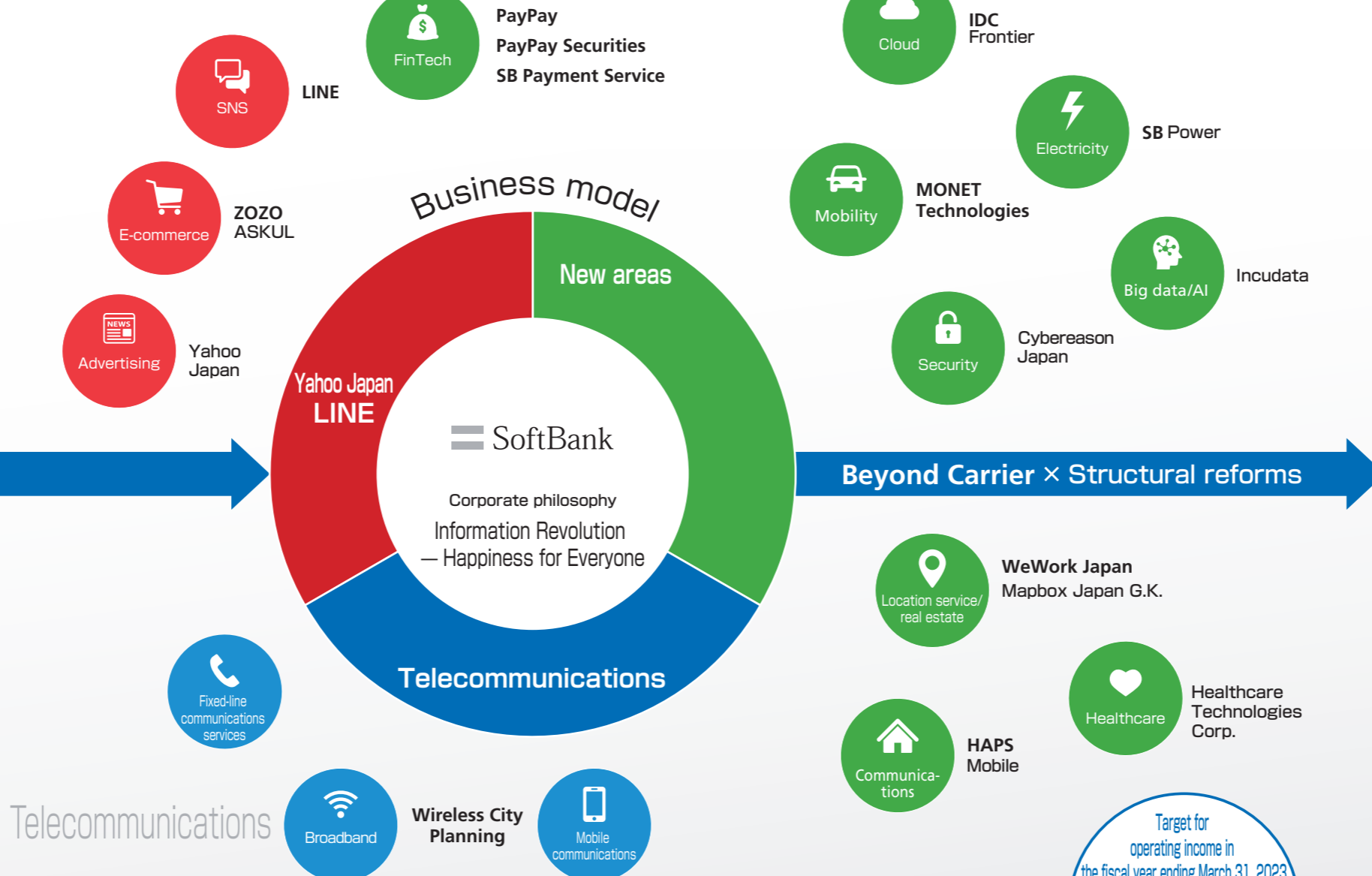
Financial Capital

- Japan Rating & Investment Center (R&I):  
Long-term rating **A+**
- Japan Credit Rating Agency (JCR):  
Long-term rating **AA-** (As of March 25, 2021)

Natural Capital

- Electricity Used: **1,680,530,000**kWh (Actual usage as of March 31, 2021)

Yahoo Japan/LINE



Telecommunications

New areas

1. Includes SoftBank Air subscribers  
2. This is an approximate proportion of the listed companies with annual revenue of ¥100 billion or more that have transactional relationships with SoftBank (873 of 921 listed companies).  
3. SoftBank: Cumulative number of main subscribers Yahoo! JAPAN: Number of login user IDs per month PayPay: Cumulative number of registered users LINE: Number of active users per month (all figures as of March 2021)  
4. Sales personnel: Number of sales employees at SoftBank Number of engineers: Total number of engineer employees at SoftBank, Yahoo Japan and LINE  
5. Acceptance basis. Excludes the impact of applying Z Holdings group, corporate rental devices, and IFRS 16.  
6. This figure includes directly owned shops, dealerships, electronics retailers, and shops offering services of multiple carriers.  
7. Brand value in US dollars as calculated by Interbrand

Main Social Issues and Trends

- Geopolitical risks due to globalization
- Population declines, low birthrates and aging populations
- Widening disparity between urban and rural areas
- Global environment conservation/climate change
- Energy/resource/water issues
- Accelerating technological innovations and digitization
- Increasing information gap and cyber security
- Diversifying consumer needs
- Spread of infectious diseases

Outcome

Materiality 1  
Building society and industry through DX (Digital Transformation)



Materiality 2  
Connecting people and information to create new excitement



Materiality 3  
Creating new business through open innovation



Materiality 4  
Contributing to the global environment with the power of technology



Materiality 5  
Building high-quality social communication networks



Materiality 6  
Developing a resilient management foundation

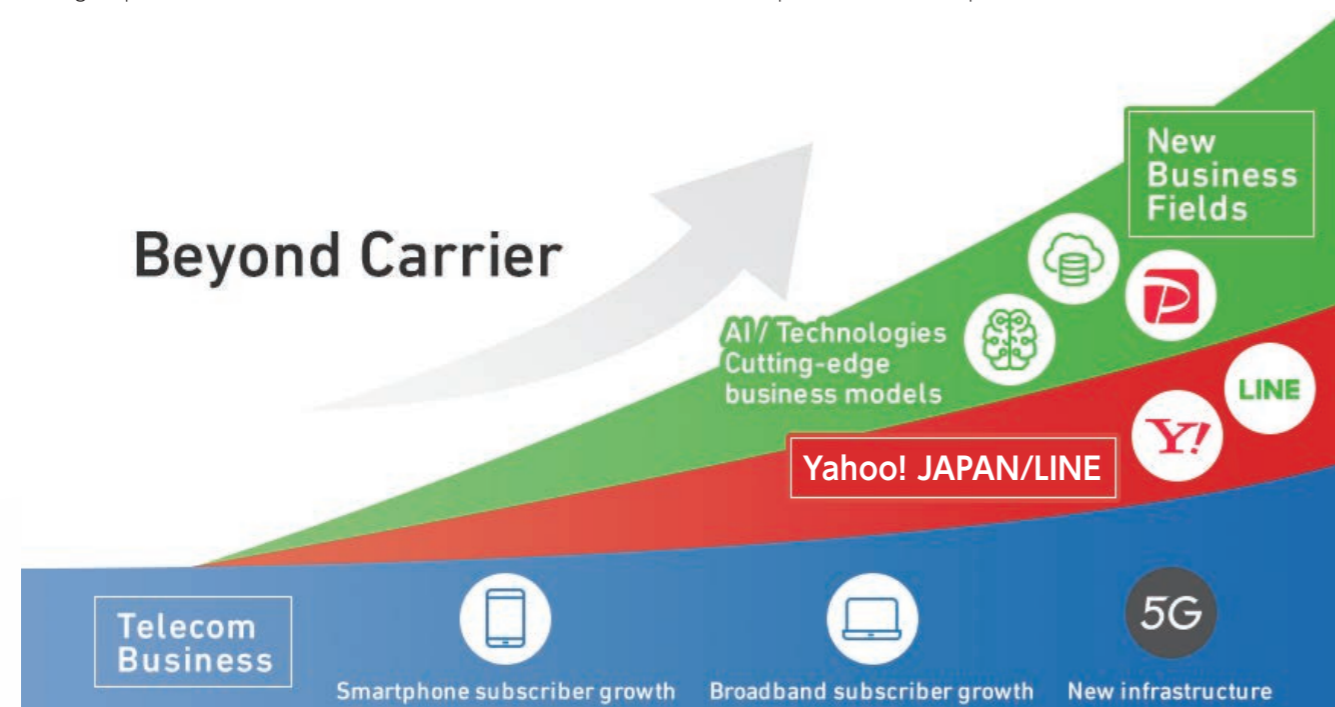


SoftBank Sustainability

Management Strategy for Accelerating Corporate Growth

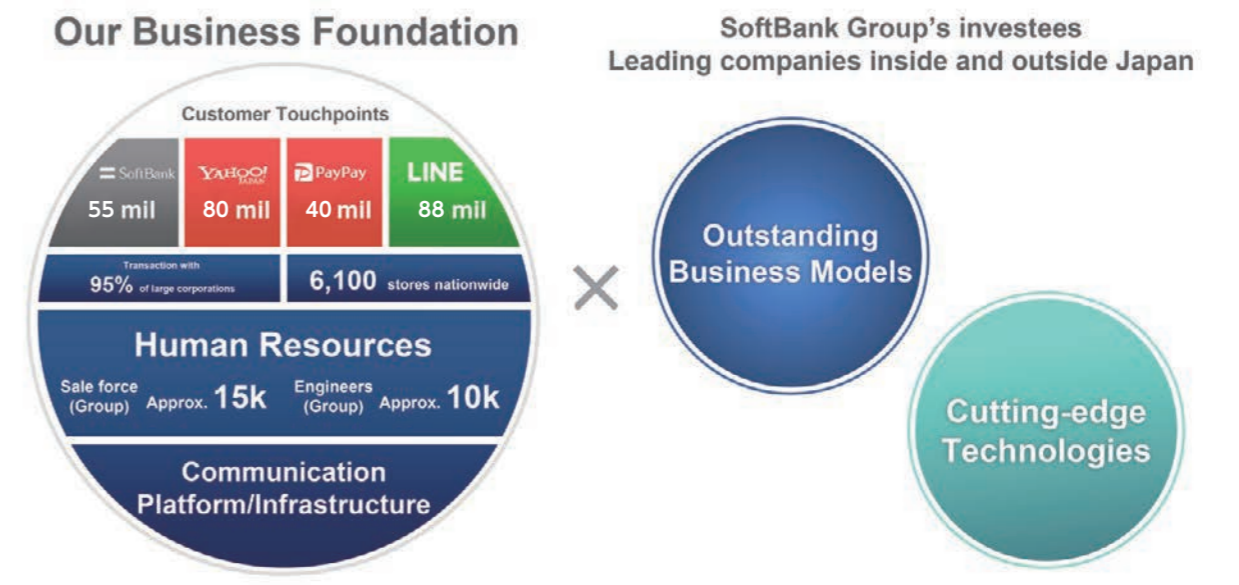
Growth Strategy "Beyond Carrier"

In FY2017 the SoftBank Group established the "Beyond Carrier" growth strategy. In this strategy, the SoftBank Group aims to achieve further growth in its mainstay communications business by expanding its smartphone and broadband subscriber bases and grappling with the new communication infrastructure of 5G, while advancing into domains other than communications. Taking a unique approach, we are working on rapidly launching new businesses in Japan by applying cutting-edge AI and other technologies as well as business models adopted from the investees of our parent company, SoftBank Group Corp. By promoting the Beyond Carrier Strategy, the Group has established itself as a corporate Group possessing one of Japan's strongest portfolios in communication networks, online media and smartphone settlement platforms.



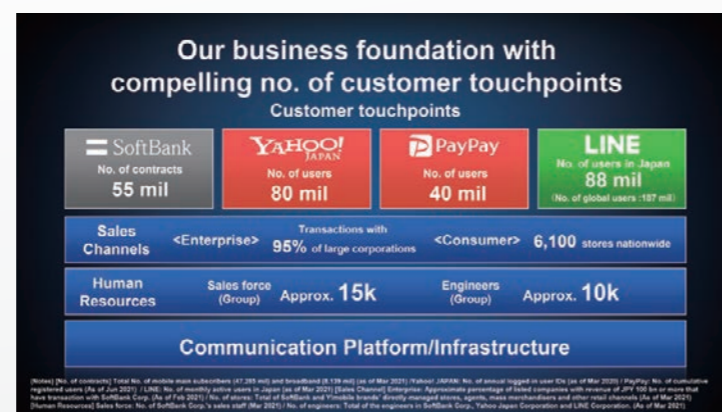
The SoftBank Group aims to create new value by vigorously promoting the expansion of new businesses leveraging cutting-edge technologies and business models in domains including AI, IoT, FinTech, security and mobility. In creating new businesses, the Company is partnering with global leading AI companies in which our parent company, SoftBank Group Corp., has invested. This move enables us to operate our business efficiently while minimizing initial investment costs as compared to launching new businesses on our own. Moreover, the SoftBank Group is combining its numerous strengths, including its customer base in communications, Yahoo! JAPAN and LINE operations, technologies such as 5G and software, and corporate sales capabilities, to achieve rapid launching of new businesses.

Launch New Businesses at High Speed with Entire Group's Capabilities



A Communications and IT Group with Japan's Largest Number of Touchpoints

With the addition of the new Z Holdings Group, which integrated its business with LINE Corporation in March 2021, the SoftBank Group has emerged as the communications and IT group with the largest number of user touchpoints in Japan, consisting of SoftBank's 55 million customers<sup>1</sup>, Yahoo! JAPAN's 80 million customers<sup>2</sup>, PayPay's 40 million customers<sup>3</sup> and LINE's 88 million customers<sup>4</sup>. In addition to its platforms providing services to consumers, the SoftBank Group possesses digital platforms in new domains, such as corporate IoT solutions, smart cities, mobility and healthcare, while our nationwide network of shops enables us to cultivate close relationships with consumers throughout Japan. These advantages powerfully support the SoftBank Group in offering sales and proposals to corporate customers in a wide range of industries.



\*Briefing materials on corporate strategy for the 35th Annual General Meeting of Shareholders

1. Cumulative number of subscribers to mobile communications services (47.285 million) and cumulative number of subscribers to broadband services (8.139 million) (as of March 2021)
2. Yahoo! JAPAN: Number of login user IDs per year (as of March 2021)
3. PayPay: Cumulative number of registered users (as of June 2021)
4. LINE: Number of active users per month (as of March 2021)

Phase 2 of Beyond Carrier: Becoming a Comprehensive Digital Platformer

In FY2021, SoftBank shifted into phase 2 of its Beyond Carrier growth strategy. In phase 2, responding to the increasing digitalization of society prompted by the COVID-19 pandemic, we aim to become a "comprehensive digital platformer" that creates new value by connecting our dynamic platforms with the power of cutting-edge technologies, based on the strength of the compelling user touchpoints we have cultivated to date. Each of our services, boasting Japan's largest number of user touchpoints, is a digital platform incorporating AI; by optimizing these services, we aim to find solutions to more social problems than ever before. Using the power of technology to solve social problems is the strategy by which SoftBank will maximize its corporate value and become the corporate Group needed most by people around the world.











SoftBank Sustainability

# Materiality KPIs: Targets and Results

SoftBank has established 43 key performance indicators (KPIs) as indices for promoting steady progress on materiality. While using these KPIs to conduct regular progress evaluations and issue reports of results, the Company adjusts these indicators from time to time in response to changes in its business conditions and in society.

Materiality	SDGs Value Creation	KPIs	Fiscal 2020 Achievements
 <p>1 Building society and industry through DX</p>	(1) Expand and enhance the efficiency of the industrial base through cutting-edge technologies	1) Expanding DX solutions for social and industrial growth / Revenue from business solution and others: 10% CAGR <sup>1</sup>	1) CAGR:17% decrease
	(2) Create new industries through DX	1) Projects undertaken through co-creation with customers: 17 projects in progress	1) Launched 17 projects
	(3) Revitalize local communities (regional revitalization)	1) Expanding partnership agreements and personnel exchanges with local governments: Cumulative total of 70 local governments (FY2023)	1) Cumulative total of 58 local governments (as of March 31, 2021)
 <p>2 Connecting people and information to create new excitement</p>	(1) Realize attractive customer value through the spread of smart devices	1) Smartphone cumulative subscribers: ¥30 million (fiscal 2023) 2) Survey for NPS <sup>2</sup> improvement: Monitor results	1) 25.93 million (As of March 31, 2021) 2) Customer satisfaction survey responses: 4.43 million
	(2) Provide an environment in which everyone can access information	1) Yahoo! News DAU <sup>3</sup> : 45 million 2) Expanding the HAPS Alliance to broaden Internet communications across the world: Promoting initiatives 3) Holding classes to teach how to utilize smartphone: 430,000 classes <b>New</b>	1) 41.81 million 2) Establishment of the HAPS Alliance
	(3) Leverage ICT to create new lifestyles and enhance the foundations for daily life	1) PayPal cumulative registered users: 50 million <b>Updated</b> 2) E-commerce transaction value (Merchandise): ¥4 trillion	1) Users: 38.03million (As of March 31, 2021) 2) ¥2.6 trillion (full-year results for FY2020)
 <p>3 Creating new business through open innovation</p>	(1) Develop new business models with cutting-edge technologies	1) Advancement of efforts toward practical utilization of HAPS (FY2023) <b>Updated</b>	1) Success in stratospheric flight tests and communications
	(2) Incubate and spiral-up cutting-edge businesses overseas	2) Promotion of business operations in Japan	1) Value UP support: Approx. 10 companies Examination of new businesses/investment prospects: 10 companies or more
	(3) Build systems to recruit and develop human resources to lead growth and create new businesses	3) SoftBank InnoVenture commercialization	1) SDGs-themed businesses under consideration for launch: 7 (number of candidates: 160)
 <p>4 Contributing to the global environment with the power of technology</p>	(1) Contribute to the mitigation of climate change through technology and business	1) Ratio of renewable energy for base station: 50% or greater in FY2021 and 70% or greater in FY2022 2) Contribution to overall CO <sub>2</sub> reduction of society: Promoting initiatives <b>Updated</b> 3) To achieve carbon neutral (FY2030) <b>New</b>	1) Achievement of 30% renewable-energy rate in base stations 2) 9% reduction of CO <sub>2</sub> emissions from headquarters (compared with FY2019)
	(2) Promote a recycling-based society (circular economy)	1) Number of mobile phones collected for reuse or recycling: 10 million (FY2020-2025 Total) 2) Percentage of decommissioned base stations going to landfill: 1% or less (annually)	1) 2.54 million phones (FY2020) 2) 0.51%
	(3) Realize a prosperous society through the spread of renewable energy	1) Promoting renewable energy power provision: Expanding provision of renewable energy power plans <b>Updated</b>	1) Launch of sales of plan for 100% renewable energy and effective zero CO <sub>2</sub> emissions (October 2020) Launch of sales of renewable-energy plans for corporate customers

Materiality	SDGs Value Creation	KPIs	Fiscal 2020 Achievements
 <p>5 Building high-quality social communication networks</p>	(1) Prepare sustainable life infrastructure	1) 5G deployment plan Number of base stations: Over 50,000 (end of 2022) Population coverage: Over 90% (end of 2022) <b>Updated</b> 2) Number of major network accidents: Zero 3) Submarine cable: Start operation (FY2022)	1) Achievement of over 10,000 base stations (May 21, 2021) 2) Major network accidents: Zero 3) Coastal waters of Japan: Completion of oceanographic surveys and design of laying routes Southeast Asia: Completion of oceanographic surveys
	(2) Construct robust communications infrastructure to contribute to disaster prevention and mitigation	1) Establishment of three main routes (for Okinawa/Tohoku): Completion (FY2021) 2) Equipment and materials for disaster response and recovery: Support and enhancement Mobile base stations vehicles/portable mobile base stations: maintain 200 or more Mobile power-supply vehicles: maintain 80 or more Portable satellite antennas: maintain 200 or more <b>Updated</b>	1) Completion of machine-room construction (March 2021) 2) Reinforcement of 100 portable satellite antennas
	(3) Promote data security and privacy protection initiatives	1) Number of major accidents involving information security: Zero (annually) 2) Number of major accidents involving privacy issues: Zero (annually) 3) Implementing initiatives that help customers understand how to handle their personal information	1) Number of major accidents involving information security: Zero 2) Number of major accidents: Zero 3) Start of development of the Privacy Center
 <p>6 Developing a resilient management foundation</p>	(1) Enhance corporate governance and ensure its effectiveness	1) Number of compliance violations: Performance monitoring (annually) 2) Exam-taking rate in compliance training: Performance monitoring (annually) <b>Updated</b> 3) Ensure effectiveness of the Board of Directors: Implementation of evaluations (annually) <b>New</b> 4) Average ratio of attendance by all board directors at the Board of Directors meetings: 75% or higher <b>New</b>	1) Number of disciplinary actions: 22 2) Compliance test participants: 99.8%
	(2) Sustainable growth through cooperation with stakeholders	1) Sustainability procurement survey collection: 90% or greater (annually) 2) Support improvement activities at high-risk suppliers: 100% implementation <b>New</b> 3) Supplier inspection /CSR audits: 2 or more companies <b>New</b> 4) Number of partnerships with NPOs: 1,000 organizations (FY2023)	1) Questionnaire response rate: 92% 4) 688 organizations (March 31, 2021)
	(3) Enhance employee happiness with diversity and inclusion	1) Ratio of women in management positions: Over 20% (FY2035) During this process, achieve a ratio of over 15% by FY2030 (double the ratio of FY2021) <b>Updated</b> 2) Ratio of employees with disabilities: At or above the legally mandated level (annually) 3) Paid leave acquisition rate: Keep at 70% or above (annually) 4) Accidents at work sites involving injury or death: Zero (annually)	1) 338 (FY2020) 2) 2.39% 3) 61.8% <sup>4</sup> 4) Number of fatal accidents: Zero
	(4) Enhance productivity with advanced workplace environments	1) Promotion of workstyles for the post-COVID-19 environment Provide office environments that encourage diverse working styles: Performance monitoring (annually) <b>Updated</b> 2) Promotion of workstyles for the post-COVID-19 environment Teleworking ratio: 70% or greater (annually) <b>Updated</b> 3) Ratio of smokers: Decrease of 1% or more YoY, less than 20% (annually) <b>Updated</b> 4) High ranking in Japan surveys: Highly ranked among the major surveys (annually)	1) Shift of about 10,000 employees to a free-address system with the move to the new headquarters Use of shared offices across Japan, including 33 WeWork locations and over 200 other locations 2) 95.9% 3) 26.8% 4) 4.5 stars on the Nikkei SDGs Management Survey and 5 stars on the 2020 Nikkei Smart Work Management Survey Nikkei Smart Work Award 2021 for Technology Utilization Certification in the 2021 List of Outstanding Organizations for Health & Productivity Management (White 500)

1. CAGR: Compound annual growth rate  
 2. NPS: Net Promoter Score  
 3. DAU: Daily Active Users  
 4. Up to FY2019, a level of over 70% was continuously maintained. In FY2022, as a result of the impact of the COVID-19 pandemic, the number of days of continuous leave taken during the summer and other traditional holiday periods is declining. SoftBank is continuing to implement measures such as promotion of work-life balance and fostering a corporate culture in which people feel free to take leave.

SoftBank Sustainability

# Sustainability Promotion Structure

SoftBank established the SDGs Promotion Committee (chaired by Junichi Miyakawa) as an advisory body to the Board of Directors to promote an integrated approach to our growth strategy and sustainability.

### Sustainability Basic Policy

At SoftBank, we will work to resolve various social issues through our corporate and business activities to realize a sustainable society in which all things, information and minds are connected.

- We will provide "wonder," "peace of mind" and "happiness" through customer-oriented corporate activities.
- To meet the expectations of our shareholders, we will not forget to take on the challenge of growth and engage in transparent and fair information disclosure.
- We value work environments with equality and diversity in abundance where employees find meaning, feel proud and are able to express their individuality.

- We will build relationships of mutual trust and engage in fair business practices with our business partners (to prevent corruption and degeneracy, etc.).
- We will contribute to creating a bright future society through the promotion of an information-oriented society and support for the development of the next generation, diverse society, protection of the environment, resources and biodiversity, and disaster countermeasures and relief efforts.

In terms of internal sustainability information and activities, the SDGs Promotion Committee conducts surveys of social issues that must be addressed centered on SDGs and formulates action plans at least four times each year. Additionally, activity reports are provided to the Board of Directors to reflect sustainability perspectives and awareness in Company management.

In 2021 SoftBank further elevated its activities on sustainability by establishing the SDGs Promotion Council, an independent, third-party advisory body composed of outside experts and others, to secure the effectiveness of the SDGs Promotion Committee. Similarly, to strengthen the Company's response to climate change, the Carbon Neutrality Working Committee was established as a subcommittee of the SDGs Promotion Committee. The Carbon Neutrality Working Committee confers on and carries out measures against climate change.

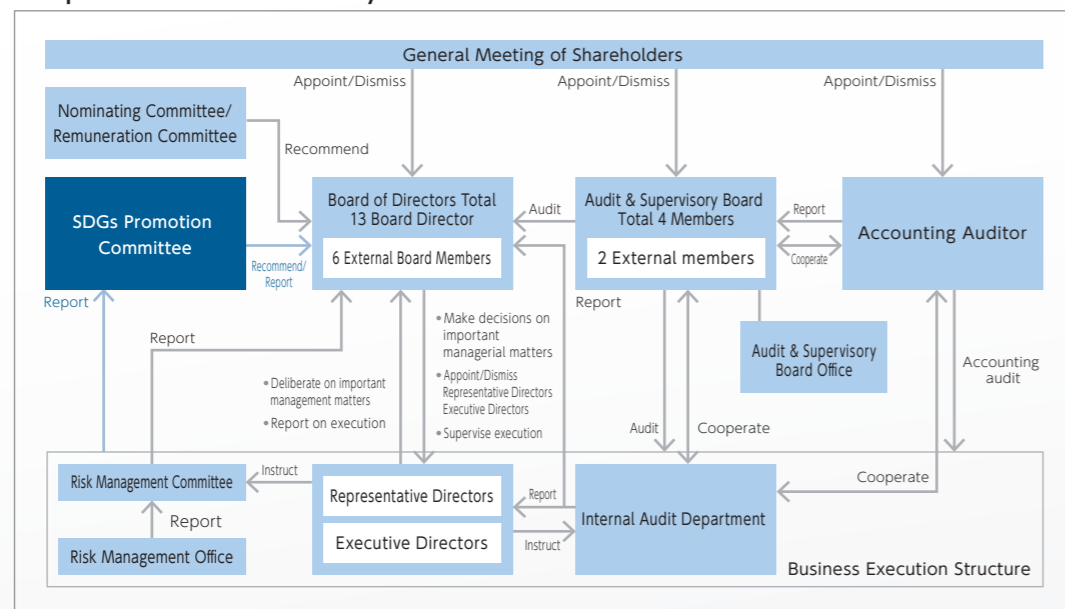
## SDGs Promotion Committee

Fiscal year	Date of meeting	Agenda (excerpt)	Fiscal year	Date of meeting	Agenda (excerpt)
FY2020	1 <sup>st</sup> : April 21	•Confirmation of SDGs promotional system •Details of materiality items and KPIs •FY2020 implementation plan	FY2021	1 <sup>st</sup> : April 20	•Confirmation of FY2020 results •Reexamination of materiality and confirmation of details •Details of KPI in FY2021 •FY2021 implementation plan
	2 <sup>nd</sup> : July 14	•External environment and trends related to ESG •Details of response to climate change and related risks/opportunities •Dialogue with outside experts: Corporate growth through ESG and evaluation and measurement of social impact		2 <sup>nd</sup> : July 27	•External environment and trends related to ESG •Progress on various SDGs promotional activities •Responses with respect to carbon neutrality •Dialogue with outside experts: Importance of SDGs management
	3 <sup>rd</sup> : October 27	•External environment and trends related to ESG •Status of progress on materiality KPIs in H1 FY2020 •Status of spread of the SDGs within the Group and measures in response			
	4 <sup>th</sup> : January 26	•External environment and trends related to ESG •Progress on various SDGs promotional activities •Targets for measures in FY2021			

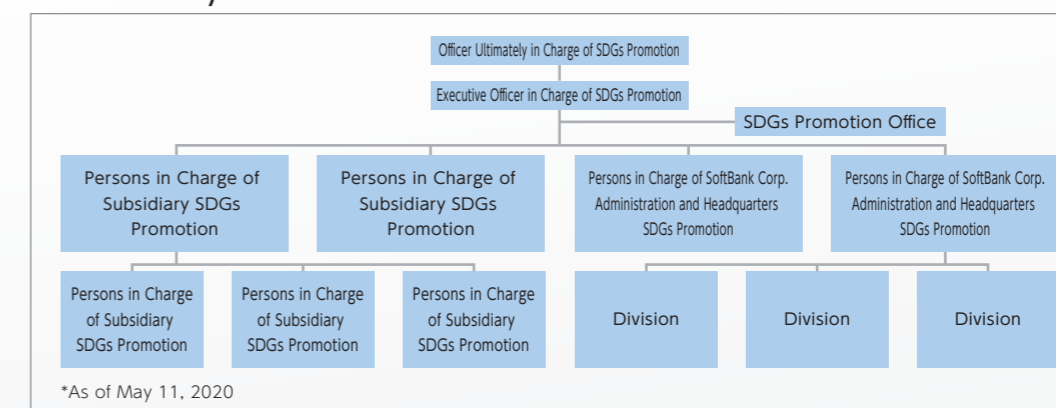
## Internal Execution Structure

Junichi Miyakawa, Representative Director, President & CEO, is ultimately responsible for promoting the SDGs and overall sustainability activities of SoftBank Corp., its subsidiaries and the SoftBank Group as the Chief SDGs Promotion Officer. The SDGs Promotion Office was established to lead the SoftBank Group's sustainability activities. Fumihiro Aono, Executive Vice President and CHRO, is in charge of SDGs promotion. In addition, SDGs Promotion Officers have been appointed throughout the Company and at our subsidiaries to conduct various activities in line with business efforts as well as collaborate with the SDGs Promotion Office to unite the SoftBank Group and engage in high-impact activities.

## Corporate Governance System



## Sustainability Promotion Structure



## SDGs Promotion Committee

Based on the advice and deliberations of the SDGs Promotion Committee, SoftBank is enhancing the level of its response to sustainability issues by deepening its understanding of sustainability and driving the PDCA cycle.



## Strengthening the Group's Coordination Framework

While Group-wide efforts toward sustainability increase in importance, the external environment for the SoftBank Group is changing in many ways. Corporate groups are reinforcing governance, while the Tokyo Stock Exchange has undergone reorganization (changed market categories) and revised the Corporate Governance Code. In view of these changes, and with the objective of strengthening and enhancing its response to sustainability issues of SoftBank and the SoftBank Group, the SoftBank Group implements a Group Liaison Committee on SDGs Promotion, linking all companies of the Group, to meet at least twice a year. In FY2020, the Committee met once in September 2020 and once in March 2021, with SDGs promotion managers and persons in charge of SDGs promotion participating as representatives of their respective Group companies.

At the March 2021 Group Liaison Committee meeting, the representatives shared information on the status of measures toward sustainability at each company and conducted groupwork to fortify synergies among Group companies. The Liaison Committee also takes steps to foster and strengthen Group-wide solidarity on sustainability issues and raise awareness of the SDGs within the Group. For example, the Liaison Committee offers guidance on the presentation of the Group SDGs Awards, launched in FY2021, which recognize successful examples of SDGs initiatives at Group companies.

SoftBank Sustainability

Message from the SDGs Promotion Officer

**Promoting the SDGs**

As a good corporate member of society, SoftBank regards contributing to the creation of a sustainable society as a vital management issue. We are working hard toward the attainment of the SDGs, whose goals are held in common worldwide. To respond to the concerns and expectations of a wide range of stakeholders, from communities to customers and business partners, we are building a framework for contributing to the SDGs through our corporate and business activities.

In addition to establishing the SDGs Promotion Committee as an advisory body to the Board of Directors, the Group has launched the SDGs Promotion Office, which functions to encourage in-house promotion of the SDGs within SoftBank Corp. and its Group companies. Junichi Miyakawa, President & CEO, serves as the Group's Chief SDGs Promotion Officer, assuming the lead role in SDGs promotion, while I am responsible for promoting the SDGs Group-wide as the Executive Officer in Charge of SDGs Promotion.

**Responding to Climate Change and Other Global Environmental Problems**

The Company positions its response to global environmental issues as an item of materiality and an important theme. In April 2020 SoftBank announced that it endorsed the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD). We are now moving forward with efforts based on the TCFD recommendations and is working hard to provide full and proactive disclosure. Also, the Company has announced the Declaration of Carbon-neutral 2030, which pledges SoftBank to reduce its emissions of greenhouse gases to effective zero by 2030. The Company is working to switch the electricity it uses to 100% effectively renewable energy. Moreover, leveraging to maximum advantage its strengths in cutting-edge technologies such as AI and IoT, the Company is striving to advance responses to climate change, promotion of a recycling-based society and the spread of natural-energy use.

**Meeting Society's Needs**

In recent years, concern for respect for human rights in corporate activities has intensified. In 2020 the government of Japan formulated an action plan on "Business and Human Rights," encouraging Japanese companies to redouble their efforts in this area. These developments testify that the importance attached to respect for human rights is constantly increasing. In accordance with international standards such as the Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights, SoftBank is focusing closely on respect for and response to human rights. Under the SoftBank's human rights policy, the Company calls on all stakeholders, from employees to customers, business partners and the supply chain, to prohibit discrimination and harassment, and creates processes for due diligence on human rights to respect the human rights of all stakeholders affected by our business activities. To achieve dynamic and supportive work environments, the Company is focusing on diversity and inclusion and is creating opportunities and environments for diverse personnel to apply their individuality and skills regardless of age, sex, nationality and able-bodied/disabled status.

In June 2021, SoftBank established the Advancement of Women Promotion Committee, appointing Junichi Miyakawa, President & CEO, as chair. Inviting various experts to serve as advisors, the Company launched a series of initiatives aimed at promoting women's participation in the working world. The Company has set targets of doubling women's representation in senior management from 7.1% in FY2021 to 15% in FY2030 and tripling it to 20% by FY2035. By fostering environments in which a diverse workforce of capable people can thrive and creating a dynamic and supportive organization, the Company aims to accelerate the growth of Group operations.



**Smart & Fun! Workstyle Innovation**

Applying its strengths in IT, in 2017 the Company launched the Smart & Fun! initiative. In this initiative for workplace innovation, the Company is building an environment in which it can use technology to put work-life balance into practice and invest in new approaches and personal growth. As an enterprise whose business domain consists of the latest technologies, SoftBank actively introduces working at home and other telework styles, promoting advanced workstyles that make the most efficient use of time. As the COVID-19 pandemic makes the advancement of telework a necessity worldwide, SoftBank has earned success as an early promoter of new workstyles using technology. Over 90% of SoftBank employees adopt telework, securing continuity of operations amid the pandemic. In January 2021, to achieve further innovation in workstyles, the Company moved its headquarters into new premises in the Takeshiba area, on the Tokyo waterfront. This move furnished Company employees with an office environment imbued with cutting-edge, AI-driven technology, to maximize employee performance. In combination with initiatives at WeWork locations and other satellite offices located throughout Japan, this action is further inspiring innovative and creative workstyles, liberating work from traditional bonds of place and time.

**Strengthening Governance**

At SoftBank, we believe tenacious corporate governance is an indispensable requirement for achieving a sustainable society. SoftBank is building a sophisticated system of corporate governance, focusing on the Board of Directors and the Audit & Supervisory Board, and is reinforcing these bodies' mutual monitoring functions. To ensure that all employees practice highly transparent governance and sound business activities, we require strict compliance with the SoftBank Code of Conduct and work hard to instill these values in employees through training and a wide variety of other efforts. In this way we endeavor to guarantee transparency in all our corporate activities and improve and strengthen corporate governance to earn the trust of all stakeholders.

**All Employees Contribute to the SDGs**

In each department, it is natural for people to wonder, as they execute their daily duties, "How does the work I'm doing now benefit society?" At such times, these materiality items and SDGs serve as a compass, guiding each individual employee. I believe it is vital that all employees share an awareness that, by contributing to the world through our business, they are contributing to the creation of a sustainable society.

I am convinced that that is the case when the work of all SoftBank employees is connected to the SDGs.



Executive Vice President, CHRO & Executive Officer in Charge of SDGs Promotion  
**Fumihiko Aono**

I am convinced that the work of all SoftBank employees is connected to the SDGs.

SoftBank Sustainability

SDGs Dissemination and Awareness

Internal Dissemination and Awareness Efforts

Each employee must have a proper understanding of the SDGs and our policies related to them to ensure the promotion of businesses, initiatives and operations are based on contributions to the SDGs. Thus we are engaged in a variety of training and awareness activities. By inculcating the awareness that the work and activities of all employees contribute to SDGs, we aim for each employee to conduct their duties with SDGs in mind.

A Message from Management to All Employees

At the quarterly morning meeting held on April 1, 2020, the previous President of SoftBank Corp., Ken Miyuchi, addressed all employees. He expressed his intention to make full-scale efforts toward achieving the SDGs and explained SoftBank's SDGs initiatives and materiality items. In addition, on July 1, a special morning assembly was held in place of the employee conference in which all employees participate every year, where the SDGs concept video "SoftBank → SDGs" released on June 24 was shown. The previous President of SoftBank Corp., Ken Miyuchi, gave a message about the importance of each and every employee contribution to SDGs, stating "SoftBank will strive to contribute to the future of society through its business activities and contribute to achieving the goals of the SDGs." In addition, the three Vice Presidents also announced that they will promote businesses and activities that lead to SDGs in their respective business areas.



SoftBank also prepared digest editions\* of each theme in Sustainability Report 2020, which it distributed to all employees via the responsible officers. In follow-up questionnaires, approximately 90% of employees demonstrated understanding of the content, indicating that employee awareness of the SDGs is growing. \*Five editions were published: Strategy, DX and New Business, Lifestyles, Networks and Environment and Governance.

Employee Training

To foster a deeper understanding of SDGs, we created "SoftBank SDGs" and implemented it for all employees. Content taught through e-learning aims to enable employees to apply basic knowledge on SDGs to their everyday work efforts, making SDGs a personal concern. SoftBank also provides employees with opportunities to gather a wide range of information and exchange views about the SDGs. These include Group-wide seminars on sustainability, presented by invited experts; round-table discussions on SDGs themes, in which attendance is optional; and dissemination of information on the SDGs on the Company intranet.

Training for New Employees, Managers and Crews

To enlighten and raise awareness in employees, SoftBank holds separate orientation sessions on the SDGs for graduate and mid-career hires, as well as training sessions by managerial level. In the training session for graduates hired in FY2021, the new hires were divided into teams and each team presented a workshop on new business proposals, with the SDGs as the theme. In this way all new hires examined and made presentations on business creation with the SDGs in mind. In training sessions for new managers, exercises are conducted to reinforce managers' understanding of companies' duty to grapple with the SDGs and the importance of doing so, as well as of "materiality," SoftBank's policy on the SDGs.

For SoftBank shop crews, who play a vital role in promoting materiality, explanations are presented on the Group's relationship with the SDGs, using examples from shop activities, as part of the crews' brand training.

Soliciting Business Ideas through the SDGs

We solicited SDGs-themed business ideas through the "SoftBank InnoVenture" internal entrepreneurship system. Some 160 ideas were submitted, of which seven are under consideration for commercialization. We examine businesses enabling each and every employee to contribute to the SDGs, promoting initiatives aimed at achieving SDGs while realizing employee business ideas and supporting the creation of new businesses.

Reflection in Employee Remuneration and Incentive Plans

In advancing Group-wide SDGs initiatives, we are promoting the conscious reflection of our sustainability strategy in the setting of targets. When setting targets to evaluate how much a given activity contributes to the SDGs, those targets should incorporate details from one's own activities, confirming and referring to conformity with the targets of one's own organization for materiality and SDGs value creation. This practice provides each employee with the opportunity to incorporate the SDGs into his or her own duties. The SoftBank Award is an award conferred on SoftBank employees who achieve significant results through ambitious and original efforts. To encourage employees to incorporate the SDGs into their efforts of their own volition, one of the factors considered in evaluating a project is its degree of contribution to the SDGs.

External Dissemination of Messaging and Initiatives

SoftBank proactively disseminates information through a variety of contact points to convey to stakeholders its stance and initiatives with regard to contributing to the SDGs.

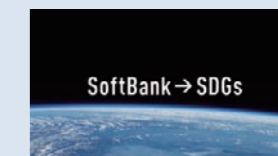
We introduce policies and initiatives that contribute to the SDGs and a sustainable society in an easily understandable and timely manner.

Explanations at the Annual General Meeting of Shareholders, Earnings Presentations and Business Briefings

At the earnings presentation for the fiscal year ended March 31, 2020, and at the Annual General Meeting of Shareholders held in June 2020, SoftBank declared its determination to grapple proactively with the SDGs as part of its growth strategy going forward. The Company continues to issue timely public updates regarding efforts on sustainability through a variety of platforms.

SDGs Concept Video

SoftBank released a concept video concisely explaining its SDGs strategy. Based on our corporate philosophy "Information Revolution — Happiness for everyone" and the concept of "a world where all things, information and minds are connected," this video expresses how SoftBank thinks with regard to SDGs and how this is incorporated into materiality.



"SoftBank Sustainability" Dedicated Website Launch

In May 2020, we launched the dedicated website "a world where all things, information and minds are connected—SoftBank Sustainability". This website introduces SoftBank's stance and initiatives toward the SDGs and sustainability to external stakeholders. We aim to obtain a deep understanding of our efforts through the provision of information that stakeholders want to know as occasion demands.

Newspaper Announcement

Four times in FY2020, we published advertisements in the Nikkei Morning Edition. On June 25, 2020, we took out a full-page advertisement in this newspaper. The main visual depicts the canine "father" of the Shirato family looking toward the future, surrounded by colorful designs expressing the SDGs. The ad informs that SoftBank will strive to resolve social issues through six materiality initiatives and contribute to the achievement of the SDGs. The Company continues to take out advertisements in this series, using these key visuals as their keynote.

Communicating through SoftBank News and Social Media

We disseminate information on SoftBank initiatives contributing to the SDGs through owned media *SoftBank News*, which provides information useful for daily life and the latest information on SoftBank under the theme of "IT × lifestyles," as well as through official SoftBank accounts on social media.

- "The SDGs in Three Minutes," under the editorial supervision of Professor Norichika Kanie, Graduate School of Media and Governance, Keio University
- "What Are ESG and ESG Investment?," under the editorial supervision of Kenji Fuma, CEO of Neural Inc.
- "What Does 'Carbon Neutral' Mean?," under the editorial supervision of Seita Emori, Deputy Director, Earth System Division, National Institute for Environmental Studies



Lectures and Study Sessions

We conduct activities to introduce SoftBank's approach and initiatives toward achieving SDGs to local governments and organizations, universities, elementary and junior high schools and business partners. We hope that these efforts will not only deepen understanding of the Company but also provide opportunities to understand the importance of each individual's awareness and actions toward achieving the goals of the SDGs.

Symbol Development and Use for Company Items / Use for Customer Items

To convey to as many people as possible SoftBank's efforts toward achieving SDGs, we created a symbol using the Shirato canine father as the motif, place SDGs illustrations on corporate tools such as business cards, envelopes, paper bags and presets that can be used as Zoom backgrounds that are distributed to all employees.

Also, we use eco-friendly materials for our disposable shopping bags and desktop calendars and apply these items as touchpoints for informing customers of our efforts on the SDGs.



SoftBank Sustainability

# COVID-19 Response

In response to the increasing impact of COVID-19, we have undertaken various efforts and support for our customers, business partners, employees and staff. SoftBank will continue to fulfill its responsibilities as a telecommunications company during times of emergency and make every effort to contribute to resolving this situation as soon as possible.

## For Customers

### Store Initiatives

We are making the following efforts so that customers can visit our stores with peace of mind.

- (1) Ensure sufficient distance between seats when serving customers
- (2) Sterilization of spaces and items shared by customers and staff
- (3) Face masks, goggles, sterilized wipes and disinfectant spray provided for staff
- (4) Use of plexiglass barriers for face-to-face interactions with customers
- (5) Mandatory face masks for staff, thorough hand washing and gargling
- (6) Staff temperature measurements and health reports every morning
- (7) Customers visiting the store require temperature measurements using an AI body temperature detection solution and a non-contact thermometer

### Shop Visits by Appointment

To ease congestion inside shops, customers are asked to make an appointment before visiting one of our shops. This measure enables customers to be guided smoothly to the services they need and prevents crowding. (Appointments are waived in the case of product failures or other emergencies.)

### Online Services

Due to a limited number of employees and staff in the workplace, it has become difficult to reach customer support by telephone. Customers are asked to use the SoftBank website to utilize our services, view or change contract details and confirm prices.

### Extended Payment Deadline

For customers who experienced difficulty paying their service usage fees, payment deadlines were extended.

### Additional 50GB of Free Data and Tethering Option for Users Aged 25 or Younger

To support the use of smartphones for online education, until August 31, 2020 we provided up to an additional 50GB of data free of charge, as well as a tethering option free of charge, to individual customers aged 25 or younger.

### Additional Online Informational

We created a new section on our website summarizing the various preventative measures and support efforts we have undertaken in response to COVID-19.



## For Corporate and Government Partners

### “SenseThunder” AI Temperature Detection Solution

This solution uses AI to authenticate individuals and measure their temperature, while detecting within 0.5 seconds without contact whether they are wearing a mask or not, to identify individuals suspected of having a fever, in real time. In this way the solution provides thorough screening for mask wearing and fever. Companies and local government offices can use this solution to reduce risk of infection, contributing to a reassuring environment.



### SoftBank Telework Support

SoftBank launched SoftBank Telework Support, a telework support website to provide solutions useful for telework free of charge (for a limited time only). This service supports customers' new workstyles with solutions to realize remote conferencing and strengthened security.

### Device Lending

We lend smartphones and tablets to facilitate the work of local governments and promote telework. We are promoting the support of initiatives that ensure continuity of government and related bodies through the provision of ICT terminals during emergency situations.

## For Employees

### Working from Home

To prevent the spread of COVID-19, we removed restrictions on working from home on February 25, 2020, then shifted to a full-time work-at-home system. By utilizing IT tools such as online conferencing systems, approximately 90% of our employees, excluding those who work at SoftBank shops and other stores, have been working from home.

### Antibody and PCR Testing for Safe and Secure Workplaces

In May and June 2020, COVID-19 antibody testing was conducted on SoftBank Group employees, business partners and employees of medical institutions. The Company is currently partnering with SB Coronavirus Inspection Center Corp., a subsidiary of SoftBank Group Corp., to provide a framework in which interested departments and employees can obtain a saliva PCR test using the healthcare app HELPO. Through measures such as these, the Company is providing support to prevent the spread of infection, protecting Company employees and their families, as well as business partners.

### Vaccination at the Workplace and Provision of Special Paid Leave in Cases of Side-effects

SoftBank provides inoculation with COVID-19 vaccines at the workplace for employees of SoftBank and its Group companies, along with their families, as well as for staff working at SoftBank and Y!mobile shops and call centers, among others. The Company establishes vaccination sites wherever in Japan it has locations, offering vaccination through partnerships with occupational-health physicians, doctors and nurses working at Group companies, and medical firms partnering with the Company on health checkups and the like. If employees suffer side-effects caused by vaccination, requiring convalescence; are needed to escort family members for vaccination; or require nursing due to side-effects, they can obtain up to two days' special paid leave, called "COVID-19 post-inoculation side-effect leave."

## Initiatives by SoftBank Group Companies

### Support Activities Through Yahoo Japan

Yahoo Japan launched a special website to quickly and accurately convey information about COVID-19. "Yahoo Internet Fundraising" is collecting donations for COVID-19 relief so that everyone who wants to take action can offer their support. To date, more than ¥1,084 million has been donated\*.

In addition, through measures such as the launch of the "Yahoo Stay at Home" website, which provides information to support people living under COVID-19, Yahoo Japan offers a platform for connecting people with information, constantly creating new value while responding to a changing society.

\*"Yahoo Internet Fundraising" fundraising amount associated with COVID-19 support (as of July 31, 2021)

### Measures Against COVID-19 Using LINE

LINE and the Ministry of Health, Labour and Welfare (MHLW) have conducted a "National Survey for Use in Measures Against COVID-19" using LINE. The survey will be used to obtain up-to-date information on COVID-19 and consider measures to prevent its spread. By using LINE, an app familiar to millions of Japanese in their daily lives, MHLW was able to obtain a response rate of about 25% each time, gathering between 15 million and 25 million responses. The survey results were analyzed by MHLW, playing a valuable role in a variety of measures.

Also, to support health management for people returning to Japan, LINE provides an inquiry service using an AI chat bot and AiCall, an AI-based telephone support service. This service reduces the workload on healthcare-center employees in confirming the health of returnees as they wait at home. In addition, in Kanagawa Prefecture, LINE's AI chat bot and AiCall are being used to confirm and assess the health of people receiving medical care at home and provide follow-up if symptoms worsen. This solution reduces the burden on both the government and users, while contributing to the formation of a system by which healthcare workers can respond in cases of emergency.



Materiality 1

# Building Society and Industry through DX (Digital Transformation)

~Redefining Industry with DX~



In order to solve problems faced by corporations and problems faced by the industry, SoftBank is promoting digitization and digital transformation (DX) of the business environment by using cutting-edge technologies such as 5G, AI (artificial intelligence), IoT<sup>1</sup>, RPA<sup>2</sup>, and big data. By reviewing business processes and aiming for overall optimization rather than partial optimization, SoftBank will streamline corporations and the entire industry, and will accelerate the speed of social change. In conjunction with these changes, the Company is redefining industries and society, creating new businesses and industries, and supporting the cultivation of digital human resources.

For example, in the medical field, SoftBank provides healthcare apps to employees and residents through corporations and municipalities. Users can easily consult via chat with physicians, nurses, and pharmacists 24 hours a day, 365 days a year on health and medical issues. This achieves one-stop services ranging from searching for hospitals to purchasing ordinary medication and receiving online consultation. In the field of water infrastructure, SoftBank is aiming to solve water-related problems. For example, we are working to reduce the maintenance cost of water infrastructure in depopulated areas and ensure prompt water supply in the event of a disaster by using a small-scale water circulation system that does not depend on water pipes. In the field of transportation, the Company is striving to realize new mobility services to eliminate traffic congestion in urban areas and secure transportation methods in rural areas.

SoftBank is also aiming to achieve a smart city that is expected to contribute significantly to urban revitalization and industrial development by utilizing technologies such as 5G, AI, and IoT throughout the entire city, not just in specific fields. For example, through industry-government-academia collaboration, the Company will construct a "next-generation data linkage platform" that centrally manages public data such as traffic information, private data such as the flow of people, and sensor data such as the water level of rivers. By utilizing digital twin technology to conduct simulations and forecast the future in virtual space, SoftBank will become able to visualize urban problems, analyze causal factors, and derive optimal solutions, after which we will apply those solutions in real space. There are two types of smart cities: urban cities and regional cities. Particularly in Japan, expectations for technology used in regional revitalization are increasing every year. SoftBank is implementing various initiatives such as entering into partnerships with local governments and educational institutions in order to solve a wide variety of regional problems; for example, labor shortages due to Japan's ultra-aging population, disaster countermeasures, and tourism promotion.

1. Acronym for "Internet of Things." Refers to technologies or services that are achieved by attaching sensors to various objects, equipping those objects with a communication function, and connecting the objects to the internet.  
 2. Acronym for "Robotic Process Automation." Refers to the use of software robots to automate and streamline operations.

## » Social Issues

- Resolve labor shortages caused by a declining population
- Advance the foundation of industry and renew aging infrastructure
- Close the gap in economic disparity between regions
- Ensure the continuity of social activities during COVID-19

## » Risks and Opportunities

- Risks**
- Declines in profitability due to intensified competition caused by a series of new entries into the enterprise solutions market
- Opportunities**
- Expansion of solutions business for implementing digital technologies to society
  - Growing opportunities to provide solutions for regional revitalization

## » SDGs Value Creation

- (1) Expand and enhance the efficiency of the industrial base through cutting-edge technologies
- (2) Create new industries through DX
- (3) Revitalize local communities (regional revitalization)

## » KPIs

- (1) Expanding DX solutions for social and industrial growth / Revenue from business solution and others: 10% CAGR\*
- (2) Projects undertaken through co-creation with customers: 17 projects in progress
- (3) Expanding partnership agreements and personnel exchanges with local governments: Cumulative total of 70 local governments (FY2023)

\*CAGR: Compound annual growth rate

## » Main Businesses and Initiatives

- Leverage 5G, big data, AI, and other technologies
- Streamline industry through AI, RPA (Robotic Process Automation), IoT, and other technologies
- Create new businesses in various industries using DX solutions through co-creation with our customers
- Solve social issues by providing DX solutions to local communities and governments
- Engage in co-creation to bring about smart cities
- Implement initiatives using technologies to promote collaboration with local governments and stimulate local communities

Materiality 1 Building Society and Industry through Digital Transformation (DX)

Key Person Interview



**Yasuyuki Imai**  
Representative Director & COO

**Situation Surrounding Japan and Corporations (Background of Need for DX in SDGs)**

Recently, the impact of COVID-19 has drastically changed how we work and spend everyday life in ways that we never could have imagined. In the era of "new normal," it is necessary to rethink the way in which we do business and our work style. The digital shift of corporations is accelerating rapidly.

Technology is now essential for achieving SDGs, and digital transformation (hereinafter, "DX") is expected to fulfill a leading role. For example, the Japanese government and Keidanren (Japan Business Federation) proposed Society 5.0 and announced the concept of "Society 5.0 for SDGs," which utilizes innovative technologies to achieve the SDGs. Furthermore, with the establishment of the Digital Agency in September 2021, it is expected that active efforts will be made toward the formation of a digital society. As a result, DX will progress in all industries, both public and private, and DX will accelerate throughout all of Japan.

SoftBank believes that the key to realizing business growth and contributing to achievement of SDGs is to leverage our relationships with numerous companies and local governments, and to utilize our strengths in technology utilization to assist in DX for all corporations and the entirety of society.

**DX for Corporation and Society / OS for Cities**

SoftBank is promoting DX for corporations and industries centered on four areas. The digital communication area invigorates communication through technology such as online chat and remote conferencing. The digital automation area uses technology to automate business and field work. The digital marketing area performs tasks such as collection/integration of data and analysis of customers. Finally, the security area protects information assets from threats such as cyberattacks. SoftBank combines these areas to make proposals which support all facets of DX in corporate activities and business activities.

Additionally, in order to achieve DX of society, SoftBank will construct a data linkage platform that links public and private data through co-creation, and centrally connects and utilizes digital data. The Company will work to improve resident services provided by government by connecting data that had previously existed separately on a single platform, thus creating such a society where the necessary information can be immediately delivered to the people who need that information.

**Conclusion**

The transformation of social design is another important element of DX initiatives. By using DX to increase the sophistication of social infrastructure such as medical care, logistics, water services, gas, and transportation infrastructure, SoftBank will provide services which go beyond the digitization of corporations and industry to realize a more comfortable and prosperous lifestyle for ordinary citizens. When including subscribers of mobile phone services such as SoftBank, Y!mobile, and LINEMO, as well as users of Group companies such as Yahoo Japan, PayPay, and LINE, SoftBank has one of the largest touch points with customers in Japan. By utilizing this strength to build a BtoBtoC model that serves as a hub between corporations and between corporations and consumers, I am confident that SoftBank can create a new business model while at the same time contributing to the realization of a society where many people can work and live in comfort.

SDGs Value Creation

1

Expand and Enhance the Efficiency of the Industrial Base through Cutting-edge Technologies

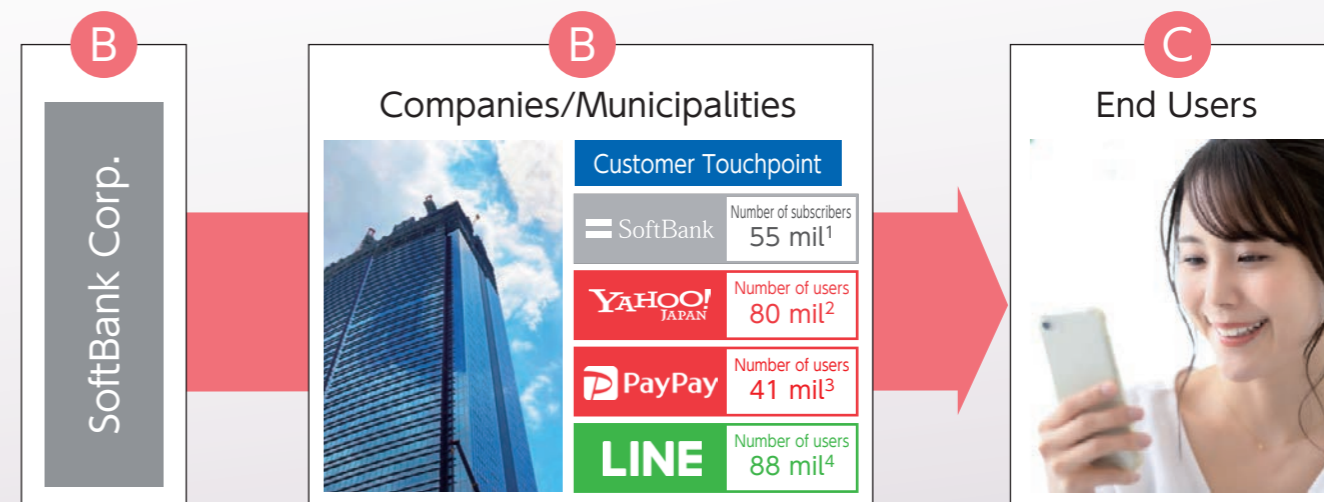
By utilizing technologies such as 5G, big data, AI, and IoT, we will deploy cutting-edge solutions on a broad scope throughout society. By streamlining and stimulating business, we will contribute to DX-driven advancement of social infrastructure.

**Promote Corporate DX and Social DX through Support for Digitization**

The spread of COVID-19 has further accelerated the flow of digitization around the world, and digitization is expected to progress in all industries in the future. SoftBank supports the digitization of all industries under our concept of "Beyond Carrier" that we advocate as a growth strategy.

For example, the Company is promoting corporate DX by providing more than 100 types of solutions in four areas: the digital communication area, which accelerates communication and sharing of corporate information, the digital automation area, which promotes the automation of business and field work, the digital marketing area, which uses enormous amounts of information to predict the future and then uses those predictions in marketing, and the security area which supports these three areas. Cloud services are essential for corporate DX. However, the introduction of clouds is not progressing due to many corporations facing problems such as insufficient know-how for cloud operation, insufficient personnel, and risk of information leakage. Under the multi-cloud strategy, SoftBank provides centralized services, including network services, security services, and data center services, thus enabling corporations to freely utilize various public clouds such as Google Cloud and Microsoft Azure. Furthermore, SoftBank provides consulting, introduction support, and MSP (Managed Service Provider) services offering managed services, all of which are fully supported by experienced cloud specialist SEs. In this way, we provide integrated support from cloud introduction to operation. In February 2020, in recognition of our proposal capabilities and technical capabilities, SoftBank was certified as a Microsoft Azure Partner. We became the first Japanese corporation to receive certification for both Microsoft Azure Expert MSP and Microsoft Azure Networking MSP. In April 2021, SoftBank became one of only four Japanese corporations to be certified as a Google Cloud Partner. We are the only corporation in Japan to acquire MSP certification from both Microsoft and Google Cloud\*.

\*As of April 2021



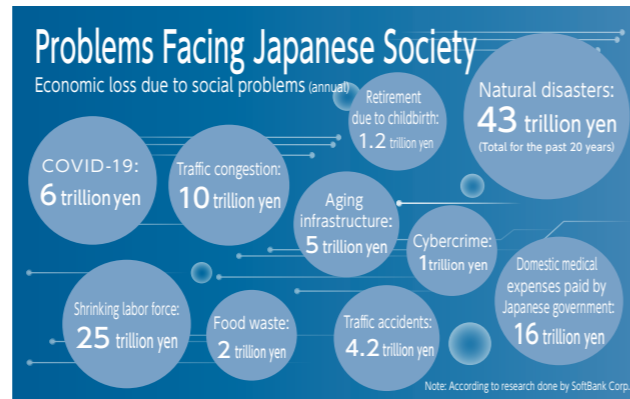
1. Cumulative number of subscribers to mobile communications services (47.285 million) and cumulative number of subscribers to broadband services (8.139 million) (as of March 2021)  
 2. Yahoo! JAPAN: Number of login user IDs per year (as of March 2021)  
 3. PayPay: Cumulative number of registered users (as of August 2021)  
 4. LINE: Number of active users per month (as of March 2021)

Materiality 1 Building Society and Industry through Digital Transformation (DX)

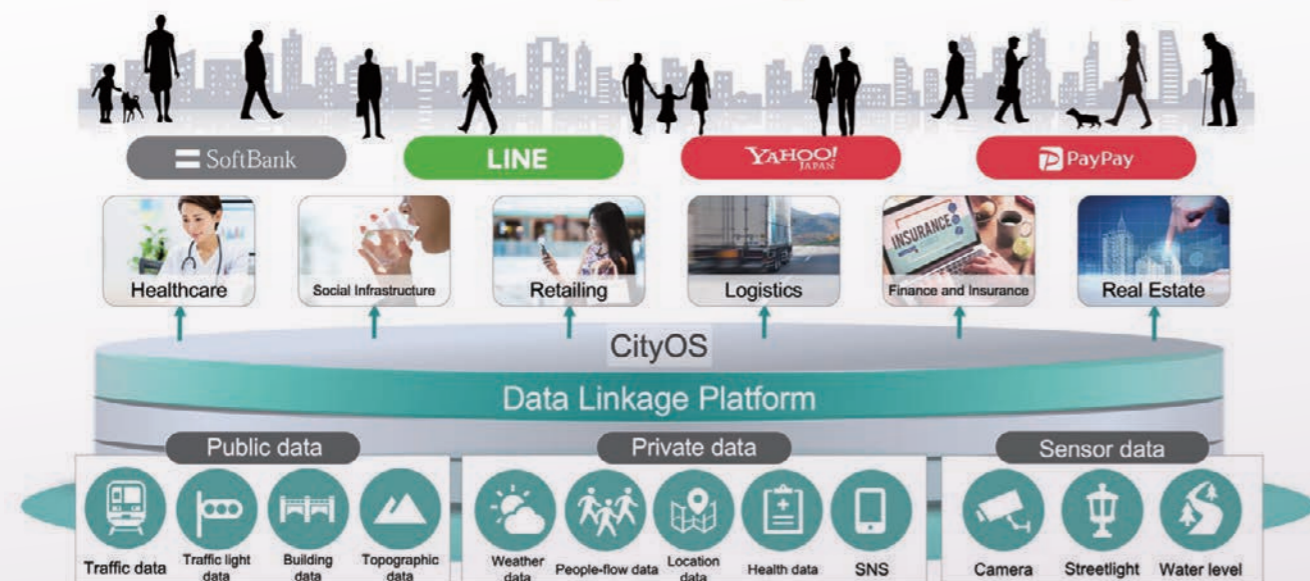
SDGs Value Creation (1)Expand and Enhance the Efficiency of the Industrial Base through Cutting-edge Technologies

SoftBank also possesses a BtoBtoC business model that leverages the largest customer touch points in Japan. In addition to SoftBank users who have mobile phones and smartphones, other touch points include SoftBank Group companies such as Yahoo Japan, PayPay, and LINE. In this way, we are contributing to the growth of our customers' business through the digitization of corporations.

Today, Japan is known as a "developed country facing problems." This refers to the many problems faced by Japan including an ultra-aging society, a shrinking labor force, depopulation, increasing social security costs, and aging social infrastructure. SoftBank utilizes cutting-edge technology to propose solutions to these various social issues. As a feature of our DX business, we connect information across all industries (both public and private) to a "next-generation data linkage platform." Our goal is to create a society in which data is utilized in all digital services such as healthcare and disaster prevention. SoftBank is creating these digital services through new businesses co-created with partner companies. Working together onsite with our partners at the frontline enables us to share a sense of the problems being faced and to constantly create new businesses with the power to execute and drive forward. By leveraging our strength of having many points of contact with customers, including users of SoftBank and our Group companies, we will build a next-generation social infrastructure where these digital services will spread and transform the social structure of Japan. By doing so, SoftBank will contribute to the promotion of DX and the creation of a sustainable society in Japan.



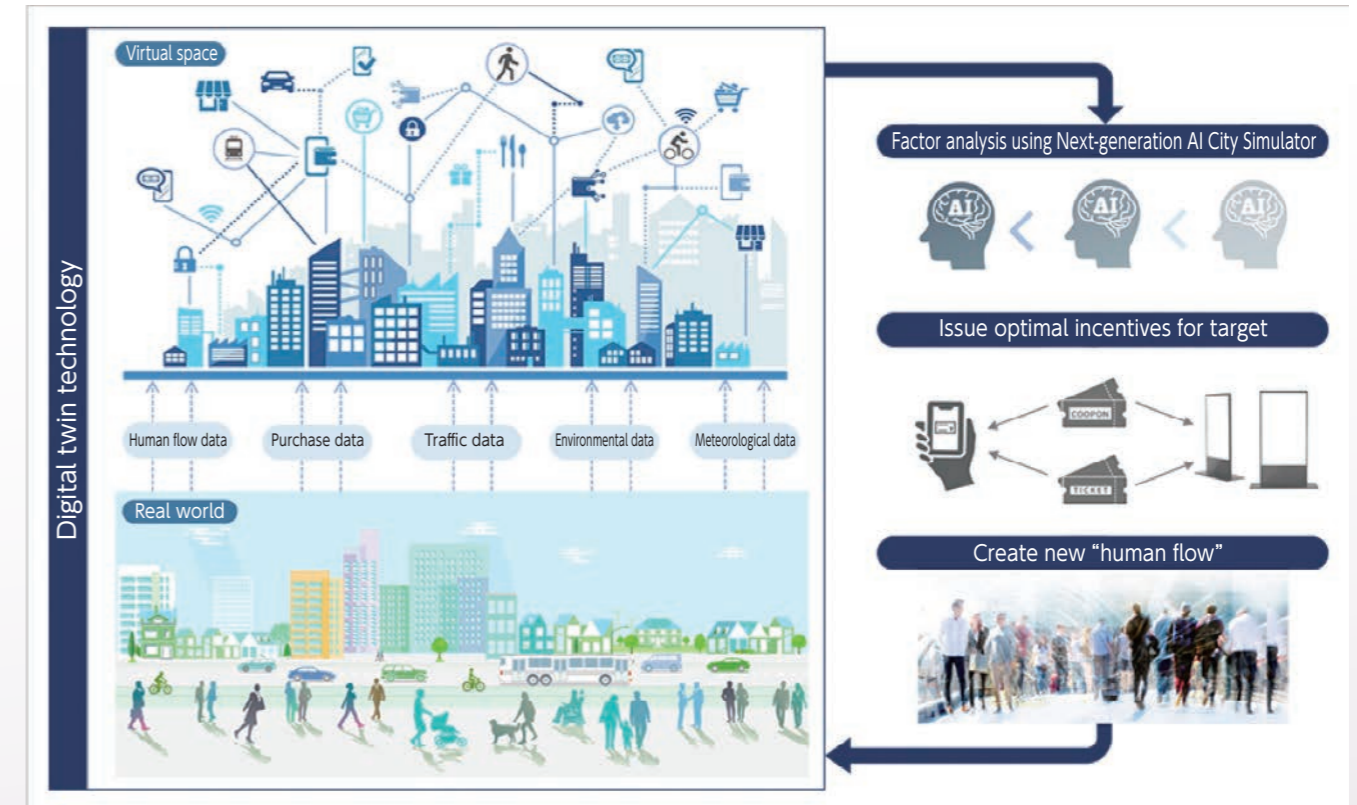
One of the initiatives for the digital transformation of society is smart cities. As part of this concept, SoftBank is working to construct a "next-generation data linkage platform." The "next-generation data linkage platform" is a platform for centrally linking public and private data. For example, public and private data includes public data such as traffic information, private data such as weather information and the flow of people, and sensor data such as cameras and river water levels. All of this data will be aggregated into a next-generation data linkage platform which is then connected to various services in fields such as healthcare, retail, logistics, and finance. In this way, SoftBank will achieve overall optimization in all industries. By providing these services to residents through SoftBank's touch points with end users (the largest in Japan), we aim to provide a more convenient and affluent lifestyle, while at the same time creating cities which match the shrinking labor force faced by Japan.



A cutting-edge example related to smart cities is the initiatives being conducted at the Institute for AI and Beyond by the University of Tokyo and SoftBank. The Institute has begun research on a "Next-generation AI City Simulator" that uses a human flow guidance algorithm to encourage behavioral changes in visitors at Ebina Station (Odakyu Line) and the surrounding area. By utilizing digital twin technology which reproduces the real world in virtual space, researchers created a replica of Ebina Station (Odakyu Line) and then reproduced the surrounding areas in digital space. Then, researchers used data such as people flow, traffic, purchasing, and attributes of visitors to the area to perform simulations which visualize and predict the flow and behavior of people. Based on these

simulations, visitors are contacted via a smartphone app to notify them of various information and to issue coupons. Information is also displayed on digital signage in facilities. By doing so, researchers are developing and socially implementing technology related to promoting behavioral changes in people, balancing the reduction of congestion and promotion of purchasing, optimizing traffic, and providing guidance in the event of an emergency.

Moving forward, SoftBank will continue to contribute to society through work to realize a safe and secure society made possible by advancing DX; for example, utilizing digital data for measures such as disaster prevention. At the same time, we will endeavor to make Japan a DX developed country through the utilization of data.



Only corporation in the information and telecommunications industry selected as a DX Stock 2021

In recognition of our efforts to solve social problems through new businesses, SoftBank was the only corporation in the information and telecommunications industry selected by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange as a Digital Transformation (DX) Stock 2021.





Materiality 1 Building Society and Industry through Digital Transformation (DX)

SDGs Value Creation (1)Expand and Enhance the Efficiency of the Industrial Base through Cutting-edge Technologies

Key DX Theme: Process Automation through RPA

SoftBank is proactively engaged in operations streamlining through the use of RPA (Robotic Process Automation).

The basic mechanism of RPA is to establish the decision-making criteria and rules of business processes, teach the RPA tool about the tasks involved, and have it repeat those tasks automatically. RPA is therefore ideal for the automation of regularly scheduled routine work. Teaching the tasks involved also requires no special

programming knowledge, meaning each individual operations department can integrate and use RPA.

SoftBank has implemented a project to utilize RPA and AI to automate 4,000 workers' worth of processes. The Company provides highly effective service based on its knowledge in installing its own systems as well as the expertise attained by helping numerous customers adopt RPA, from major corporations to SMEs.

SoftBank's RPA expertise



Ability to implement an optimized RPA project

Experience implementing an internal project aimed at automating 4,000 workers' worth of processes

- Make present processes visible
- Optimize process flow
- Revise RPA implementation systems

Ability to select processes for RPA application

Ability to select processes with highly effective screening from 43 internal departments

- Corporate Sales
- Human Resources, Legal Affairs
- Technology, General Affairs, etc.



RPA education and development abilities

RPA tool education and development abilities gained from on-site-led development of approximately 2,000 robots

- Sales escalation robots
- OCR (optical character recognition) tabulation robots
- Weekly data and daily report compiling robots

Key DX Theme: AI

We are now living in what has been described as the third AI boom. With the emergence of machine learning and deep learning, in which AI gains knowledge on its own, the practicality of AI in business has improved, and companies of all kinds, regardless of industry, are adopting full-fledged AI.

SoftBank is an early mover in the deployment of the world's most advanced AI in Japan, and we promote AI-driven business evolution.

When an AI is put to work, it memorizes vast amounts of data, and based on that information, the AI itself understands, theorizes, and learns things. This conversion of accumulated data into valuable knowledge contributes substantially to business. In addition, by using AI machine learning, companies

can take the various information they have accumulated (i.e. big data) and perform projections and analyses ahead of time. Furthermore, AI can of course take on work whenever necessary, 24 hours a day, 360 days a year, and handle even high-volume tasks without taking a break.

How successful AI adoption and utilization is depends not only on the objective in question, but also various factors including the knowledge level of the persons in charge, and the understanding and cooperation of surrounding staff.

In addition to the many various solutions using AI in our lineup, we also support successful AI adoption and utilization by helping our customers acquire the basic knowledge necessary for considering AI adoption and clearly identifying the challenges for which AI should be put to use.

Service names	Content
IBM Watson (IBM Japan, Ltd.)	<b>Cognitive Solutions</b> Promotes the business use of AI, and expands partnership services and utilization scenes
Findability Platform (Findability Sciences K.K.)	<b>AI-powered predictive analysis services</b> Contributes to all kinds of businesses with predictive analyses that deliver both speed and accuracy
Image recognition solutions (Japan Computer Vision Corp.)	<b>Image recognition utilizing AI</b> Provides cutting-edge image recognition solutions utilization the world's most advanced AI

Key DX Theme: 5G

Utilizing 5G, which commenced commercial service in 2020, SoftBank works to support its customers' digitization. In addition to offering solutions leveraging the unique features of 5G, namely high speed, large capacity, ultra-high reliability low latency, and simultaneous multi-connectivity, we also aim to provide solutions to challenges facing each industry. Trial runs using 5G are already underway in a variety of industries aimed at practical use in areas such as infrastructure inspection, equipment fault detection, and remote operation of construction machinery, and we are engaged in initiatives to find solutions for overcoming labor shortages and cutting costs.

The features of 5G make it highly compatible with efforts to

solve future social challenges, such as IoT, self-driving vehicles, and remote medical care. For example, 5G is capable of things that are not possible with 4G (LTE) networks, such as absorbing and analyzing data from countless sensors installed in factories, or safely controlling self-driving cars with its low, millisecond level latency.

In addition, as a new way to make use of 5G networks, starting in fiscal 2022, SoftBank plans to provide "Private 5G," a service that installs, maintains, and operates 5G networks on the customers' property. This will enable us to provide 5G mechanisms for a variety of types of corporations, and we will use this to make greater contributions to industrial development.

Features of 5G

5G	<b>High speed and large capacity</b>	Enables smooth access to 4K and 8K video and content such as VR and AR
	<b>Ultra-high-reliability low latency</b>	The evolution of low latency enables the real-time remote control of self-driving cars and robots
	<b>Multi-connectivity</b>	5G connects not only smartphones and tables to networks, but also all kinds of devices at home and on the town as well.

Key DX Theme: Teleworking

By utilizing the latest technologies and solutions, SoftBank helps corporations and other entities adopt teleworking, which enables a flexible style of working regardless of location or environment.

Under the internal slogan "Smart & Fun!," SoftBank leverages AI, big data, IoT, robots, and other IT to conduct smart business administration. We have been implementing work style reform incorporating creative and innovative

things, and as part of that reform, we were one of the earliest to adopt teleworking. Along with our internally accumulated experience and knowhow in teleworking, we deploy a variety of solutions to support teleworking, such as network solutions for tighter security to facilitate safe operations even under a teleworking environment, and cloud-based applications to enhance web conferencing and communications.

**Enable remote conferencing**

**Invigorate communication**

**Strengthen security**

Provide VPN internet access

Materiality 1 Building Society and Industry through Digital Transformation (DX)

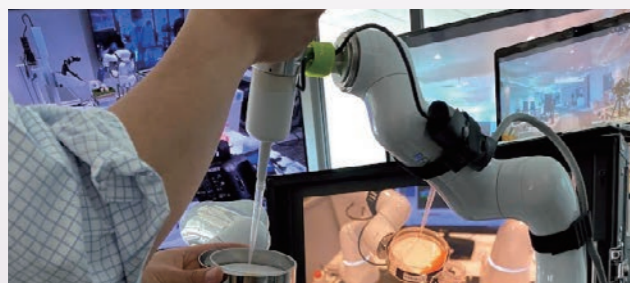
SDGs Value Creation (1)Expand and Enhance the Efficiency of the Industrial Base through Cutting-edge Technologies

Initiatives Related to DX

Developed a System that Promotes Cell Culture by Remote Control Using 5G

In collaboration with Taisei Corporation, SoftBank has developed a new system that enables cell culture through remote control by utilizing a remote control system equipped with 5G and a robot arm. Currently, the rapid progress of regenerative medicine in Japan has greatly expanded the demand for cell culture. However, the shortage of human resources related to cell culture has become a major issue, and there is an urgent need for technological development capable of compensating for the shortage of human resources. In order to solve these problems, in the 5G network environment provided by SoftBank, we used the pipette work remote control system for cell culture that Taisei Corporation has been developing since 2019 and conducted a demonstration experiment for remote control of pipette work between Tokyo and Osaka. As a result, we were able to operate the robot arms between remote locations and confirmed the accuracy of pipette work. Furthermore, we succeeded in acquiring detailed operation data for pipette work, something which had not been previously accomplished.

In the experiment, we used a 5G network to connect the SoftBank headquarters building Tokyo Portcity Takeshiba (Minato Ward, Tokyo) and 5G X LAB OSAKA (Suminoe Ward, Osaka), linked the robot arm with a remote control system equipped with an improved pipette, and then demonstrated remote control pipette work in the cell culture process. Going forward, we will utilize this system to perform even more difficult culture work while accumulating AI data, thus promoting DX in the field of regenerative medicine.



Drone Service “SoraSolution” —Solving Social Issues from the Sky

The need to use drones is increasing in various industries; for example, to improve the efficiency of inspection work using aerial photography and replacing human work at high heights which are difficult for people to see. SoftBank provides SoraSolution as a service that enables anyone to easily use drones. Inspection work on steel towers, bridges, walls of buildings, etc., is often dangerous due to the extreme heights. Furthermore, it takes an enormous amount of time and effort to manage and check the data acquired during such inspections. SoraSolution uses a flight management system called “Flight” to easily achieve automated flight by drones. This shortens inspection time and reduces the risk of aerial work. SoraSolution also uses an analysis management system called “Analysis” to enable image management on the cloud, follow-up observation, and output of reports. This is expected to reduce work costs. Additionally, the Analysis system supports further improvement of work efficiency by extracting change points from chronological images, using AI to automatically determine rust and cracks, etc.

SoraSolution is also compatible with “ichimill,” SoftBank’s high-precision positioning service. ichimill enables positioning within an error of several centimeters by using signals received from GNSS<sup>1</sup> such as the quasi-zenith satellite Michibiki to perform RTK positioning<sup>2</sup>. This makes it possible to identify a specific location with an error in the unit of centimeters, thus more precise acquisition of information and observation of fixed-points.

SoraSolution enables automation of visual work by automatic navigation, serves as an alternative for work in high places, and realizes automatic analysis of acquired data by utilizing AI, thus promoting operational efficiency. In the future, SoftBank will gradually expand the functions of SoraSolution to support real-time transmission and sky infrastructure.

1. GNSS (Global Navigation Satellite System): A general term for satellite positioning systems such as QZSS (quasi-zenith satellite system), GPS, GLONASS, and Galileo.
2. RTK (Real Time Kinematic) Positioning: A method that enables high-precision positioning by exchanging information between two points in real time by using two receivers (a fixed station and a mobile station).



Initiatives Related to DX

Initiatives to Support DX at Customers (SB Technology Group)

Based on our ICT services business and centered on the cloud technological ability which it has gained thus far, the SB Technology Group will provide IT support so that corporations can concentrate on their main business and will strengthen corporate competitiveness through advanced technologies such as AI and IoT. In this way, the group will work to realize a prosperous information-oriented society.

Although DX is expected to promote the digitization of society and the development of industry, the increase in cyberattacks will require security measures to protect corporations and people’s lifestyles. The SB Technology Group provides managed security services and other services which operate and monitor its customers’ security systems 24 hours a day, 365 days a year from its own security monitoring center. Managed security services provide a robust security operation monitoring system for various cloud services such as Microsoft Azure. Its experienced security experts respond quickly to any suspicious notifications or security incidents that may occur. Through such comprehensive security initiatives, the SB Technology Group supports the construction of a sustainable social infrastructure by improving the business continuity of its customers.

Initiatives to Support DX at Customers (SB Mobile Service)

There are many cases in which corporations are slow to introduce RPA for reasons such as not knowing where to start or not being able to determine the processes for which RPA can be introduced. At SB Mobile Service, experts who are deeply familiar with RPA characteristics select the target business and optimal RPA tool after obtaining a solid understanding of customer issues and requests. SB Mobile Service provides a wide range of support from creating scenarios at the time of introduction to conducting maintenance after introduction. Furthermore, for customers who want to promote in-house business automation and efficiency by taking advantage of the characteristics of RPA, SB Mobile Service provides training in an original hands-on program that allows customers to immediately confirm the results of actual processes.

Future Stride—an online magazine communicating the future of business

Future Stride is an online magazine published by SoftBank to communicate the future of business.

In addition to discussing AI, IoT, DX, and other trends in the information revolution, the magazine focuses on a variety of “goods and people.” For example, there are features on professionals working to create innovative solutions, professionals releasing products and services which have the potential to create new trends, and professionals who use cutting-edge technology to bring us closer to the future. In this way, Future Stride depicts the form of new business which is already arriving.

[Details](#) [Future Stride]



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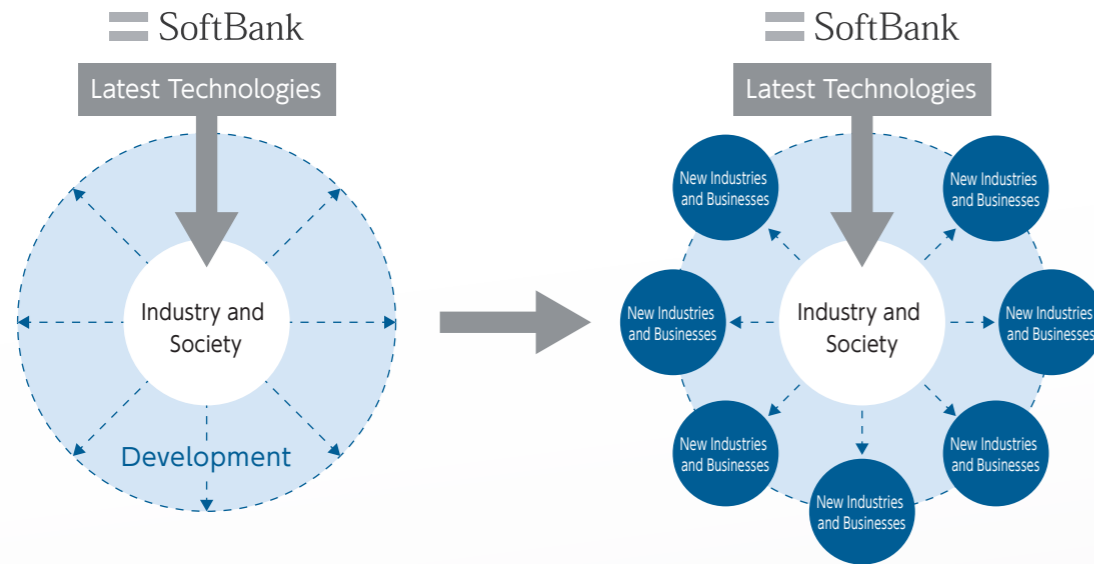
SDGs Value Creation

Create New Industries through DX

We will work to create and develop new industries, fields, and businesses generated by the spread and penetration of various cutting-edge digital solution services such as AI, RPA, and IoT.

Point of View

We will create diverse use cases by promoting the use of DX solutions and services in various industries, companies and organizations. Not only will we maximize our customers' enterprises and businesses, but we will dramatically increase new business opportunities, and broker business matching and other opportunities for companies and organizations to come together in ways that have not been achieved under traditional business practices and values.



DX-driven industrial and social development

Creation and expansion of new industry fields and businesses through the spread of DX

SoftBank has 17 main projects through which it is working to develop new businesses by creating new business models through digital transformation.

We are working to solve a variety of social issues in areas such as corporate work style reforms, logistics, healthcare, services, and tourism. We will make people's lives richer and safer by seeing that the new industries generated by DX lead to greater efficiency in all kinds of processes and jobs throughout society.



17 projects for advancing DX	
Logistics	4 projects
Social Infrastructure	2 projects
Retail/Distribution	3 projects
Real Estate/Construction	3 projects
Healthcare	1 projects
Other industries	2 projects
Health insurance/finance	2 projects

Note: As of the end of FY2020.

Medical Care/Healthcare

HELPO—Promoting Healthcare DX

Current medical institutions in Japan are said to be facing a crisis in terms of being able to continue medical services. This crisis is due to various problems such as overworked physicians and an increase in medical expenses.

<p><b>Doctor</b></p> <p>Hospitals with doctors who work more than 155 hours overtime per month</p> <p><b>71%</b></p> <p>Overworked</p>	<p><b>Government</b></p> <p>Medical expense in 2018</p> <p><b>JPY 16 tn</b></p> <p>(National health expenditure: JPY43 tn)</p> <p>Rising medical cost</p>	<p><b>Citizen</b></p> <p>It takes more than 30 min to see a doctor in a hospital</p> <p><b>43.2%</b></p> <p>A high hurdle in visiting a hospital</p>
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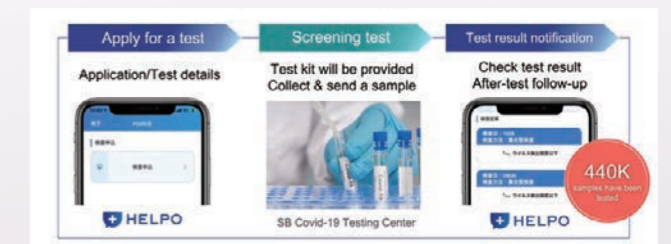
Universal health insurance is a wonderful system that is unique to Japan. In order to preserve this system for coming generations, the SoftBank Group company HEALTHCARE TECHNOLOGIES Corp. developed the healthcare app HELPO with the aim of supporting Japanese medical institutions and promoting new business in the healthcare field. The company began providing HELPO to corporations and government municipalities from July 2020. The main service of HELPO is a Health & Medical Consultation Chat which allows users to freely consult with a medical team of physicians, nurses, and pharmacists 24 hours a day, 365 days a year when they start to feel poor physical condition (called presymptomatic disease) or when they feel uneasy about their physical condition. Based on the contents of the consultation chat, users will be advised on the appropriate action to take. If the user needs to see a physician at a medical institution, the app will provide guidance on the appropriate medical department. If response is possible through over-the-counter drugs, the app will provide information on the appropriate medicine available on Health Mall, an EC website for over-the-counter drugs. In addition to medicine, Health Mall allows users to purchase a wide variety of products such as health foods, cosmetics, and daily necessities from partners of the company. Previously, products ordered on Health Mall were delivered anywhere in the Tokyo 23 wards in as little as 3 hours. From May 2021, products are now delivered to anywhere in Japan from as soon as the next day after ordering. Moving forward, the company plans to gradually expand the target area for short-term delivery to regions such as the entire Tokyo metropolitan area, the city of Nagoya, and the city of Osaka. Additionally, in regards to the sale and delivery of products from Health Mall, it is collaborating with partner corporations such as drug stores, and it provides the HELPICK app for store staff of partner corporations. HELPICK facilitates shipping operations and reduces the burden on store staff when making deliveries. The company also collaborates with MICIN Inc., which provides the online medical service "curon," and started providing an online medical service

function from June 2021. As a result of this tie-up, users of the HELPO app will become able to receive a full range of healthcare services from health and medical consultation to online medical treatment. The company will further expand functions through co-creation with its partner corporations and continue to promote healthcare DX in Japan.



Provision of Saliva PCR Test Services Using HELPO

In cooperation with SB Coronavirus Inspection Center Corp. (a SoftBank Group company), HEALTHCARE TECHNOLOGIES is entrusted with PCR testing operations in corporations and local governments, and the company also provides the HELPO PCR testing packages for individuals. These efforts are aimed at enabling even more people to easily undergo inexpensive PCR tests in order to fight the spread of COVID-19. Using HELPO in saliva PCR tests makes it easy to perform all processes from making test reservations to confirming results. Through the HELPO app, users can easily confirm information from testing reservations to the method for collecting actual samples. This enables users to collect samples, send those samples to the inspection center via the appropriate method, and undergo testing. Finally, users can check their test results on the app at a later date.



Supporting Workplace Vaccinations at Corporations

From June 2021, HEALTHCARE TECHNOLOGIES has provided the HELPO Vaccination Support Option supporting workplace vaccination at corporations. By using this option, staff in charge of workplace vaccination can perform processes such as accepting vaccination reservations, conducting pre-examinations online, and managing vaccination information. Furthermore, traceability can be achieved through just a few steps.

Materiality 1 Building Society and Industry through Digital Transformation (DX)

SDGs Value Creation (2) Create New Industries through DX

Logistics

MeeTruck—Vehicle Dispatch Support Service for Transportation Companies

The Japanese logistics industry is currently facing various problems such as a shortage of drivers and a rapid increase in cargo due to the explosive growth of e-commerce.

Furthermore, IT has yet to be introduced for much of the information related to logistics. There are innumerable items that have not been digitized or standardized. In order to solve such problems and support DX in the logistics industry, SoftBank established MeeTruck K. K. (hereinafter, "MeeTruck") jointly with Nippon Express Co., Ltd. (hereinafter, "Nippon Express"). MeeTruck promotes DX in the logistics industry by providing a cloud-based vehicle dispatch support service for logistics companies that perform shipping by truck. Utilizing the knowledge gained by SoftBank while supporting corporate DX and the abundant logistics knowledge cultivated by Nippon Express over many years, the cloud-based vehicle dispatch support service makes it easy for anyone to register orders for shipping operations, allocate trucks, create work schedules, etc., on a web application, regardless of the location or time. Furthermore, all of the information entered in the service can be centrally managed as digital data.

In February 2021, MeeTruck started to provide a performance reference function displayed in monthly units as a function for executives and managers. The function automatically aggregates sales by driver, vehicle, and shipper based on data such as freight rates registered for each case on the web application. Furthermore, in the future, MeeTruck plans to provide high-quality matching services that connect logistics companies and shipper companies. By providing new services which will become the foundation of the logistics industry, MeeTruck will create new value that utilizes technology and contribute to the sustainable growth of the logistics industry.



Screen image



Scatch! —Delivery Service Using AI

The Scatch! is an AI-based home delivery service that is provided by the SoftBank Group company MagicalMove Co., Ltd. This delivery service utilizes AI to achieve efficient service capable of handling deliveries from 6:00 AM to midnight. This makes it convenient to receive products for single-person households and double-income households for whom it is difficult to receive products during the day. By utilizing AI to realize efficient home delivery, this service also helps reduce re-delivery and solve the labor shortage of drivers. Additionally, from 2017, Scatch! has supported drop-off delivery of packages to pre-designated places such as in front of front doors, garages, etc.

When shipping starts, the smartphone app Scatch! is used to check the time remaining until arrival as predicted by AI and the location information<sup>1</sup> of the delivery vehicle. This information enables more reliable receipt by customers. Moreover, users can request drop-off delivery from My Page on Scatch! The app also makes it possible to respond to sudden changes in plans on day of delivery<sup>2</sup>. When the package has been delivered to the designated location, the



Screen image

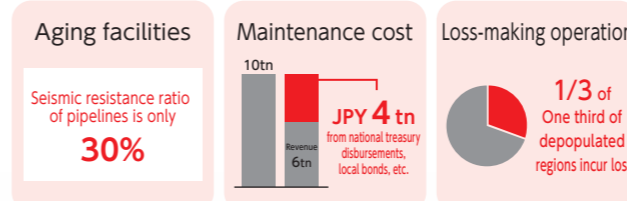
customer can confirm a photograph of the delivery location taken by the driver on My Page. This provides the customer with peace of mind when using drop-off delivery. Moving forward, MagicalMove will continue to contribute to solving driver shortages, high re-delivery rates, and other problems in the logistics industry by expanding functions which utilize technologies such as AI, and by increasing coverage areas and services.

1. Users can also check location information of the delivery vehicle from My Page on Scatch!
2. Depending on the timing, it may not be possible to request drop off of packages in some cases.

Society and Infrastructure

WOTA—Aiming to Construct a Decentralized Water Supply System that Does Not Depend on Water Infrastructure

Water is one of the essential infrastructures for daily life. However, Japan now faces the issue of increased maintenance costs due to the aging of water supply infrastructure. Furthermore, water shortages have become a serious problem throughout the world.



In order to use the power of technology to find solutions to these problems, SoftBank has formed a partnership with WOTA Corp. (hereinafter, "WOTA"), a company possessing water recycling technology that utilizes AI and IoT. By combining WOTA's autonomous decentralized water circulation system and SoftBank's knowledge in communications technology and social infrastructure construction, we aim to introduce a decentralized water supply system that is independent of water service in Japan.



Based on its mission of "removing every limitation between people and water," WOTA has developed and implemented technology in society. One example is the autonomous decentralized water circulation system WOTA BOX, which utilizes water circulation technology to enable many people to use water for bathing, etc., even when there is a limited amount of water due to water and sewer services being disrupted because of a disaster. Another example is WOSH, which is a handwashing machine that utilizes water circulation technology and that can be installed even in locations without water supply. WOSH is designed to updated public hygiene on a global scale and is effective for public hygiene measures throughout an entire city. SoftBank started sales of WOSH on May 10, 2021, as the first distributor in Japan. Going forward, SoftBank and WOTA will continue to promote sales alliances and construct a system for promoting social implementation of a new public health infrastructure. Through decentralized water supply systems using cutting-edge technology, we will develop a sustainable next-generation water infrastructure, and work to solve water problems in Japan and around the world.

Co-creation with Partner Corporations

ONE SHIP —Business Partnership Program

We are developing the partnership program ONE SHIP for working with partner companies to co-create and popularize new businesses. Currently, the number of member companies is 470 (as of March 2021). We are promoting business matching to provide IT and OT (Operation Technology) solutions for solving various social problems.



As a comprehensive digital platformer, SoftBank owns Japan's largest user touch points such as LINE, and we aim to solve customer problems through the application of digital service BtoBtoC. These services are provided through the four areas of digital communication, digital automation, digital marketing, and security. Through the provision of these four areas, we offer quality solutions to customers while performing business matching between municipalities and corporations. This is how SoftBank positions ONE SHIP within our business.

Establishment of the SoftBank 5G Consortium

SoftBank started 5G services in March 2020. Going forward, the technical specifications of 5G will evolve further and 5G will become an important social infrastructure within the next few years. The SoftBank 5G Consortium was established as an organization that debates and reviews specific solutions for themes in each industry and field, and which conducts open demonstration experiments. Participants in the consortium include experts and corporations from each field, suppliers who support the 5G era through their products/services (5G communication equipment, cloud, edge computing, IoT devices, etc.), and solution partners. Existing ONE SHIP members also participate in the consortium and we have started recruiting new members. Together with our partners, SoftBank conducts demonstration experiments for 5G solutions, engages in development aimed at commercialization, and accelerates the social implementation of 5G.

SoftBank will realize social change through technology and co-creation with partner corporations participating in ONE SHIP. Together, we will become a comprehensive digital platformer.



Materiality 1 Building Society and Industry through Digital Transformation (DX)

SDGs Value Creation (2) Create New Industries through DX

Co-creation with Partner Corporations

Executive Briefing Center—Working Together with Customers to Define a Path to the Future and Accelerating DX

SoftBank opened the Executive Briefing Center (hereinafter, "EBC") at our headquarters in Takeshiba as a facility for experiencing the latest solutions aimed at accelerating DX initiatives by corporations. The EBC is a facility for exhibiting and demonstrating various solutions that utilize technology such as AI, 5G, etc., and solutions that can be used for digitization of each industry, such as solutions related to smart cities. The EBC will create opportunities for discussing the future with our customers; for examples, providing programs that go beyond introducing examples of the latest digital technologies.

Based on our growth strategy "Beyond Carrier," the EBC surpasses simple exhibitions and showrooms to show what is actually being provided by SoftBank and our partner companies while working to achieve DX through innovative service provision in a wide range of industrial fields and through co-creation with other companies. SoftBank believes that dialogue with customers while experiencing actual products and services is important for working together to create new businesses and solutions. Additionally, we hold discussions in advance with customers scheduled to visit the EBC in regards to the contents of previous proposals. Based on those discussions, we research industry trends from a variety of information sources, interactions with analysts at the announcement of financial results, and corporate

strategies. We then spend a preparation period of approximately one month per company to design a program. The EBC is not a place for one-way provision by SoftBank; instead, it is a place for thinking together, actively sharing concepts and knowledge, and co-creating with customers.

At the EBC, solutions are explained by a specialist in executive briefing programs. The contents of explanations are not conducted according to standardized manual; rather, the explanations are customized according to the customer's reaction. Proposals are made according to the customer's interests at that time.

Webinars and Zoom meetings are becoming commonplace due to the spread of COVID-19. An increasing number of people now believe that online platforms are sufficient for the mere gathering of information. Amidst such circumstances, based on proper measures against COVID-19, the EBC will value the uniqueness of face-to-face experiences and communication, and provide programs which create a feeling of value that cannot be obtained online. The EBC conveys the feasibility of a wide range of solutions that goes beyond the communication field to include non-communication fields such as AI, digital twin technology, and solutions (smart cities) for local governments. In this way, we will work together with customers to envision their future.



Co-creation with Partner Corporations

5G X LAB OSAKA—A Facility for Verifying and Experiencing 5G Technology

In October 2020, we opened 5G X LAB OSAKA as a facility for verifying and experiencing 5G technology. 5G X LAB OSAKA features an Exhibition/Experience Room and a Verification Lab where companies can experience 5G demonstrations, and can verify products and services utilizing 5G free of charge. With the aim of creating 5G-related businesses, 5G X LAB OSAKA also provides business support such as development support and matching of business partners.

The Exhibition/Experience Room promotes business ideas through the experience of 5G technology. The room exhibits about 2,820 types of products and services utilizing 5G (as of July 1, 2021) in a space of approximately 240 m<sup>2</sup>. Visitors can observe and experience exhibits such as human-cooperative robots useful for disaster recovery, automation of construction, and digitization of the manufacturing industry; solutions using MR (mixed reality) devices that can be used for tasks such as remote work support at factories and construction verification at construction sites; systems for low-latency operation of vehicles, etc., from a remote location; and products and services in a wide range of industries, with a focus on the new normal after COVID-19.

The Verification Lab is equipped with a test base station. This makes it possible to perform tests such as throughput measurement to verify high-speed and large-capacity functions utilizing 5G and 4G LTE. Also, the adjacent verification space can be used to verify the operation of devices and applications (contents) brought in by guest companies, and to receive technical consultation and development support from Verification Lab staff.

5G X LAB OSAKA is located in the TEQS Software Industry Plaza, which is a base established by the city of Osaka to support technology business. Visitors can take advantage of various support menus offered by the base. For example, visitors can take classes on advanced technology or participate in business development program featuring consultation with experts. SoftBank will provide technical support to visitor corporations that are considering a business utilizing 5G. In addition to sharing technical information through study groups and seminars on 5G and supporting demonstration experiments, we also support matching of business partners by utilizing the network of the Company and the Osaka Business Development Agency.



Co-creation with Overseas Corporations

Collaboration with Axiata Digital Advertising Sdn. Bhd.

SoftBank is promoting alliances with overseas corporations in order to accelerate the overseas expansion of our digital marketing business.



We have entered into a capital and business partnership with Axiata Digital Advertising Sdn. Bhd. (hereinafter, "ADA"), a group company of Axiata Group Berhad, which is one of the largest telecommunications carriers in Asia. ADA develops comprehensive digital marketing businesses based on data and AI in ten Asian countries. By utilizing ADA's sales/customer support systems and knowledge in the data/AI business, SoftBank will accelerate the expansion of our digital marketing business in Asia. Furthermore, through ADA, we combine various solutions such as the customer data platform Treasure Data CDP handled by SoftBank and the corporate services provided by our Group company LINE Corporation with the solutions and knowledge held by ADA, and then propose and implement the results at corporations in Asia. In this way, we support the digital marketing activities of each company.

ADA is a corporation whose strength is its unique data infrastructure based on the data of about 375 million consumers. Utilizing this data, ADA supports the formulation and execution of digital marketing strategies for customers. It also provides consulting on the utilization of first-party data, which is data acquired independently by customers. Furthermore, ADA offers marketing solutions that accelerate the digitization of its customers' businesses, and comprehensive solutions that encourage product purchases and membership registration on e-commerce services.

Based on our Beyond Carrier Strategy, SoftBank is focusing on providing innovative services in a wide range of industrial fields and DX initiatives through co-creation with partner companies across the boundaries of conventional telecommunications carriers.. We are also promoting our Beyond Japan Strategy for overseas business development. ADA offers a wide range of services in the field of digital marketing. By combining those services with various solutions and technologies held by SoftBank and our Group companies, ADA aims to create powerful synergy.

# 3 SDGs Value Creation Revitalize Local Communities (Regional Revitalization)

We will engage in various social issues by utilizing cutting-edge technology and advancing DX (digital transformation), and aim to "provide goods and services that meet diverse needs with out disparity" as envisioned by Society 5.0, and contribute to a society that realizes smart cities and regional revitalization.

## Aiming for a People-oriented Smart City that Connects All Things, Information, and Feelings.

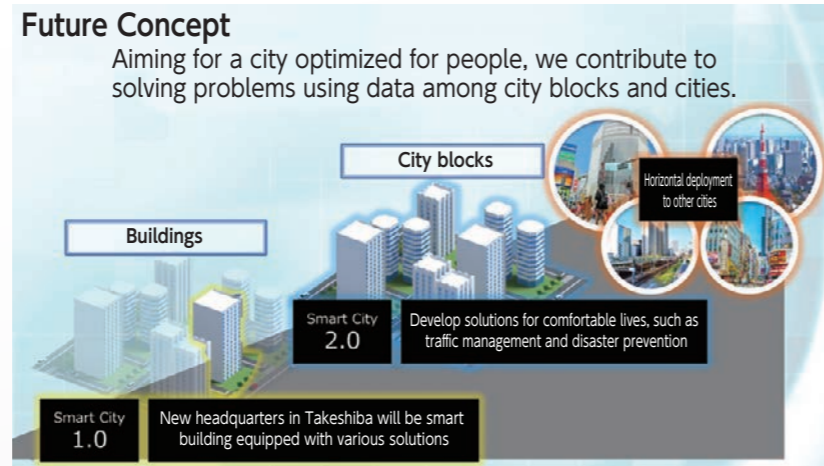
Today, Japan is facing a super-aging society and a serious decline in its working population. The realization of smart cities is an initiative aimed at solving these problems, upgrading social infrastructure, and creating a sustainable society, and it is essential to enhance collaboration on various DX solutions across industries.

To achieve that enhanced collaboration, it is essential to have the cooperation of all parties involved in the community, including local governments, landowners, developers, building tenants, tenant companies, building management, and neighbors. In our view, it is crucial to make cities and towns not just places to attract people and businesses, but places that offer a forum for activities that provide added value to society. So far, we have advanced initiatives for smart cities that are suited to the specific characteristics of two types of areas: depopulated areas and urban areas.

By using the cutting-edge technologies of our service segment Group companies, we aim to solve various challenges facing people, businesses, society, and communities, and we believe that providing

various IoT platforms to the people involved will open up new service possibilities.

We aim to build smart cities and regional revitalization through "co-creation" powered by IoT, ICT, and DX solutions, and we will continue to contribute to regional revitalization. At the same time, we are striving to achieve ideal and sustainable next-generation cities and regions that aim for overall optimization to ensure the happiness of the people who form their cores.



### Smart City Takeshiba

SoftBank started a project for evolving urban development in the Takeshiba neighborhood of Tokyo. At the Takeshiba Office of SoftBank headquarters, approximately 1,400 sensors are operated using cutting-edge technologies such as face recognition for admission to the office building and cleaning/security performed by robots. SoftBank utilizes sensor data to provide building users with useful information in real time; for example, determining the congestion rate of restaurants in the building and predicting the time when elevator congestion will lessen. In the future, SoftBank will further expand the linkage of this information. In Phase 2, we will link with data for the city block surrounding the

Takeshiba Office in order to improve convenience through use in areas such as mobility, traffic information, and disaster prevention. In Phase 3, we will create links between neighborhoods and promote urban development capable of providing information required at that point in time. The MM Research Institute Award 2021, which was held to recognize efforts toward the development of markets and industries in the ICT field, gave high recognition to SoftBank's initiatives for constructing a model case for smart cities. We were praised for the high level of future potential and technological capability, and received the Judges Award.

### Participated as a Collaborative Company in the Super City Initiative of Aizuwakamatsu City

Smart City Aizuwakamatsu is a smart city project operated by Aizuwakamatsu City in Fukushima Prefecture. In response to the Great East Japan Earthquake which occurred on March 11, 2011, Aizuwakamatsu started efforts in 2013 to achieve its goal of becoming a model city leading all of Japan in regional revitalization.

SoftBank is currently participating as a collaborative company involved in the Super City Initiative of Aizuwakamatsu City. By cooperating with other companies to promote the Smart City Strategy of Aizuwakamatsu while utilizing the assets of SoftBank and SoftBank Group companies, we will spread the initiative to other cities and regions throughout all of Japan, and contribute to regional revitalization in Japan. To achieve this goal, SoftBank has established the Aizu Wakamatsu Digital Transformation Center in Aizu as a

headquarters for DX. The Center serves as a place for making and executing business decisions, not as a branch office or subordinate organization of the SoftBank headquarters. The Center also promotes digital demonstration and implementation, as well as expansion to other regions.

Smart City Aizuwakamatsu implements urban development from the three perspectives of (1) increasing the vitality of regions, including the promotion of industry, (2) implementing urban development which allows people to live comfortably and with peace of mind, and (3) assisting in urban development through "urban visualization." SoftBank will use cutting-edge technology to contribute to this urban development, and will promote regional revitalization by deploying this model for success to other regions and municipalities in the future.

### National Movement Statistics—Statistical Data on the Movement of 120 Million People Throughout Japan

Japanese cities face a variety of problems such as traffic congestion, traffic jams, aging infrastructure, and frequent natural disasters. SoftBank is working to solve these problems through the concept of smart infrastructure. As one such initiative, we have released a human flow statistics service called "National Movement Statistics" in collaboration with Pacific Consultants.

The National Movement Statistics is a human flow statistics service which combines the fully-anonymized location information data for tens of millions of terminals (based on the data from SoftBank's mobile phone base stations) and the knowledge/know-how in social infrastructure (urban planning,

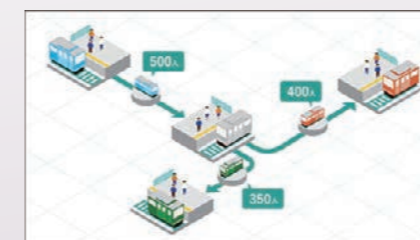
transportation planning, etc.) possessed by Pacific Consultants. By combining location information data with statistical data such as the usage status of various means of transportation (railroads, etc.) and the population in each area, we are able to extrapolate the data on the movement of people in order to make estimations on the entire population of Japan (approximately 120 million people) with high accuracy.

By visualizing data related to the movement of people, we will support urban development measures such as urban planning and urban development, disaster countermeasures, plans for opening of commercial facilities, invigoration of tourist spots, and the introduction of new mobility services.

### Image of provided services



**• Mesh OD (Origin-Destination) volume**  
Makes it possible to ascertain changes in the movement status of people by each transportation method



**• Transportation facilities OD volume**  
Makes it possible to ascertain the usage status of trains including transfers



**• Cross-section traffic volume**  
Makes it possible to grasp the number of people moving between two adjacent transportation facilities by time period



**• Population staying in area**  
Makes it possible to grasp the number of people staying in the mesh section or area unit by time period

Materiality 1 Building Society and Industry through Digital Transformation (DX)

SDGs Value Creation (3) Revitalize Local Communities (Regional Revitalization)

Collaboration with Local Governments and Organizations

At SoftBank, we believe regional revitalization is an important keyword in realizing our growth strategy "Beyond Carrier Strategy." Regional revitalization is one of the most important strategies of the Japanese government. In response to major challenges facing Japan, namely its rapidly shrinking population and super-aging society, the strategy aims to secure a good living environment for each community and maintain a vibrant society well into the future by creating an autonomous and sustainable society in which each region makes the best use of its unique characteristics. Various efforts are also being made for regional revitalization promoted by the government. In particular, governments and local municipalities that hold the themes of "future technology" and "Society 5.0" as the keys to regional revitalization have high expectations for cutting-edge technology.

State-of-the-art technologies such as 5G, IoT, and AI play an important role in the shift to more comfortable and convenient lifestyles and livelihoods. At the same time, though, they have the potential to help solve various issues facing communities, such as advancing ages and declining population. For example, the fast-tracking of 5G network installation will make it easier to create and nurture businesses and industries in various

regions, not just metropolitan areas as has been the case up till now, and it could potentially lead to regional revitalization and national resilience, which are indispensable for improving international competitiveness. In addition to 5G, we believe the power of the cutting-edge technologies of SoftBank Corp. and its Group companies, such as cashless FinTech, MaaS, AI, IoT, and smart cities, will greatly support regional revitalization.

For that reason, we are pioneering the verification of various issues faced by local governments, advanced initiatives, and taking the lead in solving problems using cutting-edge technology. To deepen ties with local governments and local communities and utilize ICT to support problem solving in local communities, we are conducting various initiatives and proving trials as well as forming various cooperation agreements with local governments. Currently, SoftBank has entered into agreements with 62\* municipalities throughout Japan.

Moreover, in order to solve individual social issues faced by affiliated local governments, we also provide support which is even more focused on a particular region; for example, providing advisory services within government agencies.

\*As of July 31, 2021



Partnership Agreements with Local Governments \*As of July 31, 2021 \*Some agreements excluded

Partner local governments	Agreement date	Partnership content
Fujieda City, Shizuoka Prefecture	May 23, 2016	Entered into a comprehensive cooperation agreement for regional revitalization
Ikeda City, Osaka Prefecture	July 15, 2016	Entered into a comprehensive agreement for the development of Ikeda City and improvement of civic services in areas such as child care support and public interest activities
Kyoto Prefecture	December 2, 2016	Entered into a comprehensive cooperation agreement on local stimulation to revitalize the area and improve citizen services
Niimi City, Okayama Prefecture	January 17, 2017	Entered into a comprehensive agreement for sustainable development of Niimi City and improvement of civic services based on utilization of ICT
Takahama City, Aichi Prefecture	November 22, 2017	Entered into a comprehensive cooperation agreement for regional revitalization
Tokushima Prefecture	December 18, 2017	Entered into a comprehensive cooperation agreement for promotion of "Tokushima Industry 4.0"
Higashi-Matsushima City, Miyagi Prefecture	January 12, 2018	Entered into a comprehensive agreement to develop Higashi-Matsushima City and improve citizen services in fields such as education, health enhancement, elderly support, and tourism
Hiroshima Prefecture	January 30, 2018	Entered into a collaboration agreement for "Promotion of AI and IoT Utilization"
Fukuyama City, Hiroshima Prefecture	May 9, 2018	Entered into a collaboration agreement for town development and regional revitalization utilizing IoT and AI
Inuyama City, Aichi Prefecture	June 27, 2018	Entered into a collaboration agreement for surveying and research for the utilization of ICT
Uji City, Kyoto Prefecture	June 29, 2018	Entered into a collaboration cooperation agreement on regional revitalization
Fukushima Prefecture	July 11, 2018	Entered into a cooperation agreement for promotion of "Fukushima Innovation Coast Concept"
Abira Town, Hokkaido	July 18, 2018	Entered into a comprehensive agreement on cooperation aimed at contributing to sustainable development of Abira Town and improvement of townsman services
Kikuchi City, Kumamoto Prefecture	August 1, 2018	Entered into a comprehensive cooperation agreement on local revitalization for the purpose of realizing regional revitalization through collaboration and contribution to sustainable regional development
Nagano Prefecture	September 6, 2018	Entered into a comprehensive cooperation agreement on cooperation and collaboration across multiple fields
Tome City, Miyagi Prefecture	November 19, 2018	Entered into a comprehensive cooperation agreement to develop Tome City and improve citizen services in fields such as agriculture, education, parenting, health enhancement, and tourism
Iizuka City, Fukuoka Prefecture	January 10, 2019	Entered into an agreement on education business cooperation
Miyagi Board of Education	January 17, 2019	Entered into a cooperation agreement for the purpose of promotion of education and improvement of local athletics by utilizing ICT
Yokohama-city Kanagawa Prefecture	January 18, 2019	Entered into a comprehensive cooperation agreement toward the realization of "SDGs Future City Yokohama"
Ishinomaki City, Miyagi Prefecture Ishinomaki Senshu University	January 25, 2019	Entered into a comprehensive cooperation agreement on promotion of education and sports
Gifu City, Gifu Prefecture	February 1, 2019	Entered into a comprehensive cooperation agreement on regional revitalization
Kanagawa Prefecture	February 4, 2019	Entered into a comprehensive agreement on collaboration and cooperation toward the realization of Society 5.0
Kamakura City, Kanagawa Prefecture	March 4, 2019	Entered into a comprehensive agreement on partnership and cooperation across multiple fields
Tochigi Prefecture	March 26, 2019	Entered into a comprehensive cooperation agreement concerning the improvement of prefectural services and regional revitalization
Otsu City, Shiga Prefecture	April 15, 2019	Entered into an agreement on collaboration and cooperation in promoting smart cities
Obu City, Aichi Prefecture	May 14, 2019	Entered into a comprehensive cooperation agreement on sustainable town development
Ofunato City, Iwate Prefecture	May 17, 2019	Entered into an agreement on education business cooperation
Iwate Prefecture	July 5, 2019	Entered into a comprehensive cooperation agreement for the purpose of building a peaceful, healthy, and prosperous society for citizens of the prefecture
Sendai University, Kesennuma City, Miyagi Prefecture	July 25, 2019	Entered into a cooperative agreement on club activity support projects utilizing ICT, etc.
Chiba City, Chiba Prefecture	August 22, 2019	Entered into a comprehensive cooperation agreement on solutions to social issues, regional revitalization, and improvement of civic life
Kameoka City, Kyoto Prefecture	October 30, 2019	Entered into an agreement on environment and education business cooperation
Niihama City, Ehime Prefecture	November 27, 2019	Entered into an agreement on cooperation and cooperation for promotion of smart cities
Osaka Prefecture	December 3, 2019	Entered into a comprehensive cooperation agreement on collaboration and cooperation across multiple fields
Shizuoka City, Shizuoka Prefecture	December 16, 2019	Entered into a comprehensive cooperation agreement for regional revitalization
Aichi Prefecture	December 19, 2019	Entered into a comprehensive cooperation agreement on regional revitalization
Ogawara Board of Education in Miyagi Prefecture	December 20, 2019	Entered into an agreement on education business cooperation
Kawanishi City, Hyogo Prefecture	February 3, 2020	Entered into a collaboration agreement for the improvement of citizen services using ICT
Nissshin City, Aichi Prefecture	February 18, 2020	Entered into an agreement regarding business cooperation concerning issues such as child-rearing support
Hamamatsu City, Shizuoka Prefecture	March 23, 2020	Entered into a comprehensive cooperation agreement for regional revitalization, including the promotion of digital smart cities, revitalization of local industries, and city promotion
Ena City, Gifu Prefecture	March 26, 2020	Entered into a cooperative agreement for revitalizing the region and improving citizen services using ICT
Kakegawa City, Shizuoka Prefecture	April 9, 2020	Entered into an ICT comprehensive cooperation agreement for the purpose of regional revitalization and improvement of citizen services
Osaka City, Osaka Prefecture	July 16, 2020	Cooperation agreement for creation of 5G related business (Entered into a tripartite agreement with the AIDOR community)
Nishio City, Aichi Prefecture	July 22, 2020	Entered into a cooperative agreement on Community Development Utilizing ICT
Iwate Prefecture	July 30, 2020	Entered into a cooperation agreement on local revitalization
Nichinan Town, Tottori Prefecture, Tottori University	August 21, 2020	Entered into a cooperative agreement on problem Solving and SDGs promotion in mountainous areas
Morimachi, Hokkaido	August 24, 2020	Entered into a Business cooperation agreement in ICT education
Nakama City, Fukuoka Prefecture	September 10, 2020	Entered into a cooperative agreement on futuristic urban development for the purpose of improving resident services
Sakai City, Fukui Prefecture	September 25, 2020	Entered into a cooperative agreement to create a bright future by utilizing ICT
Ebino City, Miyazaki Prefecture	September 28, 2020	Entered into a cooperative agreement for regional revitalization and improvement of resident services using ICT
Ogaki City, Gifu Prefecture	September 30, 2020	Entered into an agreement on cooperation and collaboration aimed at using cutting-edge technology to enhance the educational environment
Iwaki City, Fukushima Prefecture	October 2, 2020	Entered into a cooperative agreement on the promotion of Society 5.0
Miyazaki City, Miyazaki Prefecture	October 7, 2020	Entered into a cooperative agreement to promote regional revitalization
Mino City, Gifu Prefecture	October 12, 2020	Entered into a cooperative agreement on regional revitalization measures such as using ICT in education, childcare support, and health
Iyo City, Ehime Prefecture	October 14, 2020	Entered into a cooperative agreement on using ICT for urban development aimed at sustainable livability and SDGs
Ichinoseki City, Iwate Prefecture	December 17, 2020	Entered into a cooperative agreement on using ICT for human development/urban development which will connect to the future
Tagawa City, Fukuoka Prefecture	March 23, 2021	Entered into a cooperative agreement on the utilization of DX and ICT inside/outside of government agencies
Tokunoshima Town, Kagoshima Prefecture	March 25, 2021	Entered into a cooperative agreement on solving educational issues on remote islands and promoting SDGs future cities
Miyoshi City, Hiroshima Prefecture	April 9, 2021	Entered into a cooperative agreement related to "Garden City x Digital"
Saku City, Nagano Prefecture	June 29, 2021	Entered into the "Regional Revitalization Project Cooperative Agreement"
Higashi-Hiroshima City, Hiroshima Prefecture, Hiroshima University	July 2, 2021	Entered into an agreement on the promotion of comprehensive cooperation for the realization of Society 5.0 and smart cities in Higashi-Hiroshima City and surrounding areas
Kyoto City, Kyoto Prefecture	July 9, 2021	Entered into a cooperative agreement on promoting digitization for revitalization of local communities

Materiality 1 Building Society and Industry through Digital Transformation (DX)

SDGs Value Creation (3) Revitalize Local Communities (Regional Revitalization)

Using MaaS to Improve Medical Services (Ina City, Nagano Prefecture)

In Ina City, which has the third largest area of municipalities in Nagano Prefecture, the uneven distribution of medical institutions is causing an increasing number of residents to face problems with going to hospitals, especially elderly residents who require regular hospital visits. In the Kami-Ina medical district of Ina City, the number of physicians is lower than the national average, and the shortage of physicians is a major issue. Family physicians provide home-visit medical care to patients who have difficulty going to a hospital and face chronic diseases. However, there is concern that the burden on physicians will increase due to need to travel long distances and the aging of physicians.

From 2019, Ina City has been working to solve these problems by conducting a mobile clinic demonstration project using medical care and MaaS in collaboration with MONET Technologies Inc. and Philips Japan, Ltd. In 2021, the team will complete the demonstration experiment and start full-scale operation. Moving forward, Ina City will increase the number of cooperating medical institutions to enable use by even more residents.

In the mobile clinic demonstration project, a mobile medical care vehicle staffed by medical personnel such as nurses will go to the patient's residence, and physicians at medical clinics will provide online medical care via the video call system in the vehicle. Thus far, six medical institutions (including Ina Central Hospital) in Ina City are participating in the project and providing online medical care for a total of about 100 cases (32 actual users). Patients have expressed how the project reduces the burden of going to the hospital and increases their peace of mind because they are able to consult with a physician more frequently. Physicians have remarked how they are able to make effective use of their time; for example, they are now able to provide thorough response to outpatients and patients with urgent conditions, compared to previously when travel time was incurred to conduct onsite consultations. Additionally, online guidance on medication has begun following the revision of the "Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices" in September 2020. Ina City is promoting DX by announcing the "Ina City DX Happy Town Declaration," which aims to achieve affluent lifestyles and work-style reform while utilizing technology to address various regional issues such as population decline. Going forward, SoftBank will continue to support urban development through MaaS so that everyone can live comfortably and with peace of mind.



Utilization of Technology to Solve Agricultural Problems (Minami-Osumi Town, Kagoshima Prefecture)

Located in Kagoshima Prefecture, Minami-Osumi Town is a region blessed with a warm climate. Consequently, the town cultivates a large amount of green peppers, which prefer high temperatures. In Minami-Osumi Town, the number of new farmers from urban areas such as Tokyo, Yokohama, and Osaka is gradually increasing due to city dwellers moving to the region in pursuit of a rural lifestyle. On the other hand, Japanese agricultural techniques have been handed down to younger generations orally, and the most pressing issue facing the town today is how to pass on the techniques of veteran farmers to young people. Furthermore, elderly residents account for 48% of the population in Minami-Osumi Town, which makes it the oldest municipality in all of Kagoshima Prefecture. Although the number of new farmers is increasing, the town faces problems such as the increasing age of producers, as well as a shortage of successors and personnel supporting agriculture.

In order to solve these problems, Minami-Osumi Town introduced a demonstration project known as "e-kakashi." By fusing experience/intuition and data from agricultural sites, e-kakashi serves as an agricultural AI (artificial intelligence) brain that supports more efficient cultivation. By analyzing a variety of agricultural data based on the knowledge in plant science, proposing specific countermeasures, and converting cultivation techniques into digital manuals, the project contributes to improving productivity and promoting the succession of technology. In addition to being implemented at about 500 locations in 29 prefectures throughout Japan, e-kakashi has also been implemented in the Republic of Colombia as part of the Smart Rice-Farming Project for improving the productivity and sustainability of rice cultivation. In this way, e-kakashi is being introduced throughout Japan and across the world.

In the demonstration project held in Minami-Osumi Town, e-kakashi IoT sensors were installed for producers of green peppers in the town. Data was measured from November 2019 to the end of February 2020. A data analysis workshop was held in January 2020. At the workshop, the ideal environmental conditions, etc., for activating photosynthesis clearly indicated in numerical form. The acquisition of know-how based on the accumulation and analysis of data through IoT in agriculture has the potential to not only solve current problems but also to create new innovations in agriculture. The project builds new relationships with data in the field of agriculture.

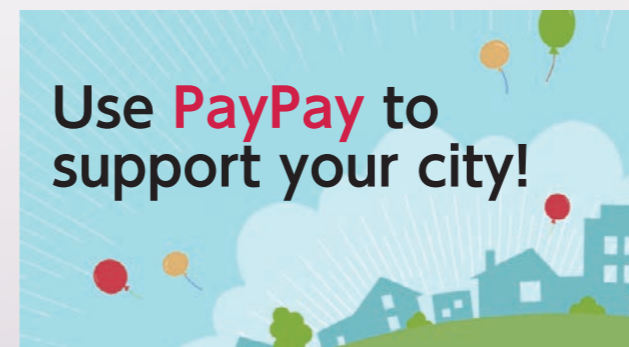


Regional Revitalization Using Cashless Payment

PayPay Corporation has been supporting the implementation of campaigns in collaboration with local governments and the payment of public fees (invoice payment). In particular, the campaigns conducted in collaboration with local governments eliminate the need for the local government pay for the issuance and distribution of regional promotion certificates and gift certificates. Furthermore, users can obtain gift certificates without the need to visit a specific location, so they are able to easily participate in campaigns with peace of mind while avoiding crowded places. In this way, using PayPay increases convenience for both local governments and users.

In response to how COVID-19 is having a major impact on regional economies, the "Supporting Your Town Project" is holding a campaign which aims to invigorate regional economies by utilizing the payment platform of PayPay in collaboration with local governments. 234 local governments have already decided to hold the campaign. Furthermore, 69 of those local governments found the first campaign to be so popular that they have decided to hold second and subsequent campaigns. The project has already spread to 42 prefectures throughout Japan.

On June 17, 2020, the company opened a consultation desk for inquiries from local governments that are considering regional economic measures and livelihood support for residents through campaigns that utilize PayPay. Furthermore, the company is carrying out activities which are linked closely to each region; for example, staff from sales offices located in regions throughout Japan introduce PayPay, provide follow-up care, etc., depending on conditions unique to each region. Moving forward, the company will continue to collaborate with local governments, support regional stores and lives of residents who have been affected by the spread of COVID-19, and work to invigorate regional economies. By doing so, the company will promote initiatives for achieving regional revitalization in the future.



LINE Smart City Promotion Partner Program

LINE Corporation operates the LINE Smart City Promotion Partner Program which assists interested local governments through measures such as providing information, proposing plans, and building communities among local governments. These measures promote the establishment of smart cities by local governments, the provision of highly-convenient government services for residents, and support for the increasing the work efficiency of government employees.

The company has always supported local governments in order to bring people closer together, to bring residents and the government closer together, and to provide highly-convenient government services. Upon entering into agreements with multiple local governments such as Shibuya Ward in Tokyo and Fukuoka City in Fukuoka Prefecture, the company and the local governments cooperated to enable usage of LINE for submission of applications for residence certificates, transmission of information, receipt of consultation, introduction of cashless payments, etc. Thus, the company has supported the realization of a "Portable Government Office" where people can receive various government services on an official LINE account. For example, in Fukuoka City, Fukuoka Prefecture, residents who discover defects in roads, parks, etc., can submit reports from LINE. This contributes to the creation of an easier-to-live city in which residents can report problems without having to go to a government office. It also allows governments to confirm conditions in real time and to improve resident services through fast response.

Currently, due to the spread of COVID-19, there is an increasing need for people to maintain social distancing and avoid contact as much as possible. Governments face the issue of how to build an environment where administrative services can be provided without having to go to a counter at a government office. Therefore, there is increasing importance for the movement toward realizing smart cities with functions such as digitization of administrative services. Even while maintaining social distancing, the company is facilitating interaction between government and residents, building a society where people can consult, apply, and perform procedures at any time and from anywhere. In this way, the company is supporting urban development which ensures that people can continue residing in their municipality.

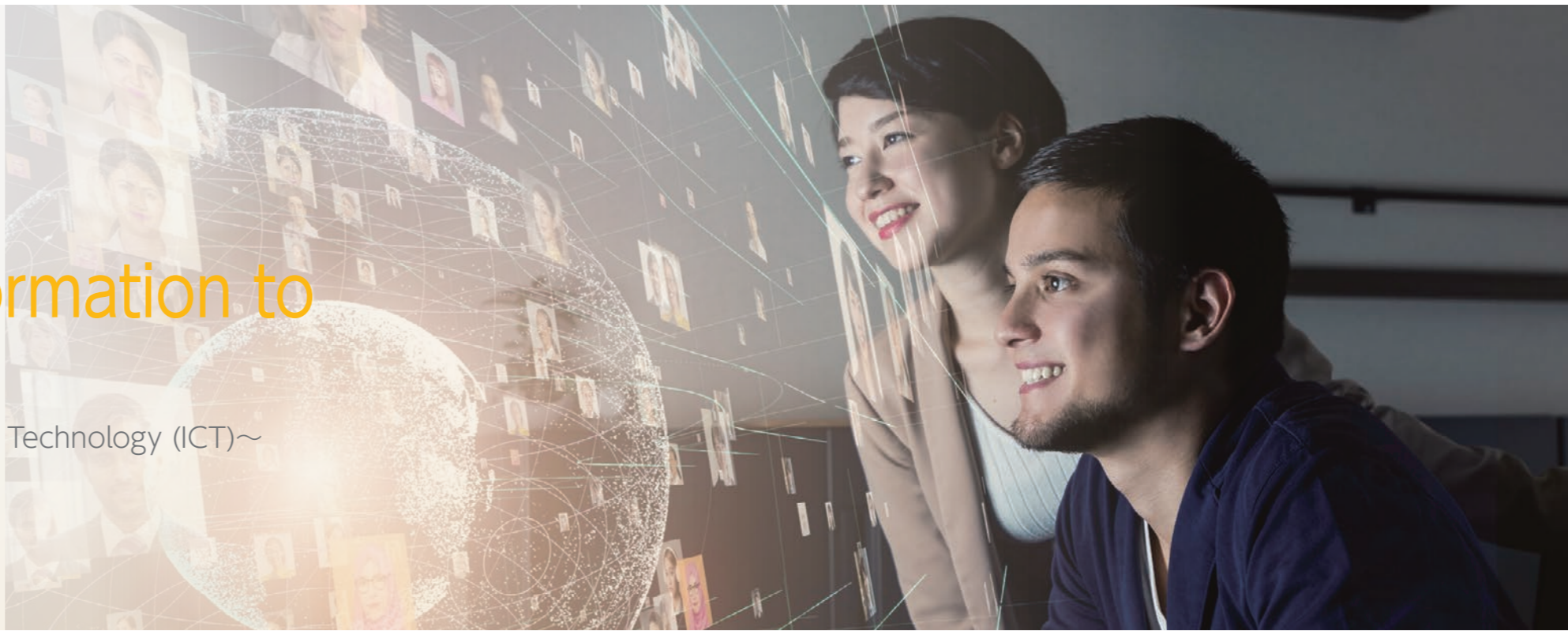




Materiality 2

# Connecting People and Information to Create New Excitement

~Enhancing Lifestyles with Information and Communications Technology (ICT)~



In order to lead more people to new lifestyles of convenience and abundance, SoftBank will not only aim for the spread of smartphones, tablets and other smart devices but we will also create new information-based experiences and attractive value by providing advanced telecommunications and ICT facilitating the acquisition of communications and information in all situations that enable the activities necessary for daily life.

The latest 5G communications services will enable the use of services and content that require high-speed connection and large capacity starting with VR and AR. To make appealing and cutting-edge experiences more accessible to many customers and to meet user needs which are increasingly diversified these days, we will renew our price plans so they are the same for 4G/5G. In addition, SoftBank newly established the LINEMO online brand in March 2021, and with a "multi-brand strategy" offering two other brands in addition to LINEMO, namely Y!mobile and SoftBank, we are able to respond to a wide range of requests.

Utilizing synergies which are a strength of our Group, SoftBank is working on offering more appealing customer experiences. In March 2021, a business integration between Z Holdings Corporation and LINE Corporation was completed, and as a result, the LINE Corporation joined the SoftBank Group. By coordinating the areas of "Search/Web portal," "Advertising," and "Messenger" mainly operated by Yahoo Japan and LINE with the e-commerce and fintech areas, we will realize the provision of a more convenient Internet service. Simultaneously, we will aim for creating new value and solving social issues. Yahoo! JAPAN's existing services also enhance their functions in response to needs that are becoming

increasingly diversified. Yahoo! JAPAN provides information and creates environments facilitating the instant obtainment of necessary information, such as a variety of news and disaster information, to provide peace of mind. Leveraging ICT's advantage of overcoming time and geographical constraints, the utilization of smart devices and the Internet will progressively increase in shopping, healthcare, education, finance and various other areas.

Moreover, targeting the top ranking in the e-commerce field, SoftBank has been promoting an approach utilizing Group synergies as well. With Yahoo! Shopping, ZOZOTOWN, PayPay Mall and other services, people are able to buy anything they want anywhere, anytime. Additionally, PayPay promotes a cashless society, supporting the realization of smart and environmentally conscious economic activities. In addition, we will also work to eliminate information disparities (the digital divide), support education and create a foundation to promote the use of ICT so that everyone can enjoy the convenience and value of smart devices and the Internet. We aim to create a world where everyone can access technology, devices, and information with peace of mind, regardless of age, physical condition, or socioeconomic status.

So that everyone can live a comfortable life using smart devices, SoftBank offers simple smartphones that even seniors can operate as well as junior phones and kids' phones for children. In addition to our Maho Project in support of the education of people with disabilities using ICT, we also assign smartphone advisors to shops nationwide and offer smartphone classes in-person as well as online. Mainly through these activities, we provide support for access to information by any and all customers.

## » Social Issues

- Realization of enriched daily life by spreading and using smart devices
- Bridge the digital divide, matching information demand and supply

## » SDGs Value Creation

- (1) Realize attractive customer value through the spread of smart devices
- (2) Provide an environment in which everyone can access information
- (3) Leverage ICT to create new lifestyles and enhance the foundations for daily life

## » Main Businesses and Initiatives

- Provide a wide range of customer value, price plans and services through spread of smart devices and multiple brands
- Provide new experiences using 5G such as VR and sports viewing
- Hold smartphone classes in our stores nationwide
- Enhance accessibility to news and various information provided on the Internet
- Promote the expansion of Internet communications throughout the world
- Implement initiatives aimed at expanding and enhancing online shopping from smartphones, providing new payment methods, and improving logistics efficiency
- Contribute to education, healthcare and financial fields using ICT

## » Risks and Opportunities

- Risks**
- Declines in profitability due to new entrants in existing telecommunications services and intensifying competition
  - Declines in profitability due to intensifying competition or discontinuation of market growth in the e-commerce and finance/payment businesses
- Opportunities**
- Growth in smartphone subscribers and increase of large volume data users
  - Expansion of business to non-telecommunication areas through provision of super apps
  - Increased profit opportunities via deeper data-driven marketing

## » KPIs

- (1) Helping everyone enjoy the value of cutting-edge devices/communication
    - Smartphone cumulative subscribers: ¥30 million (fiscal 2023)
    - Survey for NPS<sup>1</sup> improvement: Monitor results
  - (2) Promotion of easy-to-use information acquisition/distribution environment
    - Yahoo! News DAU<sup>2</sup>: 45 million
    - Expanding the HAPS Alliance to broaden Internet communications across the world: Promoting initiatives
    - Holding classes to teach how to utilize smartphone: 430,000 classes
  - (3) Expansion of ICT service users in lifestyle fields
    - PayPay cumulative registered users: 50 million
    - E-commerce transaction value (Merchandise): ¥4 trillion
1. Net Promoter Score 2. Daily Active Users

Materiality 2 Connecting People and Information to Create New Excitement

Key Person Interview



**Jun Shimba**  
Representative Director & COO

**Social Background Surrounding Telecommunications Business**

Mobile services centered around smart devices are increasingly becoming more important as an essential lifeline in the daily lives of people that supports social and economic activities. The recent spread of COVID-19 has changed the daily lives of people dramatically, and online shopping, contactless payment tools, and other services are in demand more than ever before.

**Multi-brand Strategy**

SoftBank considers leading many people to lifestyles of convenience and abundance through the spread of smart devices as one of our missions, and we are deploying a "multi-brand strategy" to offer services that match the lifestyles and utilization scenes of all customers. In March 2021, we launched a new online only brand called LINEMO. LINEMO offers very simple price plans for which customers can sign up easily at the website or with LINE. By providing LINEMO together with "SoftBank" which offers large capacity data plans and "Y!mobile" which provides small and medium capacity data plans, customers are able to select the best plan from among these three brands according to their lifestyles and usage. In addition, leveraging our strength of Group synergies, we provide a wide variety of services starting with Yahoo! JAPAN, PayPay, LINE, and ZOZOTOWN to a broad range of customers in familiar formats. In this way,

we produce new lifestyles and aim to offer unprecedented customer experiences.

**For Worry-free Smartphone Use by Customers (Smartphone Classes / Smartphone Advisors)**

At the same time, SoftBank has been proactively working to eliminate the digital divide (information disparities) through various approaches so that all customers can use smartphones comfortably without worry. At SoftBank and Y!mobile shops across Japan, approximately 1,200 SoftBank-certified smartphone advisors suggest the most suitable price plan and provide solid support, from selecting the appropriate device to walking customers through initial settings after purchase. Moreover, SoftBank offers smartphone classes to first-time smartphone users and customers who are not familiar with smartphones so they can learn about the fun associated with smartphones and experience the convenience. To prevent the spread of COVID-19, we launched online smartphone classes using Zoom for customers to provide remote and contactless assistance to customers with learning comfortable smartphone use. We are promoting approaches to support comfortable daily lives of our customers in flexible and diversified ways.

**Closing Remarks**

We would like to contribute to the achievement of SDGs and realization of a sustainable society through the creation of a society where anyone can access technology, devices, and information without worry.

SDGs Value Creation

1 Realize Attractive Customer Value through the Spread of Smart Devices

We aim to create value linking people and a wealth of information through the provision of the latest devices, the development of services and the provision of information and content maximizing the power of ICT and technology.

To understand customer needs that have diversified in recent years, it is essential to understand lifestyle backgrounds, including the characteristics and customs of the places where customers live. We will promote the utilization of technology as a multi-device tool for creating new excitement and value, rather than simply for efficiency and cost reduction. Additionally, to provide optimized services meeting customer needs, SoftBank will utilize cutting-edge technologies within the services of our Group companies to continue making every effort to provide attractive value suiting individual needs and circumstances.

As a result, we believe we will be able to realize a society in which all people are able to enjoy new experiences and excitement, and live high-quality and abundant lives.

**Toward 30 Million Cumulative Smartphone Subscribers**

To achieve the target of 30 million cumulative smartphone subscribers, we have been working on a "multi-brand strategy" and "differentiation by Group assets."

We offer three brands in the "multi-brand strategy" in response to diverse customer needs. The "SoftBank" brand is for those who use their smartphones actively, while "Y!mobile" is for light users and "LINEMO" online only brand is for users in the digital native generation. LINEMO also responds to the increasing need for services that can be completed online due to changes in life scenes and the like. Moreover, since various handling charges are free when switching among the brands, customers can switch

easily anytime. Customers can select the best plan for their situation according to their life stage anytime. "Differentiation by Group assets" is realized by combining the mobile services centered on 5G and smartphones, which is the foundation of our business, with our Group assets such as Yahoo! JAPAN, PayPay, ZOZOTOWN, and LINE which joined the Group in March 2021. Utilizing the differentiation by Group assets, we strengthen ties with customers and offer more convenient and affordable services. We will continue to further expand our customer base with services that leverage our Group synergies.

**SoftBank's Mobile Strategy  
Further Evolution of Strategy by Adding LINE's Assets**



\*May 11, 2021, earnings announcement materials for the fiscal year ending March 31, 2021

Materiality 2 Connecting People and Information to Create New Excitement

SDGs Value Creation (1) Realize Attractive Customer Value through the Spread of Smart Devices

About Multi-Brand Strategy

We aim to differentiate ourselves from other companies by expanding the smartphone business through a multi-brand strategy. SoftBank offers a wide range of choices to customers currently using other companies' smartphones as well as new customers, facilitating an environment making it easy to select our mobile services by meeting a diverse range of user needs through the development of three

brands: SoftBank, Y!mobile and LINEMO. Not only for existing customers but also for customers whose needs change due to lifestyle or life stage changes, we promote upgrades and continuous use (retention) by simplifying the process to switch to other brands in the Group including the elimination of handling charges required for switching to other brands in the Group.

The LINEMO online only brand was launched in March 2021 to meet diversified customer needs. Leveraging the synergy effect with LINE, LINEMO offers the "LINE Giga Free" service where no data is used for the "LINE" communication app. Since the entire procedure including contracts for services can be simply completed online, shop visits are not required either.

Since LINEMO uses the same network as SoftBank, a high-quality network can be used as well, thereby enabling the use of a comfortable Internet service conveniently and at low cost. Moreover, "SoftBank" and "Y!mobile" provide multiple price plans, creating an environment that is easy for customers to start using smartphones which helps prevent switching to another company.

Furthermore, we offer a campaign to assist customers with switching services according to changes in their life stage, and customers can switch brands among "SoftBank," "Y!mobile," and "LINEMO" without various handling charges. Customers can take advantage of this campaign when switching brands both at the website and in shops for free.

Moreover, we made SIM lock cancellation

unnecessary during brand switching and simplified contract procedures from August 18, 2021. As a result, customers will be able to select the most suitable plan more freely from among the wide variety of services and plans.

Going forward, we will steadily increase the number of smartphone contracts as we aim to realize the goal of 100 million smartphone users.

\*FY2020 new online exclusive brand launch event reference material

About 5G Services

5G which is the next-generation communications standard offering communication speeds faster than conventional 4G, noteworthy for its greater use of equipment and close to zero latency in communications. 5G has three distinct features: "high-speed and large-capacity" enabling smooth access to 4K and 8K video and content such as VR and AR, "massive device connectivity" connecting smartphones, tablets and all kinds of devices throughout the home and around town to the network, and "low-latency" enabling the remote control of high-quality augmented reality (AR) content in real time with ultra-high reliability. The practical application of 5G will make daily life even more convenient and enjoyable through virtual reality (VR) and mixed reality (MR).

SoftBank considers the year of 2021 as the first year when customers actually use 5G, and we will aim for the top in five categories, namely, "price," "products," "content," "sales support," and "network" so we will be No.1 in 5G.

High speed and large capacity

Enables smooth access to 4K and 8K video and content such as VR and AR



Ultra-high-reliability and low-latency

The evolution of low latency enables the real-time remote control of self-driving cars and robots



Multi-connectivity

5G connects not only smartphones and tables to networks, but also all kinds of devices at home and on the town as well.



Price

New price plans which are the same for 4G and 5G were respectively launched in "Y!mobile" on February 18, 2021 and "SoftBank" and "LINEMO" on March 17, 2021. In these new services, 5G communication can be used without additional fees, which allows all customers using 5G compatible models to experience high-speed 5G communication more casually than in the past. In addition, "SoftBank" offers an unlimited data plan which has been well received as a service that enables large-capacity high-speed communications at a reasonable price.

Network

With regard to network infrastructure, we are utilizing existing base stations and technologies and will proceed with appropriate capital investments and bandwidth expansion to rapidly deploy 5G services. By sharing infrastructure with other companies to quickly deploy 5G services throughout Japan, we are aiming for coverage of more than 90% of the population within 2022.

(see Materiality 5 on p.127)

5G LAB Realizes a Realistic Viewing Experience

5G LAB is a service unique to the 5G era launched on March 27, 2020, to distribute content that realizes an immersive viewing experience. The 5G LAB service is centered on entertainment and sports, and can be enjoyed on smartphones and tablets regardless of carrier. 5G LAB services comprise four categories: AR SQUARE, VR SQUARE, FR SQUARE, and GAME SQUARE.

The addition of a spin-off video of "Soko magattara, Sakurazaka?" (If you turn the corner there, is there Sakurazaka?) , a Sakurazaka 46's variety TV show broadcast since March 2021 on TV Tokyo, was announced. An original spin-off video which is coordinated with the TV show was exclusively streamed in VR and FR images, and the video closes in upon the real feelings of members under the themes of "being super close" and "feel of sneaking backstage" which are only realized by 5G LAB. We will work on further enhancing the content and offering new viewing experiences.



**AR SQUARE**  
Be in the same place as your favorite entertainer or celebrity



**VR SQUARE**  
Realistic live sports unfold before your eyes



**FR SQUARE**  
New movie experience enjoyed from multiple angles



**GAME SQUARE**  
PC games can be played on your smartphone

Materiality 2 Connecting People and Information to Create New Excitement

SDGs Value Creation (1) Realize Attractive Customer Value through the Spread of Smart Devices

5G LAB FUKUOKA—Facility for Experiencing Cutting-edge Content Using 5G

SoftBank opened "5G LAB FUKUOKA" on March 26, 2021. In the facility, visitors can experience the grandeur of the carrier free content streaming service "5G LAB" using 5G and the latest technologies. The facility has a space wherein visitors imitate the batting swing of a professional baseball player Yuki Yanagida and experience a batting swing comparison through "Swing Imitation with AI Diagnosis" using skeletal estimation technology. Another space offers an experience featuring the content of NiziU LAB which is a collaboration project with NiziU to fully enjoy the allure of NiziU. Visitors can also enjoy various other 5G LAB content in a 5G environment in the facility.

In the "Swing Imitation with AI Diagnosis" corner, AI diagnoses how close visitors can imitate the batting swing of professional baseball player Yuki Yanagida, their batting swings are compared and analyzed with skeletal estimation technology after recording with a special application and visitors can check their scores. In addition, visitors can experience the "Baseball LIVE" application that enables enjoying baseball games including Japanese Pacific League games in a next generation format in the 5G environment.



Immersive Motion—Interactively Moving Digital Art Using 5G

Utilizing 5G and MEC\*, SoftBank jointly planned and produced digital content as interactively moving digital art with NOMLAB of NOMURA Co., Ltd. This digital art is displayed in 5G X LAB OSAKA where companies are able to verify 5G technologies and experience 5G demonstrations.

The digital art produced here is the application of "Digital ART" content that enables the interactive enjoyment of displayed art. Digital ART was displayed in a "Gijutsu no Chikara" (The Power of Technology) exhibition hosted by SoftBank in 2020. In order to realize complex artistic expressions and interactive components regardless of location, drawing processing, arithmetic processing, and other processing that requires high-load data communication are executed in the SoftBank communication network.

When visitors stand in front of the digital art, sensors installed in the "5G X LAB OSAKA" exhibition venue acquire skeletal estimation information and data is collected in an interaction management system developed by SoftBank through its 5G network. Collected data is converted into control signals in the interaction management system and sent to a GPU (Graphic Processing Unit) server set up in SoftBank's data center. In the virtual environment built in the server, the data is coordinated with digital content produced by NOMLAB, and drawing processing and physics processing are executed in SoftBank's communication network and sent to and displayed in the exhibition venue through the 5G network. As a result, experience-based digital art that changes in real time according to movement of the visitors is realized.

\*Multi-access Edge Computing: Technology to optimize communication and realize high-speed communication by equipping a data processing function in locations near the terminals



Recognizes person and generates avatar

Avatar changes to match person's movement and clothes color

Customer Support Initiatives

SoftBank aims to popularize smart devices that are easy to use, safe and secure for everyone, from children to seniors. We are working to eliminate the digital divide through the constant support of smartphone advisors and smartphone classrooms and the provision of various devices and plans that meet a wide range of needs.

Smartphone Advisor System, Smartphone Classes for Seniors and Developing Products for Children

At SoftBank stores, SoftBank-certified smartphone advisors\*, who are smartphone experts, respond to customer inquiries free of charge. Advisors ascertain usage details, suggest and provide solid support from selecting the most suitable price plan and appropriate device to walking customers through initial settings such as filtering and providing consultation for repairs. Advisors also introduce the use of PayPay. SoftBank offers a variety of classes on tablets, online shopping and smartphone settlements, as well as smartphone classes that SoftBank customers as well as customers with devices from other companies can attend. In July 2020, we launched online smartphone classes using Zoom for customers who could not go outside due to COVID-19. Providing in-store services online is well received as a new option particularly by seniors who worry about going out and those who are not comfortable remaining in shops for extended periods of time. We will continue to improve the convenience of SoftBank shops and continue to explore ways to provide support for smartphones and other services while reducing anxiety about the risk of COVID-19 infection.

\*Smartphone advisor  
Store staff support specialists certified by SoftBank conduct smartphone classes and provide guidance on smartphone operations.



2020 Activities  
Classes held: 420,000 times  
Smartphone advisors: about 1,200

Fiscal 2021 Target  
Classes held: 430,000 times

Development of Products for Seniors and Children

With the spread of smart devices, we are providing devices and plans that are easy for everyone to use, from children to seniors, to prevent the digital divide from widening. In addition to "simple smartphones" and "easy smartphones" that can be easily operated by seniors, we offer "junior smartphones" and "kids' phones" for teens and children, as well as plans for customers over the age of 60 through Y!mobile.

Simple Smartphones and Easy Smartphones

With large, easy to read fonts, icons and keyboards, these smartphones can be easily operated by first-time users and seniors.



Junior Smartphones

Since this service allows iPhones and Android smartphones to be configured for use by children, parents and guardians do not have to worry about letting their children use the smartphones. The service does not require monthly fees.

The service blocks the use of pay services or purchases by children without the knowledge of parents and guardians and prevents the launch of harmful sites and apps.



Kids Phones

These smartphones are equipped with various monitoring functions that block contact from strangers, including the "Mimamori app" that displays the whereabouts of children.



Materiality 2 Connecting People and Information to Create New Excitement

SDGs Value Creation (1) Realize Attractive Customer Value through the Spread of Smart Devices

Customer Support Initiatives

Selected as the Operator of the Ministry of Internal Affairs and Communications' Project on Digital Utilization Support for Users

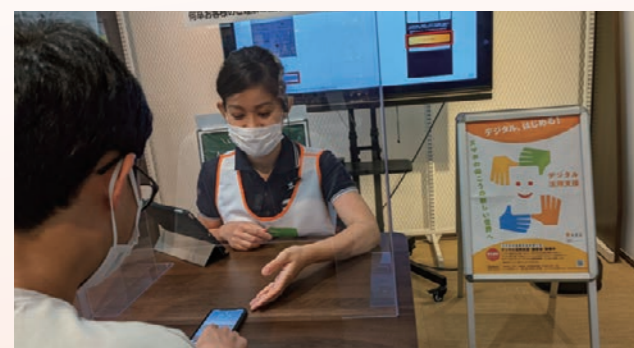
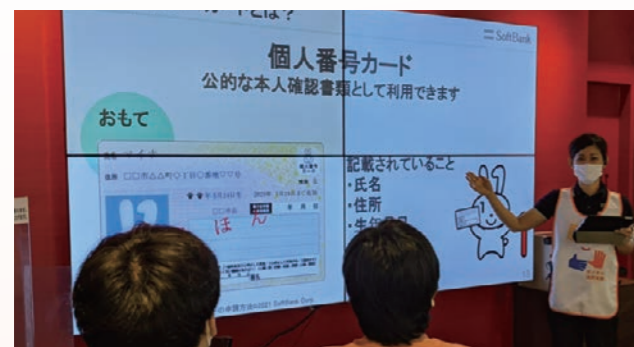
SoftBank is entrusted with a Ministry of Internal Affairs and Communications' project on digital utilization support for users for a nation-wide deployment model and community coordination model.

For the nation-wide deployment model, SoftBank will provide support mainly for online applications for government services by adding new courses to our smartphone class curriculum by Smartphone Advisors. Approximately 1,050 SoftBank shops across Japan will offer the courses.

In the community coordination model, SoftBank's seminar instructors who have completed training specified by the Ministry of Internal Affairs and Communications will provide assistance for basic smartphone operation and online applications for government services in coordination with local municipalities in community centers and other public facilities.

In the newly established "Government Services Course" to support online applications for government services, our seminar instructors mainly explain how to apply for an Individual Number Card, how to use Mynportal, and how to apply for Individual Number Card Points to help users become familiar with residence services and apply for the services easily.

By providing support for digital utilization to people in Japan starting with seniors, we will carry out initiatives for the project on digital utilization support for users through smartphone classes for the purpose of eliminating the "digital divide" and realizing a society where everyone can enjoy the benefits of digitalization.



Nationwide Unified Smartphone Debut Test for Parents and Children to Learn the Correct Knowledge of Smartphones

As initiatives for Y!mobile and SoftBank, we are implementing a nationwide unified smartphone debut test which enables children who will make their smartphone debut and their parents to have correct knowledge about smartphones in a quiz format. The nationwide unified smartphone debut test which is produced under the supervision of Professor Daisuke Fujikawa of the Faculty of Education in Chiba University assists parents and children with the acquisition of correct smartphone knowledge together.

The nationwide unified smartphone debut test has two versions, namely, one for parents and one for children. In both tests, the questions are given in a multiple-choice quiz format. An explanation by Professor Fujikawa follows the answer check to help parents and children understand the questions more thoroughly. After answering all the questions, parents and their children are able to go to a screen to create an original rule list for assembling rules for smartphone use together based on the test contents and explanation. The nationwide unified smartphone debut test is available to non-Y!mobile or SoftBank customers as well.

Since January 2019, the nationwide unified smartphone debut test has been recommended by the Office of Youth Affairs and Public Safety of the Tokyo Metropolitan Government in the hopes that youth who will make their smartphone debut and their parents discuss how to handle and use smartphones properly and acquire correct knowledge.

Recently, the media environment surrounding children has been changing, and the trend is for younger children to start owning smartphones. Smartphones are becoming a familiar item for children more than ever. On the other hand, issues such as dependency on the Internet and problems caused by social media use are on the rise. We implemented the nationwide unified smartphone debut test with the intention of supporting children with making their smartphone debut by arming children with correct smartphone knowledge and in-depth understanding of smartphones acquired through discussions on proper use and thinking about smartphones with their parents.



2 SDGs Value Creation

Provide an Environment in Which Everyone can Access Information

SoftBank will contribute to the realization of a society in which everyone can obtain the latest information fairly without any inconvenience, providing an attractive platform connecting people and information enabling everyone to get the information they require in real time through efforts to bridge the digital divide (information disparities) by improving access to information.

The convenience of lifestyle services, including e-commerce, and Internet shopping, is improving day by day. SoftBank provides more convenient and affordable services that are safe to use for everyone, striving for synergies linking the services of our Group companies to each other with the achievements, know-how and customer base in the e-commerce domain offered through Yahoo! JAPAN, ZOZOTOWN and other Group company services.

In addition, we are making improvements on a daily basis to enable customers to easily find what they need safely and comfortably using the Internet. By taking advantage of the immediacy and speed of the Internet, SoftBank strives to provide and distribute services and content from which anyone can easily obtain necessary information on all topics, such as sports and entertainment, to highly urgent information such as news and disaster information in a timely manner, and to improve access to information.

Furthermore, to ensure that, as the information society spreads, problems such as the digital divide are not exacerbated, we are working to provide devices that are easy for everyone to use, including seniors and children, and to provide an environment where people with various backgrounds can use them safely and comfortably.



Materiality 2 Connecting People and Information to Create New Excitement

SDGs Value Creation (2) Provide an Environment in Which Everyone can Access Information

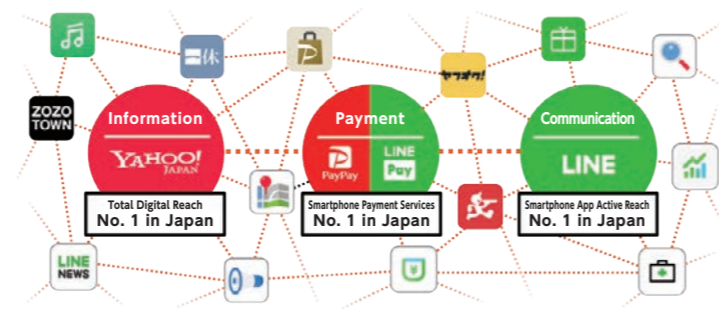
Business integration Between Yahoo and LINE Aiming to Support Japan to Become a "Trailblazer Country of Finding Solutions" Utilizing AI

SoftBank's subsidiary Z Holdings Corporation completed a business integration with LINE Corporation on March 1, 2021. As a result of the integration, the Z Holdings Group, with 23,000 employees and 6,500 engineers, has become one of Japan's largest Internet corporate groups that has a total of over 300 million users, 15 million corporate clients, and over 3,000 collaborations with local municipalities; and that provides services in 230 countries and regions. The Z Holdings Group aims to be a presence supported by many people by resolving the numerous remaining issues in society and the daily lives of people, providing convenience, and contributing to a flourishing society.

The Z Holdings Group now has more than 200 services and covers three sources of actions that are indispensable to our daily lives; "information," "payment," and "communication." Coordination of existing services of Yahoo Japan and LINE allows us to leverage an abundance of user touchpoints. The Z Holdings Group will create new value by solving various social issues of each individual living in each of the countries and regions, to provide convenience and to contribute to a flourishing society.

The Z Holdings Group has designated "Search/Web portal," "Advertising," and "Messenger," mainly operated by Yahoo Japan and LINE, as its core areas of business promotion. The Z Holdings Group has also designated "Commerce," "Local/Vertical," "Fintech," and "Social Services," as its four focus areas where there are large social issues that are expected to be solved with the Internet. We will apply data and AI technologies to each of these areas to activate powerful synergies to add convenience and vitality to the daily lives of our users, business activities, and all of society.

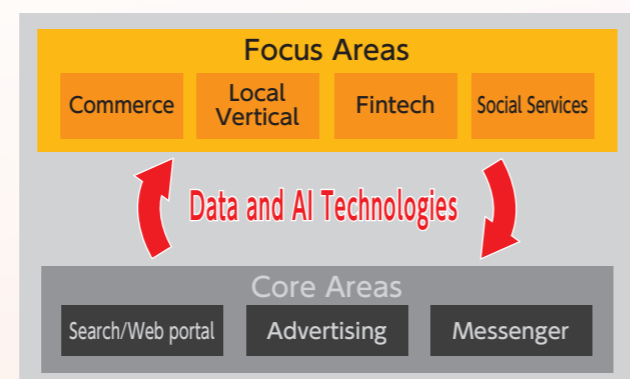
AI is an essential technology for the development of next generation services, and the Z Holdings Group will incorporate AI into all of our services to promote the creation of new value. Furthermore, to develop all businesses with a focus on AI, we are budgeting ¥500 billion and planning to increase 5,000 engineers engaged in the use of AI, both in and out of Japan in the next five years. Moreover, by building on LINE's overseas operations in Taiwan, Thailand and Indonesia, we will make a global expansion, introducing the best practices from Japan, as well as applying



best practices from overseas to the Japanese market. We will also make full use of the know-how and network of SoftBank and NAVER in the efforts of our global expansion.

Under the concept that data generated through service use belongs to users, we aim for safe and worry-free service provision. When handling data, we will focus on the following four points: providing easy-to-understand explanations, operating in accordance with applicable laws and regulations, continuing to receive advice and evaluations from experts, and giving priority to privacy and security.

To provide more convenience to and to contribute to a flourishing society for users as well as to become a driving force in Japan's transformation from a forerunner full of challenges of developed economy into a trailblazer country of finding solutions, we have launched a Suggestion BOX for a Better Digital Society in a special website, for people to share the issues they would like us to tackle, their requests on services and functions, and what they would like to do with information technologies. We will continue to work on solving social issues together with users.



Closing the Distance—Approach of LINE Under its Mission of Bringing People, Information and Services Closer Together

LINE was conceived as a mobile messaging service shortly after the Great East Japan Earthquake that occurred on March 11, 2011. After the tragedy, it became apparent that there was a fundamental need for a global communication tool that could strengthen relationships with family, friends, and people close to us and promote the bonds so we launched the LINE messaging app in June 2011.

With this approach, LINE has grown into a communication app with hundreds of millions of users worldwide, having a particularly strong focus in the rapidly advancing continent of Asia. Monthly Active Users (MAU)<sup>1</sup> in Japan are over 88 million people which accounts for more than 70%<sup>2</sup> of the population. The DAU/MAU ratio is the proportion of monthly active users that use the app at least once a day (Daily Active Users). The DAU/MAU ratio of LINE in Japan is 85%<sup>3</sup>, and the LINE app has secured a foothold as a life infrastructure of Japan.

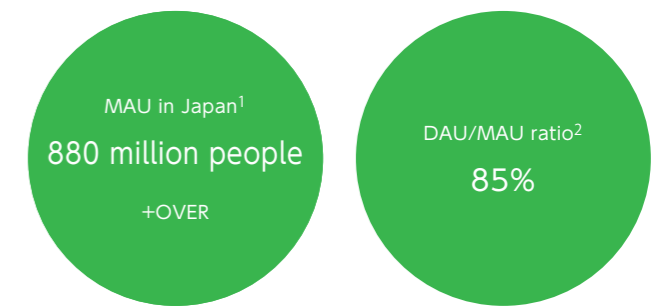
In addition to Japan, users outside of Japan are also increasing. In other Asian regions such as Taiwan, Thailand, and Indonesia, LINE users are significantly increasing. The MAU in four key countries including Japan is 169 million users and the DAU/MAU ratio is 79%.

1. According to LINE, Monthly Active Users of the app are as of end of March 2021
2. LINE app's Monthly Active Users for Japan (88 million people) divided by the total population of Japan (125.41 million people) (Finalized value as of April 1, 2021 by the Statistics Bureau, Ministry of Internal Affairs and Communications)
3. Ratio of Daily Active Users (DAU) (users who use the LINE app at least once a day) in MAU as of the end of March 2021

LINE has been working on various initiatives leveraging the use of LINE as "life infrastructure" by many people in coordination with local municipalities.

Toyama Prefecture opened the Toyama Prefecture Pregnancy and Childbirth Hotline using the LINE app for those concerned over pregnancy and childbirth due to various reasons including unexpected pregnancies and financial problems. Easy consultation and reporting with the LINE app realizes more support to younger women. Automatic responses by chatbots to questions is also implemented, which also leads to a reduction in response time by consultants.

In addition, the Tokyo Parent and Child HotLINE for consultation by parents and children using the LINE app in coordination with the Tokyo Metropolitan Government was established to accept inquiries and receive reporting through the LINE app to decrease the number children



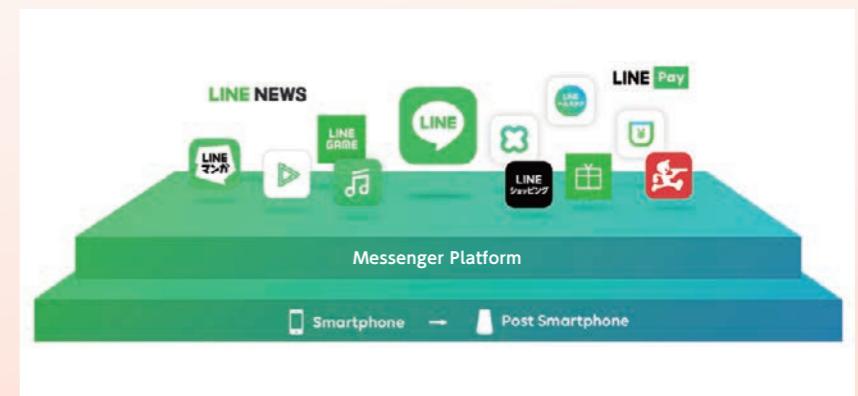
More than 70% of Japan's population<sup>3</sup>

Daily LINE users in Japan

suffering from child abuse.

LINE is being used by a wide range of age groups from the young generation to seniors, and LINE has been working on the establishment of systems that will attract many users and not isolate those with concerns over these social issues.

Our journey to evolve into a Smart Portal will continue, as we will meet all needs that our users face in a constantly changing mobile universe. In the world we strive to create, users will have seamless online and offline access to all the people, information and services they need in their daily lives - LINE is the gateway.



Materiality 2 Connecting People and Information to Create New Excitement

SDGs Value Creation (2) Provide an Environment in Which Everyone can Access Information

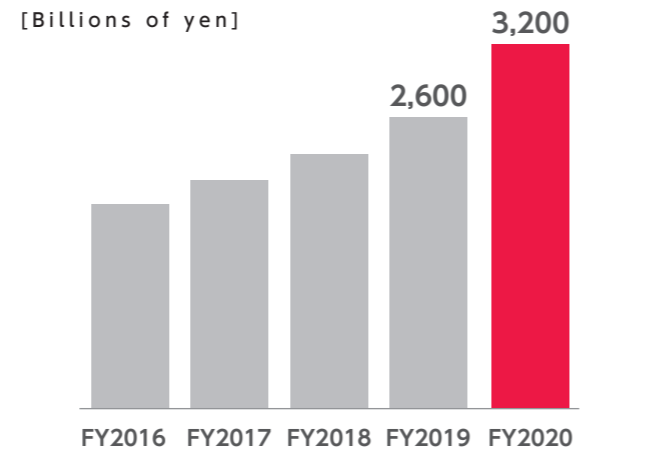
Initiatives Aiming to Become No.1 in E-commerce in Japan

In the backdrop of the recent spread of COVID-19 infections across Japan, the demand for e-commerce has significantly increased. The e-commerce market of Japan exceeded ¥19 trillion in 2019 and further growth is projected. Aiming for the highest e-commerce transaction volume (merchandise) early in the 2020's, SoftBank has been promoting an approach leveraging Group synergies.

The annual transaction volume of e-commerce led by Yahoo Japan continues its upward trajectory, reaching ¥3.2 trillion in fiscal 2020. In Yahoo Japan's e-commerce business in particular, in addition to "Yahoo! Shopping" and "Yahoo! Auction," we are working to further expand online shopping by developing "PayPay Mall," "PayPay Flea Market" and participation in "ZOZOTOWN." "Yahoo! Shopping" and "PayPay Mall" are used by people of all ages, from young to old. In addition, "PayPay Flea Market" and "ZOZOTOWN" are also used by a large number of customers mainly consisting of the younger generation.

Utilizing user touchpoints of abundant services such as SoftBank, Y!mobile, LINE, PayPay, Yahoo! JAPAN which is our Group strength and sending customers between e-commerce services with many users, these services can be used more affordably and conveniently. We will search for opportunities to grow by strengthening the coordination with LINE and PayPay in addition to working

E-commerce transaction value (Merchandise, service/digital)



on improving the easiness of using our online shopping services mainly by improving the easiness in discovering what customers are looking for and increasing delivery quality.

Going forward, we will continue to leverage Group synergies to provide an easy, safe, and worry-free online shopping experience to everyone and roll out a variety of services aimed at becoming No. 1 in e-commerce in Japan.

<p><b>SoftBank</b> No. of users 55 mil</p>	<p><b>LINE</b> No. of users 88 mil</p>	<p><b>PayPay</b> No. of users 41 mil</p>	<p><b>YAHOO! JAPAN</b> No. of users 80 mil</p>
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Sending customers to each other



\*[Number of subscriptions] Total of mobile communication service cumulative subscribers (47.285 million) and cumulative broadband subscribers (8.139 million)(As of March 2021)  
 Yahoo! JAPAN: Annual number of login user IDs (As of March 2020)  
 PayPay: Number of cumulative registered users (As of August 2021)  
 LINE: Number of monthly active users (As of March 2021)

Shopping Experience Leveraging Group Synergies with "ZOZOTOWN"

Opening of the ZOZOTOWN PayPay Mall Store

Since launching "ZOZOTOWN" in 2004, ZOZO, Inc. has devoted itself to providing "a website that is easy to use", "products that are in demand," and "products that are received quickly" for the consumers. Specifically, the Company has created a website that is attractive to both its users and brands, proactively promoting the listing of new brands in wide-ranging segments that can respond to its diverse user needs.

Since ZOZO became a consolidated subsidiary of Z Holdings in November 2019, ZOZOTOWN opened the ZOZOTOWN PayPay Mall Store in PayPay Mall in December of that year. Due to the synergy effect starting with significant reward points to customers in PayPay Mall, sales at the "ZOZOTOWN PayPay Mall Store" recorded a higher total than the main ZOZOTOWN online shopping website on March 28, 2021 which was the final day of the "Cho PayPay Matsuri (Super PayPay Festival)". Expansion of different new customer demographics from conventional ZOZOTOWN users is being promoted.



Strengthening the Coordination Function of the "PayPay Flea Market" and "ZOZOTOWN"

Yahoo Japan Corporation and ZOZO, Inc. began offering a function that enables simple 3-step posting of items purchased at "ZOZOTOWN" in the "PayPay Flea Market" flea market app managed by Yahoo! JAPAN in July 2020. This function links item data in ZOZOTOWN with PayPay Flea Market and automatically reflects product information such as the item name, brand name, size, and time of sale to a posting form of "PayPay Flea Market," which provides a smooth posting experience to users.

"PayPay Flea Market" started offering a function to effortlessly post items without spending time on inputting product information for items purchased in Yahoo! Shopping and PayPay Mall in March 2020. By adding a posting function that is coordinated with item data in ZOZOTOWN in the fashion category which is also quite popular in "PayPay Flea Market," we are striving for further expansion of users and the number of items.



Complete Large Size Item Delivery Service Covering Everything from Packing, Collecting, and Delivery to Installation

Yahoo Japan Corporation and Yamato Home Convenience Co., Ltd. (hereinafter, "Yamato Home Convenience") began offering the "Complete Large Size Item Delivery Service." In the service launched on November 24, 2020 in the "PayPay Flea Market" app managed by Yahoo! JAPAN, delivery staff from Yamato Home Convenience take care of everything from packing, item collection, delivery, unpacking, and installation to packing material collection for items up to 450cm in total on three sides.

In the background wherein people spend more time at home, the need for large item transactions such as large size home appliances and furniture between

individuals is increasing.

Yahoo! JAPAN realized the posting of large size items in "PayPay Flea Market" by enhancing the delivery method in coordination with Yamato Home Convenience. The "Complete Large Size Item Delivery Service" eliminates troublesome packing and delivery work and improves convenience so customers can more casually conduct transactions between individuals.



App Based Virtual Fitting for 3D Sampling Images in "PayPay Mall"

The "PayPay Mall" app for smartphones offers a "virtual fitting" function. Users are able to try on 3D sampling images of glasses, earrings, and piercings which are similar to actual products available in PayPay Mall in terms of color and/or shape. Approximately 40 images of glasses and seven images of earrings and piercings are available.

First, users take a picture of their face with smartphones in the "virtual fitting" function in the app. Then, by selecting the shapes and colors of eyeglasses and earrings they would like to try on, the users can try 3D sampling images of eyeglasses and earrings on their facial photo. Furthermore, users can enjoy a diagnosis\* to calculate how much the facial outline and eyeglasses match percentage wise and a function that shows a list of products

that particularly match the facial outline of the users.

The virtual fitting allows users to purchase items online that fit well and assists customers who are uncomfortable with visiting brick-and-mortar stores and with trial fitting of items due to anxiety over the recent spread of COVID-19. We will continue to face the issues and the needs of users in online shopping and improve the convenience of users to realize new shopping experiences.

\*The diagnosis is only available for eyeglasses.



Materiality 2 Connecting People and Information to Create New Excitement

SDGs Value Creation (2) Provide an Environment in Which Everyone can Access Information

Improving Accessibility to Information on the Internet

Information and Media Services Centered on Yahoo! JAPAN

Through Yahoo! JAPAN, the largest Internet platform in Japan connecting people and information, we will



realize a high degree of accessibility that allows everyone to access information essential for daily life.

As one of the largest Internet companies in Japan with more than 80 million users\* per month, the media business one of Yahoo Japan's main business domains.

Leveraging the immediacy and speed of the Internet, in addition to news, disaster information and other highly urgent information people require, Yahoo Japan provides a variety of other information such as financial news, maps, traffic information, sports and entertainment and television and horoscope readings.

Yahoo! News, which is one of our key content, was launched in July 1996. Yahoo! News delivers articles and videos distributed by a wide variety of partners such as newspaper publishers, telecommunications companies, and TV stations twenty-four-seven 365 days a year.

In Yahoo! News topics, the articles undergo editing to respond to public nature and social interest. Disaster information and important news are published quickly so users do not miss breaking news.

Yahoo! News is supported by a wide range of age groups, with about 22.5 billion-page views (PVs) per month, making it one of the largest news websites in Japan.

\*Number of daily unique browsers used to access Yahoo! JAPAN services (average for the fiscal year ended March 31, 2020). Access using both a browser and the smartphone app is counted as duplicates.

Fingerprint/Facial Recognition Login

Yahoo Japan introduced biometric authentication in the Android version "Yahoo! JAPAN" app. Apps such as "Yahoo! JAPAN" app and "Yahoo! Shopping" app (iOS version and Android version) and use of these apps via web browsers (Safari, Google Chrome) are now compatible with the biometric authentication.

Yahoo! JAPAN realized the introduction of an authentication method according to FIDO2 standard in the "Safari" iOS browser in the world's first commercial service for consumers.

Yahoo! JAPAN started offering a login method using SMS and

not passwords in 2017. In 2018, login through Android web browsers became compatible with biometric authentication. For iOS, biometric authentication became possible in some iOS apps in 2019, and login through iOS web browsers with biometric authentication was realized in 2020. As these advances indicate, Yahoo! JAPAN has promoted the introduction of non-password authentication methods to improve the convenience and security of users.

Yahoo Japan will continue to work on popularizing safe log in using biometric authentication and other methods to realize a passwordless world.



Addition of a "Region" tab to the "Yahoo! JAPAN" app

The top page of "Yahoo! JAPAN" now has an available "Region" tab featuring local news and information. When users add the "Region" tab and select their region, users can check the latest news, weather information (weather forecast, temperature, weather warnings, rain cloud movement information by radar, heat index), security information, emergency information from local municipalities, etc.

According to a survey conducted by Hakuodo DY Media Partners Institute of Media Environment, approximately 30% of users answered that they check information for their residential neighborhoods more often than in the past\*. Mainly due to the recent natural disasters and expansion of the spread of COVID-19, the provision of information closely related to locations where users live are becoming important.

Yahoo! JAPAN also plans to offer original content in the "Region" tab, and we will work on enhancing functions as a service that delivers more convenience and more comfort to the daily lives of users.

\*Institute of Media Environment's survey on contact with media after lifting the state of emergency (Time of survey: End of May 2020)



Yahoo! News Offering an API for Countermeasures Against Inappropriate Comments for Free

Yahoo Japan provides the API (application program interface) for the technology to evaluate comments using the deep learning-based natural language processing model (AI) which was introduced for the purpose of improving the quality of "Yahoo! News Comment" for free of charge. By using the API of Yahoo! JAPAN, operators that allow users to post comments are able to evaluate comments posted on their services with AI and delete and change the order of display of comments.

From 2007, Yahoo! News provides Yahoo! News Comment, a function that allows users to post their opinions and comments on the distributed articles. The purpose of this function is to enable users to come in contact with various opinions through the news articles and to provide an opportunity to gain new perspectives.

In order to create a sound forum of speech, Yahoo! News takes measures against inappropriate postings using AI developed by Yahoo Japan, in addition to human patrols by a specialized team. Through such measures, Yahoo! JAPAN News deletes an average of approximately 20,000 inappropriate comments per day, including slanderous and defamatory comments.

By introducing this AI Technology used in Yahoo! News, which has on average more than 320,000 comments per day\*, operators that allow users to post comments will be able to provide a sound comment feature in their services, without initial investment in a large amount of training data and computational cost required for AI development. Please note that several patents are pending for this AI Technology.

As part of its corporate social responsibility and with a commitment to ensuring transparency in this AI Technology and respect in the diversity of opinions, Yahoo! JAPAN will provide this AI Technology also to various operators of services that allow users to comment, and lead the industry as a whole to improve the soundness of the Internet in Japan.

\*As of May 2021



Checking the Congestion Level around Retail Stores and Commercial Facilities with the Yahoo! MAP app

Yahoo Japan provides a function to enable users to check the congestion level around retail stores and commercial facilities with three types of icons using a congestion radar which is available in the Yahoo! MAP app.

Since the congestion level around each facility is displayed by three icons, namely, blue (less congested than usual), green (as congested as usual), red (more congested than usual), users are able to identify the congestion level easily.

Users can check the congestion level as of 20 minutes ago or earlier for approximately 170,000 locations including supermarkets, pharmacies, and other retail stores, shopping malls, other large size commercial facilities, and leisure facilities including zoos and aquariums that are covered not only in Yahoo! MAP but also by Yahoo! Search and Yahoo! Loco.

The congestion level is calculated after gathering statistics on data of users who have granted permission to use the location information in each app provided by the Yahoo! JAPAN in addition to use of unerry Inc.'s Shopping Congestion Map\*.

\*This function was realized through the results of joint research with Shimosaka Research Group of the Tokyo Institute of Technology.



Materiality 2 Connecting People and Information to Create New Excitement

SDGs Value Creation (2) Provide an Environment in Which Everyone can Access Information

Initiatives for Eliminating the Digital Divide

Initiative for Elimination of the Digital Divide through Establishment of a Telecommunications Environment in Africa

SoftBank and the Smart Africa Secretariat (hereinafter, "Smart Africa") will work to bridge the digital divide by providing accessible and affordable internet connectivity to Africa's underserved regions.

Smart Africa is working to implement the Bulk Capacity Purchase Project, an initiative that aims to deliver affordable internet connectivity for African citizens through the large-scale joint procurement efforts of Smart Africa member countries.

SoftBank also became a Smart Africa Gold Member in October 2020. HAPSMobile Inc., a subsidiary of SoftBank, and the Ministry of ICT and Innovation of Rwanda signed a Memorandum of Understanding ("MoU") in July 2020 under which both parties will conduct a Joint Research Project that studies the use of High Altitude Platform Stations to provide mobile Internet connectivity in Rwanda.

To contribute to the Bulk Capacity Purchase Project, SoftBank will deploy its Non-Terrestrial Network (NTN) Solutions to reduce internet costs and build affordable internet infrastructure. SoftBank's NTN Solutions will utilize the connectivity services of HAPSMobile and others.

The partnership, with a vision to expand the area of work from internet infrastructure into digital transformation (DX), will boost the transition and development of a knowledge-based social economy in Africa. The collaboration will also aim for the realization of a single digital market on the continent through Information and Communication Technology (ICT). To bridge the digital divide, SoftBank and Smart Africa will also study ways to collaborate and engage with organizations such as the HAPS Alliance, which seeks to promote the commercial adoption of HAPS, among others. Further, through a series of engagements in the coming future, this partnership will also consequently work to contribute to the United Nations' Sustainable Development Goals (SDGs) by providing digital solutions that address societal challenges.

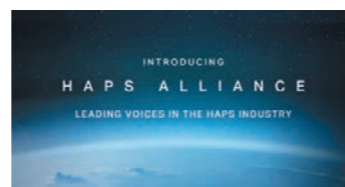
Toward a Society Where Information Can be Obtained Anywhere in the World (Promotion of the HAPS Alliance)

To facilitate the provision of Internet communications utilizing high-altitude aircraft, the HAPS Alliance was established in 2020 under the leadership of HAPSMobile, with the aim of proactively working with

regulators in each country and cooperation on standardization activities for defining product specifications for HAPS and the interoperability of HAPS technologies. Through these activities, the alliance aims to resolve various social issues and create value by building an Internet connectivity environment covering the entire planet by utilizing high-altitude communication networks and aerial vehicles.

The HAPS Alliance promotes each of these activities as a member among the world's leading companies, governments, universities and research organizations in the telecommunications, technology and aviation industries.

HAPS Stratospheric Communications System (see Materiality 3 on p.84)



Initiatives for Solving Issues Faced by People with Disabilities

Aiming for the creation of a society where people with hearing disabilities and people without hearing disabilities communicate with each other easily, SoftBank has been working on the creation of an environment where anyone can have many ties with people.

"Sure Talk" Connecting People with Hearing Disabilities and People without Hearing Disabilities

"Sure Talk" jointly developed by The University of Electro-Communications and SoftBank is a communication tool that enables conversation between sign language and voice and AI learning of sign languages. This system is equipped with sign language recognition which is a core engine, natural language processing, and voice recognition. Through a camera on a terminal, AI tracks physical movement and extracts the characteristics of sign language, recognizes the sign language, and converts the sign language into text in real time. On the other hand, the system converts voice caught by a microphone on the terminal into text. In this way, this system enables communication with sign language and voice. We will continue to improve the convenience of users by enhancing the sign language database to lead to improved accuracy of sign language recognition.

Using cutting-edge technology, SoftBank promotes the establishment of social infrastructure where people with hearing disabilities are able to flourish in their own way on the same stage as people without hearing disabilities in any scene.



Establishment of Sign Language Counter and Remote Sign Language Window

The SoftBank Shibuya store has a sign language counter where sign language staff are permanently stationed so that customers with hearing impairments can conduct contract-related business and consultations with peace of mind. Since 2010, we have also provided a remote sign language window service where staff members can provide customers with sign language guidance using a videophone to connect smartphone advisor stores nationwide with sign language counters.



Game-based Sign Language Dictionary Learning

SoftBank provides an app enabling user to learn sign language by playing games. With over 200,000 downloads in 2020, everyone from children to adults are having fun while learning sign language.

Furthermore, this is the first sign language app to be recommended by the Tokyo Federation of the Deaf.



Sign language dictionary app screen

"Assist Guide" App to Expand Opportunities of Those who Have Disabilities in Their Daily Lives

The Assist Guide is an app that allows users to make a visualized To Do list in daily life with explanations on what and how to do items on the list. Users can take pictures of each activity with smartphones or tablets and list up the activities in order together with explanations on the details of the activities. Since users can understand the entire picture of the activities beforehand, they can see their overall schedule ahead and take action without worry.

This app assists not only children and seniors but also those with disabilities in daily life (including those with intellectual disabilities and those with developmental disorders) to act with confidence and expand opportunities to flourish. SoftBank aims for the creation of an environment where people can make the most of their intrinsic capabilities.



Maho Project Supporting Children with Disabilities Using Technology

Through an empirical research project with the Research Center for Advanced Science and Technology at the University of Tokyo, the "Maho Project" utilizes practical research supplemented with technology to support children with a desire to learn but who, for a variety of reasons, have difficulties with standard learning methods.

SoftBank lends out tablet devices and the humanoid robot Pepper free of charge for a certain period to special support schools all over Japan for use in learning and life with the objective of increasing opportunities for children to participate in society. Since this project was launched in 2009, a total of 700 schools have cooperated in this practical research.

Additionally, widely publicized examples of this project have led to opportunities for proposing to the Ministry of Education, Culture, Sports, Science and Technology that technological support is effective for children who have difficulty learning on their own. As a result, the Maho Project was approved as a project supported by the Ministry of Education, Culture, Sports, Science and Technology in February 2020. The utilization of technology creates learning environments facilitating learning support for all children as well as environments that can draw on the intrinsic abilities of children with disabilities.

Participant Feedback



A student with a progressive illness in need of assistance with transportation and other aspects of daily life was unable to describe their

role in society and worried about the future. This student is good at operating computers and using other technologies.

Participating in this project and programming Pepper enabled the student to actively participate in various activities and gain confidence. As a result, the student decided to pursue engineering as a future career, taking on the challenge of the entrance exam of the School of Human Sciences, Waseda University (e-school), which the student passed. At university, this student is studying about how technology can resolve and make up for various difficulties faced by people with physical disabilities.

3

SDGs Value Creation

Leverage ICT to Create New Lifestyles and Enhance the Foundations for Daily Life

By utilizing advanced communication technology and ICT, we aim to enhance lifestyles by improving the convenience and expanding use of services that are closely related to people's lives, such as finance, education, and medical care.

In the area of finance, the FinTech field utilizing IT is attracting attention as it enables comfortable, safe and secure financial services transactions utilizing technology and the Internet for asset management, settlements, payments and a variety of other activities. SoftBank aims to innovate FinTech financial services to provide people with new experiences and a new concept of money through the provision of new financial services that are both safe and convenient, including settlement services, lending using AI and stock trading apps, to increase the ratio of cashless transactions in Japan.

In the field of education, the development of an ICT environment is moving forward, with the Ministry of Education, Culture, Sports, Science and Technology (MEXT) engaging in full-scale efforts toward the "GIGA School Concept," establishing a high-speed, large-capacity network with personal computers or tablets provided to every elementary and junior high school child and student.

Moreover, even when the spread of COVID-19 makes it impossible to physically attend school, the utilization of this technology will enable children and students to learn anytime, anywhere, without disruptions, making the importance of ICT utilization in education grow day by day. Education and learning using ICT is expanding not only in schools for children, but also in the fields of education and sports. SoftBank will contribute to the incorporation of ICT in educational settings and offer learning opportunities to as many people as possible through the provision of various educational solutions and services using ICT devices, including smartphones and tablets, applications such as Zoom, robots and other toys that enable education and learning regardless of location, geographical or time restrictions.

In the field of medicine, as Japan faces social issues such as the emergence of areas with no public transportation due declining birthrates, an aging population and depopulation amid increasing concerns about preventative medicine and self-care, there is a growing movement toward the incorporation of ICT into healthcare to revise systems related to online medical care and increase online healthcare consultation services. SoftBank is engaged in the use of cutting-edge technologies in the healthcare field, including the provision of apps for medical services available online, as well as services that help resolve issues in areas facing problems including the uneven distribution of hospitals and transportation of outpatients through the provision of healthcare mobility using MaaS.

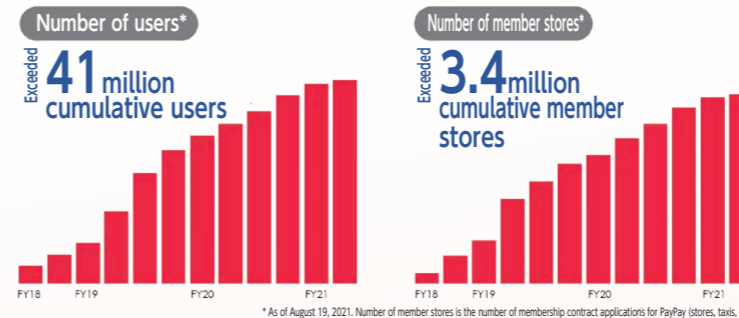


Use of Technology in the Financial Field

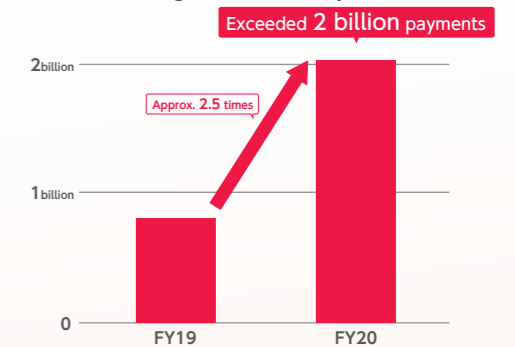
Financial Services Initiatives Centered on PayPay

The PayPay cashless payment service completes payment seamlessly with a smartphone app. Since launch of the service in 2018, PayPay has continued to increase the numbers of users and member stores and reached 41 million cumulative registered users and 3.4 million member stores (As of August 2021). The total number of payments from April 2020 to March 2021 exceeded 2 billion payments, which is a 2.5-fold increase compared to 800 million payments in the previous fiscal year. Gross Merchandise Value (GMV) is 3.2 trillion yen, which is approximately 2.6 times greater than 1.2 trillion yen in the previous fiscal year. While every corner of Japan has been greatly affected by the spread of COVID-19, PayPay has played the role of a platform to popularize electronic payments recommended in the new lifestyle. We provided mini apps which are convenient for users and implemented campaigns offering great deals. In addition, we carried out many activities to pursue safety and security. For example, the PayPay Securities Corporation offers "Bonus Management" in its mini app where users can simulate the management of PayPay bonuses that users have without any troublesome procedures including ID registration or opening an account. As a result, in only one year and three months from service launch, more than 4 million users enjoy PayPay Bonus Management in the mini app (as of July 30, 2021). In addition, we also started "PayPay coupons" that allow member stores to set PayPay bonuses on their own. Through these measures, PayPay supports member stores with the digitalization of sales promotions. Furthermore, PayPay implements campaigns in coordination with local municipalities to contribute to the revitalization of local economies and digitalization of the regions. PayPay will continue to work on the diffusion and promotion of cashless payments and improve the convenience of users and productivity of society through the addition and expansion of services.

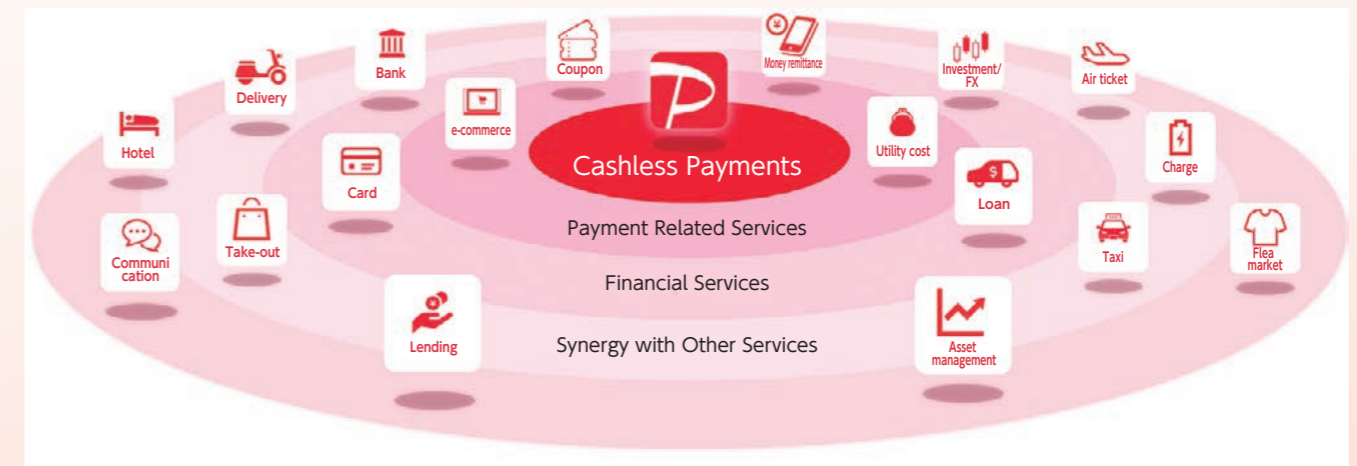
Increasing users and available locations



Change in No. of Payments



Furthermore, PayPay is utilizing the SoftBank and "Yahoo! Wallet" customer base to expand its range of services, including offline payments as well as online payments, utility payments (invoice payments), and interpersonal transactions. By linking these with e-commerce services such as PayPay Mall, PayPay Flea Market and other mobile services and realizing delivery order placements and coupon acquisition from the PayPay app, our pursuit of deploying services that can be used by customers conveniently and economically will continue. PayPay also aims to build an ecosystem starting with the enhancement of financial services and create a "super app" that can solve any issue faced by users beyond the border of payments.



Materiality 2 Connecting People and Information to Create New Excitement

SDGs Value Creation (3) Leverage ICT to Create New Lifestyles and Enhance the Foundations for Daily Life

PayPay Bank Not Requiring Bank Cards for Using the Service

PayPay Bank, which is a Group company of Z Holdings and Sumitomo Mitsui Banking Corporation, changed its name from The Japan Net Bank in April 2021. Any and all banking services starting from applications to opening an account to bank transfers, foreign currencies, and mutual-fund management can be used with smartphones only. Money charging on PayPay and other various cashless payment services can be conducted with the app, and PayPay Bank users can use Seven Bank ATMs without a bank card. Inquiries are accepted by the LINE app twenty-four-seven. All financial services can be used with just a smartphone without worry.

While PayPay is evolving into a "super app" that is equipped with multiple functions, PayPay Bank will contribute to the innovation of fintech by accelerating ICT x financial services through measures such as the establishment of a system offering business loans via the website used by PayPay member stores.



PayPay Securities Offering Services Making Stock Investment More Accessible

As Japan's first securities company specializing in trading with smartphones, PayPay Securities offers unprecedented financial services such as a simple 3-tap only procedure and investment in units of thousands of yen so even first-time investors can start stock investment at their own pace. In addition, users of the "Bonus Management" which is a service launched from April 2020 for users to experience the simulation of investment management in the mini app<sup>1</sup> in "PayPay" exceeded 4 million people in approximately one year and three months after service launch (as of July 30, 2021). In "Bonus Management," users convert "PayPay Bonus"<sup>2</sup> into original points<sup>3</sup> provided by PayPay Securities and experience simulated investment management. Since anyone can immediately start the investment experience on the "PayPay" app without requiring an account opening or other troublesome procedures, the service is used by many customers.

PayPay Securities will continue to offer the easiest-to-use, simplest, and unprecedented financial services so many customers can experience stock investment more casually.



1. Mini app is a function that mainly enables users to use the services (service reservation, ordering/paying for products, etc.) provided by partner companies of the PayPay Corporation with the "PayPay app" without downloading apps from the respective partner companies.
2. The amount given to users' PayPay Bonus accounts due to special bonus offering, campaigns and other occasions
3. The original points provided by PayPay Securities are only for management in "Bonus Management" and conversion to PayPay Bonus, and the original points cannot be used for any other services at this point.

Utilization of Technology in the Education Field

Using ICT equipment and devices, SoftBank aims to create an environment enabling everyone to study and learn anytime, anywhere. Through technology, we will contribute to improving the intelligence and abilities of the young people and children who will lead the next generation toward Society 5.0.

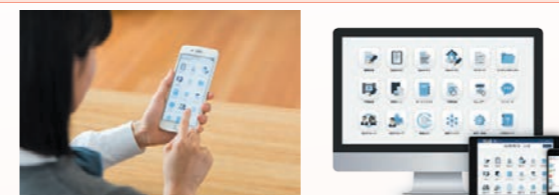
Learning Support Service "Classi"

"Classi" is an educational platform operated by Classi Corp., a joint venture between Benesse Holdings Corporation and SoftBank. To make the most effective use of "Classi," SoftBank is supporting the incorporation of tablet devices in schools provided by the Benesse Corporation at a low cost with peace of mind.

So that students can use the tablets with peace of mind, we provide mobile device management (MDM) enabling the tablet security policy to be set remotely. We also reduce burdens on administrative staff with the provision of an extensive support system for rental tablets that includes installation and troubleshooting.

Going forward, SoftBank will contribute to lessening the burdens of instruction for teachers and realize safe, secure and efficient lessons through the provision of "Classi."

Introduction of "Classi" and Tablet Sets ・ Over 30,000 sets introduced!



Kandu "Robot LAB"

At the "Robot LAB" opened within the Kandu work experience theme park that can be enjoyed by three generations of parents and children, we want you to look ahead toward a future dominated by AI and robots and feel the imagination, logical thinking and pleasure of interacting with robots through a programming experience using the humanoid robot Pepper. The "Robot LAB" provides children with activities that allow them to experience working as a robot engineer.

The experience is based on problem-solving in which children respond to various problems that occur in the city of Kandu by programming Pepper while thinking about how to solve problems.



**Kandu**  
A work experience theme park at the Aeon Mall New City enjoyed by three generations of parents and children.

"palstep" Service Supporting Learning for Children and Students Who Refuse to Attend School or Have Learning Difficulties

"palstep" is an e-learning study support service provided as part of social contribution activities conducted by SB Players Corp., which provides solutions to national and local governments. "palstep" is provided free of charge to help ensure educational opportunities for children and students who have difficulty going to school or attending lessons in a classroom.

Even if learning is delayed, "palstep" provides three main support functions so that children and students can proceed with learning at their own pace.

<Main Support Functions>

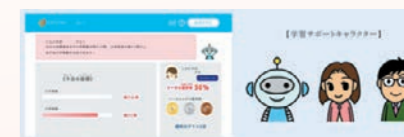
1. Learning support tailored to individual students

To alleviate concerns about delayed learning, four subjects (elementary school language and mathematics, and junior high school language and mathematics) based on a teacher's instruction plan are provided to enable students to commence learning at their own pace with goals adapted for each student.



2. Support using communication bots

Original characters help students navigate daily goals and problems in a fun way while ascertaining lifestyle rhythms, interests and preferences, including bullying detection, through natural conversations.



3. Remote conversations

In addition to simple messages between students, parents and teachers, parents can inform teachers of school attendance, physical condition and other circumstances using a hassle-free questionnaire.



Furthermore, continuing on from the previous fiscal year, in response to the demand of local municipalities in preparation for assisting students to study at home during school closures to prevent the spread of COVID-19, we continue to create palstep accounts for all students in schools free of charge. SB Players Corp. aims to revitalize local communities by creating innovative services in collaboration with national and local governments and local businesses.

Materiality 2 Connecting People and Information to Create New Excitement

SDGs Value Creation (3) Leverage ICT to Create New Lifestyles and Enhance the Foundations for Daily Life

LINE's Digital Literacy Education

LINE Corporation has been working on a wide variety of initiatives to improve various literacies that will be necessary for the coming digital society for children to bear the future.

To educate youth regarding healthy Internet use, LINE Corporation is implementing information ethics education in schools, local municipalities, and related institutions across Japan and providing the "LINE entry" programming studying platform that enables children to master programming logic while having fun. Moreover, LINE Corporation also deploys cyber security education and financial/information literacy education. LINE Corporation has been working on activities to realize a safer, energetic society filled with communication.



IoT Challenge Supporting Programming Classes Using IoT

The "IoT Challenge" launched in April 2019 targets elementary and junior high students who will lead the next-generation society amid the spread of IoT, artificial intelligence (AI) and smart robots. This initiative supports programming education through the provision of a free kit<sup>1</sup> that includes micro:bit<sup>1</sup>, sensors and other peripherals, and a teacher's guide as a set of teaching materials for programming education with IoT as the theme. 143 elementary and junior high schools participate<sup>3</sup> in this program nationwide (fiscal 2021).

The "IoT Challenge" realizes creative programming instruction that could not be achieved using a single programming teaching material by linking the humanoid robot Pepper with micro:bit and sensors via the Internet. Children and students can experience manufacturing from an ICT perspective through programming and combining various sensors while thinking about solutions to problems common in schools and local communities.

Teaching materials for educators are provided under the supervision of Principal Yasufumi Kawarada, Sagami Women's University Elementary School.



- 1 micro:bit is a microcomputer that was developed by the BBC for educational purposes. In the United Kingdom, it is distributed free of charge to about one million fifth- and sixth-year pupils at all the country's primary schools, giving all access to a tool to learn programming intuitively.
- 2 Teaching materials for learning programming using micro:bit and teaching materials for teachers edited independently are provided free of charge by SB C&S Corp.
- 3 Selected by open recruitment from elementary and junior high schools participating in the Pepper CSR Program, which is an initiative to support programming education for elementary and junior high schools throughout Japan conducted by SoftBank Group Corp.

Smart Coach Supports Practice with Expert Coaches and Smartphones

"Smart Coach" facilitates private lessons on smartphones and tablets by professional coaches with a wealth of knowledge and experience, including former professional sports players and athletes.

When practicing at home, users can send practice videos to the coach, who will return the video with advice and corrections using a pen or voice message. As instructional videos can be watched over and over again, they can be used for practicing repeatedly while watching the video, leading to improved skills.

We offer distance instruction courses for all generations, including track and field instruction for children and maternity yoga for expecting mothers, as well as other advanced courses.

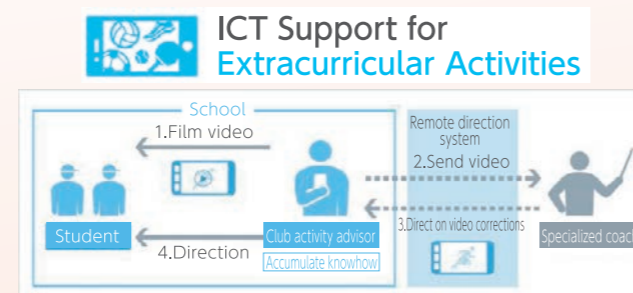


Main Courses

- Bicycles and road bikes • Baseball • Sprinting (for children)
- Triathlons • Pelvic adjustment yoga • Fitness and many others

Providing Remote Guidance Videos with "ICT Support for Extracurricular Activities"

The "ICT Support for Extracurricular Activities" initiative supports extracurricular activity and physical education class instruction in elementary, junior high and high schools using smartphones and tablets providing remote guidance by coaches with abundant knowledge and experience. In school sports instruction, this enables supplemental leadership capabilities through remote guidance from a specialized coach to alleviate the worries of extracurricular activity advisors and physical education teachers. Additionally, we aim to eliminate regional disparities caused by susceptibility to weather and time constraints, as well as reduce the working hour burden on teachers required to conduct extracurricular activities.

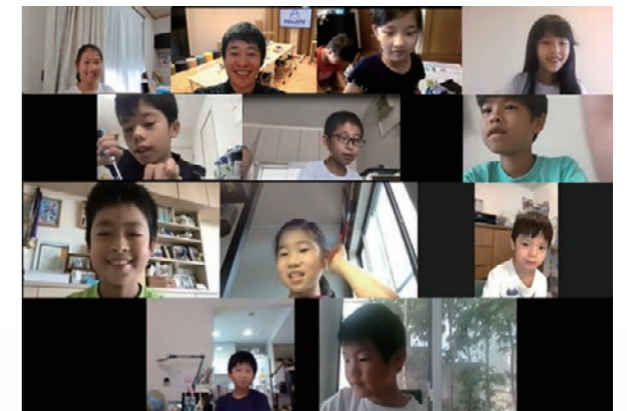


"STELABO Online" Nurtures People Able to Fulfill Dreams through STEM Education

SB C&S Corp., launched the "STELABO Online" business, a school that promotes STEM education, with the aim of fostering the abilities of children who will lead the future to play active roles through learning about manufacturing and programming.

For elementary school students, STELABO Online aims to nurture four abilities in children: aptitude in science, math and ICT fundamentals, the power of creativity and expression, the ability to think deeply on one's own and the ability to cooperate with and learn from one another.

Lessons first involve learning about basic principles and mechanisms. Then, students work on producing assignments using the knowledge they just acquired on their own or by working with classmates through trial and error. At the end of the lessons, students conduct presentations of their work and work on advanced assignments (homework) at home to solidify what they have learned. By repeating the cycle "input—deepening understanding through manufacturing—output," these four abilities critical to the children's future can be developed. \*STEM is an acronym referring to the subjects of science, technology, engineering and mathematics.



"Colorful Tech Academy" Introducing a Learning Method of Reading, Writing, and Expression Using ICT

SB Players Corp. opened the Colorful Tech Academy to introduce a learning method using ICT (information and communications technology) devices such as tablets to children in an online seminar format in July 2021 under the theme of colorfully coloring the future of children with the power of technology.

At Colorful Tech Academy, elementary school, junior high school, and high school students learn how to study reading, writing, and expressing themselves effectively with ICT devices. In addition, for parents and guardians with concerns over the use of tablets by children, the Academy introduces tips for rule creation regarding tablet use at home and how to use technology properly.

Online Seminar Outline

1. Introductory Seminar for Reading and Writing Using Technology (For Elementary, Junior High School, and High School Students)

To reduce the burden of children who find reading and writing a burden such as taking too much time to copy what the teacher has written down on blackboards or finding reading difficult, the seminar introduces reading and writing methods using tablets where intuitive operation is easy.

2. Seminar for Expressing Themselves Using Technology (For Elementary, Junior High School, and High School Students)

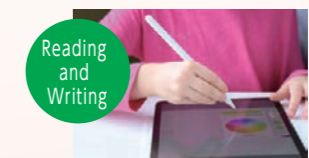
For children who find writing in pencil and erasing with an eraser troublesome and expressing their thoughts in sentences difficult, the seminar introduces tips on how to assemble and express their thoughts using a tablet instead of pencils and erasers.

3. Seminar for Studying Using Technology (For Elementary, Junior High School, and High School Students)

To reduce the burden caused by problems such as falling behind with note taking during class and not being able to understand what is taught in class due to over-focusing on note taking, the seminar introduces how to use technology according to the respective situation of study including taking notes with a tablet or working on worksheets.

4. Technology Utilization Seminar for Parents and Guardians (For Parents and Guardians)

To eliminate concerns of parents and guardians over tablet use by children such as spending too much time playing games and watching videos and proper use of tablets, the seminar introduces tips for creating rules at home and how to use technology properly.



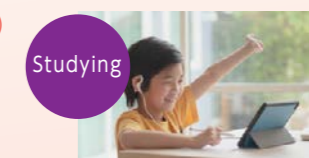
Reading and Writing

Introductory seminar for reading and writing using technology



Expression

Seminar for expressing themselves using technology



Studying

Seminar for studying using technology



Parents and Guardians

Technology utilization seminar for parents and guardians

Materiality 2 Connecting People and Information to Create New Excitement

SDGs Value Creation (3)Leverage ICT to Create New Lifestyles and Enhance the Foundations for Daily Life

Using Technology in the Fields of Medicine

The utilization of ICT and technology will contribute to the creation of a society in which all people can maintain their health, detect illnesses early and have exams at medical institutions anytime, anywhere.

In addition to health management using ICT devices and apps, SoftBank supports medical services that utilize technologies such as telemedicine and MaaS for people who have difficulty receiving medical services in sparsely populated and other areas.

“HELPO” Healthcare App

“HELPO” is provided by Healthcare Technologies, a SoftBank Corp. Group company, from July 2020. With the “HELPO” app, users can seamlessly conduct health consultations as well as search for hospitals and purchase over-the-counter medicine in online shopping malls and visit doctors online. The health care consultation team of doctors, nurses and pharmacists belonging to Healthcare Technologies is available 24 hours a day, 365 days a year, providing appropriate information and advice for various health consultations through live chat in support of health, safety and peace of mind. (see Materiality 1 on p.37)



Health Maintenance Support Using IoT Devices

SoftBank provides the “Smart Body Composition Monitor 2” service for the purpose of health management and promotion. By simply using the “Smart Body Composition Monitor 2,” measurement data is automatically transmitted to the cloud, enabling users to instantly check health-related metrics such as weight, body fat, and muscle and bone mass using an ICT device.



- Body weight
- Visceral fat level
- Hydration
- BMI
- Physical age
- Bone level
- Body fat percentage
- Basal metabolism
- Skeletal muscle level

Mimamori Monitoring Service

The Mimamori Monitoring Service enables users to remotely check the use of smartphones and home appliances by family members who live separately. The app shows when lighting, remote controllers, and any other home appliances where a special IoT product named Mimamori Battery (sold separately) is installed are used by a senior family member living alone or any other family members to be monitored.

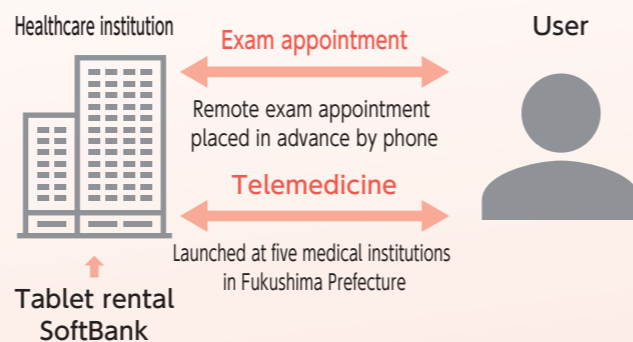
Recently, the number of seniors living alone is on the rise, and their families who live separately feel concerned. In the “Mimamori Monitoring Service,” as soon as the app setting is complete, monitoring becomes simple with smartphones without troublesome procedures and complicated operation. “Mimamori Battery” is a special AA battery. Users only need to use the batteries on regular home appliances. Construction is not required and introduction is easy, and it is budget-friendly as well. Unlike services using cameras and other devices, people who are monitored do not feel like they are being watched and feel more comfortable. The Mimamori Monitoring Service can be used by many people without worry.



Telemedicine Support (Fukushima Prefecture)

Due to the spread of COVID-19, there is an “examination avoidance” phenomenon of refraining from required health consultations due to fear of infection. This is expected to worsen with the approach of the cold and flu season in autumn and winter. For this reason, SoftBank, in collaboration with comprehensive cooperation agreement partner Fukushima Prefecture and the cooperation of several clinics, has launched support for telemedicine using tablet devices as one means of ensuring peace of mind for patients.

Service model image



Early Dementia Intensive Support with ICT Devices

As a new initiative in early dementia intensive support for the early detection of dementia, we are implementing trials in coordination with Shijonawate City of Osaka Prefecture, Kusunoki Area Union (Shijonawate Branch), Shijonawate City Region Early Dementia Intensive Support Team, and Community Comprehensive Support Center.

In early dementia intensive support, specialists from medical care, nursing care, and welfare visit those with dementia or those suspected of having dementia and their families and provide information regarding dementia and support to lead to medical institution visits and appropriate use of long-term care insurance services. In the Shijonawate City region, an Early Dementia Intensive Support Team was established in January 2018.

In an ongoing trial (started from March 15, 2021), ICT devices\* provided by SoftBank are used by a dementia support team during their visits to the residences of those receiving support so specialist dementia physicians are able to understand the status of support receivers and provide advice online.

Due to the use of the ICT devices, the specialist dementia physicians can understand the situation during the visits in real time and the dementia support team and specialist dementia physicians can share the information quicker and easier. Furthermore, misunderstanding and miscommunication can be prevented. IC device use supports the smooth management system of the Early Dementia Intensive Support Team.

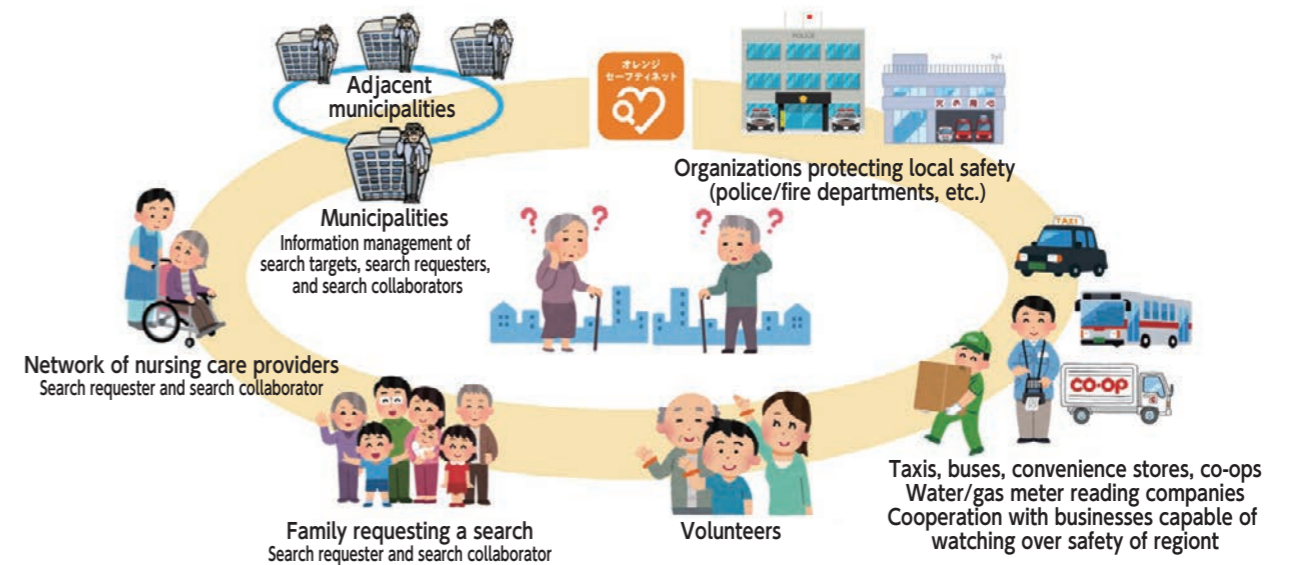
\*Provision of ICT devices and communication lines

Elderly Monitoring Support “Orange Safety Net”

We facilitate a monitoring support service that uses smartphones for elderly people with dementia through the provision of “Orange Safety Net,” a smartphone app that monitors the whereabouts of elderly people with dementia across Japan. This service has been deployed by 6 local governments so far as of the end of August 2021 and has been used since June 2019 in Kumakogen Town, Ehime Prefecture, where approximately 48% of the population is elderly. In actual search activities, there are cases where a missing person was discovered in 10 to 15 minutes due to the smooth exchange of information.

System aiming for social implementation in collaboration with people who watch over safety of wandering elderly individuals with dementia

Cooperate with businesses closely related to regions compatible for monitoring activities



Materiality 3

# Creating New Business through Open Innovation

- Creating New Value through the New Businesses of SoftBank Corp. Group Companies -



Leveraging its connections to leading companies around the world, SoftBank is determined to create innovative businesses and deploy new technologies and business models in Japan, while building a highly professional workforce to support the expansion and spread of those new businesses.

To accelerate the transformation of lifestyles and industries, SoftBank will deliver a steady stream of innovative services, through the use of cutting-edge technologies such as AI, IoT and 5G and partnerships with outstanding companies in Japan and around the world. The Company is already conducting operations in the financial-services and payments businesses with PayPay, in the next-generation mobility-service business

with MONET Technologies and BOLDLY, in the office-sharing business with WeWork and in the ride-hailing service business with DiDi.

SoftBank is committed to building frameworks for the recruitment, training and business formation that will drive growth and to be an early mover in developing businesses to serve the needs of the next generation. For these purposes, SoftBank is attracting and training specialized personnel and building a system that will serve as a key driver for business formation, as vital measures for business creation.

## >> Social Issues

Advance innovation (promoting the widespread adoption of cashless settlement, securing means of transportation amid the difficulties posed by an aging population with a declining birthrate and enabling access to communications in developing countries)

## >> Risks and Opportunities

- Risks**
  - Delay of business development and/or loss of business opportunities due to shortages of required human resources and knowledge
  - Inability to recoup invested funds or incur impairment losses due to failure in achieving expected results
- Opportunities**
  - Acquisition of human resources and knowledge and speedy business development through collaboration with partners
  - Advancement and deepening of innovation through co-creation and expansion of the scale of markets and operations the Group participates

## >> SDGs Value Creation

- (1) Develop new business models with cutting-edge technologies
- (2) Incubate and spiral-up cutting-edge businesses overseas
- (3) Build systems to recruit and develop human resources to lead growth and create new businesses

## >> KPIs

- (1) Advancement of efforts toward practical utilization of HAPS (FY2023)
- (2) Promotion of business operations in Japan
- (3) SoftBank InnoVenture commercialization

## >> Main Businesses and Initiatives

- Realize a safe and comfortable mobility society
- Build a high-altitude communications network in the stratosphere
- Provide opportunities for mobility through the practical utilization of self-driving vehicles
- Provide innovative community-style workspaces
- Leverage AI and data analytics technologies to provide taxi dispatch platforms
- Promote a cashless economy through the spread of barcode and QR code payment settlements
- Job posting system that aims to shift human resources to new businesses and growth businesses
- Allocate personnel to new businesses through improvements in operational efficiency
- Human resources recruitment and development systems (SoftBank Academia, SoftBank InnoVenture, SoftBank University) necessary to create and promote new businesses

Materiality 3 Creating New Business through Open Innovation

Key Person Interview



**Eric Gan**  
Executive Vice President

Contributing to Society Through Business Creation

Technologies such as artificial intelligence (AI) and leading-edge business models hold the keys to solving problems in the society around us and keeping SoftBank on the path of sustainable growth. For SoftBank, expansion into domains other than communications is an indispensable engine for driving SoftBank's growth and contributing to a society that is more convenient than ever and enjoyable to live in.

Creating and growing a new business takes time. Even so, to cultivate the new businesses of five or 10 years from now, we need to discover, invest in and nurture the technologies and business models that will sow the seeds of future businesses. SoftBank is focusing keenly on developing new businesses, gathering the necessary resources both inside and outside the Group.

The Strengths of SoftBank

SoftBank Corp. is a member company of the SoftBank Group, which is headed by SoftBank Group Corp. (SBG). By working with AI and "unicorn" companies worldwide in which SBG is an investor, as well as with business partners in Japan and overseas, SoftBank can introduce and implement these worldwide cutting-edge business models and technologies in Japan. This position was strengthened in March 2021, when LINE Corporation, which boasts a strong business platform in Japan and elsewhere in Asia, merged with Z Holdings Corporation to become a member of the SoftBank Group. This merger

made the SoftBank Group the corporate Group in Japan with the largest number of customer touchpoints, as it augmented the SoftBank smartphone subscriber base with the user bases of Yahoo! JAPAN, LINE and PayPay. The sales and technical capabilities our Company has amassed, chiefly in communications and internet operations, along with the Group's retail network, communication infrastructure and Japan's largest number of customer touchpoints as just mentioned, form a strength we can leverage to maximum advantage to move quickly and launch businesses rapidly. This is a gift only SoftBank can achieve. By capturing synergies among Group companies, including Z Holdings, we aim to maximize the corporate value of the SoftBank Group.

Solving Problems in Society and Transforming Lifestyles through New Businesses

For SoftBank, developing new businesses is about more than growing our business. We aim to use leading-edge technologies to solve a wide variety of issues in society and transform people's very lifestyles. Two representative examples of SoftBank's new businesses are PayPay and DiDi. PayPay is a cashless settlement system for use between consumers and retail outlets. During the current COVID-19 pandemic, PayPay proved useful not only for handling the soaring demand for internet shopping, but also as a solution to concerns about spreading the virus through the spread of droplets and contact between consumers and retail employees as transactions are settled in cash or by credit card. DiDi, a service that optimizes the timing of taxi dispatch, solves issues held by society and consumers about traveling in inclement weather and lack of public transit in some areas.

In Conclusion

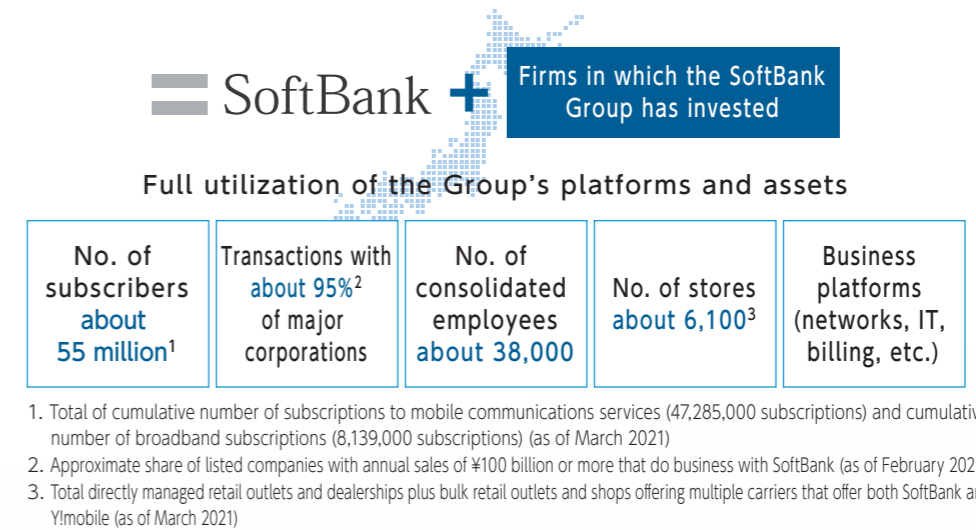
By introducing and developing cutting-edge technologies and business models in a timely manner, I believe SoftBank can contribute to solutions for issues in society, to the growth of SoftBank and the achievement of a sustainable society.

SDGs Value Creation

1 Develop New Business Models with Cutting-edge Technologies

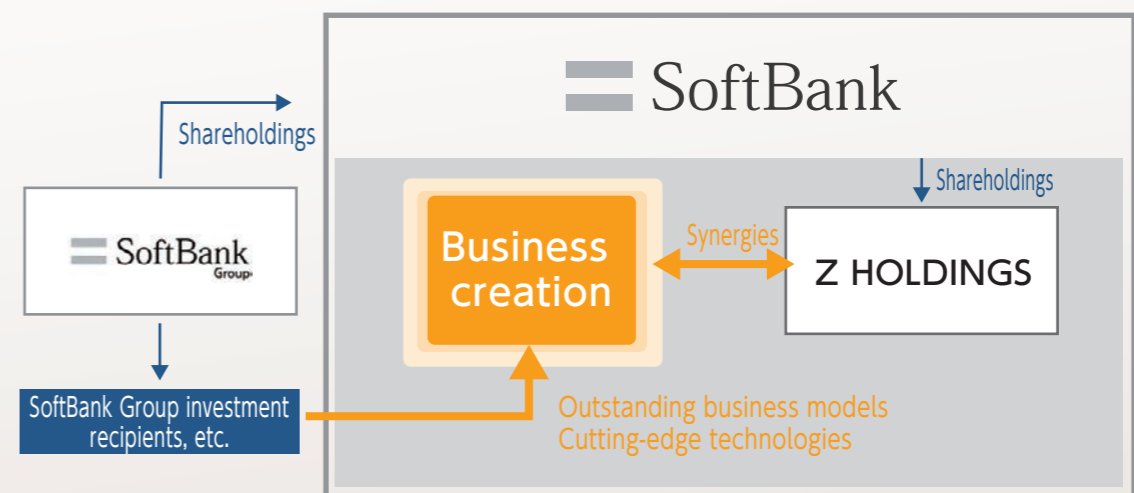
Advantages in New Businesses and Business Promotion

The SoftBank Group is proactively promoting the expansion of new businesses utilizing cutting-edge technologies and business models in AI, IoT, FinTech, security, mobility and other domains. In terms of the creation of new business, by collaborating with leading-edge AI corporate groups worldwide in which SoftBank Group Corp. has invested, we are able to launch businesses efficiently with minimal initial investment compared to launching business independently.



Moreover, by combining the Group's strengths, namely the Yahoo! JAPAN customer base, technologies such as 5G and IoT, and capabilities in corporate sales, we can achieve rapid launching of new businesses. We also possess an impressive arsenal of resources, consisting of our customer base, sales capability, technology, retail network and communication infrastructure. Our rock-solid base of 95% of major corporate customers in Japan is a commanding advantage when creating new businesses. And with the addition of 88 million LINE users Japan-wide, the SoftBank Group now boasts the largest number of customer touchpoints of any company in Japan.

SoftBank's business creation achieves rapid launch by synergizing this diverse array of assets with collaboration with business partners in Japan and overseas and the world's most leading-edge business models and technology. By introducing and developing the most advanced business models and services in Japan, SoftBank is creating businesses through open innovation to solve issues faced by today's society.



Materiality 3 Creating New Business through Open Innovation

SDGs Value Creation (1) Develop New Business Models with Cutting-edge Technologies

SoftBank will create new businesses with cutting-edge technologies through partnerships with leading global innovative companies. Our aim is to contribute to the realization of a safe and comfortable mobility society, where everything in the world is interconnected, by accelerating the pace of innovation in Japan.

MaaS

MONET Pursues Potential of Mobility Services

MONET Technologies Inc. ("MONET") is a joint venture between SoftBank and Toyota Motor Corporation, with capital participation from other companies, that commenced operations on February 1, 2019, with the objective of creating new value and solving social issues related to transportation, while collaborating with local governments and other companies.

In Japan, Mobility as a Service (MaaS) has drawn attention as a potential solution for a variety of social issues, such as a shortage of vehicle drivers, underutilized areas in public transportation systems due to depopulation, an increase in elderly people who have turned in their drivers' licenses and now have a hard time getting around, traffic accidents caused by older drivers, and traffic jams in urban areas. MONET is engaged in the realization and diffusion of new mobility services that bring people, goods and services together. These include streamlined mobility services using on-demand vehicle-dispatch platforms as well as mobile convenience stores, clinics, offices and more based on self-driving vehicles.

As part of these efforts, in August 2021 MONET launched a service that bundles on-demand buses, medical and government MaaS, and other service into a single package.

For business operators, the service furnishes all of the items required to offer vehicle-based services. These may include administrator systems, driver apps, customized vehicles and so forth. For users, the service offers a dedicated smartphone app. This app can be used throughout Japan, affording unprecedented convenience. For example, users can access mobile clinics in their region, on-demand buses at a travel destination and much more, all from a single account.



Launch of MONET LABO Medical, a Business Development Program Specialized for Medical MaaS

In June 2021, MONET rolled out MONET LABO Medical, a business development program specialized for medical MaaS. Provided in collaboration with CMIC Holdings Co., Ltd., MONET LABO Medical supports enterprises that wish to create their own MaaS businesses in the medical and healthcare fields. The CMIC Group has extensive expertise in building evidence as a medical, pharmaceutical and healthcare service provider and is the operator of harmo, a personal-health-record (PHR) system based on electronic medical diaries and other advanced technologies; MONET partners with various local governments and enterprises to conduct MaaS operations. Operated jointly by these two companies, MONET LABO Medical provides powerful support to companies, including new entrants from other industries, seeking to create MaaS operations in the medical and healthcare fields.

For example, CMIC Holdings may plan and operate seminars and workshops and promote programs to solve issues for local governments through the efforts of multiple companies, while MONET offers overall management of operations. The two companies also plan to offer support for proving tests in preparation for business launches, for use of a wide range of healthcare data, and so on.



Medical MaaS (Ina City, Nagano Prefecture)

BOLDLY Uses Self-Driving Buses to Solve Problem of Driver Shortages Causing Bus Routes to Disappear

On April 1, 2020, SB Drive Corp. changed its name to BOLDLY Inc. to emphasize its commitment to boldly taking on the challenge of creating transportation networks with greater capacity. Since its establishment, the company has been advancing business with the aim of rapidly rolling out convenient and sustainable self-driving buses through the development of Dispatcher, a platform for managing self-driving cars, and conducting proving tests of self-driving buses in various regions.

In collaboration with BOLDLY and others, in November 2020 the Town of Sakai in Ibaraki Prefecture introduced NAVYA ARMA, a self-driving bus, on a regular route, as a means of transportation within the town. Similarly, in September 2020 Haneda Innovation City, a large-scale, mixed-use complex adjacent to Haneda Airport, began operation on a regular route to make it easier to get around the sprawling complex.



Regulatory Reform for the Practical Utilization of Self-driving Buses

BOLDLY is keen to accelerate the rollout of projects using self-driving vehicles across Japan. Reflecting on its experience operating self-driving buses in various locations in Japan, BOLDLY has begun an exchange of views with the relevant ministries and government agencies regarding related laws and regulations. Taking part in the 6th Investment Working Group of the Regulatory Reform Promotion Council, held by the Cabinet Office on December 15, 2020, BOLDLY tabled four requests for the Working Group to consider. Thanks to adjustment by a team under the direct authority of Taro Kono, Minister for Administrative Reform and Regulatory Reform, Cabinet Office, the following three deregulatory actions were achieved.

• Driving on pedestrian walkways

Assuming that pedestrians are sufficiently informed, and subject to permission to use the roads, self-driving vehicles are now permitted to drive at low speeds on pedestrian walkways. With this regulatory change, self-driving vehicles that travel sufficiently slowly to stop immediately when a pedestrian is detected can serve as a new method of transportation, operating in co-existence with pedestrians.

• Use of existing bus stops

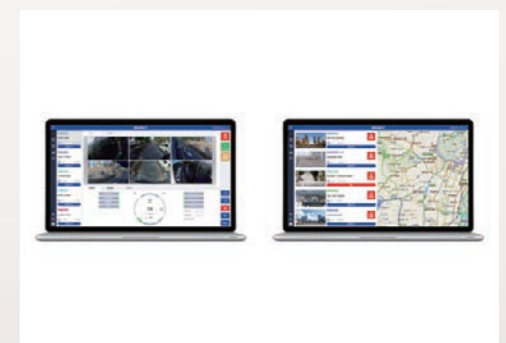
Under the provisions of the Road Traffic Act, in principle only fixed-route buses and similar vehicles are permitted to stop or park at existing bus stops. With the change in regulations, however, if the operators of a self-driving bus service and a fixed-route bus service agree to do so, and if users of the fixed-route bus service and the like are assured of reliable transportation service, the self-driving buses may make use of the existing bus stops.

• Streamlining of the permitting process for road use

In manual operation, NAVYA ARMA uses special mechanisms that differ from ordinary steering and braking systems. For specially equipped vehicles such as these, the process for obtaining the permits required for automated driving on public roads has been streamlined.

Dispatcher

Dispatcher is a driving management platform equipped with functions for operating self-driving vehicles from a remote location, namely driving direction, status monitoring, emergency response and proceed/stop decision-making. Operation of multiple types of self-driving vehicles can be managed simultaneously. Supporting over 20 vehicle types, Dispatcher manages all vehicle types using the same operations and user interface.





Materiality 3 Creating New Business through Open Innovation

SDGs Value Creation (1) Develop New Business Models with Cutting-edge Technologies

OpenStreet Promotes the Sharing Economy

OpenStreet Inc., a SoftBank Group company, offers the world's most environmentally friendly shared-mobility service, enabling anyone to travel freely without owning a means of transport of their own.

Using HELLO CYCLING<sup>1</sup>, a shared cycling platform, and HELLO SCOOTER, a multi-mobility sharing service, OpenStreet is partnering with local governments to provide multi-mobility stations, enabling bicycles, scooters and micro-EVs to be lent out from a single platform.

These multi-mobility stations make urban transportation more convenient while supplying a portion of the energy used by each vehicle from renewable energy sources, contributing to the achievement of a low-carbon society.

On May 10, 2021, OpenStreet entered into a capital and business alliance with the East Japan Railway Company (JR East)<sup>2</sup>. The alliance combines the strengths of the two companies through JRE POINT, a common platform of the JR East Group, to link up a diverse range of services. Another feature of the alliance is that it enhances mobility functions using shared cycling to promote the formation and deployment of MaaS, enriching the lives of customers and people in communities served by JR East.

1. As of July 2021, HELLO CYCLING has established approximately 3,900 stations in 200 municipalities throughout Japan and is continuing to build out its station network.
2. The capital and business alliance was implemented by means of issue of new shares in OpenStreet to JR East through a third-party allocation of shares.



Transportation hub = city center

Share mobility = city outskirts



Financing

J.Score Helps Customers Realize Their Own Investment Goals with Big Data and AI Scoring of Creditworthiness and Potential

J.Score Co., Ltd. was established as a joint venture with Mizuho Bank, Ltd. in 2016 for the purpose of providing FinTech-based lending services to individual customers. These score-based lending services are a first for Japan, allowing customers to enter their data into a smartphone app and apply for a loan, based on a scoring model that lets them enter additional data to improve their score.

The information provided by customers with their consent is analyzed using the latest AI and Big Data technology to create an AI Score, which reflects as a score\* on the future potential and creditworthiness of the individual. AI Score Lending has been available as a source of financing for individual borrowers since September 2017. Since November 2019, customers have been able to borrow funds for side businesses to expand their career choices.



In December 2019 the total number of customers registered to receive an AI Score topped 1 million. In June 2020 the service was linked with Toyota Wallet, a smartphone settlement app that combines multiple payment methods, including electronic-money settlement and settlement using QR codes and bar codes. Toyota Wallet is provided jointly by two Toyota companies, Toyota Financial Services Corporation and Toyota Finance Corporation.

J.Score handles customer information with customer consent and with data safety and security as the highest priority. Through the AI Score, the company looks forward to expanding its wide range of services still further, supporting customers in the challenge of making their dreams and goals come true and achieving financial self-actualization.

\*AI Score Lending and AI Score are the first services in Japan to use AI to analyze various information provided by customers to score their creditworthiness and future potential, which is displayed as an indicator to the customer.

SB Payment Service: Comprehensive Proposals in a Wide Range of Business Domains

SB Payment Service

SB Payment Service Corp. is a comprehensive provider of payment services. The company offers online settlement services that gather together the payment methods of over 35 brands, including the credit-card-settlement and carrier-settlement methods that are indispensable for today's e-commerce and online shopping. SB Payment Service also supports in-store settlement services, such as credit-card, e-money and QR-code settlement conducted in person at retail outlets, powerfully supporting merchants' "online merges with offline" (OMO) needs by providing a wide array of settlement terminals. SB Payment Service's transaction volumes are growing every year, exceeding ¥4 trillion in FY2020 (a 14% increase over the previous fiscal year). Backed by this impressive track record as a payment-service provider, SB Payment Service not only operates in this capacity but also holds licenses from numerous international credit-card brands, including Visa, Mastercard and UnionPay. Unlawful and fraudulent e-commerce transactions are rising steadily year by year. SB Payment Service protects operators from this threat by providing a comprehensive, one-stop settlement service, using a common platform for detecting unlawful transactions using AI. Drawing on an extensive track record, SB Payment Service caters to merchants' settlement needs with a seamless, high-quality payment experience, offering a wide choice of methods to suit each operator's needs and line of business.

Number of transactions processed	37.98 million transactions/month
Settlement volume	417.4 billion yen/month
Number of online transactions	73.79 million transactions/month
Credit processing speed*	Average of 1-2 seconds/transaction

\*April 2021 results

Materiality 3 Creating New Business through Open Innovation

SDGs Value Creation (1) Develop New Business Models with Cutting-edge Technologies

Data Analysis and Use

JCV Offers AI-driven Image Recognition Solutions

Japan Computer Vision Corp. ("JCV") is the provider of SenseThunder, an AI temperature detection solution that can perform temperature reading simultaneously with facial recognition. By combining AI-based facial-recognition technology with an infrared camera, SenseThunder can detect the temperature of a person standing as far as 1.5m\* away and conduct high-speed and high-precision measurements even of subjects wearing a surgical mask and eyeglasses, enabling people to enter premises without removing their masks. The system is being progressively introduced at national and local government offices, companies, medical facilities and others, to halt the spread of COVID-19.

JCV delivers the convenience and efficiency of its technology, combining computer vision with deep learning, to customers in a wide range of industries, with the aim of improving quality of life for everyone. Today facial recognition and other image-recognition technologies are in use in airports and various other venues across Japan. By developing services that apply these pioneering image-recognition technologies, JCV is delivering solutions to the emerging smart-retail and smart-building sectors.

In the smart-retail field, JCV offers JCV Attribute Analysis SDK, a development kit that can infer the attributes of a visiting customer from characteristics such as face and height. The kit can acquire a wealth of information useful in marketing, including not only sex, age and facial expression but also clothing, attention time, duration of visit and frequency of visiting. This valuable information can serve retailers in applications such as proposal of sales-promotion plans, optimizing store layout, and raising the efficiency of event and campaign operation. Turning to the smart-building field, JCV caters to this industry's needs with the JCV Total Building Access Solution, a solution that can manage building entry and exit using facial recognition at building gates and doorways. Registration of a single facial photograph enables the solution to detect living bodies rapidly and accurately, assuring smooth, secure entry and exit control.

By raising the efficiency of office environments, optimizing the layout of stores and commercial facilities, improving hospitality and streamlining settlement, JCV will create workstyles and lifestyles for a new era.

\*In the case of SenseThunder-E.

The SenseThunder AI Temperature Detection Solution Can Be Custom-installed with Fast, Accurate Temperature Reading and Facial Recognition

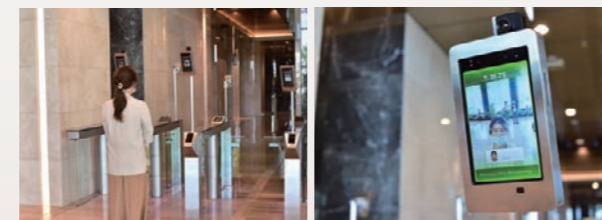
Sample screen displays



- Industry's fastest reading at just 0.1 seconds<sup>1</sup>
- Contactless reading
- Reading enabled even when subjects are wearing surgical masks
- Measurement error of just ±0.3° C<sup>2</sup>
- Can be used offline
- Individuals can be identified
- using facial recognition
- Can be managed remotely by smartphone
- Reading data can be stored in logs
- Up to five individuals can be detected simultaneously<sup>3</sup>
- Can be connected to attendance-management systems

1. SenseThunder-Air (temperature reading only), JCV survey (February 2021 survey), in tablet-type contactless temperature detection device using AI facial recognition  
2. SenseThunder-E only 3. SenseThunder-Air only

On April 28, 2021, JCV launched Thunder SDK, a development tool equipped with multiple features. In addition to SenseThunder's basic features of facial recognition (living-body detection), temperature reading and mask detection, it can be used to develop applications using door locking and 2D code reading. Thunder SDK can also link with SenseLink, a management tool, and connect to outside systems using APIs. With Thunder SDK, hotels and accommodation facilities can manage check-in, while hospitals and clinics can perform admissions automatically using facial recognition.



Installing equipment at SoftBank's headquarters in Takeshiba, Minato Ward, Tokyo

JCV will continue to contribute to protective measures at ports and airports against infectious diseases such as COVID-19 and influenza. Using features such as temperature reading and facial recognition, JCV will contribute to the streamlining of corporate operations during and after the COVID-19 pandemic.

Data Analysis and Use

INCUDATA Supports Corporate Clients in Using Data to Advance DX

**INCUDATA** As more and more companies grapple with DX, data utilization is growing ever more important.

In tandem with these developments, privacy protection and security enhancement are becoming issues of paramount importance. INCUDATA Corp. uses TreasureData CDP, a customer data platform, to build, operate and consult on data platforms for tasks ranging from proposal of strategies for data use to implementation of a wide range of measures. TreasureData CDP supports customers' business-transformation efforts with a one-stop solution.

On April 1, 2021, INCUDATA launched a consulting service focused on the construction of appropriate privacy environments. This service enables robust support for customers' protection of data privacy and construction of security frameworks.

ALES Achieves High-precision Positioning to within Just a Few Centimeters

**ALES** ALES Corp. is the provider of the ALES Transmission System<sup>1</sup>. This system generates and broadcasts the calibration data

required to perform high-precision positioning, pinpointing locations to within just a few centimeters. The ALES Transmission System is based on a GNSS<sup>2</sup> signal that is received by over 3,300 SoftBank proprietary reference points installed throughout Japan.

The ALES Transmission System is used by ichimill, a high-precision positioning service provided by SoftBank to corporate clients. ALES also uses this system in the Centimeter-level Positioning Service, which it began offering to consumers in August 2020.

The high-precision positioning made possible by this service is put to use in a wide array of industries, ranging from agriculture through construction to automaking. In agriculture, it is applied in self-driving and drive-assisted farm machinery such as tractors and automatic navigation of drones used in crop dusting. The construction industry applies the service in surveying and the management of positioning and work histories of construction equipment. In the automotive industry, the service is expected to be used in highly precise self-locating of self-driving vehicles, as well as in MaaS, where it is anticipated to enhance vehicle position management, driving-route management and navigation.

By providing the ALES Transmission System, ALES works with a wide range of partner companies to develop and implement innovative GNSS solutions to make people's lives richer and more convenient than ever.

1. In the case of SoftBank's ichimill, the ALES Transmission System is referred to as a "positioning core system."  
2. Global Navigation Satellite System (GNSS) is a generic term for satellite positioning systems. The Quasi-zenith Satellite System (QZSS), Global Positioning System (GPS), Global Navigation Satellite System (GLONASS) and Galileo are all examples of a GNSS.

Agoop Brings New Perspectives to Business with Big Data Using Positioning Information

**agoop** Agoop is engaged in Big Data operations using positioning information. Based on positioning data

acquired from apps on the smartphones of consenting users, Agoop generates and analyzes data on floating populations, which is a valuable tool for tasks such as trading-area analysis, marketing, tourism analysis, disaster-preparedness planning and urban planning. The data provided by Agoop is used by organizations ranging from companies to academic institutions and local governments. Floating-population data can unlock possibilities for a more affluent society, as it can reveal demand in a wide range of businesses, including health products and services, healthcare, medicine, social services, disaster preparedness, crime prevention, traffic, tourism, education and finance.

Amid the social upheaval caused by the COVID-19 pandemic, Agoop provides government bodies at all levels and news media nationwide with floating-population analytical reports, contributing to assessment of the effectiveness of measures to restrain and prevent the spread of infection.

Cinarra Systems Japan: Marketing Tools to Visualize Customer Trends at the Intersection of Online and Offline

**Cinarra** Cinarra Systems Japan Co., Ltd. supports optimal marketing by visualizing and analyzing

customer movements across the boundary between the online and offline worlds. Cinarra's integrated marketing tool, Real Audience Marketing Suite™, marshals thoroughly anonymized positioning and carrier data to analyze online and offline promotions. This solution not only visualizes customers' online journey but also combines this information with visualization and analysis of offline promotions, so that users can maximize customer traffic to bricks-and-mortar retail outlets while optimizing their online presence.

Materiality 3 Creating New Business through Open Innovation

SDGs Value Creation (1) Develop New Business Models with Cutting-edge Technologies

ICT•IoT•Internet

HAPS Stratospheric Communications System

Established as a subsidiary of SoftBank in 2017, with an eye on developing business globally, HAPSMobile Inc. has created the high-altitude platform station (HAPS), a system that provides network connectivity from the sky, and developed the Sun glider unmanned aircraft system as a stratospheric communications platform that flies approximately 20 kilometers above the earth.

Sun glider was developed with United States-based AeroVironment, Inc., its development partner for the aircraft, and flying at high altitudes, the Sun glider acts as a telecommunication base station to provide communication services over a wide area. It makes it possible to bring reliable internet connectivity to places and regions that do not have communication infrastructure in place, such as mountainous areas, remote islands and developing countries.

Furthermore, by efficiently interconnecting with modern communication networks, it is possible to provide network coverage over wide areas from the air and land, which may facilitate the spread of drones, IoT, 5G and other advanced technologies. In addition, Sun glider is able to provide reliable communication networks unaffected by conditions on land, and may therefore be able to help with rescue and recovery efforts after a large-scale natural disaster strikes.

In February 2020, the HAPS Alliance was launched with leading global companies in the telecommunications, technology and aerospace fields for the purpose of cooperating on activities to standardize HAPS technologies to enhance compatibility, define specifications for HAPS-compatible products, and work with regulatory authorities in each country with the intention of hastening the rollout of Internet services from high-altitude aircraft. The ultimate objective of this effort is to solve various social issues and create value by building out Internet connectivity around the world through advanced communication networks and high-flying aircraft like Sun glider. Through the HAPS Alliance, we aim to realize a world where anyone can access information, and we will continue activities to expand world-scale Internet communications.

On September 21, 2020, Sun glider undertook its fifth test flight out of Spaceport America in New Mexico. The flight marked the progression from start of fuselage development to successful stratospheric flight in just three years. It was also notable for the world's first successful LTE transmission from the stratosphere using the HAPS autonomous flight system.

To achieve a world with no information disparities, we will revolutionize the mobile Internet by leveraging HAPS.



ICT•IoT•Internet

BBIX: IX Connections for Low-latency, High-quality Communications



The worldwide growth in internet traffic, which has continued relentlessly in recent years, is intensifying today

amid changes in behavioral patterns such as the trend toward working and studying at home. Responding to this burgeoning demand is a major issue for internet service providers (ISPs).

BBIX, Inc. conducts internet exchange (IX) operations with a mission of spreading and developing the internet, to create a world in which everyone can use the internet with ease and convenience. The company has operations in Japan, Asia ex-Japan, Europe and North America.

By connecting to the many IX connection points installed by the company in locations near customers in Japan and overseas, BBIX delivers low-latency, high-quality communications, while charging global standard rates for IX connections instead of the higher rates common in Japan. These operations contribute to the reduction of today's ballooning internet-traffic costs.

SB Engineering: Smart Office Solutions Using ICT and IoT

SB Engineering

Against the background of the ongoing COVID-19 pandemic, though a wide

range of workstyles are being proposed, the reality is that many offices have not yet sufficiently embraced the workstyles of the "new normal." SB Engineering Corp. uses ICT and IoT to deliver Smart Office solutions that improve the quality and efficiency of office work. Catering to each customer's needs and wishes, SB Engineering can introduce a wide range of solutions, including clusters of individual booths and AI temperature-reading solutions in each area of an office, including entrances, work spaces and meeting rooms. SB Engineering also constructs one-stop solutions linked to networks and the cloud. This company will contribute to society through engineering and operations that support DX in companies and industries.



BB Backbone: High-quality, High-security sXGP Services



BB Backbone Corporation supports corporate clients' DX journey. The company's mainstay operations consist of two services: an optical service providing unprecedented broadband communications through flexible optical-fiber

design and the proprietary Spectrum service, and sXGP, a wireless-communication service that upgrades PHS with stable communications and links to local 5G.

In February 2020, BB Backbone partnered with NEC Corporation to offer a private LTE system supporting sXGP, a TD-LTE standard for private communications using the 1.9GHz band. In March 2021, BB Backbone began selling sXGP access points supporting new frequencies. In July 2021, the company followed up with the rollout of portable sXGP kits, each incorporating sXGP-supported access points and core equipment, smartphones, SIMs and related items. sXGP access points can be used not only as intercom telephones within facilities, as a substitute for private PHS, but also at outside locations, using the same smartphones. Capitalizing on the characteristics of the 1.9GHz band, sXGP access points can be used to introduce wireless communications in sites that contain a wide range of obstacles that may obstruct communications, such as production plants, warehouses and construction sites. The access points can also be deployed by local governments and the like, to build exclusive wireless communication environments for use in mission-critical use cases.

umamill Creates Export Opportunities for Japanese Food Producers



Demand for Japanese food products overseas is increasing, with the number of retail outlets that handle Japanese foodstuffs steadily increasing. For overseas buyers of these products, insufficient

information can be a challenge, making it difficult for them to find the Japanese foods they need. umamill is a platform that delivers samples to these overseas food buyers, expanding the lineup of products available to them and creating opportunities for Japanese food producers to export their products. umamill has seen a steady increase in its roster of registered Japanese food producers, which has grown to around 850 companies listing about 3,500 products as of June 2021. Meanwhile, the number of registered restaurants and other overseas buyers has risen to around 400. The company currently exports to Singapore, Hong Kong, Australia, Cambodia and others, with plans calling for expanding the service to other overseas markets.

The impact of the COVID-19 pandemic has made it difficult for representatives of food producers in Japan to travel overseas for business discussions. Under these conditions, umamill has emerged as a vital tool creating precious opportunities for negotiations between Japanese food producers and overseas food buyers.

2

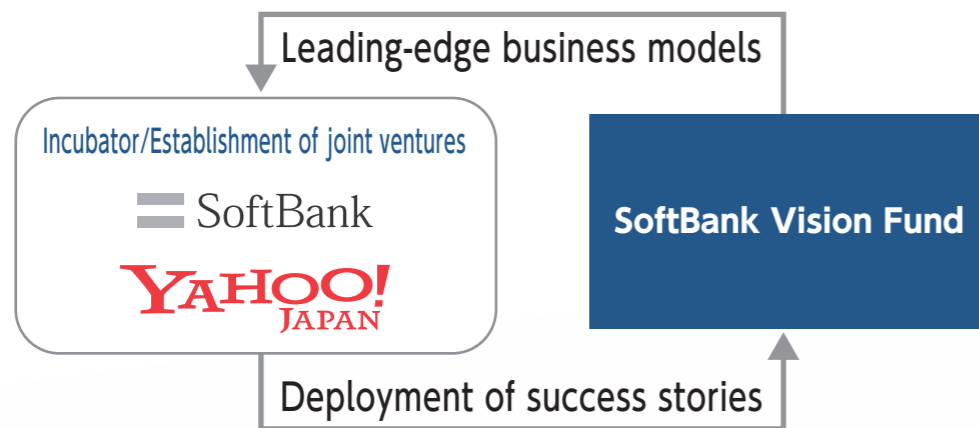
SDGs Value Creation

Incubate and Spiral-up with Cutting-edge Businesses Overseas

SoftBank contributes to the maximization of economic opportunities through involvement in the creation of sustainable and groundbreaking business models that constantly advance and grow, by strategically generating synergies through joint ventures and business tie-ups with leading-edge companies around the world.

Schematic Drawing of Incubating and Spiraling-up Overseas Businesses

Utilizing the success models and cutting-edge technologies of the global leading companies in which SoftBank Group Corp. has invested, SoftBank can create businesses quickly, with lower investment cost and reduced risk than launching a business from scratch. Moreover, SoftBank extends the lessons from success stories in Japan to its overseas ops, generating a spiraling-up effect.



PayPay Cashless Payment Service

SoftBank Corp. and Yahoo Japan Corporation established PayPay Corporation through a joint investment on June 15, 2018, in partnership with Paytm, the largest payment service provider in India. The service's base of users and accepting retail outlets has grown steadily since its launch. As of August 2021, the cumulative number of registered users exceeds 41 million, while the number of stores that accept PayPay has topped 3.4 million.

In collaboration with YJ Capital Inc. and Jakarta-based East Ventures, on October 26, 2020 PayPay launched the PayPay Accelerator Program and began recruiting participating companies. The program aims to support the growth of participating startup companies while extending the feature set of the PayPay mini-app. To participate, companies may be of any industry but must be "early-stage"<sup>1</sup> enterprises. The products completed as a result of the program are made available to the public via the PayPay mini-app<sup>2</sup>.

In May 2021, PayPay conducted Demo Day, a briefing session on the final results of the PayPay Accelerator Program. At this event, PayPay adopted four startup companies for future mini-app development. In addition to releasing open APIs for the mini-app on PayPay for Developers, a developer tool, PayPay implements the PayPay

Accelerator Program, guiding synergies with the advanced technologies and novel ideas of startup companies, to deliver and expand the use of mini-apps that promote the creation of "super apps" to solve various user problems. (see Materiality 2 on p.67)

1. The main target group for the project consists of companies in the early stages of startup that already offer products of their own.
2. To begin offering their own services on the mini-app, the companies must register as PayPay for Developers participating merchants and pass a review process. At the time of this writing, the start date for offering the products and services is still to be determined.



WeWork: Flexible Offices



In July 2017, SoftBank Corp., SoftBank Group Corp. and WeWork Companies Inc. created WeWork Japan as a joint venture to bring to Japan a groundbreaking platform for providing workspaces, communities and services to freelancers and companies of all sizes, from startups to major multinationals.

In Japan, there are currently more than 40 WeWork locations in seven cities, and membership (users) was higher than 21,000 people as of March 2021.

Demand for community workspaces looks likely to increase alongside changes brought about by work-style reforms and the dispersion of office locations during the COVID-19 outbreak.

As demand for office space diversifies, WeWork provides office environments to suit customers' varying needs. Workspaces, satellite offices and even head-office functions are available, supporting activity-based working in sizes from large to small. To promote collaboration, WeWork strives to build environments that encourage members to share ideas easily, with office layouts that encourage open innovation and community stimulation.

On December 1, 2020, WeWork began offering All Access, a plan that provides unlimited access to shared areas at 30 locations across Japan for a monthly fee of ¥42,900 per person. All Access is tailored to the needs of the new workstyles of the future, focusing on telework and satellite offices. All plans that incorporate All Access can be contracted on a per-month, per-person basis, enabling users to optimize their office costs.

WeWork Japan's mission is to create communities where anyone can work in their style and take on challenges. WeWork Japan endeavors to create new work styles that will become the de facto standard in the future, by providing office environments that draw out open innovation that spans the boundaries of industries and business formats.

Cybereason: A Service that Detects the Signs of Cyberattacks and Counters Them in Real Time



In light of the increasing sophistication of cyberattacks in recent years, corporations and organizations have beefed up their security in various ways, such as entrance and exit security measures, as well as monitoring operations at security operation centers (SOC). However, these security measures cannot prevent 100% of intrusions, making it necessary to take new approaches for rapidly detecting and countering cyberattacks in the event of an intrusion, in order to thwart an attack.

Cybereason Japan Corp., the Japanese affiliate of Cybereason Inc. in the United States, is the provider in the Japanese market of the Cybereason platform for protecting against cyberattacks. Cybereason Japan offers Cybereason EDR (endpoint detection and response), a cybersecurity analytical platform that uses a proprietary, machine-language-enabled engine to parse voluminous log data at endpoints inside a company from multiple angles to detect and counter cyberattacks in real time. It also offers Cybereason NGAV, next-generation anti-virus software that blocks ransomware and file-less malware intrusions. This suite of solutions enables security countermeasures that protect assets in all stages, from intrusion prevention to early detection and countermeasures. Cybereason Japan is also a provider of managed detection and response (MDR) services, in which highly skilled cybersecurity specialists proactively monitor customers' environments 24 hours a day, 365 days a year. These services enable customers to focus on their daily business tasks with peace of mind.

Cybereason has the top share of the EDR market in Japan. In the cybersecurity field, Cybereason has been evaluated highly by prominent security analysts, research firms and product testing organizations around the world, and it has received third-party certifications for cloud security, anti-virus software, and anti-malware functions. In March 2021, the Forrester MDR Report certified Cybereason MDR as a "Strong Performer" for its outstanding threat hunting, multilayer protection and detection of cyberattacks using correlated behaviors.

Materiality 3 Creating New Business through Open Innovation

SDGs Value Creation (2) Incubate and Spiral-up with Cutting-edge Businesses Overseas

DiDi Taxi Hailing Platform Service

Established in June 2018 as a joint venture between SoftBank and Didi Chuxing Technology Co., Ltd., DiDi Mobility Japan Corp. ("DiDi Mobility Japan") provides an AI-enabled taxi-hailing platform.



DiDi Mobility Japan Corp. fuses Didi Chuxing Technology Co., Ltd.'s taxi-dispatch platform, an advanced analytical and predictive technology using world-leading AI, with SoftBank's marketing capabilities and operating platform as a communications carrier.

In Japan, DiDi Mobility Japan offers a taxi-hailing app that uses advanced AI and data analysis to enable efficient matching of people looking for a taxi with available taxis.

To hail a cab, customers enter their departure location and destination in the smartphone app. They can then confirm the location and time of arrival of the taxi they hailed in real time. Being able to check the status of the taxi facilitates a smooth hailing experience, and in the unlikely event the customer cannot find their taxi, the driver and customer can text each other. Payments are handled within the app, so the passenger can exit the taxi without having to pay the driver upon arriving at their destination.

Taxi fleet operators receive a driver version of the app designed with a simple interface for receiving a hail, picking up a passenger, and getting paid. Dispatchers can use a special console for managing fleet status and driver operating conditions.

To assure passengers of the best possible safety and peace of mind, the app's display indicates whether the driver is wearing a mask and whether the driver had a temperature reading before starting work. This measure enables passengers to confirm before they ride that the driver of the cab they have hailed has taken satisfactory measures against COVID-19.

From May 2021, DiDi Mobility Japan is issuing a DiDi discount coupon with a total value of ¥3,000 (¥1,500 each way) for rides to a site for vaccination against COVID-19 (until the budget for this discount program is exhausted). The company is proud to do its part to encourage vaccination against COVID-19.

OYO Brand of Hotels that Use Technology



OYO Japan manages OYO Hotel, an accommodation business that commenced service in Japan in 2019. Under the concept "go where you like, when you like," OYO Japan operates over 200 hotels of incredible variety, scattered throughout Japan, under two brands: OYO Hotel and OYO Ryokan. OYO Japan assures guests of a smooth and comfortable stay from reservation to checkout.

Amid concerns about the impact of COVID-19, OYO Hotel has implemented the "OYO Worry-free Stay Verification Program," a suite of safety and hygiene measures, to ensure that guests enjoy peace of mind and a comfortable stay. With the spread of new modes of living as people learn to live with COVID-19, OYO Japan is conducting a variety of campaigns aimed at encouraging guests to use OYO Hotel and OYO Ryokan for telework and "worcations."

In January and February 2021, to support essential workers, others who work to support society every day and students taking exams under unusually trying circumstances, OYO Japan conducted a "Campaign of Support for Everyone Keeping Up the Good Fight."

Also, in July 2021, OYO Japan donated some 4,000 linen towels to six accommodation and recuperation facilities for people suffering light symptoms of COVID-19.



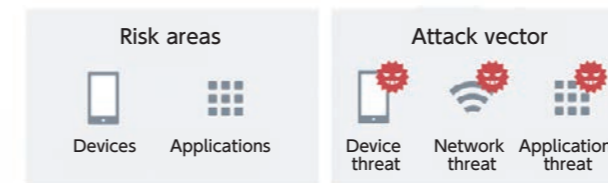
OYO Hotel Reasonably priced and trustworthy hotels



OYO Ryokan OYO-brand ryokans harbor the spirit of attentive service

zIPS: Security Solutions for Mobile Devices

At a time when attacks on mobile devices are growing more serious by the day, visualizing the risks these attacks present and taking effective action against them is a responsibility of every company and a necessary condition for business growth. To defeat these threats, SoftBank offers zIPS, a mobile-security solution that defends against even unknown threats using a unique threat-detection engine developed by US-based Zimperium, Inc.



Unlike conventional signature-based security, zIPS detects unusual behavior generated by devices as well as attacks on operating-system processes. By this approach, zIPS responds to attacks against mobile devices regardless of the threat's infiltration route, enabling companies to respond promptly and effectively.



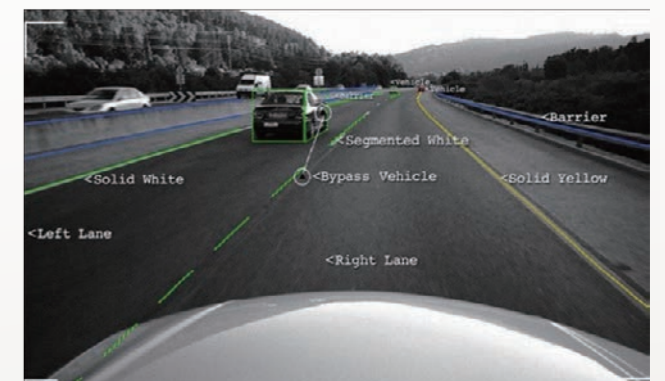
Moreover, zIPS can be combined with device management services such as Enterprise Mobility Management (EMM) and Mobile Device Management (MDM), so that when a threat is detected, a company's mobile-device administrator can respond rapidly to prevent it from propagating, for example by shutting down Wi-Fi service or locking devices remotely. In this way users are assured that their devices are kept safe while in use.

The Mapbox Location Data Platform

For DX to succeed, data must be delivered in real time. By visualizing real-time data and displaying it on a map, fresh solutions for the age of 5G and IoT can be devised, such as automated driving, AI vehicle dispatch and autonomous running of disaster-relief robots.

Mapbox Japan, a joint venture established by SoftBank in partnership with US-based Mapbox, Inc., draws on its expertise as a cartography leader to provide developers with a platform for developing map-information services. Using this platform, developers can apply a wide range of location data, including IoT data, to develop location services that generate new user interfaces and user experiences.

In 2020, Mapbox was used to visualize the extent of the impact of the global COVID-19 pandemic. It was used in the medical field as well as many other domains that support a stable foundation for people's lives. In the post-COVID-19 world, DX and data application will continue to serve as some of the most important approaches for solving society's problems. Mapbox Japan will continue to apply state-of-the-art technology to contribute to the formation of a sustainable society through the development of society's foundations.



3

SDGs Value Creation

Build Systems to Recruit and Develop Human Resources to Lead Growth and Create New Businesses

In order to rapidly develop businesses in response to next-generation needs, SoftBank hires and trains personnel who have advanced professional skills and builds frameworks that become key drivers of new business creation, as a part of major initiatives to create business.

Mechanisms for Human Resource Recruitment, Training and Business Creation for Next-Generation Business Development

When hiring new college graduates, SoftBank searches far and wide for diverse people who will support next-generation businesses in line with its "Universal Hiring" policy. Instead of hiring new college graduates en masse, as it is traditionally done in Japan, SoftBank opens its doors widely to anyone who is willing to take on challenges, allowing people to apply for jobs on their own volition throughout the entire year. Eligible applicants include mid-career types, in addition to new graduates and already graduated younger people, who are able to challenge themselves again. All applicants are evaluated based on the same reference standards without regard to individual attributes, such as gender or nationality. We also take into account the applicant's desires to participate in one of a variety of our selection programs, such as priority hires and work experience-based internships. Screening programs are offered in two types: open screening and job-matching screening. In job-matching screening, candidates select their preferred duties and, if they pass screening, they obtain a firm promise of those duties at their initial placement. Close attention is paid to matching candidates with their desired duties, enabling the Company to attract personnel with highly specialized skills.

In order to train personnel who will create and advance new businesses, SoftBank has unique training programs centered on three initiatives: SoftBank InnoVenture, SoftBank Academia, and SoftBank University. In 2010, on the 30th anniversary of its founding, the SoftBank Group unveiled its Next 30-Year Vision for becoming "the corporate group needed most by people around the world." As a part of this vision, we drew up a plan to expand into a strategic synergy group of 5,000 companies within 30 years. To achieve this plan, SoftBank InnoVenture was launched in 2011 as an in-house

entrepreneurial system that solicits ideas for new businesses from within and without the company. Ideas are solicited three times a year, and if the ideas are judged worthy of being turned into a business, the people who came up with the business ideas can participate in moving the business forward. Each year, we receive an even greater number of new business ideas.

Opened in 2010, SoftBank Academia is headed by Masayoshi Son himself with the aim of grooming successors and discovering and training businesspeople who can carry out AI strategies for the SoftBank Group.

SoftBank University is SoftBank's own unique training system that is designed to train personnel who can contribute to the realization of the SoftBank Group's corporate philosophy. SoftBank University has three main curricula, comprising the SoftBank Business Program, the Technology Program and the Stratified Layer Program. Within the Technology Program, an AI Campus, custom-made for AI, is provided. Instead of a corporate-steered, uniform program for career development and training systems, the framework is geared toward self-directed career development, in which employees choose courses aligned with their own career objectives. (see Materiality 6 on p.178)



Primary Initiatives

SoftBank InnoVenture (InnoVenture = Innovation + Venture)



SoftBank InnoVenture is an in-house entrepreneurial system launched as a part of the goal to become a strategic synergy group of 5,000 companies in line with

SoftBank's Next 30-Year Vision, which was unveiled in 2010. The system solicits unique, innovative and creative ideas for new

businesses from within and without the company, and provides wide-ranging support from the pre-idea creation stage to scaling up after commercialization. Innoventure Lab is an incubation program for employees in the SoftBank Group that helps them through the new business idea application process, until a final judgment is made. This program was started in 2016 with the objective of helping employees obtain and put into practice a broad spectrum of knowledge related

to startups around the world, as well as insight into new business development and hypothesis verification methods. All employees in the SoftBank Group and prospective hires are eligible to register for the program, as long as they intend to start a business in-house. Ideas that have passed the final screening process are then developed with the aim of turning them into a business (starting up a company) through the creation of hypothetical business strategies and usage verification with beta-version products. After commercialization, the next step is to scale up the new business with fundraising in mind, while executing a refined business strategy.

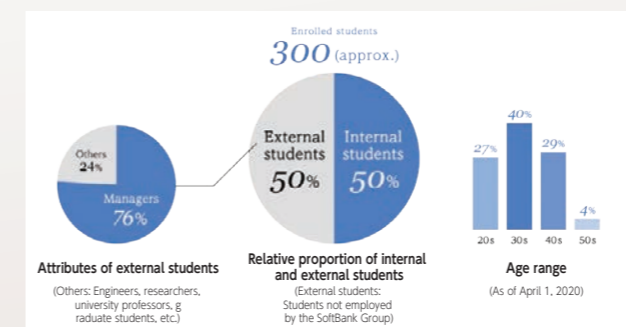
To accelerate these activities, Innoventure Studio provides mentoring by specialists and content that assists with product development and business plan formulation, along with a variety of tools that help verify business plans. On four fronts, the program assists with products currently in the scaling up phase, after they have passed final judgment and been turned into businesses.

SoftBank InnoVenture advances the fostering of a corporate culture that accepts new challenges by strongly encouraging employees to come up with new business ideas.

SoftBank Academia

SoftBank Academia was founded with Masayoshi Son himself as the principal, with the aim of grooming successors and discovering and training businesspeople who can carry out AI strategies for the SoftBank Group. In 2020 the school celebrated its 10th year of operation. Participants are recruited widely, from both inside and within the SoftBank Group. The programs are well-rounded and varied. Based on themes related to management issues pertaining to the SoftBank Group, students take part in a presentation program; management games, which simulate company management; and special lessons on management theory presented by Masayoshi Son. Conversations with distinguished guests are also a part of the curriculum. So far approximately 600 Academia students have taken part, competing for the Group's top jobs.

SoftBank Academia is both a place for the practical study of management and a forum where students gathered from within and outside the SoftBank Group encourage each other in friendly rivalry. It will continue to evolve as an agora whose members strive to climb the highest peaks.



SoftBank AI Human Resource Training Scholarship

We live in an era in which AI is broadly utilized in all industries, effecting significant changes in industries' business models. To develop the AI-knowledgeable personnel to develop these industries, SoftBank established the SoftBank AI Human Resource Training Scholarship (scholarship name: JEES SoftBank AI Human Resource Training Scholarship) as a benefit-type scholarship for FY2021. In tandem, from October 16, 2020 to January 8, 2021, Japan Educational Exchanges and Services (JEES) canvassed applications for the scholarship from students already in their first year of a master's program at designated universities as of April 2021, conducting study and research related to AI in fields such as computer science, information science and statistics\*.

This offering marked the third time the SoftBank AI Human Resource Training Scholarship was offered, continuing from FY2019 and FY2020.

SoftBank will continue to conduct a range of initiatives to promote the use of AI in solving issues in society and developing industry and to contribute to the development of the skilled workforce those industries will require.

\*JEES is a public interest incorporated foundation established to help Japanese students and foreign students pursue their studies. Scholarship operations at JEES receive contributions from corporations and individuals to fund scholarship programs named after their benefactors.



Materiality 3 Creating New Business through Open Innovation

SDGs Value Creation (3)Build Systems to Recruit and Develop Human Resources to Lead Growth and Create New Businesses

Hiring Talented Personnel Regional Revitalization Interns

At SoftBank, when we hire new college graduates, we discover diverse personnel who can support next-generation businesses. For this purpose, we conduct the Job-Match internship program, in which students serve as offline work-experience interns; the Beyond Border Week Challenge, an online work-experience program; and the TURE-TECH internship program for regional revitalization.

TURE-TECH is an internship program for students aiming to become the "change leaders" who will build the world of the coming age. In this regional-revitalization program, interns seek solutions to problems faced by local governments in Japan, an advanced country that has new problems, by traveling to regions of interest and interviewing city employees, local residents and business owners. On the last day of the internship, the intern submits to the mayor of the municipality a proposal for solving the problems using ICT. In March 2021, the TURE-TECH internship program was placed fully online, in view of the impact of the COVID-19 pandemic. Through online interviews and local live broadcasts, proposals to solve the specified issues were considered and a presentation was made to the mayor.

SoftBank's mission is to bring about an "Information Revolution — Happiness for everyone." By bringing students directly to the places where this revolution is needed, SoftBank provides interns of diverse backgrounds with hands-on experience that goes beyond armchair cogitation in search of solutions to problems that have no answers.



Job Posting System Designed to Shift Personnel to New and Growing Businesses

This internal recruiting system for starting up new business lines provides opportunities for employees to grow and express themselves and establishes a challenging work environment. This system is very popular among employees, as shown by the 3-5x ratio of applicants to job postings. Applying for posts does not require the permission of the manager of the applicant's workplace. Since the introduction of the job-posting system in FY2015, over 1,500 employees have transferred to their preferred workplaces.

Type	Job Posting System
Aim	Reassignment of personnel to new and growth businesses
Frequency	Quarterly, in principle

Digital Worker 4000 Project Shifts Resources to New Businesses by Increasing Work Efficiency

The Digital Worker 4000 Project was launched to conduct sweeping reviews of internal work processes. As a way to kick off structural reforms, this project aims to expand business by digitizing work equivalent to 4,000 work hours companywide, thereby increasing efficiency and freeing up employees for new businesses and higher-value-added work.

The Digital Worker 4000 Project is a key project in our growth strategy and structural reforms, which are designed with a second growth pillar in mind, and by tackling this project in unison across the entire company, SoftBank will spur further growth over the medium and long term.

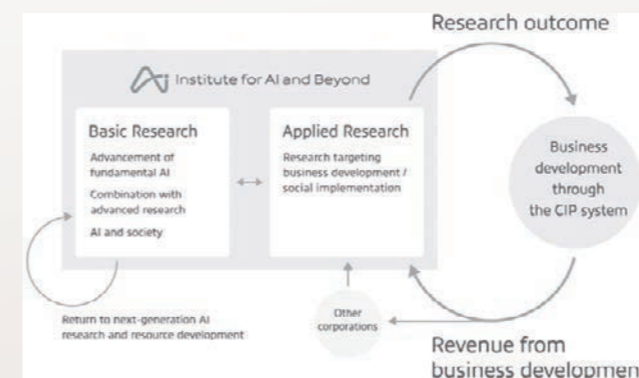
Research and Development in Support of Operations

SoftBank has always advanced by incorporating a wide variety of corporate cultures and integrating the technologies and diverse personnel it has gathered. Looking to the future, SoftBank aims to become a *comprehensive digital platformer*—a Company that acquires data through its communication infrastructure and analyzes and recombines it on a wide range of platforms to create novel value that enriches people's lives. To this end, SoftBank will build a robust communication infrastructure focused on 5G and press forward with the development of leading-edge technologies, including AI, IoT, robotics, DigitalTwin and even 6G and HAPS, raising the sophistication of its communication platform to new heights. Never resting on our latest achievements, we will press ever onward, tackling the challenges of technological development to contribute to the provision of solutions and fresh value.

The Institute for AI and Beyond

SoftBank, the University of Tokyo, SoftBank Group Corp. and Yahoo Japan Corporation established the Institute for AI and Beyond as a world-top-level institution for research in AI. The Institute launched joint-research operations in July 2020.

The Institute for AI and Beyond pursues research in two directions: research with a medium-to-long-term outlook, pursuing cutting-edge AI projects, including the advancement of AI itself as well as fusion of AI with other technologies; and high-cycle research that sets its sights on commercialization based on research results. A key feature of the Institute for AI and Beyond is that it aims to create its own ecosystem, as the returns from projects are fed into further research activities as well as educational initiatives to train the next generation of AI professionals. The goals of the Institute for AI and Beyond are ambitious. The Institute has set specific numerical targets, aiming to create 10 never-before-seen businesses and three novel fields of academic inquiry from its research results over 10 years. Working with commercialization-advancement teams assembled by SoftBank, the Institute conducts research activities encompassing the initial stages of business development to full commercialization. SoftBank, SoftBank Group Corp. and Yahoo Japan will invest up to ¥20 billion in the Institute over 10 years, in a bold quest to advance research and business activities in which Japan will lead the world, thereby pioneering fields of academic inquiry beyond AI.



The SoftBank Next-generation Battery Lab

The diversification in mobile devices seen in recent years is driving a worldwide push to develop the next generation of batteries. In June 2021 SoftBank established the SoftBank Next-generation Battery Lab, a facility for the evaluation and proving of a wide array of next-generation batteries from around the world. The Lab's aim is to conduct R&D on next-generation batteries that will be lightweight and safe and boast high mass-energy density (expressed in Wh/kg) and commercialize them rapidly.

The SoftBank Next-generation Battery Lab will evaluate and compare battery cells produced by manufacturers around the world under the same environment, to analyze differences in performance and identify technical issues in a timely manner. The test results obtained by the SoftBank Next-generation Battery Lab will be provided to each manufacturer as feedback, thereby accelerating the development of next-generation batteries. In addition, the Lab is expected to test elemental technologies developed with joint-research partners. By sharing the expertise obtained from the testing with participating manufacturers, the SoftBank Next-generation Battery Lab will contribute to raising the general level of development of next-generation batteries. The Lab has already lined up next-generation batteries from 15 battery manufacturers worldwide and will continue to expand its roster of development partners. Through these activities, the SoftBank Next-generation Battery Lab aims to emerge as a vital platform for spurring the development of next-generation batteries.



Image provided by Espec Corp.

Materiality 4

# Contributing to the Global Environment with the Power of Technology

- Realizing a Carbon-neutral, Recycling-oriented Society -



To achieve a sustainable global environment, SoftBank will respond to climate change and promote the achievement of a recycling-oriented society by improving power use efficiency through the use of cutting-edge technology and encouraging the adoption of renewable energy.

In order to contribute to the solution of the increasingly serious climate change issues, SoftBank has announced the “Declaration of Carbon-neutral 2030,” which aims to reduce greenhouse gas emissions from electricity, etc., used in our business activities to essentially zero by 2030, the year targeted for achievement of SDGs.

We will promote energy conservation through measures such as utilizing renewable energy aimed at suppressing CO<sub>2</sub>, switching to energy-saving equipment, and improving the efficiency of electricity use by utilizing and spreading IoT.

SoftBank will also actively utilize cutting-edge technologies such as AI and big data in fields that

contribute to energy use and reduction of greenhouse gas emissions. As the theme of technology utilization in environmental issues attracts greater attention, we will fully leverage synergies with Group companies to improve the power efficiency of our facilities and equipment, and to take measures to reduce the environmental load.

Furthermore, to protect the global environment and the resources it provides, we limit the amount of resources used by our corporate activities and businesses and promote recycling and reuse.

We will also endeavor to achieve a prosperous society through the spread of renewable energy by promoting and expanding renewable energy-based operations and services that contribute to the achievement of an environmentally friendly society. We plan to implement these efforts by providing natural electricity from renewable sources and converting to renewable sources for powering our base stations.

## >> Social Issues

- Prevention of natural disasters caused by global warming and climate change
- Transition to a circular economy that recycles and reuses limited resources

## >> SDGs Value Creation

- (1) Contribute to the mitigation of climate change through technology and business
- (2) Promote a recycling-based society (circular economy)
- (3) Realize a prosperous society through the spread of renewable energy

## >> KPIs

- (1) • Ratio of renewable energy for base stations:
  - 50% or greater in FY2021 and 70% or greater in FY2022
  - Contribution to overall CO<sub>2</sub> reduction of society: Promoting initiatives
  - To achieve carbon neutral (FY2030)
- (2) • Number of mobile phones collected for reuse or recycling:
  - 10 million (FY2020-2025 Total)
  - Percentage of decommissioned base stations going to landfill: 1% or less (annually)
- (3) • Promoting renewable energy power provision:
  - Expanding provision of renewable energy power plans

## >> Risks and Opportunities

- Risks**
- Infrastructure disruption and communication blackout due to disasters caused by climate change
  - Difficulty in securing non-fossil fuel electricity and increase in cost for long-term electricity procurement
  - Impact on financing due to lack of global environmental efforts
- Opportunities**
- Expanding the market for highly-energy-efficient solutions that utilize IoT, etc.
  - Expansion of businesses related to the sharing economy
  - Expansion of businesses related to renewable energy

## >> Main Businesses and Initiatives

- Improve power use efficiency
- Substitute energy-saving equipment
- Utilize IoT and other technologies to improve power use efficiency and promote environmental awareness
- Convert electricity consumed by facilities and equipment such as mobile phone base stations to electricity generated using renewable energy\*
- Implement initiatives aimed at achieving carbon neutral
- Mobile phone recycling
- Adopt carry bags made from materials other than paper or plastic
- Promote the reduction of reliance on paper-based procedures through the application of smart devices
- Proper use of water resources and waste reduction
- Propagate renewable energy (including power provided under a feed-in tariff [FIT] policy mechanism) through the supply of electricity from renewable sources

\* We will primarily achieve this goal by using renewable energy sources that have been certified as non-dependent on fossil fuels



Materiality 4 Contributing to the Global Environment with the Power of Technology

Key Person Interview



Masato Ikeda

CSR Division Head, and Senior Director of the SDGs Promotion Office

Social Background

Global environmental problems such as climate change, resource depletion, and biodiversity loss are becoming more complex and serious. As inhabitants of the Earth, it is our urgent responsibility to deal with these problems. In particular, the Japanese government has announced that it will reduce greenhouse gases to zero and realize a carbon-free society by 2050. Furthermore, there is an accelerating trend of emphasizing response to global environmental problems such as climate change in Japan.

Carbon-neutral 2030

SoftBank has identified response to global environmental problems by "contributing to the global environment with the power of technology" as one of the materialities that are important management issues, and are focusing on responding to those problems. In particular, in response to climate change issues, we announced our support for the TCFD (Task Force on Climate-Related Financial Information Disclosure) proposal in April 2020, and are working to actively disclose information and enhance the disclosure. In addition, in June 2021, we announced the "Declaration of Carbon-neutral 2030," which aims to reduce greenhouse gas emissions to essentially zero by 2030. SoftBank is implementing activities for reducing greenhouse gas emissions generated by power, etc., used in our business activities to essentially zero by 2030, which is the year targeted by international society for achievement of the SDGs. The related targets have been certified as SBT (Science Based Targets) due to being based on scientific evidence through international climate change initiatives.

Shift to Renewable Energy at Base Stations / Environmental Response Utilizing Cutting-edge Technology

We will strive to achieve Carbon-neutral 2030, which aims to reduce greenhouse gas emission to essentially zero by 2030, by using a combination of switching to essentially renewable energy for power used in business activities and energy conservation utilizing cutting-edge technologies such as AI.

The annual amount of greenhouse gas emissions from SoftBank's business activities is equivalent to about 250,000 average households (about 680,000 tons when converted to CO<sub>2</sub>). The Company is switching to electricity using essentially renewable energy. In FY2020, we have achieved a switch to essentially renewable energy equivalent to 30% of the power used by base stations. Moving forward, we will continue to gradually switch to essentially renewable energy, aiming to switch to 100% essentially renewable energy for the power used in our business activities by 2030.

Furthermore, SoftBank is promoting the active use of cutting-edge technologies such as AI and big data in fields that contribute to energy use and reduction of greenhouse gas emissions. There are increasing attention and expectations for the application of cutting-edge technology to environmental issues; for example, it is said that impact on the global environment can be predicted by using the learning function of AI to analyze a huge amount of environmental data. By fully utilizing our cutting-edge technology and synergies with Group companies, the Company is embarking on measures to improve the power efficiency of our facilities and equipment, and to reduce the environmental burden.

Initiatives for Conservation of Biodiversity and Realization of a Recycling Society

SoftBank is also promoting support for biodiversity conservation and a recycling society as important initiatives. In terms of biodiversity conservation (particularly marine life conservation), we launched the "Future and Coral Project" in collaboration with Onna Village (Okinawa Prefecture), which has the world's largest coral planting area. We are working together with Onna Village to use internet donations to plant coral seedlings and cleaning up beaches. Through this project, we will contribute to the achievement of SDGs Goal 14 "Life Below Water."

SoftBank is also working to suppress the use of petroleum-based plastics. For example, we are changing the shopping bags used at SoftBank and Y!mobile shops nationwide from petroleum-based bags to plant-based bags. In this way, we are striving to achieve a recycling society.

Conclusion

All SoftBank directors and employees will cooperate in promoting the reduction of environmental burden. We will continue to take measures for creating a sustainable society by using technology to contribute to the global environment and by realizing "a world where all things, information and hearts are connected."

Environmental Management

Pursuing a Future That Connects People with Nature



Contribution to climate change countermeasures



Promotion of a recycling-oriented society



Biodiversity conservation

SoftBank recognizes global environmental issues as an important management issue. We have established Environmental Action Guidelines to ensure that all directors and employees cooperate in efforts to reduce environmental burdens. Based on our corporate philosophy of "Information Revolution — Happiness for Everyone," we will actively work to maintain and conserve the global environment through our business, seeking to be a corporate group most needed by people around the world. We will also contribute to the continuous development of a sustainable society. Business activities targeted by the Environmental Action Guidelines include all facilities and equipment, as well as business expansion and entry into new businesses through M&As, the establishment of joint ventures, etc.

Environmental Action Guidelines

SoftBank Corp. is actively engaged in maintaining and conserving the global environment through our businesses to contribute to the continuous development of a sustainable society. Specifically, SoftBank will:

- Comply with environmental laws, ordinances and other regulations and requirements.
- In order to resolve issues such as climate change and resource depletion through an environmental management system, we have set environmental targets for the reduction of greenhouse gas emissions, energy conservation, resource conservation, waste reduction, and water usage reduction, etc., and strive to make continuous improvements.
- Promote environmental-friendly green procurement in our purchase of office equipment and supplies.
- SoftBank strives to provide telecommunications services, etc., which help reduce the environmental load and contribute to the reduction of greenhouse gas emissions across society as a whole.
- We take into account the business impact on ecosystems and promote initiatives to conserve biodiversity.
- We strive to provide environmental education to employees while also announcing the details of these guidelines and our environmental information both internally and externally to reduce the environmental load together with stakeholders including group companies, business partners, and suppliers.

Materiality 4 Contributing to the Global Environment with the Power of Technology

Environmental Management

Environmental Management System

SoftBank has established Environmental Action Guidelines, built an environmental management system, and formed a corresponding administrative structure to promote environmentally friendly corporate activities and support active environmental conservation activities. To ensure that we achieve more environmentally friendly corporate activities, we are taking measures for matters deemed to have a particularly important environmental impact, including global warming prevention, the recycling of used mobile phones, resource conservation, and limitation of the use of toxic substances specified by the Restriction of Hazardous Substances (RoHS) Directive\* and of emissions containing these substances.

As society becomes more environmentally aware, companies are facing increasingly diverse requirements, including demand for environmentally

friendly products and services, various regulations concerning environmental conservation, and the need to conduct smarter corporate activities that save energy and resources. To ensure that we can quickly respond to these requirements and adapt to changing trends, we will faithfully perform the PDCA (plan, do, check, act) cycle when implementing our environmental management system and continuously make appropriate improvements.

As part of promoting our environmental management system, SoftBank has acquired ISO14001 certification at 57% of business offices (employee coverage rate) which emit large amounts of greenhouse gas emissions; for example, our headquarters and network centers. Moreover, all business offices conduct internal audits based on in-house criteria.

\*EU directive that prohibits the inclusion of toxic substances in electrical and electronic equipment



Compliance with Environmental Laws and Regulations and the Implementation of Internal Audits

In accordance with the framework of our environmental management system, strive to comply with environmental laws and regulations. The Company had no violations of environmental laws or regulations in FY2020.

We regularly conduct internal audits to ensure that our environmental management system fulfills ISO 14001 requirements and is being implemented in a way that is effective toward the

achievement of our environmental targets. Based on the results of these audits, we identify issues, take corrective measures, examine various items in need of review, and continuously target appropriate improvements. Having made these improvements, we have confirmed from a standpoint of legal compliance that we continued to appropriately fulfill ISO 14001 requirements during FY2020.

Holding External Audits

At the building (Tokyo Port City Takeshiba Office Tower) where SoftBank's headquarters are located, we are implementing various power saving measures based on the intent of the Act on the Rational Use of Energy (Energy Conservation Act) and the Tokyo Metropolitan Environmental Security Ordinance. For example, we have started to appropriately adjust the strength of lighting and to rationalize the air conditioning operating time. Furthermore, our headquarters, large-scale network centers,

and data centers have acquired ISO14001 certification (an international standard for environmental management systems) and are actively working to reduce greenhouse gas emissions. Additionally, energy-saving measures will be sequentially taken by optimizing the temperature settings for air conditioning equipment in data centers and network centers, by actively adopting energy-saving equipment, and systematically updating equipment to promote efficiency in energy use.

Environmental Management System (ISO 14001)

We have adopted an environmental management system that complies with the international ISO 14001 standard to ensure adherence to laws and regulations and other requirements related to environmental conservation and promote environmentally friendly corporate activities. Through a third-party investigation, we received ongoing ISO 14001 certification in FY2020.

Environmental Targets in Offices

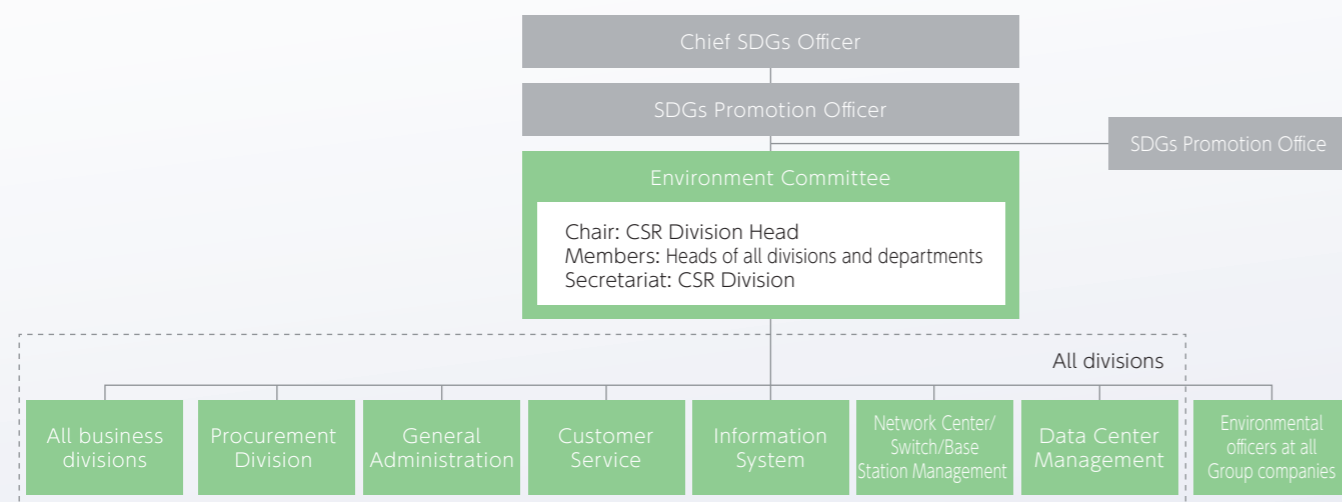
Type of activity	Scope of activity	FY2020		
		Focus of activity	Objective of activity	
Energy saving	Stable operation of on-site fuel cells to generate electricity	Head Office	Electricity consumption	25% reduction compared with FY2010 levels
			Lights-out management system	Continued implementation of office lights-out management systems
In-house education	Training on environmental matters	Company wide	Knowledge about environmental matters	Increase staff knowledge of the laws governing treatment of industrial waste and handling Freon gas

Environmental Targets at Network Centers

Type of activity	Focus of activity	FY2020	
		Objective of activity	
Energy saving	Efficient use of electrical energy	Electrical energy use (consumption rate)	1% reduction in annual consumption
Waste materials	Proper handling of industrial waste	Industrial waste	Proper handling
	Proper handling of waste CFCs	Waste CFCs	Proper handling

Environmental Management System

To promote group wide environmental conservation activities, SoftBank has established the Environment Committee covering environmental matters, which complies with the ISO 14001 international standard.



Materiality 4 Contributing to the Global Environment with the Power of Technology

Environmental Management

Certifying and examining authority : BSI Group Japan K.K.  
 Accreditation organization : ANSI-ASQ National Accreditation  
 Registered certification number : Board (ANAB)  
 EMS81966



Date of first certification : September 9, 2004

Main Registration Scope

- Sapporo Data Center
- Tokyo Data Center No. 4
- Kitakyushu e-Port Data Center
- Kitakyushu e-Port Data Center No. 2
- Oita Data Center
- Contact Center Operations Department
- Hokkaido Network Engineering Department
- Tohoku Network Engineering Department
- Kanto Network Center
- Tokai Network Engineering Department
- Hokuriku Network Engineering Department
- Kansai Network Engineering Department
- Chugoku Network Engineering Department
- Shikoku Network Engineering Department
- Kyushu Network Engineering Department
- General Affairs Division

Third-Party Verification of Environmental Data

The amount of greenhouse gas emissions and energy consumption (SoftBank and Yahoo Japan Corporation), industrial waste (SoftBank only), and water usage (SoftBank headquarters) in FY2020 are subject to third-party verification by the Japan Quality Assurance Organization. (verified ISO 14064-3, ISAE3000 compliant with a limited level of assurance).

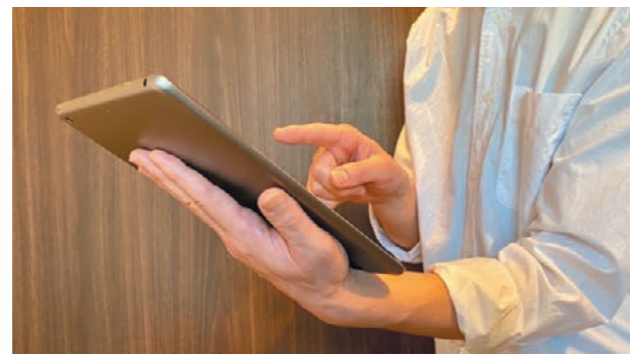
Employee Training and Education

Conducted Environmental Training for Employees

We regularly conduct e-learning-based environmental education to ensure that our employees acquire basic knowledge concerning environmental conservation and to provide them with pertinent information. The curriculum used for these activities provides content that all employees can use to broadly educate themselves regarding environmental conservation.

Additionally, we provide practical training for employees involved in industrial waste processing that equips them with the knowledge they need to comply with laws and regulations and perform appropriate disposal. We deliver this training through e-learning-based instruction concerning proper industrial waste disposal and electronic manifest systems.

Furthermore, we are striving to raise the rate of employee participation in this environmental education by allowing them to access training through PCs, iPads, and iPhones.



Green Procurement

Introduction and Promotion of Products That Help Reduce CO<sub>2</sub> Emissions

In order to contribute to the sustainable development of society, SoftBank has established Green Procurement Guidelines to explain our fundamental idea on green procurement to our suppliers. These guidelines comply with the Ecology Guideline for the ICT Industry formulated by the ICT Ecology Guideline Council\* in response to suggestions from a scientific meeting held by the Ministry of Internal Affairs and Communications on ecological response in the field of information and communication. By establishing these guidelines, we are aiming to promote the procurement of products that help reduce CO<sub>2</sub> emissions. Moving forward, we will ensure that we carry out business activities that emphasize the importance of the environment by welcoming highly valued voluntary and proactive proposals from our suppliers and joining forces with them to conduct environmental conservation activities.

\*A joint council established on June 26, 2009 by the Telecommunications Carriers Association, Telecom Services Association, Japan Internet Providers Association, Communications and Information Network Association of Japan, and ASP-SAAS-IoT Cloud Consortium to promote industry-wide global warming prevention measures

Environmental Communication

Cooperation with Customers

To support activities aimed at solving a variety of environmental and social issues, SoftBank is building communication channels between users and NPOs via "Connected through Fundraising," a platform that allows donations to be performed along with SoftBank smartphone payments, and Yahoo! Internet Fund Raising, which is operated by the Yahoo Japan Corporation and is one of Japan's largest donation portal sites. Through construction of these channels, we are aiming to create opportunities for new activities.



Carbon Offset Campaign Targeting Japan's National Parks and World Natural Heritage Sites  
 Messages from Executive Committee Chairman Ken Oikawa

To preserve our beautiful, abundant, and precious natural environment for the future, all of us on the executive committee of the Carbon Offset Campaign Targeting Japan's National Parks and World Natural Heritage Sites are teaming up with children from the Boy Scouts to conduct environmental activities that involve learning, experiencing, and communicating.

When conducting these activities, we utilize Yahoo! Internet Fundraising to collect donations from a large number of supporters.

More than 44,000 individuals have donated through Yahoo! Internet Fundraising since its establishment, and their support has provided the reliable power and energy needed to conduct these activities.

By providing children with the opportunity to come into contact with nature, these activities will certainly impress upon them the importance of continuing to protect nature once they have become adults.

We hope that many adults also become swept up in the chain of copious thought concerning nature.



[Details](#) [Yahoo! Internet Fundraising](#)

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SDGs Value Creation

Contribute to the Mitigation of Climate Change through Technology and Business

SoftBank is actively taking efforts to reduce greenhouse gas emissions through business activities; for example, using renewable energy and leveraging technology such as AI and IoT to increase power efficiency. Additionally, the Company will contribute to reducing CO<sub>2</sub> throughout all of society, and contribute to realizing a sustainable society that responds to climate change.

Carbon-neutral 2030



SoftBank will switch to the use of essentially renewable energy for 100% of power used in our business activities by 2030, which is the year targeted for the achievement of the SDGs. Also, through energy conservation efforts that utilize cutting-edge technologies such as AI and IoT, we are advancing our Carbon-neutral 2030 initiative to reduce greenhouse gas emissions to essentially zero. In order to promote this initiative, we have established the Carbon Neutral Working Group as a cross-company organization. SoftBank will contribute to the global environment through the spread of renewable energy and the utilization of cutting-edge technology, and will also contribute to the realization of a carbon-free society by realizing carbon neutral. Our reduction targets for greenhouse gas emissions have been certified as SBT (Science Based Targets) by the SBTi (Science Based Targets initiative), which is an international climate change initiative.

Shift to Renewable Energy for Power Used at Base Stations

The annual emission of greenhouse gases associated with SoftBank's business activities is approximately 680,000 tons when converted to CO<sub>2</sub> (FY2019 results). This amount is equivalent to approximately 250,000 ordinary households. SoftBank's main business is the mobile communications business, and we use more than half of our power at our approximately 230,000 base stations. In order to reduce greenhouse gases, we have decided to switch to electricity\* using essentially renewable energy supplied by SB Power. In FY2020, we have achieved the use of 30% renewable energy for power used at our base stations. We will aim for 50% or more in FY2021 and 70% or more in FY2022.

SoftBank will also promote the reduction of greenhouse gases by gradually promoting a shift to renewable energy for power used by facilities and equipment other than base stations.

\*Electricity from essentially 100% renewable energy that utilizes non-fossil certificates designated as renewable energy.



Tochigi Motegi Solar Park (SB Energy Corp.)

Additionally, the Company is considering directly procuring the power generated by SB Energy Corp. (a subsidiary of SoftBank Group Corp.), which owns power generation facilities at 45 locations such as SoftBank Tochigi Motegi Solar Park and operates a power generation business for renewable energy.

Increased Power Efficiency Utilizing AI, IoT, Etc.

By utilizing cutting-edge technology such as AI, IoT, and big data, it is said that impact on the global environment can be predicted by using the learning function of AI to analyze a huge amount of environmental data. Since various measures can be implemented based on these predictions, the utilization of cutting-edge technology to address environmental problems is attracting attention throughout the world.

SoftBank will fully leverage cutting-edge technology and synergies with Group companies to improve the power efficiency of our facilities and equipment, and will take measures to reduce the environmental burden.

Reduced Environmental Load by Developing Next-generation Batteries

SoftBank is working to reduce the environmental burden through R&D for the development and practical application of next-generation batteries. The evolution of devices is accompanied by an increase in power, which leads to an increase in energy consumption and CO<sub>2</sub> emissions. By increasing the capacity and energy density of batteries installed in these devices, it is possible to improve the performance and efficiency of devices, and to reduce the environmental burden.

Since 2018, SoftBank has been engaged in R&D, information exchange, etc., for material technology used in batteries. For these initiatives, we have cooperated with various research institutes such as NIMS (National Institute for Materials Science), as well as universities, manufacturers, and corporations.

The Company is developing a lightweight lithium-ion battery that possesses a high mass energy density, even

while maintaining a large battery capacity. In collaboration with Enpower Greentech of the United States, we succeeded in demonstration experiments for a battery with a mass energy density (450 Wh/kg class) of about twice that of conventional batteries.

Also, in June 2021, we established the SoftBank Next-generation Battery Lab in the Battery Safety Certification Center of ESPEC Corp., which is the world's top manufacturer of environmental testing equipment. ESPEC possesses equipment and know-how with outstanding levels of safety and environmental evaluation.

Going forward, in order to analyze performance differences and identify technical issues in cells at an early stage, SoftBank Next-generation Battery Lab will evaluate and compare cells from manufacturers around the world under the same environmental conditions. We will also accelerate the development of next-generation batteries by giving feedback to each manufacturer regarding the verification results obtained at the SoftBank Next-generation Battery Lab. Moreover, SoftBank Next-generation Battery Lab also plans to verify the elemental technologies developed with joint research partners. By sharing the know-how gained from verification with participating manufacturers, SoftBank will contribute to heightening the base level of next-generation battery development. We are already planning to verify next-generation batteries from 15 battery manufacturers around the world, and will begin cooperating with new development partners in the future. Through these activities, SoftBank Next-generation Battery Lab will advance its business to become a platform that supports the promotion of next-generation battery development.



Battery prototype using elemental technologies jointly developed by SoftBank and Enpower Greentech



SoftBank Next-generation Battery Lab  
Image provided by ESPEC Corp.

Materiality 4 Contributing to the Global Environment with the Power of Technology

SDGs Value Creation (1) Contribute to the Mitigation of Climate Change through Technology and Business

Contribution to Climate Change Prevention

SoftBank supports TCFD recommendations endeavors to disclose climate change-related information. Furthermore, we have identified "contribution to climate change prevention through our technologies and businesses" as a material issue and will promote efficient use of electricity through the utilization of IoT technology while taking concrete measures to combat climate change, including shifting to renewable energy and providing natural electricity.

Support for TCFD Recommendations

In April 2020, SoftBank announced its support for recommendations released by the Task Force on Climate-related Financial Disclosures (TCFD)\*.

We will strengthen our governance in accordance with these recommendations and proactively strive to enhance our disclosure in keeping with the framework of "governance, strategy, risk management, indicators, and targets" that the TCFD has prescribed for companies.

\*Task Force on Climate-related Financial Disclosures: An international initiative established by the Financial Stability Board (FSB) in 2015 with the goal of encouraging companies to disclose information regarding the financial impact that risks and opportunities associated with climate change have on their businesses.



Governance

SoftBank established the SDGs Promotion Committee to support the regular review of climate-change related initiatives as an advisory body to the Board of Directors. This committee is chaired by the President and CEO, who also serves as the chief SDGs officer, a position that assumes ultimate responsibility for all sustainability activities, including climate change-related strategies.

In addition to the SDGs Promotion Committee, we have established the Environment Committee, which supports internal efforts to promote climate change prevention under the direction of the chief SDGs officer and the SDGs promotion officer. The Environment Committee is chaired by the director of the CSR Department and appoints an environmental response manager for each department and Group company.

The Environment Committee is responsible for the management of risks and numerical values related to climate change; numerical management aimed at limiting waste generation, water consumption, and other environmental impacts; and promoting operations, initiatives, and awareness-raising activities that support these aims.

Strategy

SoftBank operates a telecommunications business that includes base stations and uses a large volume of electricity. Accordingly, we recognize that our businesses could be subject to significant risks associated with climate change.

SoftBank conducts scenario analysis to consider strategies for adapting to future events caused to climate change. We have identified risks that are expected to occur by 2050 and which will have a particularly large financial impact on businesses, including upstream and downstream areas of the value chain. We then reviewed two scenarios for dealing with these risks.

The reference scenario is as follows.  
 IPCC (Intergovernmental Panel on Climate Change) Fifth Assessment Report: RCP2.6 / RCP8.5, IEA (International Energy Agency) Energy Technology Perspectives 2017: B2DS, World Energy Outlook 2018: SDS

Scenario Analysis

4°C Scenario

SoftBank assumed that the physical effects of climate change, such as intensification of extreme weather events, would occur while the risks of transition in technology, markets, reputation and other areas, as well as the strengthening of policies and regulations, such as climate change countermeasures, would not become apparent. For example, in the case of a disaster of the magnitude of the July 2020 torrential rains, we invested approximately 330 million yen in restoration costs. Based on an analysis of the financial impacts such as yearly restoration costs for disaster damage, etc., we secure a budget for disaster and are prepared to respond quickly.

1.5°C to 2°C Scenario

While there will be no acute or chronic physical risk due to climate change at a level that affects business, we estimated that if a carbon tax of about 6,000-14,000 yen per ton of CO<sub>2</sub> equivalent were imposed from 2025, assuming that climate change policies and regulations are strengthened, there would be a cumulative impact of 17.5-40.7 billion yen until 2035.

Scenario assuming a 4° C rise in average global temperature: Projects a future in which typhoons and other natural disasters become more frequent and increase in size and intensity

Scenario	Identified risks	Initiatives considered	Period before occurrence of risk
More frequent, large, and intense natural disasters	Rise in recovery costs due to an increase in the amount and severity of facility damage	Strengthen efforts aimed at preventing and mitigating disasters • Promote the redundancy of backbone networks and secure communication in the event of a disaster with a moored-balloon wireless relay system • Advance initiatives aimed at practical implementation of HAPS	Long-term
Rise in frequency of extremely hot days	Increase in cost of electricity used for air conditioning	Strengthen energy conservation efforts • Transition to energy-saving equipment • Increase in efficiency of power consumption using AI, IoT	Long-term

Scenario assuming a rise of 1.5-2.0° C in average global temperature: Presupposes the rapid achievement of a decarbonized global society

Scenario	Identified risks	Considered initiatives	Period before occurrence of risk
Strengthened decarbonization regulations	Increased tax burden due to carbon tax implementation	• Shift to renewable energy for base station power / achievement of carbon neutral (by FY2030)	Medium-term
	Increase in electricity costs due to a shift to renewable energy	Strengthen efforts to reduce energy consumption • Transition to energy-saving equipment • Increase in efficiency of power consumption using AI, IoT	Short-term
Rising Environmental Awareness	Loss of customers due to reputation risks associated with potential underperformance of environmental initiatives	Implement CO <sub>2</sub> emission reduction efforts and disseminate relevant information • Shift to the use of renewable energy to power base stations • Achieve carbon neutral / promote provision of renewable power • Contribute to CO <sub>2</sub> reduction in society as a whole	Short-term

Risk Management

Risks and opportunities related to climate change are identified by the Environmental Committee, and then evaluated and analyzed by the SDGs Promotion Committee. Matters determined to be of high importance will be submitted for discussion by the Board of Directors.

Based on the results of scenario analysis, we are implementing the following initiatives to mitigate and adapt to climate change. Efforts to mitigate and adapt to climate change are expected to cover all of SoftBank's businesses, including new businesses.

Response to Disasters That Are Growing Larger

In order to fulfill our responsibilities as a telecommunications carrier responsible for infrastructure in response to disasters that are growing larger in recent years, we have set "building high-quality social communication networks" as a materiality and take measures on a daily basis to maintain the telecommunications infrastructure in the event of a disaster.

Shift to Renewable Energy for Base Station Power

SoftBank's main business is the mobile communications business, and we use approximately 60% of our power at our base stations. In FY2020, we have achieved the use of 30% renewable energy for power used at our base stations. We will aim for 50% in FY2021 and 70% in FY2022. Through these targets, we are gradually shifting to renewable energy and are working to reduce greenhouse gas emissions.

Initiatives for Achieving Carbon Neutral

We will reduce greenhouse gas emissions associated with our business activities to essentially zero FY2030.

Materiality 4 Contributing to the Global Environment with the Power of Technology

SDGs Value Creation (1) Contribute to the Mitigation of Climate Change through Technology and Business

Indicators and Targets

By managing environmental impact data, we also manage risks and opportunities associated with climate change.

As a main goal, SoftBank has set a goal of Carbon-neutral 2030 to reduce greenhouse gas emissions from power used in business activities to essentially zero by 2030, which is the year targeted for achievement of SDGs. In FY2020, we

have achieved the use of 30% renewable energy for power used at our base stations. We will aim for 50% in FY2021 and 70% in FY2022. Through these targets, we are gradually shifting to renewable energy, and are working to reduce greenhouse gas emissions even for power used at all of our facilities and equipment other base stations.

	Value	Unit	FY2016	FY2017	FY2018	FY2019	FY2020
Greenhouse gas emissions (Scope 1, 2)	Total	t-CO <sub>2</sub>	733,515	722,514	693,953	776,104	620,929
	Scope 1	t-CO <sub>2</sub>	11,400	11,386	11,456	15,803	15,416
	Scope 2	t-CO <sub>2</sub>	722,115	711,128	682,497	760,301	605,513
	GHG emissions Intensity	t-CO <sub>2</sub> /Gbps	1,116	849	682	628	411
Greenhouse gases (Breakdown of Scope 1)	Carbon dioxide (CO <sub>2</sub> )	t	-	-	-	-	14,962
	Methane (CH <sub>4</sub> )	t-CO <sub>2</sub>	-	-	-	-	293
	Dinitrogen oxide (N <sub>2</sub> O)	t-CO <sub>2</sub>	-	-	-	-	0.03
	Hydrofluorocarbons (HFC)	t-CO <sub>2</sub>	-	-	-	-	162
	Perfluorocarbons (PFC)	t-CO <sub>2</sub>	-	-	-	-	0
	Sulfur hexafluoride (SF <sub>6</sub> )	t-CO <sub>2</sub>	-	-	-	-	0
Energy	Nitrogen Trifluoride (NF <sub>3</sub> )	t-CO <sub>2</sub>	-	-	-	-	0
	Electrical power usage	MWh	1,338,019	1,418,791	1,355,703	1,644,234	1,680,530
	of which, generated using renewable energy sources	MWh	36	44	44	32,516	324,766
	City gas	Thousands of m <sup>3</sup>	4,835	4,731	4,554	4,508	4,914
	Bunker A fuel oil	kL	65	144	190	160	198
	Energy consumption per unit (Electricity consumption per communication volume)	MWh/Gbps	2,037	1,667	1,332	1,296	1,124

\*Values are determined based on the following parameters:  
 • Through FY2018: SoftBank Corp. (parent)  
 • FY2019: All SoftBank Corp. (parent) business sites and major affiliates (Yahoo Japan Corporation, ASKUL Corporation)  
 • Basic unit: SoftBank Corp. (parent)  
 \*Values increased in FY2019 due to a change in parameter

Value	Unit	FY2020	Ratio (%)	Method of calculation of Scope 3
Scope 1 direct emissions		12,141	0.3	-
Scope 2 indirect emissions from energy sources owned by the company		590,438	15.9	-
Scope 3 All other indirect emissions		3,121,487	83.8	-
Category 1: Purchased products and services	t-CO <sub>2</sub>	340,222	9.1	Calculated by multiplying the purchase price of products and services by emission intensity, including during the stage in which all products are procured and transported
Category 2: Capital goods		1,446,099	38.8	Calculated by multiplying capital investment amount by the rate of emission intensity per unit of capital good value
Category 3: Fuel types and energy-related activities not included under Scope 1 & 2 emissions		113,432	3.0	Calculated by multiplying fuel and energy consumption by emission intensity at the time of fuel procurement
Category 4: Transportation, delivery (upstream)		26,481	0.7	In cases of indirect conveyance and shipping, value is calculated by multiplying transportation cost by the rate of emission intensity per unit of monetary value (procurement transport is included under category 1)
Category 5: Waste generated through operations		837	0.02	Calculated by multiplying the weight of industrial waste by rates of emission intensity for different types of waste and treatment methods
Category 6: Business trips		4,216	0.1	Calculated by multiplying transportation expenses by rates of emission intensity associated with units of transportation expense paid in different categories of transportation and by multiplying the number of days during which living accommodations were provided by per-day rates of emission intensity
Category 7: Employee commuting		12,634	0.3	Calculated by multiplying the total commuting distance of employees by the rates of emission intensity per kilometer traveled by one individual employee in different transportation categories, and by multiplying the amount of power consumed during telework by the emission coefficient for power
Category 8: Lease assets (upstream)		94,282	2.5	Calculated by multiplying the total distance traveled by company cars by the emission intensity associated with fuel consumption levels corresponding to the maximum loading capacities enabled by different types of fuel, and by multiplying the amount of power consumed by some communication equipment by the emission coefficient for power
Category 9: Transportation, delivery (downstream)		603,376	16.2	For shipping and transportation, calculated by multiplying the transportation cost by the emission intensity per monetary amount
Category 10: Processing or products sold		-	-	(Not calculated)
Category 11: Use of products sold		449,008	12.1	Calculated by multiplying the number of products sold or rented by the lifetime electrical power consumptions and rates of emission intensity associated with the use of each product.
Category 12: Disposal of products sold		762	0.02	Calculated by multiplying the total weight of products sold by the rates of emission intensity associated with each type of waste produced as a result
Category 13: Lease assets (downstream)		-	-	(Included under category 11)
Category 14: Franchises		30,138	0.8	Calculated by multiplying the total floor area of SoftBank and Y!mobile stores by the rates of emission intensity per unit of floor area associated with each different building purpose
Category 15: Investment		-	-	(Not translated)
<b>Total</b>		<b>3,724,066</b>	<b>100</b>	

\*The boundary is SoftBank Corp. and Yahoo Japan Corporation  
 \*Our greenhouse gas (Scope 1, 2, and 3) emissions and energy consumption during FY2020 were verified by the Japan Quality Assurance Organization, a third-party institution (verified ISO 14064-3 compliant with a limited level of assurance).

Materiality 4 Contributing to the Global Environment with the Power of Technology

SDGs Value Creation (1) Contribute to the Mitigation of Climate Change through Technology and Business

Primary Initiatives

Base Stations Powered by Renewable Energy

SoftBank's main business is the mobile communications business, and we use approximately 60% of our power at our base stations. In order to reduce greenhouse gas emissions, we are switching to electricity using essentially renewable energy. In FY2020, we have achieved the use of 30% renewable energy for power used at our base stations. We will aim for 50% in FY2021 and 70% in FY2022. Through these targets, we are gradually shifting to renewable energy and are working to reduce greenhouse gas emissions.



Responding to Larger Natural Disasters

Due to climate change, natural disasters such as typhoons are becoming bigger every year. Countermeasures against these disasters are important management issues for SoftBank, whose main business is communication services. The Company recognizes that we have a great social responsibility in providing infrastructure for living. We have identified "constructing robust communications infrastructure to contribute to disaster prevention and mitigation" as one important item of our materialities, and are implementing measures on a daily basis to maintain the communication infrastructure in the event of a disaster.

As representative KPI, we have set the maintenance and strengthening of disaster emergency / recovery equipment, and set the number of recovery equipment deployed; for example, mobile base station vehicles / portable mobile base stations, mobile power supply vehicles, and portable satellite antennas.



Initiatives at Base Stations and Network Centers

At network centers in Toda City, Saitama Prefecture and elsewhere, we installed solar panels with a power generation capacity of approximately 10,000 kWh per year.

Additionally, we have established radio base stations equipped with solar panels ("Eco base stations") and, under good weather conditions, are capable of producing all the energy needed to operate these stations through solar power generation.



Data Center Initiatives

IDC Frontier Inc., a SoftBank Corp. Group company, is striving to improve the energy efficiency of its data centers.

Its Kitakyushu Data Center is the first large-scale commercial data center in Japan to implement ambient air cooling, thereby becoming an environmentally friendly data center. By optimizing its air conditioning efficiency, it has conserved energy and received a large number of awards.

Taking advantage of the surrounding cool climate, the Shirakawa Data Center has installed a building-integrated ambient cooling system that fuses architectural and air conditioning functions, enabling it to cool its buildings by directly pumping in outside air. Cool air pumped in from outside accounts for at least 90% of the data center's annual air conditioning load.

The data center's newest building (building No. 5) has adopted a hybrid air conditioning system that uses outside air, water, and conventional air conditioning. With this system, we predict that, in terms of cooling efficiency, the data center's design PUE\* will rise to a high level of about 1.2. \*Power usage effectiveness: An indicator of a data center's energy efficiency

Office Initiatives

At the Tokyo Port City Takeshiba Office Tower where SoftBank's headquarters is located, we aim to establish a state-of-the-art smart building that realizes efficient building management. This contributes to energy saving by through technology such as LED lighting in office areas which use human sensors for automatic light adjustment and automatic blinds which increase air conditioning efficiency.

Demonstration Experiment Using the CO2 Absorption Estimation System of the Agricultural AI Brain "e-kakashi"

Together with YKK Corporation (hereinafter, "YKK"), SoftBank conducted a demonstration experiment to visualize the amount of CO2 absorbed in green areas in real time by utilizing the CO2 absorption estimation system\* (patent pending) of the agricultural AI brain "e-kakashi." The experiment was held at YKK Center Park in the YKK Kurobe Plant (Kurobe City, Toyama Prefecture), and the implementation period was the five months from November 2020 to March 31, 2021.

The CO2 absorption estimation system combines meteorological data and environmental data such as soil temperature (underground temperature) acquired from various sensors of e-kakashi, and then conducts real time visualization of the CO2 absorption amount in green areas such as lawns and forests. By utilizing various environmental data acquired from sensors and a unique algorithm, it is possible to estimate numerical values with high accuracy. It is also possible to estimate the amount of CO2 absorbed from that day to 8 days later. Additionally, the daily CO2 absorption amount and past cumulative data are visualized in an easy-to-understand manner with graphs and illustrations.

SoftBank and YKK will also endeavor to contribute to the prevention of global warming by holding workshops, etc., for elementary and junior high school students. These workshops promote understanding of the CO2 absorption mechanism in green areas and raise awareness toward environmental conservation.

Moving forward, SoftBank will consider providing services for a CO2 absorption estimation system. We aim to have the services utilized by corporations and local governments working on environment-friendly smart cities, smart buildings, etc., as well as corporations implementing measures such as creating and conserving of green spaces.

\*Estimates the amount of CO2 absorbed by utilizing meteorological/ environmental data and a unique algorithm. Does not measure the actual amount of CO2 absorbed. Screen image of CO2 absorption estimation system displayed on signage



Initiatives at Group Companies

Yahoo! JAPAN Declares "FY2023 100% Renewable Energy Challenge"

The SoftBank group company Yahoo Japan Corporation (hereinafter, "Yahoo Japan") has declared the FY2023 100% Renewable Energy Challenge, which aims to realize 100% renewable energy for power used in business activities such as data centers by the end of 2023. At Yahoo Japan, 95% of the power consumed for business operations is used in data centers. Yahoo Japan possesses data centers which use renewable energy to cover power supply; for example, a data center in the state of Washington, U.S.A., the Fukuoka Kitakyushu Data Center in Kitakyushu City, Fukuoka Prefecture, and the Shirakawa Data Center in Shirakawa City, Fukushima Prefecture. Through such facilities, Yahoo Japan will change to power derived from wind power, solar power, and other forms of renewable energy to cover 100% of power used for business activities. Although many corporations aiming for 100% renewable energy have set medium- to long-term goals for the year 2040 or 2050, Yahoo Japan aims to achieve this goal in the short period of about three years.

Additionally, with the goal of procuring renewable energy for 100% of power used in business activities, the Z Holdings Group aims to join the international initiative RE100\* at an early stage. During FY2021, the Z Holdings Group plans to announce its medium- to long-term goals for shifting to 100% renewable energy. In order to realize a sustainable society, the Group is promoting efforts to address climate change issues and actively working to reduce the environmental burden associated with its business activities.

\*\*RE100" is an international business initiative operated by The Climate Group and CDP, and promotes 100% renewable energy of corporations.



Materiality 4 Contributing to the Global Environment with the Power of Technology

SDGs Value Creation (1) Contribute to the Mitigation of Climate Change through Technology and Business

**Yahoo Japan Has Decided to Make Japan's First Public Recruitment for the Corporate Version of Hometown Tax Donations Under the Theme of Carbon Neutral**

The SoftBank's Group company Yahoo Japan Corporation (hereinafter, "Yahoo Japan") has launched the Yahoo! JAPAN Regional Carbon Neutral Promotion Project (hereinafter, "the Project") as an initiative to openly recruit local public organizations to donate the corporate version of hometown tax. This is the first public soliciting for the corporate version of hometown tax payments based on the theme of carbon neutral in Japan.

With the aim of promoting decarbonization, etc., of the region, the Project widely recruits regional revitalization efforts toward carbon neutral by local public organizations, and Yahoo Japan will provide support through donations. Yahoo Japan then makes donations to support those efforts. The public soliciting for participants started from April 2021.

Yahoo Japan is actively working to reduce environmental load. For example, it has been promoting efforts to address climate change issues for the purpose of global warming countermeasures aimed at the realization of a sustainable society, and has declared the FY2023 100% Renewable Energy Challenge. Moving forward, Yahoo Japan will continue to promote efforts toward domestic carbon neutral.

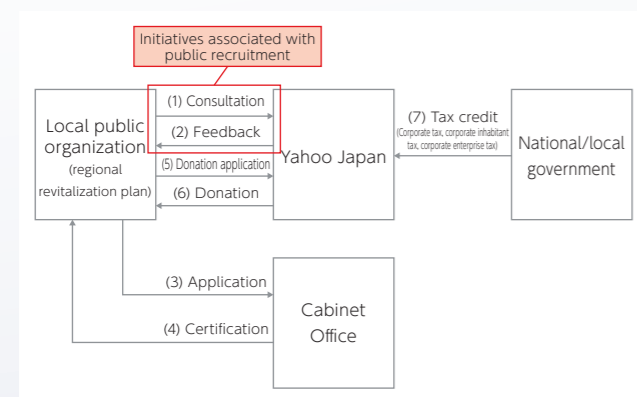
**Requirements for application**

Applicants who are eligible for this project shall be local public organizations that meet the following requirements.

- Must be an initiative for regional revitalization toward carbon neutral
- Must be able to periodically report donation results
- Must be a local public organization other than the Tokyo Metropolitan Government and Chiyoda Ward

The target efforts of this project shall meet the following requirements.

- Must be an initiative whose main purpose is decarbonization; for example, the promotion of renewable energy and carbon fixation
- Must have obtained certification from the Cabinet Office for the regional revitalization plan, including the relevant initiatives

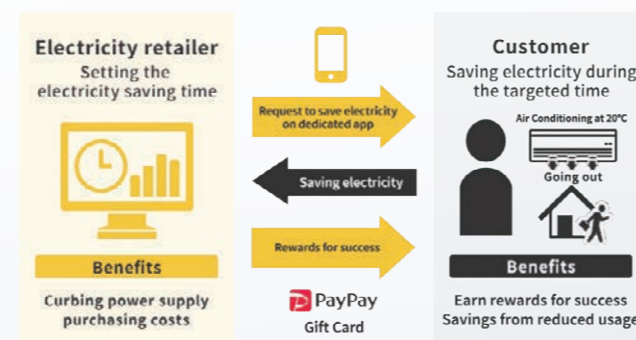


**SB Power Provides Demand Response Services for Homes**

The SoftBank's Group company SB Power Corp. (hereinafter, "SB Power") provides the Eco-Electric App free of charge to customers who subscribe to SoftBank Denki. This app enables users to check their electricity charges and forecast electricity bills for one month, and also provides a Power Saving Challenge service that allows users to easily and comfortably save electricity through the app.

Power Saving Challenge is a service that asks customers to cooperate in saving electricity through the app during time periods when power is heavily used. In return for cooperation, the app presents points that can be exchanged for PayPay bonuses from SB Power according to the achievement status. Power Saving Challenge utilizes original AI technology, etc.\*, to promptly inform customers of their power savings. In fact, during a winter trial (December 1, 2020 to March 31, 2021), about 32,000 households participated in the Power Saving Challenge and reduced the total power consumption by 233,237 kWh. This is equivalent to a reduction in CO<sub>2</sub> emissions of approximately 122 tons.

Similar to the Power Saving Challenge, Demand Response is a mechanism for adjusting the amount of electricity used by encouraging customers to save power during time periods of heavy power usage. There is increasing demand for Demand Response as an environmentally-friendly service which contributes to the effective use of renewable energy by optimizing the balance between supply and demand.



SB Power will continue to develop and provide energy-saving and environment-friendly services such as Demand Response by utilizing the latest services and contents for smartphones owned by SoftBank and Group companies and big data analysis technology using AI in the power retail business.

\*Uses patented technology of ENCORED JAPAN Inc., a subsidiary of SoftBank Corp.

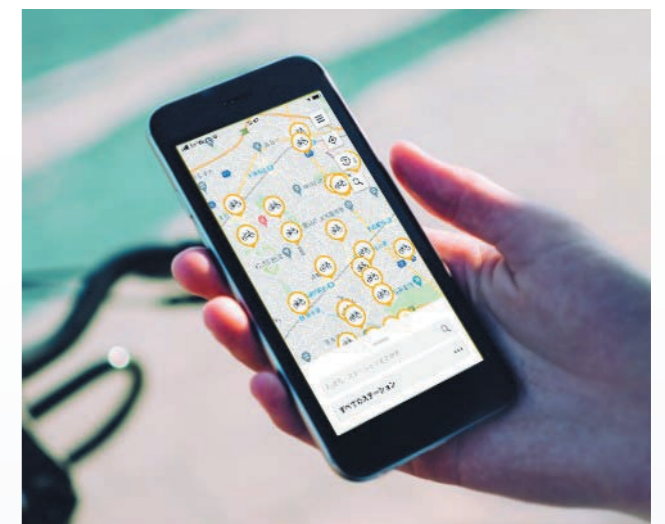
**OpenStreet Promotes the Sharing Economy**

The SoftBank's Group company Open Street Inc., provides an environment-friendly shared mobility service that can be used as a means of transportation without owning mobility.

Through the shared cycling platform HELLO CYCLING and the multi-mobility shared service HELLO SCOOTER, we are cooperating with local governments to develop Multi-Mobility Stations for renting bicycles, scooters, and ultra-small EVs from one base.

In addition to improving the convenience of transportation in the municipality, these efforts will contribute to the realization of a low-carbon society by using renewable energy to supply a portion of the electricity used by each vehicle. Going forward, OpenStreet will continue to work toward the realization of a society that coexists with the global environment by popularizing electric mobility that uses renewable energy.

As of July 2021, HELLO CYCLING has set up stations in about 3,800 locations in 200 municipalities throughout Japan, and is gradually expanding to new locations.





## Materiality 4 Contributing to the Global Environment with the Power of Technology

### SDGs Value Creation (1) Contribute to the Mitigation of Climate Change through Technology and Business

#### Participation in Industry Associations and Other Projects

##### TCA/GSMA

We are participating in the Climate Action Taskforce, which battles climate change and other environmental issues as an initiative of the GSM Association, an organization that includes global telecommunication industry associations. Furthermore, we have joined the Environmental Committee of the Telecommunications Carriers Association (TCA), which includes domestic communications operators as members. Through our participation in this committee, we contribute to the exchange of information concerning climate change, industrial waste, and other environmental matters between personnel responsible for environmental concerns.

##### Renewable Energy Governors' Alliances

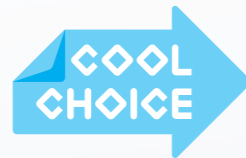
SoftBank participates as an associate member in the Renewable Energy Governors' Alliances consisting of prefectures throughout Japan, and the GDC Renewable Energy Council, which consists of government designated cities. Together with local governments from 34 prefectures and 20 cities throughout Japan, we make policy proposals and share information to promote the spread of renewable energy.

In 2020, we made policy recommendations to the Ministry of the Environment and the Ministry of Economy, Trade and Industry regarding the setting of ambitious targets for the introduction of renewable energy.

##### Endorsement of the National COOL CHOICE Movement

SoftBank supports the COOL CHOICE national movement in Japan, which is implemented by the Ministry of the Environment. We are calling for awareness and understanding regarding how COOL CHOICE promotes all smart choices for fighting global warming; for example, energy-saving and low-carbon products, services, and behavior.

As part of our activities to popularize and expand renewable energy, SoftBank is contributing to solving global warming problems by providing a Shizen Denki (electricity from renewable sources) plan that utilizes essentially renewable energy.



##### Participation in the Fun to Share Climate Change Campaign

SoftBank supports the Ministry of the Environment's "Fun to Share" campaign, through which all participants can enjoy sharing and disseminating knowledge and technology that supports the achievement of a prosperous low-carbon society. Accordingly, we are contributing to the realization of a low-carbon society by raising employee awareness regarding energy conservation and promoting voluntary initiatives. Relevant efforts include calling for power and energy conservation efforts to be continuously applied when using office facilities or conducting various operations, as well as recommending seasonally appropriate business attire through the company's intranet.



##### EcoVadis

In June 2020, French evaluation organization EcoVadis awarded us with a silver rating after conducting a sustainability investigation. EcoVadis evaluated our initiatives in four areas: environment, labor and human rights, ethics, and sustainable material procurement.

##### Environmental Management Subcommittee of the United Nations Global Compact

SoftBank has joined an environmental management subcommittee consisting of members of Global Compact Network Japan (GCNJ), a local network of the United Nations Global Compact (UNGC). As a member of this subcommittee, we will gather the most up-to-date information while striving to resolve issues through discussions with other member companies.



##### Membership in the TCFD Consortium

SoftBank is a member of the TCFD Consortium, which includes companies and financial institutions that support TCFD recommendations and cooperate to promote relevant initiatives. This consortium was established as a forum for discussions concerning the effective disclosure of corporate information and efforts aimed at using this information to support appropriate investment decisions from financial institutions and other organizations.



##### Participating in the Ministry of the Environment's "ESG Dialogue Platform" —A Project to Develop Infrastructure for Environmental Information Disclosure

SoftBank participates the ESG Dialogue Platform, a project to develop infrastructure for environmental information disclosure operated by the Ministry of the Environment. In this project, the Ministry of the Environment provides an opportunity for communication between corporations and investors.

##### Received the Reliability Report Special Excellence Award (Part of the Environmental Communication Awards Held by the Ministry of the Environment)

In recognition of SoftBank's high level of disclosure in environmental reporting, we received the Excellent Reliability Report Award (Chairman's Award of The Japanese Association of Assurance Organizations for Sustainability Information) in the Environmental Reporting Section of the 24th Environmental Communication Awards.



##### CDP Climate Change 2020

In recognition of our strategy and response to climate change, SoftBank received an "A-" rating from the CDP (headquarters: London, UK), an international non-profit organization that conducts environmental assessments of major corporations and cities around the world.



##### Acquired Certification for the International Climate Change Initiative SBT

In June 2021, SoftBank's greenhouse gas reduction target was certified as a SBT (Science Based Targets) based on the scientific basis of the SBTi (Science Based Targets initiative) of the International Climate Change Initiative.



##### Acquisition of Eco-ICT Mark

SoftBank supports the aims of the ICT Ecology Guideline Council and has been awarded the Eco ICT Logo, which is granted to companies that have achieved a set of standards predetermined by the council. This award recognizes our efforts to reduce CO<sub>2</sub> emissions as a communications operator, which include the formulation of procurement standards that are focused on reducing CO<sub>2</sub> emissions and cover both equipment and services.



#### Self-Evaluation Checklist for Communications Operator Initiatives Aimed at Reducing CO<sub>2</sub> Emissions

Mandatory actions		
	Evaluation criteria	Status of implementation, initiative details
Creation of a voluntary environmental action plan, etc.	Has the company formulated and implemented a voluntary environmental action plan that includes a variety of initiatives aimed at reducing CO <sub>2</sub> emissions through energy conservation?	In addition to establishing Environmental Action Guidelines aimed at maintaining and preserving the environment, the company has set, and is working at full capacity to achieve, environmental targets related to energy consumption reduction, promoting the use of recycled paper, proper industrial waste treatment, green procurement, and the implementation of environmental training programs.
	Does the voluntary environmental action plan include concrete initiatives that target lower CO <sub>2</sub> emissions through numerical targets?	We have set numerical environmental targets for reducing electrical power consumption and are striving to achieve them on a companywide basis.
	Is the company striving to raise environmental awareness by announcing the voluntary environmental action plan both internally and externally while educating its employees regarding the plan?	We have disclosed our Environmental Action Guidelines and our environmental targets. In addition to postings on the CSR page hosted on our intranet, we are striving to raise employee awareness through measures such as regular e-learning courses and the dissemination of enlightening environmental information.
	Has the company publicly disclosed information regarding the implementation of initiatives specified in the voluntary environmental action plan, as well as the achievement of corresponding targets?	We publish our environmental and resource initiatives on our website and in our Sustainability Report.
Procurement-related initiatives	With regard to ICT devices and data centers, has the company created procurement standards based on evaluation criteria specified within these guidelines and is it conducting procurement in accordance with these standards?	To promote the adoption of products that contribute to the reduction of CO <sub>2</sub> emissions, we have established Green Procurement Guidelines that explain our fundamental idea on green procurement to our business partners and are conducting procurement in accordance with the guidelines.
	In terms of office equipment, materials, and logistics, is the company conducting green purchasing and implementing other means of procurement that contribute to energy conservation?	We use recycled copy paper that bears the Eco Mark, a label affixed to products that have a low environmental impact and thereby contribute to environmental conservation. We are also promoting the purchase of stationery with lower environmental impact, including products that are compliant with the Act on Promotion of Procurement of Eco-Friendly Goods and Services by the State and Other Entities and other products that have been awarded the Eco Mark.
Support system	Has the company established a department or appointed an individual to oversee initiatives aimed at reducing CO <sub>2</sub> emissions through energy conservation?	With the CSR Division serving as secretariat, we are striving to reduce greenhouse gas emissions on a companywide basis.
	Has the company established a system that facilitates understanding regarding progress related to the implementation of the voluntary environmental action plan and the achievement of targets contained therein? Does this system include internal audits and other relevant investigatory measures?	We have acquired ISO 14001 certification, and, in accordance with relevant procedures, established environmental targets that we review as necessary. In addition, we confirm progress related to the achievement of these targets as well as the implementation of corresponding initiatives and perform internal audits. Furthermore, we have established a framework that facilitates the proper implementation of the PDCA cycle within this environmental management system.

Voluntary actions		
	Evaluation criteria	Status of implementation, initiative details
Other environmental measures or initiatives	Is the company implementing other environmental initiatives in addition to those aimed at energy conservation?	We are actively striving to promote increased recycling of used mobile phones, reduce the amount of resources consumed for boxes and paper used as packaging for mobile phones, and cut back on waste generated from scrapped communications equipment and construction materials.
	Is the company conducting environmental conservation activities that involve cooperation with the local community?	Each year, we grant two days of community service leave that multiple employees utilize to participate in a variety of environmental conservation activities involving collaboration with local communities, including tree plantings and litter cleanup activities.

2

SDGs Value Creation

Promote a Recycling-based Society (Circular economy)

We reduce our environmental impact and contribute to the achievement of a recycling-oriented society by promoting business activities that are based on sustainable production and consumption through application of the three Rs (reduce, reuse, recycle) and mobile phone recycling initiatives.

Promoting the Achievement of a Recycling-Oriented Society

In order to effectively use limited resources, SoftBank will promote the reuse and recycling of used mobile phones, and promote resource recovery of communication equipment such as cables and exchanges used when updating or removing network equipment. Furthermore, SoftBank will contribute to the promotion of a recycling society by actively advancing paperless offices through the utilization of smart devices, reducing plastics and waste, and effectively using water resources.

Risks and Opportunities / Indices and Targets

SoftBank manages environmental load data by identifying the risks and opportunities posed to SoftBank due to resource depletion. Our main targets are collection of 10 million used mobile phones for reuse and recycling (FY2020 to FY2025), and a final disposal rate of 1% or less for communication equipment removed from base stations.

Items	Risks (internal)	Risks (supply chain)	Opportunities
Resources	<ul style="list-style-type: none"> <li>Risk of damage to reputation in the case of unsatisfactory initiatives</li> <li>Risk of financial impact resulting from strengthened regulations</li> </ul>	Risk of supply shortages and cost increases caused by the depletion of rare metals	Opportunity to elevate our brand through the promotion of 3R-based initiatives

Mandatory items	Unit	FY2018	FY2019	FY2020	
Communications equipment from decommissioned base stations	Final disposal rate	%	0.85	1.4	0.51
Used mobile phones	Number phones collected for reuse/recycling	Phones	-	2,425,840	2,541,078

\*Values are for SoftBank Corp. (parent) only

Promotion of 3R Activities through Our Mobile Phone Services

Reduce

We are striving to reduce the amount of paper resources used when selling mobile devices by reducing the size of boxes used for individual packaging, converting bundled documents such as instruction manuals into electronic applications, and utilizing iPads instead of paper documents at the storefront. Additionally, in place of conventional paper invoices, we launched our Online Fee Guide, which allows all customers with individual subscriptions to view electronic invoices via the Internet using SoftBank mobile phones or personal computers, starting with during the October 2006 billing cycle.

Reuse

We encourage customers to trade in operational mobile phones and tablets when upgrading to new devices. The disposal of usable mobile phones and tablets adds to environmental impact. Even old devices that are not in demand within Japan can sometimes be utilized overseas. In these cases, we refurbish traded-in devices and ship them to areas where they can be reused, primarily in emerging countries.

Recycle

As a member of the Mobile Recycle Network (MRN), which conducts mobile phone and PHS recycling activities, we collect used mobile phones, battery packs, and charging devices, regardless of the original mobile network operator or manufacturer. When collecting and subsequently recycling these devices, we ensure customer privacy by completely erasing smartphone data and physically demolishing flip phones using a "flip-phone hole punch" device.

As part of our product stewardship efforts, which are aimed at reducing our environmental impact, we recycle mobile phones, battery packs, and other accessories collected from customers, enabling the recovery of resources such as rare metals (palladium, cobalt, etc.), gold, silver, and copper. In addition, we strive to recycle residue (slag) left over after the recycling process as raw material for concrete and cement and plastic obtained from mobile phones as auxiliary fuel and reprocessed plastic.



Implementation of Educational Activities to Convey the Importance of Recycling

In collaboration with local governments, etc., SoftBank holds an environmental class called Risaikuru to study the importance of recycling through the experience of disassembling mobile phones. By actually disassembling a mobile phone to learn about its structure and materials, and by working with the disassembled mobile phone parts, participants can have fun being creative while grasping the importance of recycling.

More than 500 children have participated in the Risaikuru course between April 2018 and March 31, 2021.



Efforts to Reduce Paper Usage

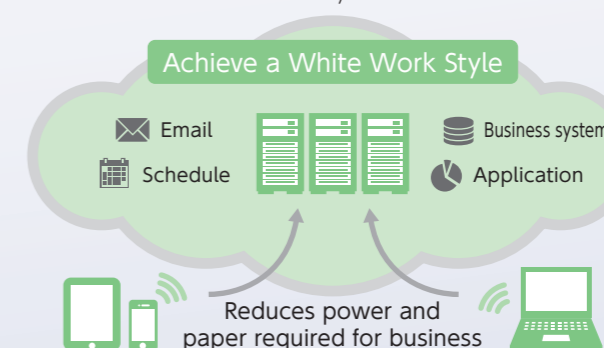
Reduce Power and Paper Usage

Through the use of information and communications technology (ICT), we are developing businesses that are grounded in concern for the global environment. Additionally, we have been improving work efficiencies by implementing "White Work Style" while simultaneously striving to reduce operational electricity and paper consumption.

White Work Style is a service that allows employees to utilize software and internal corporate business systems through the use of a simple network connection. With this service, employees can use their home PCs, iPhones, or iPads to access the same environments that they can with company PCs, which enables them to work flexibly telework while on the move or otherwise outside of the office, without constraints related to location or time.

When using the White Work Style service, data processing is conducted using network servers rather than internal PC processors, which facilitates lower PC power consumption. Furthermore, the service consolidates these servers into large-scale data centers, improving operational efficiency and allowing for overall reductions in power consumption.

Furthermore, employees using this service can access data stored on the servers as needed from any location with an Internet connection. Thanks to this advantage, users of the service can cut back on paper documents, such as pamphlets and leaflets, and utilize videos and other more easily understandable methods of explanation.

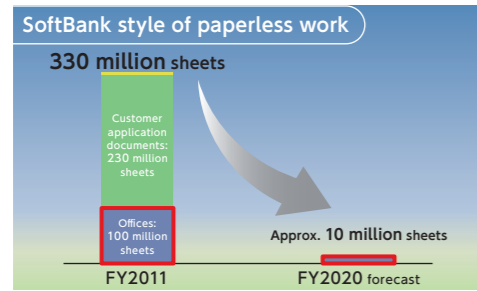


## Materiality 4 Contributing to the Global Environment with the Power of Technology

### SDGs Value Creation (2) Promote a Recycling-based Society (Circular economy)

#### Zero Paper for Internal Operations Declaration

Since April 2012, we have been promoting our "Zero Paper for Internal Operations Declaration." In accordance with this declaration, we are actively striving to eliminate our use of paper in a variety of processes, including internal and external procedures, report publications, and meetings. We have successfully reduced paper-based printing by a wide 90% margin compared to FY2011.



#### Elimination of Paper Usage in the Customer Support Center

To eliminate the risk of information leakage associated with the external handling of paper-based documents, we are identifying and improving all operations that consumed large amounts of paper, including those associated with internal manuals, memos, and bulletin boards. Thanks to these efforts, we have completely eliminated paper usage within our customer support center, which is responsible for handling the personal information of customers and have reduced our annual paper usage by 3.12 million sheets (equivalent to 240 logs of round timber). Moving forward, we will also continue to make improvements aimed at eliminating paper usage in other departments that handle personal information.

#### Waste Reductions

##### Proper Disposal of Waste

Through recycling efforts, we are striving to cut back on the final disposal of communications equipment and construction waste associated with network infrastructure. At the same time, we are appropriately disposing of waste resulting from business activities in accordance with the Waste Management and Public Cleansing Act.

##### Reuse of Equipment and Stationery

With the goal of reducing waste out of concern for the environment, we have installed a reuse shelf by the entrance to our employee support center, which is located on the 29th floor of our corporate headquarters. Departments can place equipment and stationery that is no longer needed on this shelf, where it can be collected and reused internally.

#### Appropriate Use of Water Resources

We recognize that water is both necessary for our business activities and an important resource for the local communities in which our business sites are located. Accordingly, we are addressing water risk and promoting the efficient use of water resources on a companywide basis.

The Environment Committee effectively manages water risk while conducting managerial supervision that ensures both companywide response to these risks and efficient water resource utilization.

We aim to maintain office consumption of water for domestic use at a level that is slightly lower than in the previous fiscal year.

##### Efforts Focused on Managing Water Risk and Water Resources

We are implementing water usage management initiatives, including setting water usage targets and regularly managing and evaluating progress on relevant activities.

On each floor of our corporate headquarters building located in the Takeshiba area of Tokyo, we have fitted hot water supply systems with water-saving equipment and installed sound generating devices on toilets in an effort to reduce the number of times they are flushed. We are also raising employee awareness regarding water conservation by informing them of these activities through our intranet and other media.

##### Understanding Regions Subject to Water Stress

Using the Aqeduct data platform run by the World Resources Institute (WRI), we have identified regions that are subject to water stress and have confirmed that, based on considerations of wastewater pollution risk and reports from surrounding areas, none of our business sites are associated with high overall water risk.

\*As of March 31, 2021

\*Regions listed under the Overall Water Risk indicator on the Aqeduct's Water Risk Atlas

##### Office Initiatives

At Tokyo Port City Takeshiba Office Tower where SoftBank's headquarters is located, rainwater is collected from the roof, etc., via a roof drain. Kitchen drainage is also collected, stored, and sterilized. The collected water is then reused as water for flushing toilets. This contributes to savings of more than 30% for miscellaneous water.

#### Use of Environmentally-Friendly Materials in Business Tools

##### Shift to Recycled Materials for Paper Bags

All paper bags with logos used by SoftBank employees for sales activities are made of recyclable materials. In addition to eliminating plastic processing on the bag surface, we do not use plastic for the handle string. Furthermore, parts connected to the bag are also tied and secured without using adhesives or fasteners.

The bags use recyclable paper that has been approved by the FSC® (Forest Stewardship Council®), an international non-profit organization established with the aim of disseminating responsible forest management throughout the world. The logo is printed in vegetable ink that is more biodegradable than petroleum-based solvents, emits almost no volatile organic compounds, and contributes to reducing environmental load.



##### Use of Biomass Plastic

We will gradually transition from plastic bags to bags made of biomass plastic used for distributing catalogs and products to customers at SoftBank shops and Y!mobile shops. The new bags have acquired the Biomass Mark and use a high ratio (80%) of plant-derived materials. By transitioning from petroleum-derived plastics to plant-derived biomass plastics, SoftBank will contribute to CO<sub>2</sub> reduction without compromising customer convenience.

##### Utilization of Kudzu, Which is an Unused Resource

In March 2021, SoftBank participated in the Kudzu Utilization Consortium in Kakegawa City. We distribute business cards partially made from kudzu to our employees. In addition to reducing the amount of pulp used, this helps to promote the kudzu fabric industry, which is a traditional craft of Kakegawa City, and to prevent the impact of kudzu overgrowth on the landscape and ecosystem. Moreover, by distributing business cards, it also fulfills a major role in disseminating information inside and outside of SoftBank. We will continue to actively consider measures that can simultaneously solve environmental problems and regional problems.



Mandatory items		Unit	FY2017	FY2018	FY2019	FY2020
Water usage	Volume of office water consumption and drainage <sup>1</sup>	m <sup>3</sup>	714,163	738,517	1,191,210	1,330,834
	Consumption rate (water usage per unit of floor space)	m <sup>3</sup> /m <sup>2</sup>	0.93	0.92	0.73	0.82
Industrial waste	Emissions	t	1,159	1,092	5,226	6,313
	Final disposal amount	t	34.8	32.8	153	831

\*Values are determined based on the following parameters.

- Through FY2018: SoftBank Corp. (parent)

- From FY2019: All SoftBank Corp. (parent) business sites and major affiliates (Yahoo Japan Corporation, ASKUL Corporation)

\*Values increased in FY2019 due to a change in parameters.

\*The method of calculating the final disposal amount was changed from FY2020.

1. For offices that do not have individual meters, calculations were performed using the area primary unit based on the actual usage values within the Group.

Materiality 4 Contributing to the Global Environment with the Power of Technology

SDGs Value Creation (2) Promote a Recycling-based Society (Circular economy)

Initiatives by Group Companies

Initiatives by the Environmentally-friendly Group Company ASKUL

Resource Circulation Initiatives Through Catalogs

Each time that new catalogs are published and old catalogs have served their purpose, the SoftBank's Group company ASKUL Corporation not only delivers the old catalogs to resource recycling companies for recycling, but also tries to find ways to recycle old catalogs into raw materials or products while obtaining cooperating from supply chain companies. Based on this problem awareness which strives to re-make old catalogs into products, ASKUL now sells the "Come bag," which is a recycled bag made from old catalogs and sold commercially.

The bag body is made from base paper using 70% recycled paper (of which about 15% is ASKUL catalogs) and FSC® certification has also been obtained.



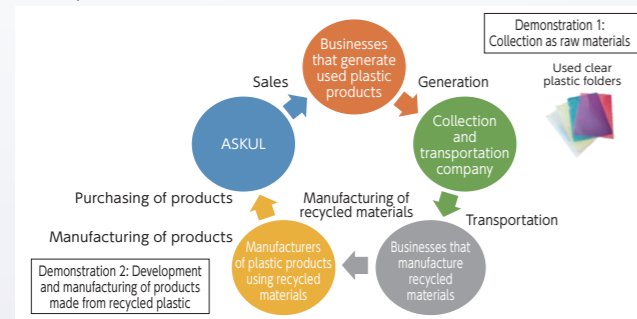
Building a New Resource Recycling Value Chain from Collection to Remanufacturing of Clear Plastic Folders

Among used plastic products, there are many cases in which there is no collection/recycling scheme for office supplies and such supplies become industrial waste. ASKUL possesses a large share of the sales volume for clear plastic folders in Japan. Based on our responsibility as a distributor, ASKUL has begun efforts to collect and recycle clear plastic folders.

These efforts were selected for the "2020 Demonstration Project for Constructing a Resource Recycling System for Plastics, Etc., to Support a Decarbonized Society," which is operated by the Ministry of the Environment.

This demonstration project aims to build a value chain for recycling used plastic products. At the same time, it will help ASKUL's customers and other business offices in activities to protect the environment.

Through this demonstration project, ASKUL will build a value chain for recycling used plastic products and will expand activities to even more participating companies and more products.



Initiatives for Invigorating the Circular Economy

In February 2021, ASKUL signed an SDGs cooperation agreement with Tsushima City, Nagasaki Prefecture, and will cooperate in activities related to revitalizing the circular economy and promoting measures against marine plastic waste.

Specifically, ASKUL is now considering the development and sale of products made from recycled resin processed from marine plastic waste collected in Tsushima City, which has one of the largest amounts of marine plastic waste washed ashore even in all of Japan. Additionally, ASKUL is also considering efforts to revitalize the circular economy of Tsushima City, providing support for the collection of marine plastic waste from Tsushima City and study tours. Through these Initiatives, we will cooperate in the creation of corporations and organizations that reuse the marine plastic waste collected in Tsushima City, and cooperate in promoting an increase in the recycling rate and collection amount of waste.

As a first initiative, we plan to develop and sell shopping bags that include donations, and donate a portion of shopping bag sales to Tsushima City twice a year. The donated funds will be used for the collection and treatment of marine waste.



Purchase of Unneeded ICT Devices by SB C&S

The SoftBank's Group company SB C&S Corp. provides an "ICT Lifecycle Service" to purchase smartphones, personal computers, tablets, and other ICT equipment that is no longer needed.

In addition to promoting reuse and recycling for environmentally-friendly business, SB C&S is suppressing the generation of waste and effectively using the unneeded equipment as socially recycled products in order to protect valuable global resources.



WOTA Works to Solve Social Problems through Water Regeneration and Circulation Technology

SoftBank is collaborating with WOTA Corp. (hereinafter, "WOTA"), which possesses water recycling treatment technology using AI (artificial intelligence) and IoT. In depopulated regions, etc., where it is difficult to maintain water pipes, water treatment facilities, and other types of water infrastructure, we are taking measures to construct mechanisms for supplying water to households and facilities through new decentralized water supply systems that are separate from water infrastructure. Furthermore, sales of WOSH, which is a portable handwashing machine that is manufactured by WOTA and uses water circulation, were started on May 10, 2021.

WOTA possesses technology capable of repeatedly supplying safe water even in locations where there is not water supply. Specifically, this technology consists of a water processing IoT sensor which measures a variety of water quality items such as turbidity and pH (hydrogen ion index)\*, and an AI algorithm that autonomously controls the water recycling treatment process according to data acquired from the sensor. By accumulating data acquired from sensors installed in WOTA products nationwide as learning data in the WOTA cloud, AI algorithms are constantly being improved and updated, and the water treatment process is streamlined.

Through our collaboration with WOTA, by combining SoftBank's communication services and wide customer base with WOTA's technology, we aim to solve social issues related to water through measures such as constructing a new decentralized water supply system.

\*Numerical value indicating the degree of acidity and alkalinity of a substance (see Materiality 1 on p. 39)

Sales of WOSH

As a WOTA distributor, we sell WOSH, which does not require a connection to water infrastructure and can repeatedly supply safe water simply by being connected to a power source. We propose the use of WOSH to various corporations and local governments.

Problem Solving in Regions Where Maintenance of Water Infrastructure is Difficult

In depopulated areas, etc., where it is difficult to cover the maintenance cost of water infrastructure due to population decline, we will work to build a system to supply water to each household and facility through decentralized water supply system that are separate from water infrastructure. We will also propose this system to islands where it is physically difficult to lay water infrastructure, and to private resorts and other facilities that have problems maintaining their own water pipes.



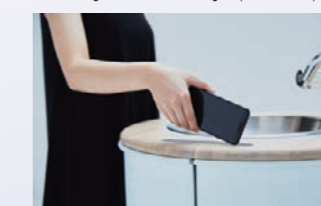
Features of WOSH

Feature 1. Wash hands with water that is always clean, even without tap water (Compliant with WHO drinking water quality guidelines) Feature 2. Can be installed anywhere (100V commercial power supply is OK)



Feature 3. Smartphone sterilization is also possible (99.9% or greater sterilization using deep ultraviolet rays)

Feature 4. Simple maintenance (Safe use with water treatment AI and easy-to-understand UI)



### 3 SDGs Value Creation Realize a Prosperous Society through the Spread of Renewable Energy

We are promoting the spread of natural energy by developing and expanding renewable energy businesses and services that utilize state-of-the-art technologies. Through these efforts, we will contribute to the achievement of an environmentally friendly society that provides more people with access to natural energy.

#### Initiatives for Spreading Renewable Energy

##### Offering “Shizen Denki” and “SoftBank Denki for Biz High Pressure Environmental Option”

SoftBank and SB Power Corp. (hereinafter, “SB Power”) utilize non-fossil certificates<sup>1</sup> designated as renewable energy to provide the household fee menu Shizen Denki, which has a renewable energy ratio of essentially 100% and CO<sub>2</sub> emissions of essentially zero<sup>2</sup>, to power areas in Hokkaido, Tohoku, Tokyo, Chubu, Kansai, Chugoku, Shikoku, and Kyushu. At the same time, SB Power contributes 50 yen per month for each Shizen Denki contract to support activities by forest conservation groups<sup>3</sup>. In FY2021, we anticipate an annual reduction effect of approximately 16,000 tons of CO<sub>2</sub> emissions<sup>4</sup> through the provision of Shizen Denki.

Also, in order to respond to the accelerating trend of decarbonization in corporations and local governments, the corporate power service “SoftBank Denki for Biz High Voltage Environmental Option” has been offering a menu of options with low environmental load since February 2021. In May 2021, we started providing a menu of RE100-compatible options to the Shirakawa Data Center of Yahoo Japan Corporation, and we are also supporting efforts for decarbonization of group companies.

Going forward, SoftBank and SB Power will continue to contribute to the realization of an environmentally-friendly society by providing power services that make practical use of renewable energy.

1. Calculated by extracting the environmental value of solar power generation and wind power generation, which does not emit CO<sub>2</sub> that causes global warming, from electricity.
2. By combining the electricity supplied to customers with a non-fossil certificate designated as a renewable energy, it is possible to essentially realize the supply of electricity with a renewable energy ratio of 100% and zero CO<sub>2</sub> emissions.
3. Donations to organizations that execute projects certified under the J-Credit Scheme operated by the Ministry of Economy, Trade and Industry, the Ministry of the Environment, and the Ministry of Agriculture, Forestry and Fisheries.
4. The CO<sub>2</sub> reduction effect is calculated by multiplying the amount of power used by Shizen Denki enrollees by the national average CO<sub>2</sub> emission factor, and then adding the J-Credit depreciation received from supporting activities of forest conservation groups.



### Materiality 4 Contributing to the Global Environment with the Power of Technology

#### Initiatives for Preserving Biodiversity

SoftBank’s corporate activities benefit from the ecosystem services the Earth’s natural capital provides. We recognize the importance of preserving biodiversity from the point of view of sustainable corporate management.

SoftBank is determined to preserve a sustainable Earth with functioning ecosystems for the next generation. The Company carefully considers the impact of its operations on ecosystems and is advancing efforts to preserve biodiversity through its business and social-contribution activities.

#### Risks and Opportunities/Indices and Targets

SoftBank is identifying the risks and opportunities that the loss of biodiversity poses to the Company, setting targets for related activities, and monitoring progress.

Items	Risks (internal)	Risks (supply chain)	Opportunities
Biodiversity Maintenance	<ul style="list-style-type: none"> <li>• Risk of damage to reputation in the case of unsatisfactory initiatives</li> <li>• Risk of financial impact resulting from strengthened regulations</li> </ul>	Risk of supply chain instability caused by legal regulations and litigation	Opportunity for increased brand awareness through the promotion of initiatives focused on using IT tools to transmit information and encourage donations.

#### Marine Environment Protection Through Coral Conservation Activities

In recent years, the marine environment is deteriorating on a daily basis due to the occurrence of various problems. Examples include global warming caused by climate change and environmental destruction caused by the increase in marine plastic waste. Therefore, as an initiative to protect the marine environment, SoftBank launched the Future and Coral Project in July 2019. The project was launched in collaboration with various corporations and organizations, including Onna Village in Okinawa Prefecture, which shares our aspiration for protecting the marine environment and realizing a future with beautiful oceans.

The Future and Coral Project is intended to protect coral and ensure that it exists in the future. Coral, which has been severely damaged by global warming, fulfills a major role in the ecosystem; for example, it provides a habitat for creatures living in the ocean. The project consists of initiatives to collect donations for planting coral, purchase coral seedlings, hold volunteer tours for planting the coral seedling, conduct cleanup activities for local beaches, and disseminate information for making many people aware of the current situation and importance of coral.

#### Held the “1 Post 1 Plant: Coral Day Photo Contest 2021”

The Coral Day Photo Contest is held to raise awareness for the appeal of coral and the harsh conditions surrounding coral. This is done by having participants post photos on their SNS. The photos must have been taken by the posters themselves, and the subject should be beautiful coral which we want to preserve for the future, or beautiful oceans with coral. 15 prize-winning photos were selected from the 361 photos submitted during the contest period. The prize-winning works will be exhibited at the Sunshine Aquarium, which is participating in the project, and will also be published in the diving magazine Marine Diving published by Marine Art Center, which is also a participant in the project.

In addition, SoftBank will purchase 116 coral seedlings, which is the same number as the number of SNS accounts that posted photos for contest, and will plant the seedlings in Onna Village, Okinawa Prefecture as part of the Future and Coral Project.



Grand Prize



SoftBank Prize

Materiality 4 Contributing to the Global Environment with the Power of Technology

Efforts to Biodiversity Maintenance

Joint Research Concerning the Smart Aquaculture of Sturgeons

In February 2020, SoftBank Corp. and the Graduate School and Faculty of Fisheries Sciences at Hokkaido University launched a joint research project concerning the smart aquaculture of sturgeons using IoT and AI technology.

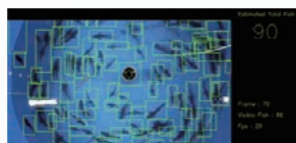
Sturgeons require at least six years of rearing before they can lay eggs, and male and female sturgeons remain indistinguishable for two to three years following birth. Accordingly, breeding staff must possess specialized skills and conduct long-term monitoring. Furthermore, sturgeon aquaculture methods remain unestablished, and entire schools can be lost due to overfeeding or environmental changes such as fluctuations in water temperature. In response to these issues, we are conducting joint fundamental research aimed at establishing low-cost and efficient aquaculture methods through the use of technology that automatically detects abnormal behavior from individual sturgeons or entire schools of sturgeons by examining image data.

Through our joint research aimed at establishing aquafarming methods that utilize cutting-edge technologies, including IoT, AI, and 5G devices, we will verify the possibilities and viabilities of various technologies in the marine products industry and develop a wide variety of aquaculture methods.

In FY2020, SoftBank generated a 3DCG model of sturgeon bones. We actually dissected the sturgeon, investigated the attachments of bones and muscles, and used the obtained anatomical data to generate a more elaborate 3DCG model of sturgeon bones. In the future, we plan to adopt the generated model for swimming simulations used to identify individual fish. We have already succeeded in counting the number of fish in an actual video of swimming sturgeon. Going forward, we will further improve the accuracy of our system, and promote sturgeon monitoring and detection of individual fish.



3DCG model of sturgeon bones



Counting the number of fish in real data

Employee Tree Planting Activities

In collaboration with the Furano Nature School, a non-profit organization superintended by So Kuramoto, we are holding an original "Summer Nature School for Parents and Children" program based on the themes of "creating healthy relationships between parents and children" and "consideration for the environment and nature."

Since its launch in 2007, more than 250 parents and children have participated in this program, conducting forward-thinking activities such as tree plantings aimed at restoring forests in areas that were formerly used as golf courses.

\*Due to the impact of the COVID-19 pandemic, this program was not offered in FY2020.



Office Initiatives

SoftBank's headquarters are located in Tokyo Port City Takeshiba Office Tower. The lower floors of the tower have an area known as the Skip Terrace, which is the site of Takeshiba Shinhakkei, a project consisting of eight biodiversity initiatives incorporating water and greenery as a relaxing space surrounded by greenery. In addition to contributing to regional biodiversity conservation, SoftBank is cooperating with the local community and employees to implement initiatives such as environmental education programs.

In November 2020, about 60 people harvested rice from paddy fields on the 4th floor of Skip Terrace. Participants included employees of Tokyu Land Corporation (a building management and operation company), SoftBank employees, and children from nearby nursery schools.



SoftBank's surveillance camera "Smart Information Camera" and agricultural IoT solution "e-kakashi" are installed near the paddy fields. The Smart Information Camera detects intrusion into the paddy field and periodically sends information to the smartphone, etc., used by the administrator. e-kakashi acquires environmental data for the three paddy fields.



Membership in the Japan Business Initiative for Biodiversity (JBIB)

SoftBank is a network member of the Japan Business Initiative for Biodiversity (JBIB), a collective of companies that actively conduct activities aimed at protecting biodiversity.

Moving forward, we will continue to perform biodiversity protection activities and promote initiatives that are consistent with global trends.



Group Company Initiatives

Yahoo! JAPAN Promotion of Biotope Maintenance

The SoftBank's Group company Yahoo Japan Corporation cooperates in "City Planning for Formation of an Ecological Network (Ecological Corridor) that Connects Precious Green Areas in the City Center," a project promoted by Kioicho Garden Terrace, where the Tokyo office of Yahoo Japan is located. The company is also working to conserve and regenerate biodiversity through biotope development.

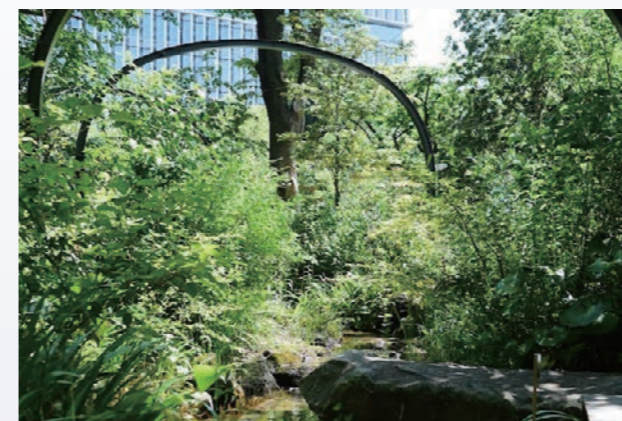


Photo of Kioicho Garden Terrace

Yahoo! JAPAN Media That Resolves Issues Facing Our Oceans

From October 2018, the SoftBank's Group company Yahoo Japan Corporation has operated the media service Gyoppy!, which aims to solve numerous marine problems faced by our oceans. Examples include reduction of marine catches, plastic waste, and ocean acidification. Yahoo Japan established a base in Ishinomaki City in 2012 after the Great East Japan Earthquake. Its employees have been stationed in the city to continually engage in regional problem solving and have succeeded in achieving various synergistic effects. Yahoo Japan launched Gyoppy! to convey issues faced by the fishery industry and the appeal of the ocean to all consumers in Japan, and to take action to solve the issues.

By publishing articles created by editorial departments of Yahoo Japan and articles provided by content partners, we aim to foster an interest in the oceans and an awareness of marine issues among readers. Moreover, some articles and e-mail newsletters published by Gyoppy! support users in taking action to solve problems; for example, encouraging users to participate in Yahoo! Internet Fundraising and establishing purchasing channels for a sustainable marine industry.

Furthermore, from 2020, Yahoo Japan is aiming to change readers' consciousness and behavior by expanding the scope of coverage beyond marine issues to include all increasingly urgent environmental issues. Examples include climate change and mass disposal of waste.



Materiality 5

# Building High-quality Social Communication Networks

~Highly Convenient, Stable, and Trustworthy Networks and Security~



Based on the idea that communication networks are the lifelines of society, SoftBank will make every effort to maintain stable networks at all times. We will also work to strengthen security to protect the important data of our customers.

With the provision of 5G networks, communication platforms located in the stratosphere and the latest high-quality networks, we aim to realize stable communication services everywhere at all times. Networks that realize multi-connectivity and energy savings enable many objects to be connected more than before and various information to be shared, from which new services and new experiences will be conceived.

We will also strengthen our disaster prevention and mitigation efforts in preparation to maintain our communications infrastructure in the event of a disaster. SoftBank is strengthening its approach to provide stable communication services under any circumstances and maintain lifelines.

Furthermore, as cyberattacks have become increasingly sophisticated in the modern age, we will enhance the strength of our information security by monitoring and operating our networks using the latest technologies,

introduce advanced security systems and conduct exhaustive security training for all our employees so that customer can use our services safely and securely. In addition, we plan to open a Privacy Center for the handling of customer data and provide explanations which are easily understood by customers. Furthermore, the development of a dashboard that allows customers to check and manage the use of their information is underway.

SoftBank will create new value and contribute to the creation of sustainable communities and industrial development by combining 5G and network infrastructure with cutting-edge technologies and various customer contact points.

## » Social Issues

- Maintenance and management of high quality networks
- Prevention and rapid restoration of infrastructure disruption by natural disasters
- Response to sophisticated cyberattacks

## » SDGs Value Creation

- (1) Prepare sustainable life infrastructure
- (2) Construct robust communications infrastructure to contribute to disaster prevention and mitigation
- (3) Promote data security and privacy protection initiatives

## » KPIs

- (1)
  - 5G deployment plan Number of base stations: Over 50,000 (end of 2022)
  - Population coverage: Over 90% (end of 2022)
  - Number of major network accidents: Zero
  - Submarine cable: Start operation (FY2022)
- (2)
  - Establishment of three main routes (for Okinawa/Tohoku): Completion (FY2021)
  - Equipment and materials for disaster response and recovery: Support and enhancement Mobile base stations vehicles/portable mobile base stations: maintain 200 or more Mobile power-supply vehicles: maintain 80 or more Portable satellite antennas: maintain 200 or more
- (3)
  - Number of major accidents involving information security: Zero (annually)
  - Number of major accidents involving privacy issues: Zero (annually)
  - Implementing initiatives that help customers understand how to handle their personal information

## » Risks and Opportunities

- Risks**
- Loss of new business opportunities while utilizing 5G
  - Deterioration of reputation and/or loss of subscriber due to communication failures and/or delays in disaster recovery
  - Deterioration of reputation due to the improper use of personal information and/or leakage of personal information
- Opportunities**
- Capacity increase and multi-connectivity of communications and revenue increase by nationwide deployment of 5G coverage
  - Development of new industries and services that use 5G

## » Main Businesses and Initiatives

- Construct 5G mobile communications systems to enable "high-speed, large-capacity," "ultra-high-reliability, low-latency" and "massive device connectivity"
- Provide communications services with stable connections
- Provide redundancy in backbone networks
- Secure communications in the event of a disaster mainly through tethered balloon radio relay systems, mobile base stations, and portable satellite antennas
- Implement network monitoring and operation utilizing AI
- Develop and operate high-level security environments
- Educate employees thoroughly on security

Materiality 5 Building High-quality Social Communication Networks

Key Person Interview



**Hideyuki Tsukuda**  
Executive Vice President & CTO

**Early Deployment of 5G Base Stations**

SoftBank has been growing with the aim of realizing a world where anyone can casually use the Internet anytime. By continuously offering high quality networks realized by the latest technologies starting with 5G, we will maintain networks that can be stably connected to anytime. 5G services which became available in March 2020 have distinct features: "high-speed and large-capacity," "low-latency," and "multi-connectivity." 5G is technology that is able to evolve many industries and services. SoftBank achieved construction of 10 thousand 5G base stations in May 2021 and aims for 90% coverage of the population in 2022.

**NTN Solutions and Overseas Network Building**

Toward the realization of a society where anyone can connect to a stable network anywhere around the world anytime, SoftBank will promote the provision of Non-Terrestrial Network (hereinafter, "NTN") solutions. The main pillars of the NTN solutions are services provided by "HAPSMobile" covering a broad area by transmitting radio waves from the stratosphere, "OneWeb" offering a Low Earth Orbit satellite communications service, and Skylo providing a satellite narrow band communications service for IoT. Utilizing these services, SoftBank will deliver Internet services even to areas where the telecommunications environment has not yet been created. Through the provision of NTN solutions, SoftBank will solidify the communications infrastructure of society and contribute to the promotion of industrial digitalization in addition to aiming to eliminate information disparities of regions where the Internet cannot be used.

**Disaster Response / Information Security / Privacy Protection**

In recent years, due to changes in the climate and global

environment, large-scale natural disasters have frequently occurred on a global scale. Telecommunication is social infrastructure for all things such as daily life and business, and the telecommunications infrastructure is one of the most important lifelines during disasters. Providing stable telecommunication services under any circumstances in addition to disasters is SoftBank's mission, and we are enhancing initiatives to maintain the lifelines on a daily basis. SoftBank carries out various activities including the provision of tethered balloon radio relay systems using tethered balloons, development of a drone wireless relay systems, and use of portable mobile base stations and portable satellite antennas to offer telecommunications services without concern anytime while adopting unconventional new ideas.

In addition, in order to offer services to customers safely and securely, we are strengthening security against cyberattacks that have become increasingly sophisticated in recent years and reinforcing the privacy protection of customers. We will further enhance the strength of our information security by monitoring and operating our networks using the latest technologies, introducing solid security systems and conducting exhaustive security training for all our employees. Furthermore, as a company handling important customer information, without mentioning the response to comply with laws and regulations, we are carrying out the development of a dashboard which allows customers to check and manage their data use status. We will promote the creation of a system so customers will also be able to check and change their settings easily on the dashboard to prevent their information from being used in unintended ways.

**Efficiency Increase and Infinite Value Creation Using Cutting-edge Technology**

To maintain and build high quality networks, SoftBank is fully utilizing AI and other cutting-edge technologies. For the construction, operation, and monitoring of base stations as well, we pursue thorough automation. Due to the introduction of AI, we are now able to carry out more than 1,000 wireless quality checks a day even though only 30 manual quality checks a day were able to be conducted manually. In addition, the processing of network trouble detection and alarms and recovery are automatically carried out while humans handle difficult areas only, which realizes efficient response and processing. We believe the above-mentioned automation and optimization utilizing technologies can contribute to "Carbon-neutral 2030" which is a SoftBank effort for decarbonization such as optimization of base stations and used power. In addition, by combining 5G, network infrastructure, devices, AI, and other latest technologies with customer contact points such as Yahoo! JAPAN and LINE, SoftBank will create new values, expand new values limitlessly, and contribute to the creation of a sustainable society and development of industries as a comprehensive digital platformer.

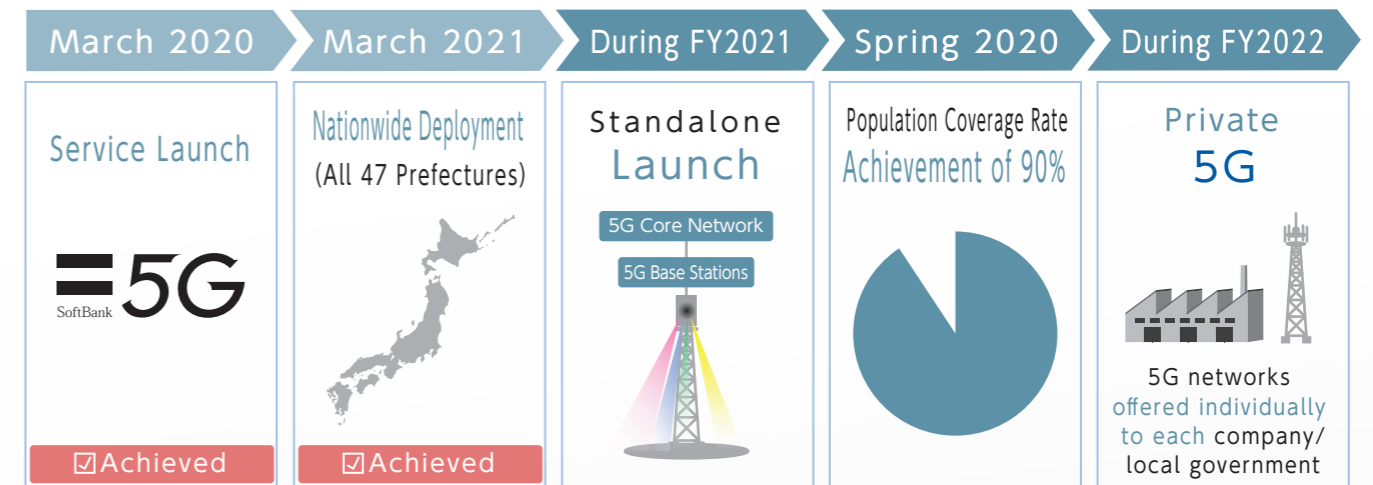
SDGs Value Creation

1 Prepare Sustainable Life Infrastructure

By maintaining safe and resilient infrastructure protected by advanced security and deploying next-generation communication networks, SoftBank provides convenient and reliable communication services. As a result, we will contribute to the realization of a flexible and progressive society that sustains social and economic activities as the foundation connecting people, goods and information, able to respond to changes in the global conditions and social environments.

**Initiatives for the Early Deployment of 5G Networks**

SoftBank is promoting initiatives for the early deployment of 5G services launched in March 2020. The number of 5G base stations we have constructed reached 10,000 in May 2021, and we are aiming for a population coverage rate of 90% in the spring of 2022. We will invest two trillion yen in 5G infrastructure establishment by fiscal 2030 to build a network infrastructure that can meet expectations from many people and industries.



Consequently, what is important is our existing base station use, Massive MIMO know-how and infrastructure sharing with KDDI. Maximizing efficient use of our numerous base stations realizes early construction of optimal 5G networks for our customer's needs. Furthermore, Massive MIMO enables an overwhelmingly large number of antenna elements to be housed in a single wireless base station, making it an important 5G technology as it enables the transmission of necessary radio waves to the places where they are required. SoftBank already introduced this technology in 4G services on our initiative. This improves communication speeds and enables the delivery of uniform quality communications to all users, preventing communication speeds from dropping even in congested areas. In April 2020, we also established "5G JAPAN", a joint venture with KDDI to promote infrastructure sharing to efficiently use the base station assets owned by both companies and accelerate the regional expansion of 5G networks.

5G has the three features: "high speed, large capacity," "ultra-high reliability, low latency" and "massive device connectivity" and rather than being limited to smartphones and tablets, is expected to be used in all industries. Technologies such as sophisticated virtual reality (VR) and augmented reality (AR) are already being used in some industries, and when ultra-high-speed, large-capacity data communication is realized with the launch of 5G services, the number of products and services that utilize these technologies, as well as their promotion, is expected to increase. Currently, these services are generally used for games and camera applications, but their application is expected to spread to various business fields, including healthcare (surgery simulations and use in telemedicine), tourism (encourages travel by displaying realistic tourist destination images and sightseeing spot guidance) and spectator sports (multiple perspective real-time communication through avatars). In addition, the evolution of ultra-high reliability and low latency makes it possible to deliver all kinds of information in real time that can be utilized with fewer delays. With conventional communication technologies, huge amounts of data are processed outside mobile networks using cloud and other technologies. 5G uses multi-access edge computing (MEC), which enables ultra-low latency by processing information near the terminal or wireless section. In addition, the evolution of ultra-high reliability and low latency makes it possible to deliver all kinds of information in real time that can be utilized with fewer delays. With conventional communication technologies, huge amounts of data are processed outside mobile networks using cloud and other technologies. 5G uses multi-access edge computing (MEC), which enables ultra-low latency by processing information near the terminal or wireless section.



Materiality 5 Building High-quality Social Communication Networks

SDGs Value Creation (1) Prepare Sustainable Life Infrastructure

Providing Stable Telecommunications Services

In order to stably operate telecommunications networks that are the basis of information and communication services, technicians are stationed at network centers nationwide to maintain wireless base stations, mobile phone transmission lines and equipment installed in telecommunications centers. In addition, the operating status of telecommunication networks and wireless base stations is monitored 24 hours a day, 365 days a year by professional engineers at the Network Operations Center.

To utilize know-how cultivated in the field for the stable operation of telecommunication networks, we hold "Maintenance Pro Contests" every year as a place to share business improvement measures devised at network centers and network operation centers nationwide, while systematically rolling out measures that are particularly effective in improving business operations nationwide.

In addition, we are certified by international standards such as "Integrated Management System," "Quality Management System" and "IT Services Management System," and are establishing a system for continuous business improvements to maintain and enhance the quality of our services.

In fiscal 2020, there were no serious network accidents that fall under Article 57 of the Ordinance for Enforcement of the Telecommunications Business Act.

For Building Safe Base Stations

While the construction of 5G base stations is in full swing, we held a national safety convention jointly with all relevant construction companies online in December 2020. In order to complete a major project without any accidents, future approaches and messages for improving safety awareness were delivered and all the participating companies made a pledge to each other for the elimination of accidents. In the convention, a presentation was made to report that SoftBank has implemented three approaches based on the analysis of the situations of accidents as measures to prevent the reoccurrence of accidents and that these approaches were found effective in reducing the number of accidents.



Occupational safety and health approach (see Materiality 6 on p.192)

(1) Setting Safety Month

To cut off the chain of accidents, June was set as a special safety activity month. Thorough implementation of KY (Kiken Yochi, hazard prediction) before work and strengthening remote safety patrols were carried out.

(2) Safety Pulse Survey

Interviews to identify factors that jeopardize safety were launched in August.

(3) Accident Prevention Study Group

A study group to examine and share accident reoccurrence prevention measures is held so relevant staff members are able to consider all accidents as ones that could happen to them regardless of the locations of the accidents.

Mobile Area Construction Initiatives

We strive to ensure delivery of wireless coverage to the places where people gather, to facilitate connectivity every day, 365 days a year. There are various types of base stations that deliver signals, and by arranging them efficiently, we are building telecommunications areas. For example, there are steel tower base stations able to cover large areas, building rooftop base stations installed on the rooftops of office and apartment buildings, compact and lightweight concrete pillar base stations and indoor base stations installed in indoor and underground locations where it is difficult to acquire a signal. We install these base stations ingeniously using the unique characteristics of each in business districts and other areas where tall buildings are concentrated, as well as underground where it is difficult to acquire a signal. Even in tourist destinations where the environment is protected, we pay careful attention to how we install base stations to cover the area.

Also, in the event of a power outage due to an earthquake or other natural disaster, we are able to maintain service for about three hours, and in the event of an emergency, peripheral stations such as government offices, which are important bases, have been strengthened using power outage countermeasures and are able to offer service around the clock. Going forward, we will continue to protect everyone's "connection" based on the belief that, as a telecommunications carrier, we have an obligation to support social infrastructure.

Efforts to Build Overseas Networks

Up to now, SoftBank has participated in numerous submarine cable projects, and recently, we are engaged in two large-scale projects: The Asia Direct Cable (ADC), which commenced in earnest in 2020, and JUPITER, which started in 2020.

ADC, which runs submarine cables to six Asian countries, is a project led by SoftBank that will begin in earnest in 2020, laying cable connecting Japan, China, Hong Kong, the Philippines, Vietnam, Thailand and Singapore. The length of the cable is approximately 9,400 km. Design of the construction route and oceanographic surveys of the Japanese coastal

waters and ocean area of the Southeast Asia region were completed in fiscal 2020. Our target is project completion and commencement of operation at the end of 2022.

The submarine cable "JUPITER" connecting Japan, the United States and the Philippines is a project that started in 2017 and commenced operations in 2020. Cables with a combined length of 14,000 km connect the United States (Los Angeles), Japan (Chiba and Mie Prefectures) and the Philippines (Daet). Construction was underway, led by a consortium of six global companies, with SoftBank co-chairing the construction group. Know-how cultivated on this project is applied to "ADC."

Focused on the further expansion of new businesses utilizing various cutting-edge technologies and services such as 5G, IoT, AI, and the cloud, we will optimize network infrastructure to meet the rapidly increasing demand for Internet traffic as critical infrastructure supporting the global business of each Group company and customer business.



Beyond 5G/6G

As 5G services have only just begun, in the world of researchers, the challenge of going Beyond 5G/6G (6th generation mobile communication system) has already begun, with "terahertz waves" as the keyword. This is an intermediate region between radio waves and light (light waves), and its major feature is that it has both radio wave transparency and the straight line propagation of light. Using terahertz waves, we are working on research and development aimed at realizing ultra-high-speed telecommunications exceeding 5G and the practical application of 6G. In June 2020, SoftBank, along with Gifu University and the National Institute of Information and Communications Technology, succeeded in developing an ultra-small antenna that operates in the 300 GHz band terahertz radio frequency. In January 2021, the communication experiment using ultra-small antennae ended successfully as well. Going forward, we will

continue to accelerate research and development toward the practical application of ultra-high-speed wireless communications in the Beyond 5G/6G era, and contribute to developments in the telecommunications business.

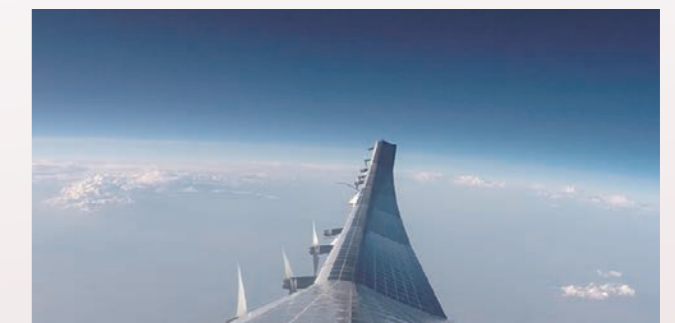
Initiative for Practical Use of the "HAPS" Stratosphere Platform

In areas and regions where telecommunication networks have not been established, such as mountainous regions, remote islands and developing countries, we are developing the High Altitude Platform Station (HAPS) business through our subsidiary, HAPSMobile Inc., in an effort to build a stable Internet connection environment.

HAPS is an unmanned aircraft system that flies in the stratosphere and operates like a telecommunications base station. It is a general term for systems that can provide communication services to a wide area. As it enables the provision of a stable telecommunications network without being affected by conditions on the ground, we also hope the utilization of this technology will contribute to rescue and recovery efforts in the event of a large-scale natural disaster.

In September 2020, a solar panel equipped Sun glider unmanned aircraft system which acts as a telecommunications base station in the stratosphere held its fifth test flight in a "Spaceport America" space related facility in the State of New Mexico in the U.S. Sun glider reached an altitude of 62,500 feet (approximately 19 kilometers). During the over 20-hour test flight, Sun glider remained in the stratosphere for five hours and 38 minutes. The world's first successful delivery of LTE connectivity from the stratosphere to the ground was achieved. In spite of the difficult conditions, stable LTE connectivity was delivered continuously for 15 hours during the test flight.

Going forward, a series of further analysis of test data, additional test flights, and verifications will be carried out with a target of practical application in 2023.



Materiality 5 Building High-quality Social Communication Networks

SDGs Value Creation (1) Prepare Sustainable Life Infrastructure

Radio Wave Status Examination and Improvement Activities

Radio Wave Improvement Efforts

SoftBank is making every effort to improve the status of radio waves to provide all customers with a more comfortable network environment.

Spots Connected with LTE

The main spots throughout Japan that are connected by SoftBank 4G LTE include the Shinkansen, subways and between subway lines, golf courses, campsites, cherry blossom viewing spots, ski resorts, universities, service areas and parking lots, roadside stations, airports, World Heritage sites (cultural heritage sites), temples and shrines, Japan's Top 100 Castles, the 88 sacred pilgrimage sites in Shikoku, stadiums and event venues, leisure facilities and beaches.

Indoor Radio Wave Improvement Service

To improve the indoor radio environment, we propose the appropriate equipment and services according to building and radio wave environments. There are methods for improving radio wave environments, including the installation of femtocell devices on customers' broadband lines to send radio waves from the femtocell device indoors to improve radio waves, and by placing the device near windows or balconies, it can pick up strong signals from outside and send radio waves indoors.



Call and Telecommunications Quality Radio Wave Improvement Service Window

For customers who have trouble with calls and telecommunications quality, we accept information and requests for radio wave improvement services through our website. We propose solutions to customers with the appropriate equipment in accordance with building and radio wave environments.

System for Ensuring Communications Quality at Events

Area measures are being strengthened at events held throughout Japan. During events, communications tend to be congested due to the concentration of customers. At SoftBank, we are working to create environments in which communications congestion can be alleviated and mobile phone services can be used comfortably by deploying mobile base station vehicles around the event venue and installing "SoftBank Wi-Fi spots," among other area measures.

Radio Wave Safety

Providing Information Regarding Radio Wave Safety

SoftBank believes in the necessity of showing consideration to people who are worried about how electrical waves from base stations and mobile phones may impact their health. Accordingly, we investigate the effects of radio waves on health so that customers can use their mobile phones and smartphones with peace of mind, and publish the results on our website.

Policy Regarding Radio Wave Safety

Explains our policy regarding radio wave safety and the systems that allow customers to use our services with peace of mind.

Topical Absorption Policy for Mobile Phones and Other Devices

Explains the specific absorption rate (SAR) and incident power density of mobile phones.

Public Institution Perspective on Radio Wave Effects on the Human Body

Readers can view the public institution perspective regarding the influence of radio waves on the human body.

Requests to Customers Using Mobile Phones

Our requests to customers when using mobile phones and other devices.

[Details](#) Requests to Customers Using Mobile Phones

Research to Confirm the Safety of Radio Waves

In order for local residents living near base stations to understand radio wave safety concerns, SoftBank engages in educational activities regarding the safety of radio waves, such as providing explanations to local residents when constructing base stations in their area.

Our goal is to provide explanations that reassure local residents in response to questions or requests regarding the safety of radio waves.

Since November 2002, we have been conducting experiments with other telecommunications companies to investigate the effects of radio waves on living organisms. The results of these experiments, which were announced in 2007, did not find effects of radio waves from mobile phones on living organisms at the cellular or genetic level.

[Details](#) Press Release: Report on the Experimental Results of the Joint Examination to Investigate the Effect of Radio Waves on Living Organisms

SDGs Value Creation

2

Construct Robust Communications Infrastructure to Contribute to Disaster Prevention and Mitigation

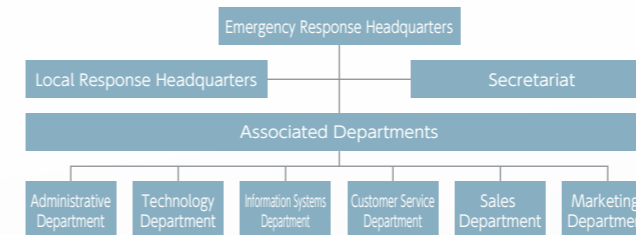
As communication infrastructure is one of the most important lifelines in the event of a disaster, SoftBank is strengthening efforts to provide stable information and communication services in all circumstances. Providing critical social infrastructure supporting people's lives, we will contribute to the realization of a connected and secure society.

Disaster Response

Disaster Response System

In the event of a major disaster, personnel from each company will gather and analyze information on the damage in their areas of responsibility. Based on the impact of the damage, an Emergency Response Department will be established and take action to rapidly restore the telecommunications network.

Emergency Response Headquarters Structure



Structure Based on Disaster Response Agreements

To assist swift restoration efforts in the event of a major disaster or emergency, SoftBank has entered into "Disaster Response Agreements" with Japan's Ministry of Defense and the Japan Coast Guard for the purpose of securing communications and mutually cooperating in a wide range of areas. As communications are a necessary means of assisting life-saving activities following a disaster, SoftBank provides satellite mobile phones, SoftBank mobile phones and other communication equipment to the Ministry of Defense and the Japan Coast Guard.

Furthermore, the Ministry and Coast Guard provides SoftBank with logistics assistance and the ability to use their facilities and equipment so SoftBank can better secure communications and conduct restoration activities in affected areas.

In preparation for emergencies, we are conducting training in various locations in collaboration with the Ministry of Defense. SoftBank will continue to work closely with the Ministry of Defense, the Japan Coast Guard and other related institutions in disaster preparedness and carry out its responsibilities to society as a telecommunications carrier.

Disaster Management Structure

Disaster Operational Plan

Under Japan's Disaster Countermeasures Basic Act, SoftBank is a designated public institution as set out by the national government, and thus formulates Disaster operational plans. The company has established systems for disaster prevention and preparedness, and in the case of disasters, respond in accordance with their Disaster Operational plans while working closely with relevant government organizations and public corporations.

Internal System Establishment

To be able to respond swiftly in the event of a disaster, SoftBank has prepared and thoroughly disseminated response manuals, developed an emergency contact system and deployed emergency supplies.

Comprehensive Response Manual	If a facility is likely to be damaged by a disaster, we have established measures to minimize the impact on services (such as the creation of a disaster response manual) to ensure a prompt recovery.
Emergency System Establishment and Contact Network Maintenance	We have established a system able to quickly respond to telecommunications network failures in the event of a disaster, and maintain an emergency contact network in preparation for emergencies.
Disaster Response Equipment and Disaster Supplies Deployment	To quickly restore communication networks, SoftBank maintains restoration materials and spare equipment, as well as stockpiles of daily necessities such as drinking water and food at bases across Japan. We also have disaster response equipment (emergency generators and other items) throughout the country.

Materiality 5 Building High-quality Social Communication Networks

SDGs Value Creation (2) Construct Robust Communications Infrastructure to Contribute to Disaster Prevention and Mitigation

Deployment of Mobile Base Station Vehicles and Portable Mobile Base Stations

SoftBank will deploy mobile base stations to rapidly restore services in disaster areas where base stations have been damaged or have lost power. There are many types of mobile base stations positioned across Japan for use in emergencies. Our target is maintaining at least 200 mobile base station vehicles and portable mobile base stations in total.



Mobile base station vehicles

Number of Mobile Base Station Vehicles by Region

(As of April 2021)

	Small	Medium	Large
Hokkaido	1	4	2
Tohoku	1	4	3
Kanto	3	13	11
Shinetsu	0	2	0
Hokuriku	1	2	2
Tokai	1	4	6
Kinki	1	6	4
Chugoku	1	4	2
Shikoku	0	3	2
Kyushu	1	7	3
Okinawa	0	5	1
Total	10	54	36

Portable Mobile Base Stations

200 portable mobile base stations for satellite entrance are being deployed nationwide. 100 of these can be mounted on vehicles.



Portable Mobile Base Stations

Deploying Mobile Power Supply Vehicles Across Japan

We have mobile power supply vehicles across Japan to provide power to base stations in the case of power outages in a disaster. We set maintaining at least 80 mobile power supply vehicles as a goal.



Mobile power supply vehicles

Number of Mobile Power Supply Vehicles by Region

(As of April 2021)

Hokkaido	6	Kinki	11
Tohoku	12	Chugoku	6
Kanto	22	Shikoku	7
Shinetsu	2	Kyushu	13
Hokuriku	5	Okinawa	5
Tokai	11	Total	100

Deployment of Portable Satellite Antennas

These are auto-acquiring satellite antennas that can be used to quickly set up temporary satellite-based communication links. The antennas' equipment supports high-speed communications. By using high-speed satellite circuits, these antenna systems can be used as an alternative to optical fiber lines. We set a goal of maintaining 200 or more portable satellite antennas.



Portable Satellite Antennas

Number of Portable Satellite Antennas by Region

(As of April 2021)

Hokkaido	14	Chugoku	22
Tohoku	16	Shikoku	26
Kanto	78	Kyushu	52
Hokuriku	18	Okinawa	22
Tokai	10	Total	282
Kinki	24		

Disaster Drills

SoftBank carries out disaster drills based on the "Agreement on Mutual Cooperation to Secure Telecommunications During Disasters" ("Disaster Response Agreement") with the Japan Coast Guard jointly with NTT DOCOMO and KDDI.

On February 26, 2020, we held a drill for loading telecommunications equipment on a Japan Coast Guard vessel during a disaster with the 10th Regional Coast Guard Headquarters in Kagoshima Port. In preparation for the situation of loading telecommunications equipment belonging to telecommunications business operators on a Japan Coast Guard vessel and transporting the equipment by sea to a region that became isolated due to a communication disruption caused by a large-scale disaster, procedures for loading telecommunications equipment and stability against the swaying of the ocean were confirmed.



Additionally, On November 25, 2020, a drill was held in Himeji Port for loading and marine transport of telecommunications equipment according to the Disaster Response Agreement in cooperation with the 5th Regional Coast Guard Headquarters and Himeji Coast Guard Office aiming for early recovery of mobile phone connectivity in the region where the connection of mobile phones is cut off due to a large-scale disaster such as an earthquake. The scenario of the drill was equipment of telecommunications business operator was affected by a large-scale earthquake or other disaster and only a sea route could be used for the transportation of their staff members and equipment to the disaster-stricken area for the recovery of telecommunications. Under the scenario, the loading of necessary equipment on a patrol vessel for the recovery of telecommunications and transporting the equipment by sea were carried out.

Development and Practical Use of Drone Wireless Relay Systems

Drone-based wireless relay base stations are showing promise as a means of providing connectivity when outages occur in mobile phone service areas in the wake of natural disasters. SoftBank has been working with the Tokyo Institute of Technology's School of Engineering since 2019 to conduct research on drone-based wireless relay systems that use a wired power feed.

SoftBank's drone-based relay base station rises to an altitude of 100 meters, covering a 10 km radius. The drone can be transported in a small vehicle and is easy to set up. Compared to

another SoftBank network recovery solution, the tethered balloon radio relay systems, the time to deployment is much shorter.

Remote control of the drones through a mobile network is also possible. In August 2020, SoftBank demonstrated a drone wireless relay system for the press at Katsuma Radio Control Airstrip in Ichihara City, Chiba Prefecture. At the demonstration, the drone was manually piloted by remote control about 70 kilometers away from the Katsuma Radio Control Airstrip to successfully locate mobile phones placed under dirt and concrete debris. SoftBank will continue to promote countermeasures against disasters and efforts to solve social issues using drones.



Tethered Balloon Radio Relay Systems

To quickly restore lifeline mobile phone service following a disaster, we have developed a tethered balloon radio relay system for deployment when a base station is rendered inconvenient. These have been positioned at key locations across Japan to provide back-up communications channels for use in a disaster.

The tethered balloon radio relay system is capable of lifting wireless relay equipment to an altitude of 100 meters, a technology able to cover a five-kilometer radius in open terrain. SoftBank 4G LTE voice communications and packet transmissions such as email and Internet can be used within the coverage area.



Reconstruction of Base Stations

Should a base station become inoperable due to damage to the facility or communications equipment, it can be rebuilt in the same place after checking the safety of the ground and foundations and confirming that users are present to use the base station.

Materiality 5 Building High-quality Social Communication Networks

SDGs Value Creation (2) Construct Robust Communications Infrastructure to Contribute to Disaster Prevention and Mitigation

Coordinating with National and Local Governments

Terminal Loan to Local Governments

SoftBank has positioned satellite and mobile phones and tablets at locations across Japan for use as a means of communication and in relief and recovery activities in disaster areas, and has prepared a structure whereby they can be loaned free of charge to local governments, public organizations, NPOs and other organizations. During a massive rainfall from July 3, 2020, 189 mobile phones, tablets, and other devices were mainly loaned to the disaster-stricken Kyushu area.

Yahoo Japan Disaster Response Alliances

Yahoo Japan Corporation coordinates with each local government by forming disaster response alliances and consolidates, arranges, and provides evacuation orders announced by each local government during disasters, information on evacuation locations specified by local governments, and other disaster related information so residents can access the information anytime anywhere. In addition, to prevent access difficulties to websites respectively managed by each local government due to excess traffic during disasters, Yahoo Japan releases cached sites of the local government websites to reduce excess traffic to these government websites. Currently, Yahoo Japan has concluded alliances with more than 1,300 local governments and continues to provide information and introduce services through the hosting of periodic seminars.

Securing Means of Communication for Disaster Victims

As part of our assistance to evacuation centers when disaster strikes, in addition to mobile phones and land-line phones for calls, we will set up Wi-Fi systems (00000 JAPAN) that people will be able to use for free as a means of communication to gather information and check the safety of friends and family members.



Marking 10 Years Since the Great East Japan Earthquake, "Being Able to Connect at That Time" Video Showing the Continuous Evolution of SoftBank's Disaster Response Released

In March 2021 which was 10 years after the Great East Japan Earthquake, SoftBank released a video titled "Being Able to Connect at That Time." Learning the lessons from the Great East Japan Earthquake, SoftBank has been working on various preparations for disasters. The video reviews our approach in the past 10 years and technical development of disaster response solutions utilizing the latest technologies.

⇒ Details Video "Being Able to Connect at That Time"



Disaster Response

Securing Communications When Disaster Strikes

In a major disaster, mobile phone and Internet access surges in the affected areas as customers try to confirm the safety of their family and friends, which may result in difficulties with regular communications. To prevent a large-scale network system failure caused by increased congestion, and protect emergency calls (the telephone numbers 110 and 119 in Japan) and other important communications, SoftBank may temporarily regulate communications services in accordance with the Telecommunications Business Act and in proportion to the scale of the congestion. Through such communications regulation, we are able to protect and preserve a degree of communications services while avoiding a major communications failure. We ask for our customers' understanding with regard to any inconveniences this may cause.

Services Providing Peace of Mind When Disaster Strikes

SoftBank provides information on disasters and disaster prevention, notifications when disaster strikes and services ensuring a means of communication for customers.

Confirming Information to Prepare for Disasters

Know Ahead of Time! Disaster Prevention Information

We provide information including columns on practical disaster prevention and disaster prevention merchandise to raise awareness regarding disasters and disaster prevention.



Disaster Initiatives in Fiscal 2020

Securing Communications When Disaster Strikes

During Typhoon No. 10 in September 2020, there were areas in which it was difficult to access mobile phone services due to power outages and the impact on telecommunications equipment. Immediately after these typhoons, we established a Disaster Response Headquarters and brought in personnel and recovery equipment from all over the country to quickly establish a full-scale recovery support system. In terms of recovery efforts, we quickly brought in mobile base station vehicles, portable base stations, portable satellite antennas, mobile power supply vehicles and portable generators, and staff members worked to ensure the supply of power and secure the area. Going forward, to minimize the damage caused by natural disasters, SoftBank will strive to build a solid communication infrastructure that contributes to disaster prevention and mitigation.



Prompt Provision of Information When Disaster Strikes

Yahoo! Disaster Prevention Bulletin

Customers are promptly sent push notifications in the event of sudden heavy rains or earthquakes, including evacuation orders. This free disaster prevention app provides information regarding earthquakes, warnings, evacuation orders and other breaking news at the users' current location and in three other set locations.



Emergency Alert Emails

This service disseminates "Earthquake Early Warning" and "Tsunami Warning" messages distributed by the Japan Meteorological Agency and "Disaster and Evacuation Information" distributed by national and local governments to customers in the affected areas.



Securing Communications When Disaster Strikes

Disaster Message Board Service

This service enables customers to store and convey messages to the people with whom they want to communicate if voice calls surge when disaster strikes and it becomes difficult to connect.



Disaster Voice Message Service

If voice calls surge when disaster strikes and it becomes difficult to connect, this dedicated service delivers voice messages by packet communication rather than voice communication.



Emergency Call Location Information Notification

When emergency calls (110, 118 and 119 in Japan) are placed from a SoftBank mobile phone, information about the location where the emergency call was placed is automatically provided to the emergency operator.



Materiality 5 Building High-quality Social Communication Networks

SDGs Value Creation (2) Construct Robust Communications Infrastructure to Contribute to Disaster Prevention and Mitigation

Group Company Initiatives

Yahoo Japan Corporation

In December 2020, Yahoo Japan Corporation launched the "Disaster Support Platform" to enable one-stop, one-package support upon disaster, from information delivery and aid to the affected area to reconstruction support in close cooperation with local governments and support groups. It brings comprehensive support immediately following the onset of a disaster through to recovery and reconstruction, harnessing the various disaster support networks available in Yahoo Japan. The Disaster Support Platform is composed of Yahoo Japan's disaster support solutions (SEMA, disaster response alliances, Yahoo Japan Foundation, Yahoo! Internet Fundraising, Yahoo! Volunteer, and Yell Market) and was launched for the purpose of providing continuous support to affected areas seamlessly from the onset of a disaster through to recovery and reconstruction. Yahoo Japan Corporation makes full use of these solutions from the onset of a disaster to post-disaster. When a disaster occurs, as emergency response, information distribution, and support to protect lives, Yahoo Japan delivers appropriate information centered around disaster response alliances (local governments), provides support for fund raising by local action groups, and sends goods through SEMA. In the phase of recovery, to support the return of disaster-stricken areas to the status before the disaster, we provide assistance for fund raising in "Yahoo! Internet Fundraising" and recruitment of volunteers in "Yahoo! Volunteer." In the phase of reconstruction, we provide support for economic recovery through "Yell Market" where products from disaster-stricken areas can be purchased.

Due to the launch of the Disaster Support Platform, organizations no longer need to check or confirm services needed by disaster-stricken areas in each phase. The platform enables one-stop, one-package confirmation of all the necessary support from information distribution when a disaster occurs to assistance and support during recovery and reconstruction in affected areas.

Yahoo Japan Corporation will provide smooth and seamless support from when a disaster strikes to the reconstruction phase through the "Disaster Support Platform" in disaster-prone Japan to contribute to revitalizing the regions even more than prior to the disaster.



Disaster Response Cooperation by Yahoo Japan and LINE

Yahoo Japan Cooperation and LINE Corporation announced their cooperation with the aim of making Japan a country armed with disaster prevention measures in March 2021 which marked the 10th year since the Great East Japan Earthquake.

As a first step in the cooperation initiative, Yahoo Japan and LINE jointly released a 3.11 Feature that offers content for fund raising with disaster-stricken areas in mind and consolidates useful information for disaster response titled, "10 Years Since the Great East Japan Earthquake. Power to Overcome." Under this project, Yahoo Japan and LINE deployed initiatives including "Smartphone evacuation simulation," "Search for 3.11," and "More About Tohoku #MePost3.11, #MeFuture" to introduce many people to knowledge related to disasters and the situation in disaster-stricken areas so as to encourage many people to act for the future with disaster preparations and donations and so on.

Furthermore, starting with these initiatives, Yahoo! News and LINE NEWS began delivery of original articles from one another and a "Disaster Prevention Bulletin" utilizing LINE's official account started as the first Yahoo Japan and LINE cooperative function in the disaster response field. LINE's Disaster Prevention Bulletin is coordinated with the Yahoo! Disaster Prevention Bulletin, and push messages will be sent to users' LINE Talk if there is any disaster information of the region registered by users. Users are able to register up to three locations, for example, a user's residence, parent's residence, and workplace. The registered locations can be changed anytime. Initially, this function began with "evacuation information," "earthquake information," "tsunami forecast," "weather warning," and five other disaster related breaking news. Further expansion is also scheduled. By adding the LINE Smart Notification Official Account as a friend, users are able to receive live updates on the Disaster Prevention Bulletin.

Yahoo Japan Corporation and LINE Corporation believe that Yahoo! JAPAN and LINE need to have more useful presences also in disasters particularly because Yahoo! JAPAN and LINE are services used by many Japanese residents on a daily basis. Toward the realization of a safer, worry-free, and better future, Yahoo Japan Corporation and LINE Corporation will continue their efforts under mutual cooperation.

SDGs Value Creation

3

Promote Data Security and Privacy Protection Initiatives

SoftBank will contribute to the realization of a society in which telecommunications can be used safely with peace of mind through our efforts to monitor and operate networks using the latest technologies, conducting thorough security education for employees, protecting communication confidentiality and customer information, and understanding information security risks.

Information Security and Privacy Protection

Policy

We have formulated and continue to adhere to our Information Security Policy and Privacy Policy so that we can keep the trust of our customers and the wider community by implementing sweeping and advanced solutions to counter the risk of information leaks. We aim to maintain information security by appropriately handling and protecting our information assets from a variety of threats.

Information Security Policy

Information Security Policy Management

1. Creation of an information security management structure

SoftBank created a highly secure information security management system in an effort to protect all information assets held by the Company and comply with information security-related laws, regulations and other standards to consistently earn the trust of society.

2. Appointment of Chief Information Security Officer

SoftBank established the Information Security Committee and appointed a Chief Information Security Officer (CISO), which enables us to engage in proactive measures ensuring an accurate understanding of the Company-wide information security status and promptly take the necessary measures.

3. Maintenance of internal rules regarding information security

SoftBank established internal rules based on our Information Security Policy to clearly demonstrate our clear stance on the handling of personal information and all information assets in general, and to make everyone within and outside the Company aware of our strict position on information leaks.

4. Audit system maintenance and enhancement

SoftBank maintains a system for conducting internal audits to ensure compliance with information security policies and other rules and regulations. We also strive to conduct ongoing external audits to obtain more objective evaluations. These regular audits verify that our employees are complying with security policies.

5. Realizing a system for thoroughly implementing information security measures

SoftBank will realize a system that reflects thorough

measures to prevent unauthorized intrusion, leakage, falsification, loss, destruction and obstruction of information asset usage. In terms of countermeasures, we thoroughly manage access to data and systems by granting access rights based on the "need to know principle"\* and limiting the database access rights of employees working in high-security areas.

\*Need to know principle: Information is provided only to those people with a need to know, but is not provided to those without the need to know.

6. Improving information security literacy

SoftBank provides thorough security education and training to employees so that everyone involved with information assets can conduct their work with information security literacy. We also provide ongoing education and training to enable responses to constantly changing conditions.

7. Outsourcer management system enhancement

When concluding business outsourcing contracts, SoftBank thoroughly examines outsourcer eligibility and requests that security levels equal to or higher than those maintained by the Company. In addition, to confirm that security levels are being maintained appropriately, we continuously review outsourcers and make an effort to strengthen agreements.

Application of the Information Security Policy

"Information assets" covered by this policy include information obtained or known through the ordinary course of SoftBank business as well as all information held by the Company for business purposes. All SoftBank directors, employees and temporary staff engaged in handling and controlling information assets, as well as outsourcers and their employees who handle Company information assets, must comply with the Information Security Policy.

Materiality 5 Building High-quality Social Communication Networks

SDGs Value Creation (3) Promote Data Security and Privacy Protection Initiatives

**Action Guidelines for Personal Information Protection**

SoftBank Corp. and WILLCOM OKINAWA, Inc. (hereafter collectively called "SoftBank") are working on the implementation of the following matters to ensure full compliance with the "Act on the Protection of Personal Information," "Act on the Use of Numbers to Identify a Specific Individual in the Administrative Procedure," "Guidelines Concerning Protection of Personal Information in Telecommunications Business," "Guidelines for Proper Handling of Specific Personal Information (for Private Entities)," "Personal Information Protection Management Systems-Requirements" (JISQ15001) and other laws to protect personal information.

**1. Enhanced employees training**

Provide all of SoftBank employees and temporary staffs who handle personal data with training at least once a year as well as create learning materials on personal data handling to distribute to all of SoftBank employees and temporary staffs.

**2. Development of Company rules concerning personal data handling**

We will establish internal regulations regarding the handling of personal data and clearly state our policy regarding the handling of personal data. In addition, we will ensure that everyone in the company is aware of our strict stance against leaks of personal data and in the event of a leak, we will take appropriate measures, including disciplinary action, based on the employment regulations.

**3. Placement and enhanced functions of the "Chief Privacy Officer"**

Build a structure with visible roles to comply with laws and guidelines, develop relevant company rules, build an audit structure, and oversee the handling of personal data in addition to establishing a position of "Chief Privacy Officer" and appointing CISO as such an officer.

**4. Implementation of appropriate information security measures**

In order to prevent leakage, loss, or damage of personal data and for other safe management of personal data, we will take necessary and appropriate measures such as managing access to personal data, restricting the removal of personal data and taking other measures to prevent unauthorized access from outside. In addition, personal data will be retained for the necessary period of time to achieve the purpose of use (including the time period required by law).

**5. Outsourced operations**

(1) Outsource, in some cases, all or part of its personal data handling operations in sales of various services, response to customers' inquiries, facility maintenance, tariff-related works, marketing tasks and other related works.

(2) Fully examine the eligibility of outsourcing agents when concluding outsourcing agreements. Further, set out safety management measures, confidentiality, terms of subcontract and proper handling of personal data in such outsourcing agreements and oversee SoftBank's outsourcing agents in an appropriate manner by regularly monitoring outsourced operations.

In addition, SoftBank complies with article 4 of the telecommunication business law concerning the secrecy of communication and other relevant regulations when providing third parties including outsourcing agents with telecommunication subscribers' information for those outsourced operations.

(3) Use personal data provided by an outsourcer in association with the acceptance of outsourced operations to the extent necessary for the purpose of the agreement with such outsourcer.

**6. Maintenance and enhancement of auditing system**

Set up an audit structure which enables SoftBank to internally audit whether personal data is properly protected. Further, study the implementation procedures for an access log-based audit because it is considered to be effective to detect a person who leaks personal data as early as possible and to prevent possible leaks from occurring with such restraining effects.

**7. Proper acquisition, use, provision and announcement of personal information**

Upon acquiring personal information, SoftBank legally and fairly obtains personal information by means of application forms, web site or verbal explanation upon clarifying the purpose of use of such personal information. Upon using and providing personal data, and upon announcing retained personal data, SoftBank properly performs the act by considering details and a scale of business. If SoftBank receives personal information from a third party, SoftBank complies with the laws regarding the protection of personal information, respects the philosophy of personal information protection of the provider, Will be handled according to the conditions stipulated in the contract concluded between the two.

**8. Continuous improvement of personal information protection-related activities**

Continuously attempt to review/improve the activities stated in paragraph 1 through 7 above.

**9. Revisions**

SoftBank may revise all or a part of the present "Action Guidelines for Personal Information Protection." In the event of a material change, SoftBank announces it on its official web site in an easily comprehensible manner.

**Information Security System**

SoftBank has put information security management governance in place to make sure we adhere to all laws and regulations regarding information security, safeguard our information assets, and defend against cyberattacks. SoftBank has formulated its Information Security Policy to be followed by the employees and established the position of Chief Information Security Officer (CISO). We established the Information Security Committee (ISC) chaired by CISO, and the SoftBank Computer Security Incident Response Team (SoftBank CSIRT). They both review policies to adapt to changes in the security environment and technological innovation, and share information helpful for planning how to address information security and cybersecurity.

When an information security breach causes a system failure, the head of the system operation and CISO coordinate to assess the situation, evaluate responses, and restore the system. Additionally, in the event of more serious circumstances, we establish an emergency response taskforce headed by the CEO to address the issue, and, in accordance with legal and regulatory requirements, will promptly report to the Ministry of Internal Affairs and Communications and other appropriate authorities.

**Information Security Committee (ISC)**

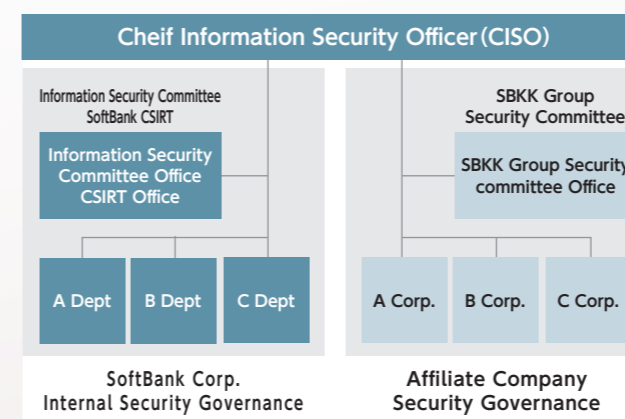
The Information Security Committee (ISC), chaired by CISO, is composed of each division's person in charge of information security. It is a cross-functional organization seeking to promote and manage various initiatives for information security. In order to ensure the effective execution of initiatives, we formed the Information Security Committee Office (ISC Office) to help plan and coordinate efforts.

CSIRT Office works with the Information Security Committee Office and related organizations, both inside and outside the company, to support the team.

In order to prevent security incidents, SoftBank CSIRT addresses system vulnerabilities (information collection and analysis, requests to respond, review of response status), formulates security rules, provides security training, and sends warnings for potential security issues. In the case of any incident occurring, the team sets up an incident response flow along with carrying out incident response training.

**Roles of ISC**

- Sharing of information beneficial to information-security activities
- Company-wide sharing of measures and plans related to information-security activities
- Understanding and improvement of information-security status company-wide
- Promotion and development of information-security education
- Coordinating information security initiatives across departments



**SoftBank CSIRT**

SoftBank CSIRT was organized to prevent security incidents and minimize damage by quickly responding to security incidents. SoftBank CSIRT deals with security incidents related to the services we provide. Overseen by CISO, the team consists of members from the Security Department and others appointed by the head of each department. The

**Security System of Affiliate Companies**

SoftBank's affiliate companies (subsidiaries and affiliates) have risk management governance structures in place, mitigating risks and preventing information security incidents and cyberattacks. They also assess and analyze security risks to address them with actions.

The SBKK Group Security Committee, headed by CISO, comprises members in charge of information security management at affiliate companies, where they share information on threats and solutions regarding information security. The Committee also executes security training and drills, and coordinates responses when incidents occur. Additionally, SoftBank Affiliate Company Security Guidelines stipulate matters to be observed and the governance structure necessary for Group companies to manage security appropriately.

## Materiality 5 Building High-quality Social Communication Networks

## SDGs Value Creation (3) Promote Data Security and Privacy Protection Initiatives

## Security Measures

To protect our various information assets, including customer information, we have a security governance structure in place, providing security checks and advice when services are developed and launched internally. We also conduct security tests prior to their release and during operations. Furthermore, we run Security Operation Center (SOC) monitoring services and equipment, establish regulations, collaborate internally and with other organizations, review our solutions and consider new ideas by referring to the Cybersecurity Framework (CSF) of the US National Institute of Standards and Technology (NIST) and the CIS Controls of the US Center for Internet Security (CIS).

### Protecting Customer Information

We take measures to protect our customers from information leaks and cyberattacks so that they can use our services with peace of mind.

#### Protecting Personal Information

SoftBank gives significant consideration to human rights with the handling of personal information in accordance with the Act on the Protection of Personal Information and other legal frameworks in Japan. We are a corporate member of an accredited personal information protection organization (Japan Data Communications Association) and adhere to the Personal Information Protection Guidelines for telecommunications businesses, taking the lead in protecting customer privacy.

The CISO, which is composed of members appointed by the Board of Directors, takes the role of the personal information protection officer to implement the Personal Information Protection Management System—Requirements (JISQ15001).

When the personal information protection officer receives a request regarding personal information from an administrative authority, the officer is responsible for confirming the validity of the request. In accordance with laws and regulations, we obtain the consent of the individual concerned before providing the person's information to a third party.

In order to prevent personal information-related human rights violations, SoftBank follows the Personal Information Protection Management System, limiting the acquisition, use and provision of human rights-related information, and carrying out regular risk assessments regarding the appropriate use of such.

When a risk is detected, we take appropriate action and follow up by monitoring and making constant improvements to minimize the risk. If a human rights violation occurs in relation to personal information, we promptly investigate and implement necessary corrective actions. If a human rights violation occurs in relation to personal information as a result of providing that personal information to a third party, we take necessary measures, including, but not limited to, setting up a point of contact to offer remediation to the individual concerned.

In fiscal 2020, there were no leaks of personal information, use of personal information for other purposes (secondary purposes), complaints, or other legal violations reported to authorities or other parties. In the event of any legal violations, such as leaks of personal information, we will post an announcement on our website.

#### Rigorous Information Management

SoftBank has established five-tiered security areas ranging from level 1 to 5 in our facilities, applying strict controls in accordance with each level. Levels 3 and above are considered “high-security areas.” Significantly important data, such as personal information and telecommunications secrets, are exclusively handled in these areas.

For example, in the Customer Support Center, which is designated as a high-security area, we strictly control security under the rules specifically designed for these areas, authorizing entry and exit to the facilities by security guards and passes, and keeping prohibited items from being brought in to the facilities.

Additionally, our operations fully adhere to ISO27001, the international standard for information security management systems. We undergo an external audit twice a year based on ISO27001 to confirm that our information security management is appropriately run, including compliance with our Privacy Policy.



#### Security Monitoring

To protect our customers' information and the equipment used to provide telecommunication services, security analysts monitor security at our Security Operation Center (SOC) 24 hours a day, 365 days a year.

As measures against cyberattacks, we monitor DoS attacks on our telecommunications service equipment and infiltration into devices connected to our equipment, detect malware infections of our employees' computers and their access to unauthorized websites, and watch for attacks that could exploit vulnerabilities in our in-house systems. We also deter employees from stealing information and using unauthorized devices.

#### Protecting the Usage Environment of Customers

We make a variety of efforts to provide our customers with comfortable experiences in their use of our mobile phone, smartphone and Internet services.

##### ● Viruses

Smart Security powered by McAfee® protects customers' smartphones from being damaged by viruses. This service detects viruses that can infiltrate smartphones through installed applications, e-mail attachments, and microSD memory cards.

##### ● One-click Fraud

SagiWall/Internet SagiWall detects dangerous websites, such as the ones designed for one-click fraud schemes, when customers use the Internet. This service constantly monitors websites being browsed and displays a warning screen when a user attempts to access a suspected dangerous website.

##### ● Security Protection

BB Security is a service for the users of the “SoftBank Hikari” and “SoftBank Air” home Internet services that constantly maintains the latest security environment for their smartphones and computers.

##### ● Sniffing/Hacking

Security Checker protects customers' smartphones when they are connected to a telecommunications network, such as through public WiFi, by safeguarding their important data and detecting risks such as sniffing and wiretapping.

#### Spam Mail

To protect against malicious e-mails such as spam and fake bills unexpectedly sent to mobile phones or smartphones, we automatically examine the content of these e-mails based on our accumulated database of spam and provide our customers with spam filters that block the receipt of these kinds of e-mails as a standard feature. We have also set up a reporting center where our customers can report any spam e-mails they have received by simply forwarding them. When it is confirmed that they were sent from a SoftBank registered address, we may take strict measures against the address owner, including suspension or cancellation of our service.

#### Unauthorized Access

There are increasing cases of malicious third parties gaining unauthorized access to personal information, such as bank account numbers, credit card numbers, and login IDs and passwords, after customer devices are infected with viruses or accessed through URLs in the bodies of e-mails. We are strengthening security to protect our customers' personal information by preventing unauthorized access to My SoftBank and My Y!mobile member sites, where members can confirm and change fees and contract details.

##### ● Passcode

Customers can change their settings in such a way that the passcode they specified when signing the contract is required for logging into My SoftBank or My Y!mobile.

##### ● One-Time Password

When a customer uses a payment option called SoftBank/Y!mobile Matomete Shiharai, an SMS (e-mail) is sent to his/her phone with an authorization code. This code is valid for one time only and is only known to the registered user.

##### ● Unauthorized Access

In order to prevent unauthorized access, such as identity impersonation, when a customer attempts to use some options available on My SoftBank or My Y!mobile membership sites, we may send a SMS or e-mail to confirm his/her status in the usage of our services.

##### ● Participation in “Cyber-bousai”

For the purpose of implementing security education activities for safe and worry-free Internet use, SoftBank participated in a “Cyber-bousai” event held under the initiative of the LINE Corporation. In June 2020, participating business operators implement user education initiatives under the theme that the Internet is actually scary on their websites and social media so users are able to use the Internet with an understanding of the danger of the Internet and peace in mind.

Materiality 5 Building High-quality Social Communication Networks

SDGs Value Creation (3) Promote Data Security and Privacy Protection Initiatives

Collaboration to Protect Cybersecurity

As an operator of telecommunication infrastructure vital to society and as a company providing innovative services by integrating telecommunications with cutting-edge technologies, we work with various external organizations to help improve security across society. SoftBank CSIRT represents us when we collaborate with external organizations.

Information Sharing with Local and Overseas CSIRT

SoftBank CSIRT, a member of security organizations both in Japan and overseas, engages in discussions on common security themes and issues with the CSIRT of other companies to evaluate effective responses and solutions.

Primary Themes and Challenges

Phishing websites and e-mails, attacks on vulnerable IoT devices, DoS attacks, human resources and training, optimal incident responses, security education, security measures in 5G networks, and actions against attacks at major events.



Nippon CSIRT Association



FIRST (Forum of Incident Response and Security Teams)

Membership

Incident Response Coordination and Joint Exercises

In the event that an incident occurs at multiple organizations from a single cause, or an incident at one organization that also affects other organizations, we coordinate and implement a response with the CSIRT of other companies, as needed, to address the issue.

To ensure a quick response to an incident, we regularly conduct joint exercises with the CSIRT of other companies and verify how we work with each other at the time of incident.

Through these efforts we aim to minimize the impact caused by incidents and mitigate any harm that may result.

Reporting of Security Vulnerabilities

We work to improve the security of our website and services in various ways, including vulnerability tests. SoftBank CSIRT welcomes reports from engineers outside of our firm on any vulnerability they have discovered in our website or services. We take the information and work with the relevant department or individuals to address the issue.

Continuous Security Enhancement

In response to the spread of digital devices and increasingly sophisticated cyberattacks, we strive to continuously strengthen security by adopting new technologies and methods, improve the security mindset of our employees through education, and train specialists in the field of security.

People-led Enhancements

Employee Training

In order to ensure appropriate handling of information at the workplace as well as to raise awareness of information and cyber security, we provide classroom training, e-learning programs, security drills to executives and employees while constantly updating security rules.

With a focus on protecting personal information and communication secrecy at our internal training, we continue to work on improving our employees' knowledge and ethics.

Useful materials and educational videos on information security are available on the company intranet portal for employees to access at any time.

Training of Security Experts

Our security experts work hard not only to collect and share information on threats and solutions but also to improve their technical skills and knowledge so that they can guard against ever-changing security threats. SoftBank encourages our security experts to obtain security qualifications to build their expertise.

Qualifications Held by Our Security Experts

CISSP, Certified Information Systems Auditor (CISA), Certified Information Security Manager (CISM), Registered Information Security Specialist (RISS), GIAC qualifications, CEH, AWS Certified Security - Specialty, among others.

Technological Measures

Monitoring Technology

While the early detection of incidents is becoming increasingly difficult due to the growing complexity of attack techniques in recent years, the number of detected incidents is on the rise each day. SoftBank strives to improve the quality of monitoring by continuously upgrading detection methods, implementing analysis and solutions by referring to threat intelligence (information useful to detecting and blocking attacks), and automating response operations so that no signs of attack are missed.

Monitoring of Threats and Attacks

By monitoring communication log data collected from digital devices, such as PCs and smartphones, and machines such as servers, we anticipate and determine threats from multiple angles: suspicious communications inside or outside of our organization, potential malware infections, and others. We have built information sharing processes with security organizations we belong to and with security vendors to ensure we are aware of the latest trends by reviewing incidents at other companies and reports on vulnerabilities and attacks.

We aim to detect sophisticated and complex attacks as early as possible by implementing Security Information and Event Management (SIEM), a tool to detect the latest attacks, whereby various data logs can be collected and correlation analysis be performed.

Monitoring of Telecommunication Networks Security

Since telecommunications networks serve as social infrastructure, expectations for their reliability and quality are higher than ever before. SoftBank, as a telecommunications provider, performs different kinds of monitoring to provide a stable telecommunications network. Monitoring security is one part of this effort.

What 5G networks can bring include not only higher speeds but also ultra-low latency and massive device connectivity. It is expected that 5G will enable a variety of use cases like remote operations and autonomous driving. SoftBank is building an even more stringent security monitoring system to respond to changes in data traffic caused by DDoS attacks\* and to counter cyberattack attempts to access 5G equipment.

\*Cyberattack of attacking a specific device by overwhelming the device with an excessive amount of access or sending an excessive amount of data to the device all at once with multiple devices

Use Cases of 5G Network Features

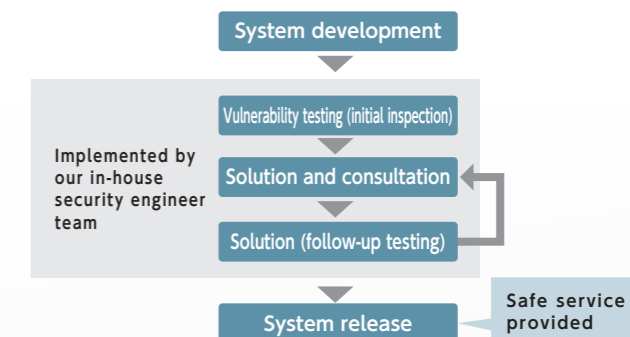
Ultra-low latency: Remotely-controlled robots, autonomous driving, telemedicine - all previously considered difficult due to latency.

Massive device connectivity: Accelerated power of IoT that will revolutionize industries and society, with more things and sensors connected to networks.

Security Testing

If SoftBank launches services with flawed system settings or latent vulnerabilities, our network and system could be subject to attacks, potentially resulting in harm to customers. Our security engineer team carries out complete vulnerability testing and issues instructions to address any vulnerabilities detected so that we can provide safe services.

Since new vulnerabilities can emerge even after the release of a service, we continue vulnerability testing and follow-ups to minimize security risks.



Enhancement of Internal Security Environment

We address increasingly sophisticated attacks by proactively adopting the most advanced technologies, such as Mobile Device Management (MDM) and Endpoint Detection and Response (EDR), which are becoming standard security solutions. Additionally, we carry out simulation exercises on targeted attack e-mails, to help strengthen our internal network security.

Information Security Incident Status

The number of serious information security breaches was zero in fiscal 2020. We will continue to conduct training and make efforts to prevent security breaches to prevent serious information security incidents before they occur.



Materiality 5 Building High-quality Social Communication Networks

SDGs Value Creation (3) Promote Data Security and Privacy Protection Initiatives

Privacy Center Dashboard

As the awareness of privacy increases recently, business operators are required to improve accountability regarding the handling of personal information. In the amended Act on the Protection of Personal Information in 2020, numerous enhancements to the rights of data subjects were included, and legislation to secure transparency is also progressing.

SoftBank, which handles important customer data, has explained the handling of customer information mainly in the Privacy Policy. Now, we are planning to open a Privacy Center to provide explanations in simple sentences and with illustrations so customers can understand how we handle customer information easily. In addition, we are preparing for the development of a dashboard that allows customers to check and manage the use of their information.



Group Company Initiatives

“Yahoo! Ads” Approach for Security Improvement (Yahoo Japan Corporation)

In Internet advertising where automation and efficiency increases evolve, accurate understanding and real-time analysis of advertising transactions are becoming difficult. In particular, for problems related to damaging the value of advertising such as impression fraud and click fraud using “bots” (ad fraud) and display on inappropriate pages and content (brand safety), the challenges of the entire market are accurate understanding of the current situation and full-scale countermeasures\*.

In this background, Yahoo Japan Corporation entered into an agreement with DoubleVerify in October 2020. As a result, a real-time delivery control system realized by system coordination with DoubleVerify assesses whether an ad request is genuine based on the analysis results of DoubleVerify as soon as a request occurs. If fraudulent activity is detected, the ad will not appear due to the system controls. Yahoo! JAPAN is the first platform offering DoubleVerify’s real-time ad fraud analysis and brand safety assessment technology as standard features of entire advertising platforms.

Yahoo! JAPAN will continuously work on the elimination of fraudulent activities and improvement of the accuracy of fraud detection through strengthening screening and patrolling of ad delivery and making confirmation of site operators stricter.

\*Source: “Ad Verification Problem Fact-Finding Survey Report vol.3” by Ad Verification Suishin Kyogikai (Ad Verification Promotion Committee)

Educational Activity for the Prevention of Damage from Cybercrime (BBSS Corporation)

BBSS Corporation which is a subsidiary of SB C&S Corp. publishes monthly Internet fraud reports as part of educational activity and one of its measures to prevent damage from cybercrime. The report tallies and analyzes fraud sites detected and collected by Internet SagiwallTM security software that specializes in the detection of online fraud. The monthly report also introduces the details of fraud sites using various tactics such as occurrence situation, characteristics of the fraud sites, and latest tricks.



SoftBank’s Security Expert Interview

SoftBank considers information security as extremely important to protect the tremendous amount of information including customer information and to enable customers to use our services with peace in mind. Representatives of our security experts introduce SoftBank’s preparations for cyberattacks.

Developing Specialists with the Capability of Handling Cyberattacks Flexibly

Currently, SoftBank is aiming to develop more than 1,000 specialists, and we are particularly focusing on developing “white hackers” who play an active role when trouble occurs. We improve our staff members’ skills through training and actual practice. For example, they need to complete multiple programs on an IT security education institution named SANS. Through actual experience of the procedure when an accident occurs and identification of vulnerable areas of a program, our staff members enhance their skills. By developing advanced security specialists in preparation for cyberattacks that are becoming increasingly more sophisticated in the days ahead, SoftBank will contribute to society.



Satoshi Hinago  
Director of ISC  
Department Manager,  
Technical Management Division

Providing Practical Training in the Fight Against Increasingly More Sophisticated Cyberattacks

Cooperation among various departments is indispensable to respond to cyberattacks that are becoming more advanced and sophisticated. SoftBank has an organization named, “Computer Security Incident Response Team” (CSIRT) that is composed of more than 250 staff members from various divisions and that responds to cyberattacks. CSIRT annually provides training where trainees confirm appropriate responses for specific cyberattacks that could actually occur. In the training, a series of response procedures from incident occurrence to resolution is reviewed, and the procedures are refined by extracting challenges. This training enables more appropriate responses when an actual incident occurs. Completely preventing cyberattacks is not easy in the real world, but we think lowering the chance of cyberattacks as low as possible and minimizing the damage are important. We aim for predicting cyberattacks which undergo ongoing change and taking prevention measures against these attacks.



Katsuyuki Matsumoto  
Manager of Cyber Incident  
Response Group,  
Security Management Section,  
ISC Department,  
Technical Management Division

Realization of a Safe Society Through Vulnerability Diagnosis of IoT Devices

Since IoT devices are used by connecting to a network, they are always at risk of attack from the outside. Therefore, diagnosis in consideration of the characteristics of IoT devices is a key. In SoftBank, new IoT devices cannot be introduced without passing inspections in our lab. For example, in the vulnerability diagnosis for security cameras connected to our network, we try to access the cameras with frequently-used passwords. We test the devices from the attacker perspective by purposely carrying out cyberattacks against the devices to identify vulnerabilities which can lead to intrusion in the system. Our vulnerability diagnosis is work to protect not only SoftBank but also those who are related to SoftBank’s services and our many users. We believe we can reduce the risk of continuously evolving IoT devices to almost zero by enhancing our technologies.



Ryunosuke Tanaka  
Technical Consulting Group,  
Security Consulting Section,  
ISC Department,  
Technical Management Division

Materiality 6

# Developing a Resilient Management Foundation

Resilient and Honest Corporate Governance, Organization, and Personnel



SoftBank will work to further strengthen its management foundation supporting sustainable growth and realize progressive and diverse workstyles enabling all employees to maximize their capabilities.

SoftBank is strengthening and improving its system of corporate governance and building a sophisticated governance system, to ensure sustainable growth and improve corporate value over the medium-to-long term. In addition to increasing management transparency and ensuring sincere and fair corporate governance, SoftBank will develop strong relationships of trust and pursue mutually sustainable development with stakeholders through timely and appropriate information disclosure and ongoing dialogue with stakeholders.

SoftBank is working hard to foster a working environment in which a diverse workforce, including LGBTQ and other sexual minorities, can put their individuality and talents to work, and all employees

can feel proud of and rewarded by the work they do. In addition to our employees, we are working with outside stakeholders related to our supply chain to ensure respect for human rights.

SoftBank is promoting smart work, leveraging cutting-edge technologies such as IT and AI while fostering advanced workplace environments and diverse workstyles to boost productivity. Under the slogan "Smart & Fun!," SoftBank strives to empower diverse human resources to play active roles, by developing and providing innovative and creative workstyles and progressive workplace environments unconstrained by time and place. In so doing, SoftBank is working to create innovation and increase employee happiness while promoting workstyle reforms that make the most of health management and technology, thereby maximizing the productivity of organizations and individuals.

## >> Social Issues

- Corporate governance enhancements
- Consideration for social and environmental aspects throughout supply chains
- Workstyle reforms, promotion of diversity and inclusion

## >> Risks and Opportunities

- Risks**
- Loss of trust due to violation of laws or regulations
  - Loss of trust as a corporation due to absence of corporate governance
  - Deterioration of reputation due to human rights violations or inadequate response on environmental issues
- Opportunities**
- Investors' acceptance of corporate governance and supply-chain management
  - Improvement of motivation and emergence of innovation through workstyle reforms and promotion of diversity
  - Improvement of productivity through advanced workstyles and commercialization of expertise

## >> SDGs Value Creation

- (1) Enhance corporate governance and ensure its effectiveness
- (2) Sustainable growth through cooperation with stakeholders
- (3) Enhance employee happiness with diversity and inclusion
- (4) Enhance productivity with advanced workplace environments

## >> KPIs

- (1) • Number of compliance violations: Performance monitoring (annually)
  - Exam-taking rate in compliance training: Performance monitoring (annually)
  - Ensure effectiveness of the Board of Directors: Implementation of evaluations (annually)
  - Average ratio of attendance by all board directors at the Board of Directors meetings: 75% or higher
- (2) • Sustainability procurement survey collection: 90% or greater (annually)
  - Support improvement activities at high-risk suppliers: 100% implementation
  - Supplier inspection /CSR audits: 2 or more companies
  - Number of partnerships with NPOs: 1,000 organizations (FY2023)
- (3) • Ratio of women in management positions: Over 20% (FY2035)
  - During this process, achieve a ratio of over 15% by FY2030 (double the ratio of FY2021)
- (4) • Ratio of employees with disabilities: At or above the legally mandated level (annually)
  - Paid leave acquisition rate: Keep at 70% or above (annually)
  - Accidents at work sites involving injury or death: Zero (annually)

## >> Main Businesses and Initiatives

- Enhance corporate governance systems and thoroughly prevent compliance violations
- Implement sophisticated internal controls, eliminate antisocial forces, and prevent corruption
- Ethical procurement and transactions
- Sound and transparent information disclosure
- Cooperation with local communities through initiatives such as disaster management agreements and the Social Emergency Management Alliance (SEMA)
- Support for employee growth and career realization (Free-agent system and job posting system, SoftBank University, SoftBank career dock)
- Fair evaluation and recruitment system
- Promote participation by women, including recruitment and employment of persons with disabilities, and initiatives related to LGBTQ persons
- Harassment prevention
- Work-style reforms (Super Flextime System, teleworking, operational improvements using AI and RPA, permit employees to take side jobs)
- Promote health and productivity management
- Diverse workstyles using smart buildings, satellite offices and telework
- Promoting diverse working styles unconstrained by time or place (teleworking, use of co-working spaces), in preparation for the post-COVID-19 environment

Materiality 6 Developing a Resilient Management Foundation

Key Person Interview



**Kenichi Nagasaki**  
General Affairs Division Head

**Yasuyuki Genda**  
Human Resources Division Head

Smart Work

To maximize organizational and individual productivity using the workstyles that suit each employee the best, SoftBank is implementing smart work, using technologies such as IT and AI. Guided by the in-house slogan "Smart & Fun!," we practice SoftBank-friendly workstyles, leveraging IT to make work smart and fun so that our people can be more creative and innovative in their work. With the move to our new headquarters in Takeshiba, Minato Ward, Tokyo in January 2021, we have taken several steps to enable workstyles that are not tied to particular times and places. For example, we have implemented community-type workplaces that embody "Smart & Fun!," to bring out the best performance in each employee, and eliminated barriers between divisions, to encourage open innovation. SoftBank's approach to workstyles has earned kudos from outside observers. The Nikkei Smart Work Management Survey, a study conducted by Nikkei Inc., has now given SoftBank a 5-star rating, the highest possible rating, for three consecutive years. SoftBank also received an award in the category for technology utilization at the Nikkei Smart Work Awards 2021, which recognizes the most outstanding companies among those selected in the survey. SoftBank intends to continue to lead Japan in the practice of smart workstyles.

A Robust Management Platform for Achieving the SDGs

Communication is a lifeline. As a Company that provides cutting-edge technology to deliver that lifeline, SoftBank has a particular duty to advance business activities that contribute to the SDGs across all of its operations. I believe that supporting those operations with a robust management platform contributes not only to the sustainable growth of SoftBank but also to the achievement of a sustainable society.

Supporting Effective Use of a Diverse Workforce

I believe that our people are the key to our efforts to solve problems in society in the course of doing business and that it is vital for us to foster opportunities and environments in which diverse personnel can put their individuality and talents to the best possible use. In July 2021, SoftBank established the Advancement of Women Promotion Committee and began advancing efforts under its stewardship Company-wide. We are moving forward to create a dynamic and supportive work environment for everyone, including LGBTQ and other sexual minorities, fostering an environment in which all employees can take satisfaction and pride in their work. SoftBank has drafted a human rights policy, which it encourages everyone in the Company to understand. We are working to promote understanding among outside stakeholders in our supply chain of the need to respect human rights and are working with all related parties to engender and maintain that respect.

Achieving Effective Corporate Governance

SoftBank is working to strengthen and improve its corporate governance, to ensure smooth communication with stakeholders and boost the Company's sustainable growth and medium-to-long-term corporate value. The Company's system of corporate governance is centered on the Board of Directors and the Audit & Supervisory Board. On these boards, over one-third of the directors are independent external directors strengthening the mutual oversight functions of the directors. In June 2021, two female independent external directors were added to these bodies. Their addition enabled the deliberations of the Board of Directors to proceed from a more multifaceted perspective, strengthening corporate governance. Similarly, the Company has engaged a third-party organization to evaluate the effectiveness of the Board of Directors. SoftBank has established the Nominating and Remuneration Committees as advisory bodies to the Board of Directors. To ensure the independence of these committees, the Nominating and Remuneration Committees each consist of four independent external directors, including the chair, as well as the CEO.

To foster a corporate culture that respects the opinions and perspectives of stakeholders, SoftBank has drafted and strictly enforces the Sustainability Basic Policy and the SoftBank Code of Corporate Conduct. The aim of these policies is to develop personnel who can achieve effective corporate governance while supporting corporate growth, so that SoftBank can build favorable relationships with all stakeholders and achieve a sustainable society.

SDGs Value Creation

1

Enhance Corporate Governance and Ensure its Effectiveness

SoftBank will achieve sustainable growth and increase corporate value over the medium to long term by strengthening corporate governance and ensuring management transparency, engaging in sincere and fair corporate governance that is trusted by society, preventing corruption and non-compliance and working to respect human rights in accordance with international standards.

Corporate Governance

Basic Policy

Under the basic concepts of "freedom, fairness and innovation" and our corporate philosophy "Information Revolution — Happiness for everyone," SoftBank attempts to maximize corporate value based on our Japanese telecommunications business and is committed to providing products and services utilizing cutting-edge technologies.

At the SoftBank Group, we recognize that ensuring the effectiveness of corporate governance is indispensable for realizing this vision. Thus, we are strengthening corporate governance based on the SoftBank Code of Corporate Conduct, through which we share our basic ideas and philosophy, as well as the various rules with which Group companies and their officers must comply.

Corporate Governance Structure

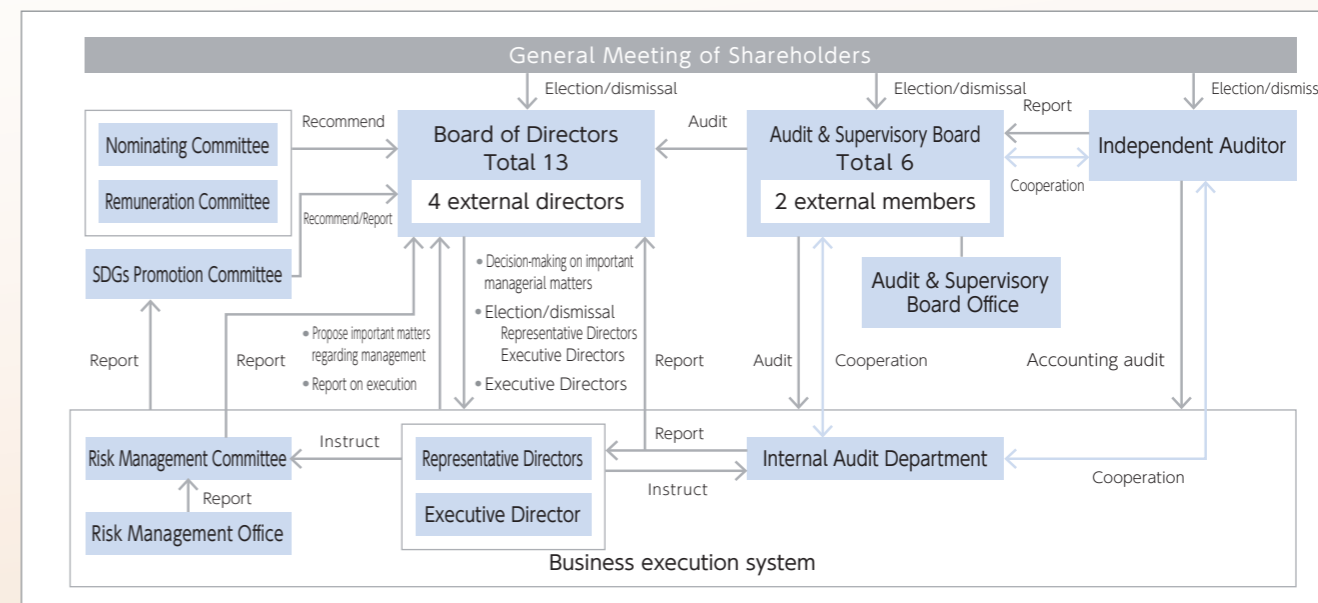
SoftBank's Board of Directors is a decision-making body for important matters and an oversight body for the status of business execution. The Board of Directors also plays a role in steering management to improve long-term enterprise value. At present, the Board of Directors consists of 13 directors, including six external directors, and makes management decisions following "appropriate investigation" and "thorough consideration."

In addition, the Company's Audit & Supervisory Board conducts efficient and effective audits regarding the status of execution of duties by directors. The Audit & Supervisory Board, consisting of

four Audit & Supervisory Board members, including two external Audit & Supervisory Board members, formulates auditing policies, plans and methods. Audit & Supervisory Board members carry out audit activities in accordance with this policy and plan.

Moreover, the Company introduced the executive officer system to ensure clarification of the management supervisory function, strengthening the business execution function of the Board of Directors, and expediting management goals. Thus, we selected the current system because, in our judgement, its corporate governance is functioning effectively.

Corporate Governance System



## Materiality 6 Developing a Resilient Management Foundation

### SDGs Value Creation (1) Enhance Corporate Governance and Ensure its Effectiveness

#### Board of Directors

The Board of Directors consists of 13 directors, including six external directors, and their terms of office last until the conclusion of the Annual General Meeting of Shareholders held with respect to the final fiscal year ending within one year after election.

The Company stipulates the maximum number of directors at 15 in the Articles of Incorporation. The Board of Directors elects director candidates who are considered the most suitable for the

#### Board of Directors

Ken Miyauchi	Representative Director & Chairman
Junichi Miyakawa	Representative Director
Jun Shimba	Representative Director
Yasuyuki Imai	Representative Director
Kazuhiko Fujihara	Director
Masayoshi Son	Founder and Director

\*Average attendance of meetings of the Board of Directors by Board members in FY2020 was 100%.  
 \*Average attendance of meetings of the Board of Directors by external directors in FY2020 was 100%.  
 (The above statement does not include Reiko Hishiyama and Naomi Koshi who were appointed as external directors on June 22, 2021.)

position, also taking into consideration their nationality, ethnicity, gender, or age, based on discussions by the Nominating Committee. At present, there are 13 directors serving, all of whom have a wealth of knowledge and experience regarding business management. Four Independent External Directors have been elected, and they hold constructive and lively discussions at the Board of Directors meetings from diverse perspectives, including outside perspectives.

Kentaro Kawabe	Director
Atsushi Horiba	External Director (Independent Officer)
Takehiro Kamigama	External Director (Independent Officer)
Kazuaki Oki	External Director (Independent Officer)
Kyoko Uemura	External Director (Independent Officer)
Reiko Hishiyama	External Director (Independent Officer)
Naomi Koshi	External Director

#### Evaluation of the Effectiveness of the Board of Directors

To enhance its continued effectiveness, in 2018 the Board of Directors began obtaining annual evaluations of its effectiveness with the support of third-party organizations. The Board contracted the third-party organizations to conduct the evaluation using questionnaire surveys, interviews and other

#### Evaluation Process

##### (1) Persons subject to evaluation

Three representative directors, four external directors and four Audit & Supervisory Board members

##### (2) Methods

Questionnaire surveys and interviews

##### (3) Evaluation period

January to June 2021

##### (4) Evaluation process

The evaluation of effectiveness in FY2020 took place according to the following schedule.

- January 2021 The Board of Directors deliberated on perspectives for evaluation and questionnaire items, taking the third-party organizations' opinions into consideration.
- February 2021 Questionnaires were distributed and collected (the third-party organizations tabulated and analyzed the data).
- March 2021 Based on the results of analysis of the questionnaires, the third-party organizations conducted interviews.
- April 2021 The Company received the third-party organizations' reports on the identified issues and suggested directions for improvement and the chair of the Board of Directors decided on the issues and proposed directions for improvement.
- June 2021 The Board of Directors decided on the issues and proposed directions for improvement in the evaluation of Board effectiveness for FY2021.

##### (5) Evaluation Perspectives

- Securing of an independent PDCA cycle for the Board of Directors (clarification of the Board's annual and medium-to-long-term targets; its qualities, knowledge and diversity; the appropriateness and sufficiency of its deliberation themes; the appropriateness and sufficiency of its remuneration and nomination processes; the sufficiency of its provision of information to external directors; the appropriateness and sufficiency of audits of its supervisory functions; etc.
- Key offensive and defensive themes regarding the supervisory activities of the Board of Directors (supervision of responses to the SDGs and ESG, supervision of expectations

approaches. The third-party organizations recognized that the Board of Directors and the Company's governance framework were generally in good order, thanks to improvement activities informed by the previous two evaluations, so the Board decided to request more substantial evaluations going forward.

and requests to stakeholders, supervision of the status of changes in business model, etc., supervision of Group governance and Group risk management, etc.)

##### III. Sufficiency of measures undertaken on issues from the previous fiscal year and status of improvement

##### (6) Results of evaluation

###### Summary

It was confirmed that the Board of Directors has more or less achieved the shape of corporate governance to which SoftBank aspires and that the Board is effective. The Board of Directors' balance of knowledge and skills and the sufficiency of its advance briefing and other provision of information to external directors received positive evaluations. The Board was particularly praised for its sense of urgency and the depth of its deliberations regarding supervision of matters such as the status of change of the Company's business model.

###### Status of response to issues from the previous fiscal year

Many opinions were received to the effect that the Board of Directors had improved overall regarding matters recognized as issues in the previous fiscal year's evaluation. In particular, the Board was praised for its sense of urgency in actions such as sharing the content of the deliberations of the Nominating Committee and establishing a reporting framework for efforts on the SDGs and ESG. On the other hand, many opinions were received to the effect that the further efforts were needed regarding the sufficiency of monitoring of Group-wide risk, as well as further strengthening of the Board's efforts in the conduct of Board meetings to generate deliberations of a more concrete nature.

###### Issues identified from the current fiscal year

- Adjusting Group strategy to the speed of its growth
- Strengthening supervision of risk-management execution
- Reserving time in Board meetings for strategy discussions and reflecting the views of external directors when setting the agenda for Board meetings, etc.

SoftBank is continuing to press ahead with efforts to enhance the effectiveness of the Board of Directors on these issues, in view of factors such as the Company's intended direction and the business environment.

#### Audit & Supervisory Board

The Audit & Supervisory Board consists of four members, two of whom are external members (two full-time members and two part-time members).

The Internal Audit & Supervisory Board members consist of one full-time member and one part-time member. The full-time Internal Audit & Supervisory Board member has extensive knowledge and experience in the fields of corporate governance and compliance accumulated through serving as an executive officer, CCO (Chief Compliance Officer), and head of the General Affairs Division of the Company, as well as in corporate management accumulated through serving as the president of a Group company. The part-time Internal Audit & Supervisory Board member is a certified public accountant and has extensive knowledge and experience in accounting, including many years in charge of the accounting unit of SoftBank Group Corp.

The external Audit & Supervisory Board members consist of one full-time member and one part-time member, both of which are fully independent. The full-time external Audit & Supervisory Board member has extensive experience in heading compliance and risk management divisions of a financial institution. The part-time external Audit & Supervisory Board member has extensive knowledge and experience as a certified public accountant. The Audit & Supervisory Board members, including the external Audit & Supervisory Board

members, attend Board of Directors meetings to monitor and verify the status of decision-making by the Board of Directors and the fulfillment of its supervisory duties over each director. They also audit the execution of duties by the directors, etc., as well as the directors and the Audit & Supervisory Board members of major subsidiaries, through regular interviews and other means.

The Audit & Supervisory Board establishes an audit policy, audit plan and priority audit items for each fiscal year. It meets once a month in principle, receives regular reports from each department related to the internal control system to confirm the status of the execution of duties by directors based on the priority audit items, and confirms the appropriateness of business execution. In addition, the Audit & Supervisory Board receives explanations of auditing policies and plans from the Accounting Auditor and exchanges information and opinions with them regarding those matters. It also receives reports from the Accounting Auditor regarding the progress and results of mid-year and year-end audits (including quarterly reviews) and exchanges information and opinions with them about those audits.

The Full-time Audit & Supervisory Board members exchange information and opinions with the Accounting Auditor on a monthly basis. When necessary, the full-time members also receive explanations on individual projects from Directors and others.

#### Basic Audit Policy and Priority Audit Items

##### 1. Basic Audit Policy

In accordance with laws, regulations, the Articles of Incorporation and the Audit & Supervisory Board Regulations, Audit & Supervisory Board members ensure the sound and sustainable growth of the Company by conducting audits of business execution by directors and perform duties to establish a high-quality corporate governance system able to earn the trust of society. We also strive to improve the efficiency and quality of audits through close cooperation with the Internal Audit Department, the Internal Control Division and the Independent Auditor. Furthermore, the Audit & Supervisory Board is conducted in accordance with Audit & Supervisory Board Rules and Audit & Supervisory Board Regulations.

##### 2. Priority Audit Items

- (1) Legality audit
- (2) Internal control system audit
- (3) Board of Directors decision-making audit
- (4) Information disclosure audit
- (5) Group management audit

- (6) Accounting auditor evaluation
- (7) IFRS, related accounting efforts confirmation
- (8) BCM, accident response confirmation
- (9) Radio wave governance trend response confirmation

#### Audit & Supervisory Board members

Eiji Shimagami	Full-time Audit & Supervisory Board Member
Yasuharu Yamada	Full-time external Audit & Supervisory Board member(Independent Officer)

Kazuko Kimiwada	Audit & Supervisory Board member
Kenichiro Abe	External Audit & Supervisory Board member(Independent Officer)

#### Support System for External Directors and External Audit & Supervisory Board members

The Company seeks to ensure that all officers, including the external Audit & Supervisory Board members, can participate fully in the Board of Directors meetings having fully grasped the specific details of the agenda for discussion. The secretariat to the Board of Directors therefore provides them with materials for the Board of Directors meetings beforehand, including supplemental briefings and

other information as required. In addition, the Audit & Supervisory Board Office has been established to support the duties of all Audit & Supervisory Board members, including external members. The office comprises dedicated personnel who act under the direction of the Audit & Supervisory Board members to gather information, investigate matters, and provide other assistance.

#### Internal Audit Department

The Internal Audit Department (28 members as of June 7, 2021) conducts internal audits of the overall duties of the Company as an organization directly under the CEO. The Internal Audit Department mainly evaluates business compliance with laws and regulations and effectiveness of internal controls, and reports the results of internal audits to the CEO and the Board of Directors of the Company while

explaining them to the Audit & Supervisory Board members. The Internal Audit Department also conducts audits of subsidiaries as a parent company in an effort to strengthen the governance of the entire Group in collaboration with the Audit Departments of Group companies. Furthermore, internal and external quality evaluations are conducted as an initiative aimed at improving audit quality.

## Materiality 6 Developing a Resilient Management Foundation

## SDGs Value Creation (1) Enhance Corporate Governance and Ensure its Effectiveness

## Nominating and Remuneration Committees

SoftBank voluntarily established the Nominating and Remuneration Committees as advisory bodies to the Board of Directors. The Nominating and Remuneration Committees comprise the CEO and four independent external directors (the four independent external directors are selected to serve on the committees by resolution of the Board of Directors) to ensure independence of the committees, deliberate proposals for the election and dismissal of directors, the nomination of representative directors, remuneration for directors and to make recommendations to the Board of Directors. The Board of Directors fully respect recommendations from these committees, using them as material for Board of Directors discussions.

## Nominating and Remuneration Committee members

	Nominating Committee	Remuneration Committee
Objective	Determine content of proposals upon deliberation on proposals for the election and dismissal of Board Directors and the nomination of Representative Directors at the General Meeting of Shareholders	Submits proposals to the Board of Directors on the remuneration of individual directors of the Company and on policy regarding remuneration of officers.
Chairman	Atsushi Horiba (external director)	
Composition (including committee chairman)	Atsushi Horiba (external director) Kazuaki Oki (external director)	Takehiro Kamigama (external director) Kyoko Uemura (external director) Junichi Miyakawa (CEO)

## Independence Evaluation Criteria

SoftBank selects independent external directors based on the independence criteria set forth by the Tokyo Stock Exchange. In addition to possessing qualities and abilities that contribute to enhancing corporate value and demonstrating extensive knowledge of each area of specialization, candidates for independent external director are selected for their ability actively participate in constructive Board of Director discussions and express opinions without hesitation. In selecting candidates for independent external director, the Board of Directors makes decisions in light of discussions with the Nominating Committee.

## Director Remuneration

The purpose of the remuneration policy for Company officers is to confirm that remunerations are at a competitive level compared to remuneration for managers of domestic companies of similar or greater business scale, based on surveys on remuneration for domestic company managers conducted by an independent organization.

Remuneration for External Board Directors, who are independent of business execution, Audit & Supervisory Board members, who audit the business execution of Board Directors, and External Audit & Supervisory Board members consists solely of fixed remuneration.

## Composition of Remuneration

Remuneration of board directors (except external directors) consists of basic remuneration plus performance-based remuneration. The purpose of this arrangement is to combine a fixed amount of remuneration with a variable amount that incentivizes Board Directors to improve both short-term business results and medium-to-long-term corporate value.

Both short-term and medium-term performance-based remunerations are paid in the form of shares with restriction on transfer.

## Method of Calculation of Short-term Performance-based Remuneration

The basic policy on the ratio of payment of basic remuneration to short-term performance-based remuneration is to maintain a ratio of 1: 2.3-3.2 between basic remuneration and short-term performance-based remuneration. The short-term performance-based remuneration is allowed to fluctuate within a range of 0-2.5 times the base amount by position, based on the Company's single-fiscal-year business results and the like.

The indicators adopted for determining whether board directors have accomplished their targets for short-term business results are net income and operating income attributable to owners of parent (consolidated basis) as well as the SDGs materialities targets\*. The degree of accomplishment of the SDGs materialities targets is added separately within a range of 0-5% to a coefficient calculated from the degree of accomplishment of the targets for net income and operating income.

## Method of Calculation of Medium-term Performance-based Remuneration

The basic policy on the ratio of payment of basic remuneration to medium-term performance-based remuneration is to maintain a ratio of 1: 1.7-2.1 between basic remuneration and medium-term performance-based remuneration. The medium-term performance-based remuneration is allowed to fluctuate within a range of 0-3.0 times the base amount by position, based on the Company's business results over the most recent three years and the like.

The indicator adopted for use in determining the degree of accomplishment of the target for medium-term business results is total shareholder return (TSR). The medium-term performance-based portion is allowed to fluctuate within a range of 0-3.0 times the indicator. The coefficient is calculated based on the ratio of the Company's TSR to its share price on TOPIX.

\*SDGs materiality targets: The adopted SDGs materiality targets are selected from six important themes identified as necessary for the sustainable growth of the Company. These include CAGR for rate of use of renewable energy for powering base stations with the aim of achieving Carbon-neutral 2030, percentage of the population covered by the 5G rollout plan and the target for deployment of DX solutions for social and industrial development.

## Total remuneration for directors and Audit &amp; Supervisory Board members with subtotals for each type of remuneration and numbers of recipients (FISCAL 2020)

Title	Total remuneration (¥ millions)	Subtotals for each type of remuneration (¥ millions)			Number of recipients	
		Basic remuneration	Performance-based remuneration <sup>1</sup> Cash payment	Share-based payment <sup>2</sup> Other <sup>3</sup>		
Directors (excluding external directors)	2,061	432	701	701	228	6
Audit & Supervisory Board members (excluding external Audit & Supervisory Board members)	17	17	—	—	—	1
External directors	48	48	—	—	—	4
External Audit & Supervisory Board members	22	22	—	—	—	2

\*This is the amount of payment of officers' remuneration for FY2020.

\*For details on the composition of remuneration paid in FY2020, please refer to the FY2020 Securities Report.

1. Performance-based remuneration comprises cash payment and share-based payment.
2. Remuneration in shares was conferred on July 20, 2021 as shares with restriction on transfer. It will be appropriated (as an expense) in the following consolidated accounting year.
3. In non-cash remuneration, etc., the amount appropriated (as an expense) in the consolidated fiscal year under review for stock options conferred in March 2018 is listed. This amount is different from the actual amount resulting from exercise or sale.

## Total Amount of Consolidated Remuneration and Other Compensation for Each SoftBank Officer (Fiscal 2020)

Name	Total consolidated remuneration (¥ millions)	Title	Company name	Subtotals for each type of remuneration (¥ millions)			Other
				Basic remuneration	Performance-based remuneration Cash payment	Share-based payment	
Ken Miyauchi	635	Director	Submitting company	120	228	228	59
Jun Shimba	373	Director	Submitting company	84	130	130	29
Yasuyuki Imai	373	Director	Submitting company	84	130	130	29
Junichi Miyakawa	373	Director	Submitting company	84	130	130	29
Kazuhiko Fujihara	250	Director	Submitting company	60	84	84	22
Kentaro Kawabe	265	Director	Z Holdings Corporation	85	112	68	—

\*This is the amount of payment of officers' remuneration for FY2020.

\*For details on the composition of remuneration paid in FY2020, please refer to the FY2020 Securities Report.

\*Only directors whose total consolidated remuneration and other compensation is ¥100 million or more.

## Avoiding Conflict of Interest

All transactions are approved after examinations by dedicated departments such as accounting, finance and legal affairs in light of the scale and importance of the transaction based on internal rules. Additionally, we have a system in which corporate auditors and internal audit departments continuously check details within the decision-making process.

Competing director industry transactions and transactions between

directors and companies, are determined as matters to be resolved in the Board of Directors Regulations, with the result of each transaction approved by the Board of Directors reported to the Board of Directors. In addition, related-party transactions are regularly monitored based on the Related Party Regulations, with the transaction status disclosed in securities reports and financial statements, and conflicts of interest supervised by the Board of Directors.

## Materiality 6 Developing a Resilient Management Foundation

## SDGs Value Creation (1) Enhance Corporate Governance and Ensure its Effectiveness

## Relationship with Parent Company

Our parent company, SoftBank Group Corp., holds 40.86% of the voting rights of the Company (as of March 31, 2021) through its subsidiary SoftBank Group Japan Co., Ltd. Three of the 13 directors of the Company are also directors of the parent company, and one of the four Audit & Supervisory Board members of the Company is also Senior Vice President of the parent company. In addition, among the investees of SoftBank Group Corp., and the corporate group including its subsidiaries (hereinafter, "SoftBank Group"), the Company enjoys the merits of belonging to the SoftBank Group, including efforts to expand new businesses through partnerships with companies that possess cutting-edge technologies and companies that provide solutions.

In preparation for our public listing in December 2018, the Company abolished parent company approval items and prior reporting items, reduced personal relationships such as concurrent posts of officers and employees, and eliminated the borrowing of funds from the parent company and debt guarantees among other measures taken to ensure independence from the parent company. As of June 2021, five independent external directors and two independent external Audit & Supervisory Board members have been appointed based on independence standards set by the Tokyo Stock Exchange, creating a system that enables business decisions and operations that are independent from the parent company.

## Internal Control System

## Basic views on Internal Control System and the Progress of System Development

The Company makes decisions on the following matters at the Board of Directors meetings in accordance with the Companies Act and an ordinance of the Ministry of Justice with regard to the system to ensure that the execution of duties by directors is in compliance with laws, regulations, and the Articles of Incorporation and the system to ensure the appropriateness of operations.

## The System to Ensure that the Execution of the Duties of Directors and Employees with Laws, and the Articles of Incorporation of the Company

The Company has established to prescribe the Compliance code of conduct to be followed by all directors and employees to ensure that corporate activities are appropriate based not only on compliance with laws and regulations, but also on high ethical standards, and has established the following structure to continuously reinforce the compliance system:

- (1) Appointment of a Chief Compliance Officer (CCO). The CCO proposes and carries out measures required to establish and enhance the Company's compliance system.
- (2) Established a department with authority over compliance to assist the CCO.
- (3) Personnel responsible for the Compliance Department and personnel promoting compliance are placed in each department for thorough compliance.
- (4) Established internal and external hotlines (the reporting contact office for compliance) for direct reporting and consultations by directors and employees, to quickly identify, rectify and prevent the recurrence of any inappropriate issues in corporate activities. The Company ensures that persons who have reported or consulted on the hotlines will not be treated disadvantageously by prohibiting the disadvantageous treatment of persons on the grounds of having reported or consulted on the hotline in the Compliance Regulations.
- (5) Audit & Supervisory Board members and the Audit & Supervisory Board submit requests for improvements to the Board of Directors, if

they identify issues in the system for compliance with laws, regulations, and the Articles of Incorporation.

## System for the Storage and Management of Information Regarding the Execution of Duties by Directors

The Company has established the following system to appropriately store and maintain information related to the execution of duties by directors:

- (1) The Company determines retention periods and methods and measures to prevent accidents, based on the Information Management Regulations, and classifies and appropriately stores these documents according to their degree of confidentiality.
- (2) A Chief Information Security Officer (CISO) is appointed as the person responsible for information security management, and persons responsible for information security are placed in each department to establish a system to store and maintain information, based on the Information Security Basic Regulations.
- (3) The Chief Data Officer Office has been established and a Chief Data Officer (CDO) has been appointed. In addition, policies and rules have been set out to manage and strategically utilize internal and external data, and the internal management system for handling secrecy of communication and personal information has been strengthened.

## Regulations and Systems Related to Risk Management

The Company has established the following system to avoid or minimize risk and to implement necessary measures related to the variety of risks in its business operations:

Based on the Risk Management Regulations, the risk management department summarizes the status of risk evaluation, analysis and response at each unit, and regularly reports its findings to the risk management committee consisting of representative directors and other committee members. The risk management committee determines the

degree of importance and owners of the risks, and confirms and promotes measures developed and taken by the risk owners, thereby reducing risks and preventing the occurrence of risk events. The risk management committee then regularly reports its findings to the Board of Directors. When an emergency situation arises, an Emergency Response Department will be established and efforts will be made to minimize the damage (loss) based on the instructions of the Emergency Response Department.

## System to Ensure the Efficiency of Directors in the Execution of their Duties

The Company has established the following structure to maintain an efficient management system:

- (1) The Company has set out the Board of Directors Rules to clarify matters to be resolved and reported by the Board of Directors, and the Internal Approval Regulations and other regulations related to institutional decision-making to clarify decision-making authority.
- (2) To strengthen functions for overseeing the execution of duties and enhance objectivity in management, the Board of Directors includes external directors who are independent of the Company.
- (3) To ensure that the directors can discuss matters fully at Board of Directors meetings, they are provided with materials for the meeting in advance, and with additional or supplementary materials upon their request.
- (4) The scope of operations, authority and responsibilities necessary for operations are clearly defined in the Regulations on Segregation and Authority of Duties.

## System to Ensure Appropriateness of the Operations of the Company and the Group

The Company shares fundamental concepts and policies throughout the Group and reinforces the management system and compliance in accordance with the SoftBank Code of Corporate Conduct, etc. established by its parent company. In addition, the following systems have been established to apply Group-wide rules to directors and employees of the SoftBank Group:

- (1) In establishing and reinforcing the compliance system of each Group company as well as implementing compliance, the CCO gives advice, instructions, and orders to CCO of each Group company to ensure that such activities comply with the Group's basic compliance policy. The reporting contact office for compliance has also been established to receive reports and provide consultation to directors and employees of the Group to quickly identify, rectify, and prevent the recurrence of any inappropriate issues in corporate activities. The Company ensures that persons who have reported or consulted on the hotline will not be treated disadvantageously by prohibiting the disadvantageous treatment of persons on the grounds of having reported or consulted on the hotline in the Compliance Regulations.

- (2) The Group Information Security Committee, composed of the persons responsible for information security in each Group company, shall be established to share information on system responses and the status of measures, knowledge and technology related to information security. This Committee is headed by the Chief Information Security Officer (CISO) who is responsible for information security in each Group company.
- (3) The representative of each Group company must submit a Representative Oath pertaining to the financial reports submitted to SoftBank Corp., which ensures the accuracy of the annual securities report and other reports submitted by the Group as a whole.
- (4) The Internal Audit Department comprehensively judges the results of past internal audits, financial position, and carries out internal audits of SoftBank and other Group companies deemed as having a high risk.
- (5) The Group addresses risks in an effort to reduce and prevent any possible risks. In addition, in the event of emergency, each Group company will be requested to immediately report to the Company based on the Risk Management Regulations, and efforts will be made to minimize damage (loss) through cooperation between the Company and Group companies depending on the circumstances.

## System for Excluding Organized Crime and Other Criminal Elements

The Company clearly states in the Regulations on Countermeasures against Antisocial Forces its policy of having absolutely no association with antisocial forces that pose a threat to public order and safety. The Company establishes an internal system against antisocial forces and has a responsible division in place to carry out overall management. For dealing with unreasonable requests from antisocial forces, the Company will firmly refuse those requests in a resolute manner in cooperation with the police and other external specialist institutions.

## Matters Relating to Employees Required to Assist Audit &amp; Supervisory Board members

The Company has established the Assistant to Audit Department as an organization to support the work of the Audit & Supervisory Board members, and assigns dedicated staff to this department. The appointment of the support staff is notified to the Audit & Supervisory Board members, and any personnel changes, evaluations, or other such actions require the agreement of the Audit & Supervisory Board members. In addition, directions and instructions to the support staff are issued by the Audit & Supervisory Board members to ensure the effectiveness of the instructions.

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**System for Reporting to the Audit & Supervisory Board Members by Directors and Employees and Other Systems for Reporting to the Audit & Supervisory Board Members**

Directors and employees will report the following matters to the Audit & Supervisory Board members or the Audit & Supervisory Board without delay (or immediately for any urgent matters including facts that may potentially cause severe damage to the Company):

- (1) Matters related to the compliance system or use of the reporting contact office for compliance.
- (2) Matters related to finance (including financial reporting and actual status to budget planning).
- (3) Matters related to human resources (including labor management).
- (4) The status of work related to risk matters on information security.
- (5) The status of work related to large-scale disaster and network disruption, etc.
- (6) The development status of internal control.
- (7) The status of work related to external fraud investigations.
- (8) Matters related to violations of laws, regulations, or the Articles of Incorporation.
- (9) Results of audits conducted by the Internal Audit Department.
- (10) Other matters which could cause significant damage to the Company and other matters that the Audit & Supervisory Board members have decided that need to be reported in order for them to execute their duties.

**Other systems to Ensure that the Audits by the Audit & Supervisory Board members are Conducted Effectively**

The following matters are provided as other systems to ensure that the audits by the Audit & Supervisory Board members are conducted effectively.

- (1) When the Audit & Supervisory Board members deem it necessary, opportunities shall be provided for them to interview directors or employees of the Group. In addition, the Audit & Supervisory Board members periodically meet with the Independent Auditor and the Audit & Supervisory Board members of major subsidiaries and other entities for an exchange of information and to ensure cooperation, and also attend important meetings.
- (2) The Company ensures a system that persons who have reported or consulted with the Audit & Supervisory Board members will not be treated disadvantageously on the grounds of having reported or consulted with the Audit & Supervisory Board members.
- (3) The Company shall pay expenses relating to the Independent Auditor, the attorneys and other professionals, and other expenses associated with the execution of duties by the Audit & Supervisory Board members.

**Overview of the Implementation Status of the System to Ensure the Appropriateness of the Operations**

**Matters Concerning Compliance**

The Company continues to conduct compliance training for its directors and employees, as well as offering information and giving advice, and so forth, as necessary, for enhancing the compliance system. In addition, the Company works to ensure the effectiveness of

compliance of the Company by establishing and operating hotlines so that directors and employees of the Company and its subsidiaries can report and consult directly. The effects of these measures are reviewed to make improvements, as necessary.

**Matters Concerning Risk**

Based on the Risk Management Regulations, the risk management department summarizes the status of risk evaluation, analysis and response at each unit, and regularly reports its findings to the risk management committee consisting of directors. The risk management committee determines the degree of importance and owners of the risks, and confirms and promotes measures developed and taken by the risk owners, thereby reducing risks and preventing the occurrence of risk events. The risk management committee then regularly reports its findings to the Board of Directors. Group companies also manage risks individually and continuously work on reducing risks and preventing the occurrence thereof.

**Matters Concerning Internal Audits**

The Internal Audit Department carries out audits on the effectiveness of the system for compliance with laws, regulations, and the Articles of Incorporation as well as the risk management process at the Company. In addition, the department continuously carries out audits of Group companies deemed as having a high risk and reports the results of the audits to the CEO each time.

Regarding overall sustainability activities, including the annual publication of Sustainability Reports and materiality KPIs, the accuracy of materiality KPI results is subject to internal audit, based on the status of preparations and operations in SDGs activities as well as the grounds for these activities. Audits are conducted on aspects such as internal workflows, approval processes and KPI selection methods.

**Matters Concerning the Execution of Duties by Directors and Employees**

The Company ensures efficiency in the execution of duties by its directors and employees based on internal regulations such as the Board of Directors Rules, Internal Approval Regulations and Regulations on Segregation and Authority of Duties. The Company also ensures an environment where matters can be fully discussed at the Board of Directors meetings by directors.

**The Audit & Supervisory Board members Attend the Company's Important Meetings and Arrange**

The Audit & Supervisory Board members attend the Company's important meetings and arrange opportunities to interview directors and employees of the Company and the Group, as necessary. In addition, they continue to enhance cooperation by holding regular meetings with the Independent Auditor and Audit & Supervisory Board members and other personnel of major subsidiaries. Through these efforts, the Audit & Supervisory Board members ensure the effectiveness of audits.

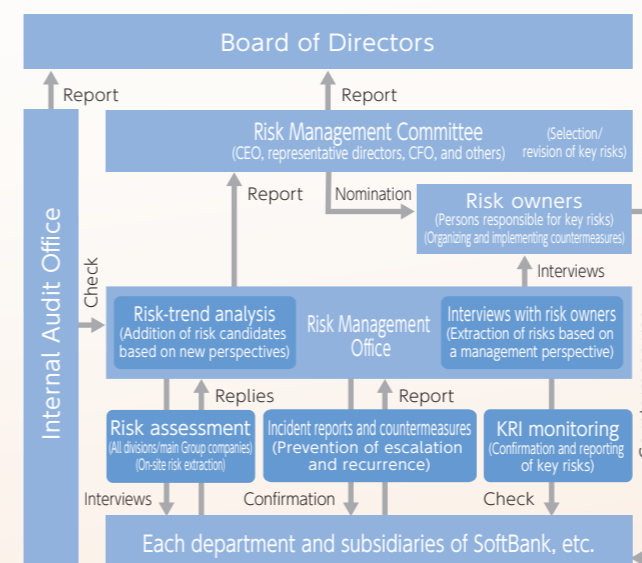
**Risk Management**

The corporate business environment is in constant flux, with risks becoming increasingly complex and diversified. Early detection and prompt countermeasures are effective for responding to risks. SoftBank established a system for identifying risks and implementing preventative countermeasures and regularly engages in the PDCA cycle in an effort to mitigate and avoid risks.

Risk management is included in the evaluation of the capabilities of managers and other employees.

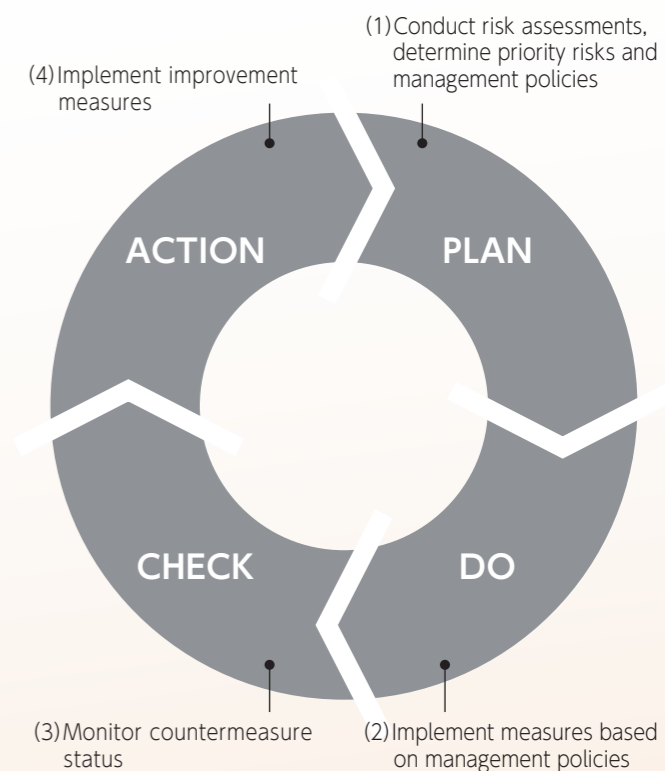
**Risk Management System**

To identify and prevent the emergence of Company-wide risks, SoftBank established a system of management that analyzes risks from various angles within the Company. In addition to conducting inspections including risks of department plans for various site measures, the Risk Management Office regularly conducts Company-wide and comprehensive risk assessments and checks on the status of countermeasures, all of which is reported to the Risk Management Committee (whose members include the CEO, representative directors, the CFO and others, with the participation of Audit & Supervisory Board members and related department managers). The Risk Management Committee determines the importance of risks and the responsible party (risk owner), provides instructions on countermeasures and reports the situation to the Board of Directors. The Internal Audit Department confirms the overall risk management system status from an independent standpoint.



**Risk Management Methods**

Company-wide risks are managed by (1) conducting annual risk assessments to identify risks so that the Risk Management Committee can determine the importance of risks and formulate management policies, (2) implementing risk countermeasures measures, (3) monitoring the progress of countermeasures implemented by the Risk Management Office, and (4) implementing the PDCA cycle to improve measures.



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Major Risks

A wide range of risks with the potential to obstruct SoftBank's operations significantly have been identified. We are working day by day to reduce and eliminate those risks.  
 \*The Risk Management Committee supervises major risks. This body is headed by Junichi Miyakawa, a representative director with extensive experience in information security.

Risk items	Example of typical risks	Risk mitigation measures
Communication-service risk Risks related to the provision of stable networks • Communication network failures	Risk of inability to maintain communication services quality due to increased traffic (volume) and the inability to secure the required frequency bands	Strengthen communication networks based on future traffic forecasts; introduce network redundancy and power outage countermeasures at network centers and base stations
Information-system risk Service outage and degradation risks due to related system failures • System failures	Risk of being unable to continuously provide services due to human error, equipment or system problems, cyber-attacks by third parties, hacking, or other unauthorized access in customer systems, smartphone payment service PayPay or other services	Establish network redundancy and clarify recovery procedures in the event of a failure or other accident
Information-security risk Risk that sensitive information, such as personal information, commercial secrets or technical information, may be leaked, or that Group products and services may be used inappropriately • Cyber-attacks and information leaks, loss and disappearance • Inappropriate management of information assets • Mismanagement of information by contractors	Risk of information leaks or loss due to intentional Group actions, negligence or unauthorized access such as cyber-attacks by a third party	Limit workplace areas related to confidential information and establish entry/exit management rules; monitor and prevent unauthorized access via cyber-attacks from outside the Company; separate and make independent access authority and network usage according to information security level
External environmental risks Risks related to changes in politics, economy, social conditions, regulations, market environments and competition with other companies • Domestic and international political conditions • Legal revisions, economic fluctuations • Interest and exchange rates • Financial markets • Demographic changes • Respect for human rights • Diversity • Climate change • Corporate social responsibility, etc.	Risk of competition for Group services due to expansion of MVNO market share, intensifying competition in the telecommunications industry due to new entrants, rapid spread of services by start-up companies	Introduce services, products and sales methods that suit consumer preferences
	Risks related to changes in technology and business models • Technological innovations • Status of competitors • Customer expectations	Risk that the Group will not be able to respond in a timely and appropriate manner to changes in the market environment, including the emergence of new technologies and business models such as 5G
Business judgement risk Risks of dependence on other companies' management resources • Other companies' management resources	Risks of dependence on other companies' management resources • Other companies' management resources	Risk that Group investee companies will not be able to achieve expected results; risk of business alliances and joint ventures not producing expected results
	Risks of dependence on other companies' management resources • Other companies' management resources	Risk of inability to maintain usage of communication line equipment owned by other businesses; risk of supply outages, delivery delays or other problems with the procurement of communication equipment
Labor and personnel risk Risks related to developing and retaining human resources • Human resources (recruitment, occupational changes) • Labor management (overwork, etc.)	Risk of not being able to retain human resources, such as engineers, required for business operations as planned	Introduce remuneration system that considers level of expertise for personnel with high market value
Legal and compliance risk Legal and compliance risks • Regulatory status of laws	Risk of violating laws and regulations; risk of introduction or revision of laws and regulations that may adversely affect the business	Monitor legal and regulatory revisions; consult with lawyers and other outside experts when necessary
Financial and accounting risk Financial and accounting risk • Liquidity and credit • Covenants, taxes and accounting	Risk of increased funding costs due to rising interest rates; risks due to changes in accounting and tax systems or impairment losses	Build financial base with sufficient funds by diversifying financing methods; consult with advisory tax accountants and other outside experts when necessary

Business Continuity Plans: Planning for Continuity of Business in the Event of Major Accidents or Disasters

Operation Plans for Disaster Management and the Like

SoftBank is working diligently to secure the safety of customers and provide stable communication services in the event of an unusual occurrence such as a natural disaster, terrorist attack or pandemic.

Disaster Management Operation Plan

The Basic Act on Disaster Management specifies the allocation of roles to national and local governments, the roles of designated public organizations and the frameworks for implementation in the event of disaster, etc., with the purposes of protecting the Japanese homeland and the Japanese people from damage to life, person and property, to frame the foundational principles of disaster preparedness, to maintain social order and to protect the public welfare.

As a public organization designated by the national government, we prepare a Disaster Management Operation Plan based on the Basic Act on Disaster Management. This plan establishes preventive measures and responses to disasters as well as frameworks to follow when disaster strikes. When disaster strikes, we will strictly follow the Disaster Management Operation Plan and coordinate with other related organizations.

[Details](#) Disaster Management Operation Plan 

Operation Plan for Measures Against Novel Influenza, etc.

The Act on Special Measures against Novel Influenza, etc. specifies the allocation of roles to national and local governments, the roles of designated public organizations and the frameworks for implementation in emergencies, with the purposes of protecting the lives and health of the Japanese people and minimizing the impact on the Japanese way of life and the Japanese economy by strengthening measures against COVID-19, etc.


As a nationally designated public organization, we prepare an operation plan based on the Act on Special Measures Against Novel Influenza, etc. and national-government action plans and the like. The operation plan will list the framework to follow before a disease outbreak begins and when it is nascent overseas, measures against infection and other matters. We will coordinate with other related organizations to implement the operation plan.

[Details](#) Operation Plan for Measures Against Novel Influenza, etc. 

Civil Protection Operation Plan

The Law Concerning the Measures for Protection of the People in Armed Attack Situations, etc. (Civil Protection Law) specifies the allocation of roles to national, prefectural and municipal governments, the roles of designated public organizations and the frameworks for implementation to protect the Japanese people, with the purposes of protecting the Japanese people from damage to life, person and property from armed attack and to minimize the impact on the Japanese way of life and the Japanese economy from armed attack.

As a public organization designated by the national government, we prepare a Civil Protection Operation Plan based on the Civil Protection Law. When terrorist or other armed attacks are foreseen or occur, we will strictly follow the Civil Protection Operation Plan and coordinate with other related organizations.

[Details](#) Civil Protection Operation Plan 



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Compliance

Basic Policy

Compliance at SoftBank Corp. is not merely about complying with laws and regulations, but also about meeting society's higher ethical and moral expectations. All our senior executives and employees at SoftBank Corp. are obliged to comply with the Code of Conduct which sets out rules and responsibilities for all members.

Compliance with the Code of Conduct is included in the evaluation of the capabilities of managers and other employees.

SoftBank Code of Conduct

1. Compliance Commitment

We have a high sense of ethics, follow all applicable laws and internal rules, and act in accordance with social common sense while also reporting and consulting with superiors or using the Compliance Hotline to resolve issues in the event that a violation or an act which is a potential violation is discovered.

2. Respect for Human Rights and Prohibition of Discrimination and Harassment

We respect human rights and do not tolerate discrimination or harassment on the basis of race, ethnicity, religion, nationality, birthplace, gender, gender identity and sexual orientation, age, disability, or illness.

3. Customer Satisfaction

We will provide products and services that meet the needs of our customers as well as accurate information on those products and services. We will also respond appropriately to customers' opinions and comments.

4. Commitment to Fair Business Practices

We conduct business activities through fair competition in the marketplace regardless of anticompetitive actions and maintain relationships with business partners that are fair and enable mutual development.

5. Proper use and management of company assets

We use and manage company assets in accordance with the proper rules, and we do not use them to obtain individual or unlawful benefits. Moreover, we do not engage in transactions involving conflicts of interest without the company's permission or insider trading.

6. Promotion of a Mutually Pleasant and Comfortable Working Environment

We recognize and respect each other's diversity to promote innovation throughout the company while also respecting diverse styles of work and striving to improve occupational safety and health to maintain and promote a working environment that is easy for anyone to work in.

7. Social Contribution and Environmental Conservation

We value resources and strive to preserve the global environment while also contributing to society in a sustainable manner through the resolution of social issues and dialog with local communities.

8. Respect for Intellectual Property Rights

We recognize the importance of intellectual property rights, and will respect the intellectual property rights of others, and promote the appropriate protection and utilization of our own intellectual property rights.

9. Protection of Information

We respect the privacy of our customers, business partners, and employees and protect and manage personal information, confidential information, and other information assets in the proper manner while also doing our best to protect such information from information security threats.

10. Appropriate Relationship with Politics and Government

We maintain appropriate relationships with political and governmental officials and do not take part in corruption or corrupt actions such as giving or receiving inappropriate gifts or entertainment.

11. Insulation from antisocial forces and criminal acts

We have no involvement whatsoever with antisocial forces or criminal acts such as money laundering.

Compliance Promotion Structure

By appointing the Chief Compliance Officer (CCO), the Board of Directors of SoftBank Corp. maintains a corporate compliance structure led by the CCO who establishes and strengthens the internal compliance structure through various means and initiatives. The CCO is assisted by the Compliance Department whose members further liaise with Compliance Promoters and Representatives in each business unit to ensure that our day-to-day operations are compliant with all relevant laws and regulations as well as our internal compliance policies.

The Compliance Department reports actual or potential compliance issues, which include matters concerning bribery

and corruption, on a regular basis to the CCO who is thus enabled to monitor and determine applicable actions to be made. In addition, the Compliance Department makes sure that these cases are reported regularly to the Board of Directors and the Statutory Auditors as necessary. The "SoftBank Code of Conduct" has been circulated to all employees (including temporary employees) at the SoftBank Corp. Group, including our subsidiaries and affiliated companies, to emphasize that the Group's expectations on compliance are shared and understood by everyone.

Hotline (Internal Reporting System)

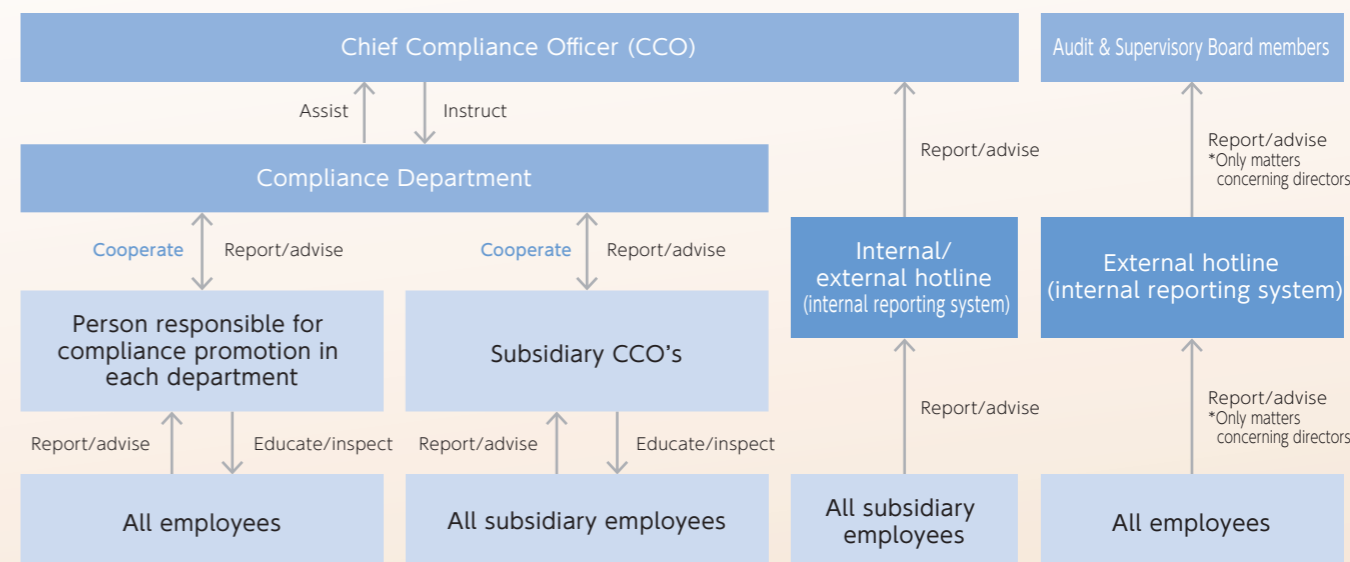
SoftBank Corp.'s Compliance Hotline is available to everyone, from executives to employees, business partners and subsidiaries. They are welcome to bring any potential or actual compliance violations to our attention through the Hotline. Our Compliance Hotline serves as a pipeline for the early discovery and prevention of all compliance issues including bribery and corruption. After the allegation is received, the Compliance Department will investigate and implement all necessary and appropriate measures as appropriate. We also guarantee that whistleblowers will be protected from any retaliation.

SoftBank Corp.'s Compliance Hotline accepts all inquiries and reports including anonymous ones through various methods—in

person or via phone, e-mail and post. We have two Hotlines, each managed by the Compliance Department and an outside law firm. Any allegations regarding senior executives can be presented to our Statutory Auditors, which is an independent body, free from any influence.

SoftBank Corp.'s Hotline was certified under the Consumer Affairs Agency's "Whistleblowing Compliance Management System" on February 28, 2020, as it was found to conform with the "Guideline for Private Enterprises Regarding the Development and Operation of Internal Reporting Systems Based on the Whistleblower Protection Act".

Compliance Promotion Structure



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Compliance Initiatives

Training

Training content and method of delivery vary depending on position and seniority as the content and scope of information is not the same for everyone. Hence, we prepare different training programs for recent graduates, new hires, managers and senior executives in consideration of their position and experience.

Topics include but are not limited to fake subcontracting, harassment and bribery, as we develop separate learning materials as new compliance risks are identified.

Compliance Awareness Month

Compliance Awareness Month is held annually for the purpose of enhancing the compliance awareness of all senior executives and employees. In addition to e-learning based on specific compliance topics familiar to officers and employees, we conduct a compliance test on the Company intranet in which many officers and employees participate every year to self-diagnose their degree of knowledge and understanding of compliance.

Corruption Prevention Initiatives

The SoftBank Code of Conduct states our determination in maintaining appropriate relationships with political and governmental officials, and prohibits any behavior that can be interpreted as a corrupt practice. We commit to conducting fair business practices on the premise of complying with anti-bribery laws and regulations in each jurisdiction. SoftBank strictly bans directors from engaging in corrupt practices as recommended by the Transparency International's "Business Principles for Countering Bribery".

All employees at SoftBank are obliged to comply with the Standard of Conduct on Maintaining Appropriate Relationships with Civil Servants and the Internal Approval Regulations. These two regulations prescribe procedures for gifts, entertainment and meals offered to governmental officials, agent appointment applications, political contributions and sponsorships; oblige us to keep records as appropriate; strictly ban us from paying any kind of facilitation fees; and prescribe the preparation and operation of mechanisms to ensure that employees do not engage in corrupt practices, either directly or indirectly. The Compliance Department regularly checks application procedures from a corruption-prevention perspective.

In fiscal 2020, there were no cases of legal action, fines or penalties related to corruption or bribery. All our business partners and suppliers are required to comply with the Supplier Ethics and Rules of Conduct, which prohibit them from engaging in any form of bribery.

Responsible Political Participation

SoftBank values responsible participation in politics and policymaking, which benefits our stakeholders as well as other members of society. This determination is reflected in our Code of Conduct, which includes a clause on how to maintain appropriate relationships with governmental officials.

SoftBank also maintains a neutral position with respect to political parties and politicians, and complies with the Public Offices Election Act, the Political Funds Control Act, and other political laws and regulations. Donations to individual politicians, which are prohibited by law, and donations to specific political groups and political parties in excess of the amount permitted by law, are strictly prohibited.

All political contributions are subject to approval by the Board of Directors and shall be disclosed on our website accordingly. No political contributions were made in fiscal 2020.

[Details](#) ESG Data Book 2021

Deployment of the Compliance Handbook

To foster deeper understanding of the Code of Conduct and ensure that correct practices are followed, employees are urged to read and make use of the Compliance Handbook, which lists explanations of laws and regulations along with case studies, along with other relevant information. The Compliance Handbook is published on the Company intranet, so that employees can make use of it at any time.

Fair Competition Initiatives

The SoftBank Code of Conduct stipulates that the Company avoid engaging in anti-competitive acts, conduct business activities through fair competition in the market, maintain fair and mutually developable relationships with business partners and ensure that all employees maintain compliance.

SoftBank's Code of Ethical Purchasing asks all business partners to comply with laws and regulations related to fair transactions, such as the Antimonopoly Act and the Subcontract Act, avoid engaging in any form of bribery and promote proper business operations.

Involvement with Antisocial Forces

In accordance with "Rules for Handling Antisocial Forces," SoftBank's policy is to have no involvement whatsoever with antisocial forces that threaten social order and safety.

We established an internal system regarding antisocial forces and have a dedicated department engaged in overall management.

If SoftBank receives unreasonable requests from antisocial forces, we will firmly refuse to acquiesce and adopt a resolute attitude in cooperation with the police and other external specialized agencies.

Intellectual Property

Intellectual Property Strategy

Based on our corporate philosophy "Information Revolution — Happiness for Everyone," SoftBank's basic policy is to enhance corporate value and contribute to ICT industry development by respecting the intellectual property of others and proactively creating, protecting and utilizing intellectual property.

Intellectual property strategy is the cornerstone of our R&D, business and sales strategies, and SoftBank believes that strengthening cooperation between each Company department and the Intellectual Property Department, and continuously revitalizing intellectual property activities will enhance the competitiveness of our services, contribute to the retention and expansion of customers and secure an advantage over our competitors.

Intellectual Property Initiatives

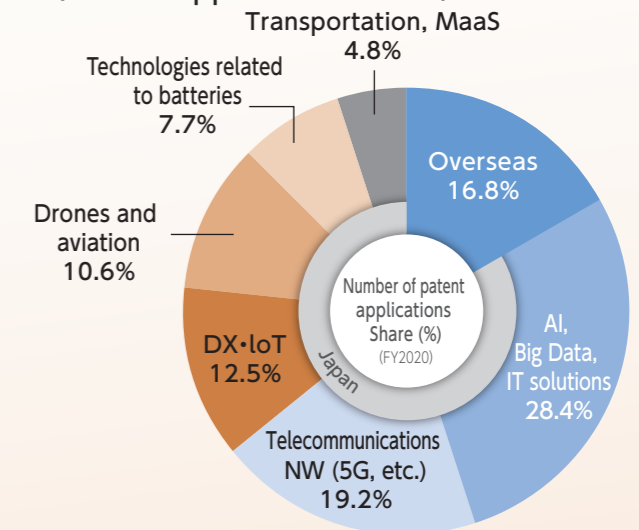
In protecting intellectual property, SoftBank complies with relevant laws and regulations, striving to proactively protect and utilize intellectual property based on internal rules regarding patents and trademark management.

In light of the Beyond Carrier Strategy advanced by SoftBank, as a result of focusing on patent applications in communication network technology as well as new business areas applying AI and IoT, in FY2020 we submitted a total of 208 patent applications in Japan and overseas.

Intellectual Property Initiatives Related to Employees

SoftBank maintains an intellectual property portal site on our Company intranet. In addition to e-learning that enables the systematic acquisition of basic knowledge regarding intellectual property, this portal site includes various columns on this subject as well as the status of intellectual property ownership. We also have a consultation desk and an infringement reporting desk to disseminate information and raise awareness about the importance of intellectual property. In this way, SoftBank promotes the creation of intellectual properties by employees while making efforts to prevent the infringement of intellectual properties owned by others.

Patent Application Status



## Materiality 6 Developing a Resilient Management Foundation

## SDGs Value Creation (1) Enhance Corporate Governance and Ensure its Effectiveness

## Tax Strategy

## Basic Policy

The SoftBank Corp. Group is striving to implement compliance practices in which each individual executive and employee possesses a strong sense of ethics and responsibility at all times. Within tax governance as well, business activities are conducted in a conscientious manner through responsible actions based on accounting regulations and the "SoftBank Code of Conduct." In addition to ensuring transparency in taxation matters, we aim to contribute to the growth of the economic society in every country and region that we operate in by complying with the tax laws and regulations in all countries of operation and paying taxes in a way which emphasizes fairness as well as by unequivocally adhering to the BEPS Actions and other forms of international tax compliance.

## Taxation Risks and Governance System

In addition to engaging in impartial and fair transactions domestically and overseas, we fulfill our responsibilities as a taxpayer while reducing taxation risks through appropriate and rational tax planning. We build sound relations with tax authorities, inquiring in advance when necessary. When differences of opinion arise, we strive to resolve the disagreement through constructive dialogue. A Chief Financial Officer (CFO), who is a Board Director, approves and is responsible for the management and policies of taxation practices. External advisors are also periodically consulted as part of the examination of taxation risks. We actively maintain the following systems regarding transfer pricing regulations and tax havens, particularly with respect to overseas-related transactions.

## Compliance with Transfer Pricing Regulations

We comply with the laws and regulations of each country in overseas transactions and take the appropriate measures for tax reform according to OECD Transfer Pricing Guidelines and each of the action plans within the BEPS project. To mitigate taxation risks, methods for aggregating information are devised by the addition of the Tax Group in overseas transactions along with verification and documentation that transactions are conducted according to the arm's length principle. In addition, we refrain from moving earnings to low-tax-rate countries solely for the purpose of tax avoidance, monitor whether overseas portfolio companies make investments in low-tax-rate countries, and maintain systems so as to be able to provide the appropriate reporting.

## Tax Haven Compliance

We do not engage in tax planning aimed at tax avoidance such as the use of tax havens through business entities that are not in accordance with business objectives and substance. When investing in countries with lower taxes or when the tax rate is lowered due to legislative amendments in countries or regions where we are developing our businesses, we determine whether tax haven countermeasures are applicable pursuant to the laws and regulations of each country. As a result, we apply tax payment by self-assessment in the event that we are subject to tax haven countermeasures.

[Details](#) [Income tax by region \(FY2020\) / Names of entities and primary activities](#)

## Support of Human Rights

## SoftBank's Human Rights Policy

## 1. Promises with respect to human rights

All of the executives and employees of SoftBank Corp. and its Group companies (hereinafter, "We") contribute to the development of a sustainable society by respecting human rights in every aspect of our corporate activities.

## 2. References and scope

We strive to avoid involvement in discrimination and the violation of human rights in all services, products, and business activities in accordance with the international principles of human rights<sup>1</sup>, while also requiring suppliers and business partners to respect and refrain from infringing on human rights under these principles.

## 3. Emphasis on diversity

We respect the diversity of the colleagues that we work with, and we do not tolerate discrimination or harassment on the basis of race, ethnicity, religion, nationality, birthplace, gender, gender identity and sexual orientation, age, disability, or illness. Opportunities shall be equal at all times, and hiring, placement, evaluation, remuneration, and promotion are conducted based on individual abilities, experience, and performance.

## 4. Prohibition of forced labor and child labor

We prohibit any and all forms of forced labor and human trafficking as well as child labor and undertake the revision and eradication of labor practices which violate human rights.

## 5. Respect for the freedom of association and the exercise of the right to collective bargaining

We respect the right to form labor unions based on the wishes of individual employees as well as the right to choose whether or not to participate, and we affirm the exercise of effective collective bargaining rights. The company shall negotiate in good faith through constructive dialog with labor representatives.

## 6. Benefits and wages

We endeavor to comply with applicable laws regarding wages, working hours, overtime, and benefits. In addition, we endeavor to reduce excessive working hours, beyond the level stipulated by legal compliance, and to provide employees with remuneration that exceeds living wages and is competitive when compared with other labor markets in the region and industry.

## 7. Employee safety and health preservation

We comply with the laws, regulations, and rules concerning safety and health while providing a sound and intelligent working environment, and maintain such compliance by implementing the appropriate measures with regard to health risks.

## 8. Freedom of expression and the protection of privacy

We recognize the freedom of expression and the importance of safeguarding privacy in telecommunications and on the Internet, and communications on social media, and take the utmost care not to infringe on such rights. In addition, we serve all customers in a fair and equitable manner while providing reliable and highly convenient services.

## 9. Initiatives and systems directed at the respect of human rights

We construct mechanisms that are effective countermeasures to prevent the violation of human rights by establishing the appropriate reporting point of contact. To evaluate the impact of business activities on human rights, we carry out human rights due diligence, continuously monitor impact, and report to the appropriate parties. In the unlikely event that business activities should have a negative impact on human rights, we shall respond appropriately using fair and equitable remedial actions to mitigate and resolve such effects.

## 10. Communication

The promotion of this Charter is under the jurisdiction of the Human Rights Committee, which includes the CEO, and the contents of the Charter shall be disseminated to all executives, employees, and external stakeholders through the proactive promotion of activities concerning the awareness of human rights.

1. Refers to the "Universal Declaration of Human Rights," "UN Guiding Principles on Business and Human Rights," "Children's Rights and Business Principles," and the "Eight Fundamental ILO Conventions<sup>2</sup>."

2. Eight Fundamental ILO Conventions:

- (1) Freedom of Association and Protection of the Right to Organise Convention
- (2) Right to Organise and Collective Bargaining Convention
- (3) Forced Labour Convention
- (4) Abolition of Forced Labour Convention
- (5) Minimum Age Convention
- (6) Worst Forms of Child Labour Convention
- (7) Equal Remuneration Convention
- (8) Discrimination (Employment and Occupation) Convention

## Materiality 6 Developing a Resilient Management Foundation

### SDGs Value Creation (1) Enhance Corporate Governance and Ensure its Effectiveness

#### Basic Approach

SoftBank respects human rights, and acts in accordance with international standards such as the Universal Declaration of Human Rights and the Guiding Principles on Business and Human Rights. Any and all discrimination or harassment on the basis of age, gender, nationality, or disability is prohibited, and we actively work to promote diversity so that each and every employee can demonstrate his or her unique characteristics and abilities.

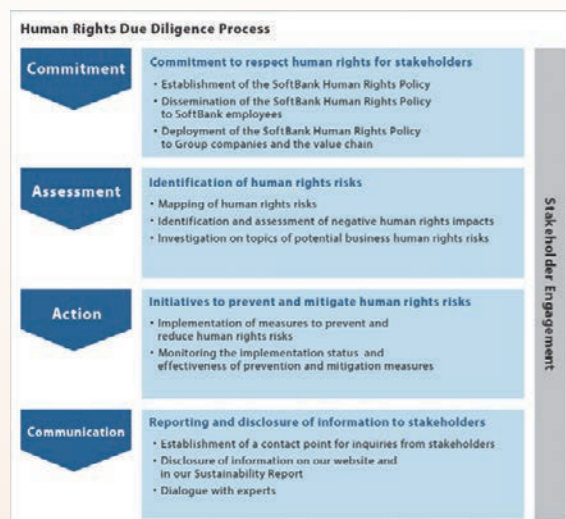
#### Promotion Structures

SoftBank's human rights education activities are based on the SoftBank Charter of Human Rights, which have received the approval of the Board of Directors. These activities are conducted mainly by the Human Rights Education Committee, which is chaired by President & CEO Ken Miyachi, and whose members include Directors in charge of the Consumer Business Unit, the Enterprise Business Unit, the Technology Unit, the Finances Unit, and the Human Resources & General Affairs Unit, as well as Heads of the Human Resources Division, the General Affairs Division, the Legal Division, and the CSR Division. By planning and conducting training on human rights, these Committee members manage due diligence surrounding human rights and ensure that everyone in the company has a thorough awareness of human rights. They also promote human rights education both within the company and among outside stakeholders, through day-to-day activities including investigations of, and responses to, items brought to the company's attention that might represent human rights violations.

#### Human-rights Due Diligence

##### Process for Human-rights Due Diligence

To respect the human rights of all stakeholders affected by its business activities, SoftBank has constructed a process for human-rights due diligence, in accordance with the United Nations Guiding Principles on Business and Human Rights.



#### Mapping Human-rights Risk

Drawing on exchanges of views with experts, SoftBank conducted mapping of human-rights issues that carry risk of negative impact arising from the Company's business activities or business relationships. SoftBank believes that the items listed below represent human-rights risks of high priority for counteraction by the Company. Guided by its process for human-rights due diligence, SoftBank is identifying and evaluating real and potential impacts on human rights.

We take appropriate measures to reduce potential risk. To address impacts on human rights that are already occurring, we grapple with solutions to eliminate the negative impacts and other problems. Where necessary, we undertake appropriate relief measures for the victims.

We continually review and update our list of mapping items.



#### Assessment to Identify Human-rights Risks

As part of its human-rights due diligence, SoftBank carries out assessments to identify human-rights risks in key segments.

#### Key themes in the FY2020 assessment and related segments

Key themes in the assessment	<ol style="list-style-type: none"> <li>Basic stance on human rights</li> <li>Respect for human rights and prohibition of discrimination</li> <li>Avoidance of complicity in and furtherance of human-rights violations</li> <li>Respect for the ways of life of indigenous peoples and for regional communities</li> </ol>
Related segments	<ol style="list-style-type: none"> <li>Value chain                             <ol style="list-style-type: none"> <li>Main suppliers</li> <li>Sales agents operating SoftBank Shops and Y!Mobile Shops</li> </ol> </li> <li>SoftBank employees</li> <li>SoftBank Group companies and affiliates</li> <li>Investors in joint ventures</li> </ol>

#### Assessment of Human Rights in the Value Chain

As part of our efforts with respect to the value chain, in FY2020 we asked our main suppliers, which have been supplying us for numerous years, and the sales agencies that run SoftBank Shops and Y!Mobile Shops, which are our main sales channels and contact points with customers, to carry out self-assessments on their efforts on human rights. In cases where human-rights risk is confirmed in the assessment, we conduct efforts to solve and correct the problems. SoftBank will continue to request these self-assessments on a regular basis, conducting continuous monitoring and proposing improvements, striving for further risk reduction.

[Details](#) Results of human-rights assessments in the value chain

[Details](#) Human-rights assessment items for sales agencies

#### Human-rights Assessments of SoftBank Employees

As part of its human-rights due diligence, SoftBank carries out employee interviews and questionnaire surveys. When problems are observed, SoftBank carries out direct or indirect relief measures.

Employee interviews	Since 2015, SoftBank's human-resources personnel been conducting interviews with all employees to assess employee working conditions (cumulative total: interviews with 23,700 people). If the interviews indicate that human-rights problems are occurring, the appropriate departments are promptly contacted and improvements are made in response. SoftBank will continue to conduct these interviews, maintaining dialogue with employees and striving to understand and improve workplace conditions.
Surveying employees about human rights	In 2020 SoftBank conducted a survey of 17,300 employees, with the aim of promoting understanding of the Company's human-rights policy and confirming whether human-rights violations were occurring at workplaces. The survey turned up no responses requesting relief for human-rights violations in the workplace. However, potential human-rights risk was identified for 260 employees; these employees were guided to contact points for consultation and efforts are being made to prevent human-rights violations. SoftBank will continue to carry out these surveys on an annual basis and will conduct continuous monitoring, in order to discover any harm from human-rights violations, provide prompt relief and carry out awareness-raising and training to reduce human-rights risk.

[Details](#) Questions in survey of employees on human rights

#### Human-rights Assessments of Group Companies and Affiliates

SoftBank conducted an assessment of 25 Group consolidated companies and 20 major affiliated companies to confirm the status of their efforts against major human-rights concerns. Issues included construction of frameworks for respecting human rights, prohibition of forced labor, prohibition of discrimination, prohibition of harassment, respect for the right to organize and prohibition on child labor. The survey turned up no current impact on human rights. However, potential human-rights risk was identified for five companies; these companies were asked to make improvements. SoftBank will continue to put the results of these assessments to work in promoting improvements on an individual-company basis and fostering close liaison among Group companies.

[Details](#) Items in human-rights assessments of Group companies and affiliated companies

#### Human-Rights Assessments When Considering Investment in Joint Ventures

In addition to assessing human rights in existing business activities, SoftBank carries out human-rights assessments of new business ventures. Important items covered in the assessment included prohibition of forced labor, prohibition of discrimination, prohibition of harassment, respect for the right to organize and prohibition on child labor. A passing grade on this assessment is one of SoftBank's criteria for considering investment.

[Details](#) Items in human-rights assessments when considering investment in joint ventures

#### Three Contact Points for Consultation

SoftBank provides contact points for consultation with all Company stakeholders (customers, suppliers, people who work in the Company's supply chains, employees, etc.). These contact points provide a mechanism for effectively learning about and responding to human-rights problems in business activities.

In FY2020, a total of 12 cases of harassment and other violations of human rights occurred, resulting in disciplinary action against the offending parties. In each case, SoftBank conducted a survey of the facts of the case in a way that did not cause disadvantage to the consulting party. Appropriate responses were taken in accordance with internal regulations and measures were drawn up to prevent recurrence of similar cases. In cases of human-rights violations arising from workplace harassment in FY2020, SoftBank considered and implemented appropriate disciplinary actions against the offending parties, revised the content of its harassment-prevention seminars for all employees in view of the cases, and enhanced the content of the seminars in terms of types of harassment, its impact and the case studies used to illustrate them.

#### Contact Points for Consultation on Human Rights

SoftBank has established permanent contact points to receive opinions from and consult with stakeholders about human rights. When problems are pointed out through the contact points, SoftBank promptly investigates. In the event that a violation of human rights is indeed confirmed through such an investigation, SoftBank promptly provides relief to the victim and corrects the problem to prevent its recurrence.

When individuals consult with SoftBank regarding possible violations of human rights, the confidentiality of their personal information, views and discussions is strictly maintained and is not divulged to any parties within or outside SoftBank without the consent of those individuals.

Materiality 6 Developing a Resilient Management Foundation

SDGs Value Creation (1) Enhance Corporate Governance and Ensure its Effectiveness

Compliance Hotline

SoftBank has established a Compliance Hotline for the use of all employees working in the SoftBank Group (directors, full-time employees, employees accepted on secondment, commissioned employees, contract employees, temporary employees, etc.), which they can use to seek consultation about compliance violations, including human-rights problems. The privacy of everyone who seeks consultation through the Compliance Hotline is strictly protected. Anonymous consultations are also welcomed.

SoftBank's Hotline was certified under the Consumer Affairs Agency's "Whistleblowing Compliance Management System" on February 28, 2020, as it was found to conform with the "Guideline for Private Enterprises Regarding the Development and Operation of Internal Reporting Systems Based on the Whistleblower Protection Act".

Contact Points for Consultation on Harassment

The SoftBank Group takes all reports of harassment seriously. When individuals consult with us on harassment issues, we observe strict confidentiality to protect them from repercussions as we take respond appropriately, such as conducting necessary investigations, providing relief and implementing measures to prevent recurrence. Guided by this commitment, the Group has established Contact Points for Consultation on Harassment, for the use of all employees working in the SoftBank Group (directors, full-time employees, employees accepted on secondment, commissioned employees, contract employees, temporary employees, etc.)

All cases consulted on or reported to the contact points are investigated by the Human Resources Department, taking great care to protect the privacy of the consulting individual. If an investigation confirms that harassment has occurred, the Disciplinary Review Committee deliberates on the appropriate penalty for the offending person. Meanwhile, the problem is corrected promptly relief is provided to the consulting person and appropriate measures are implemented to prevent recurrence. The details of the case are managed with the strictest care, with no reports divulged to third parties without the express consent of the consulting person.

Measures Related to Human Rights

Stakeholder Dialogue

To identify human-rights problems unique to our business, in 2020 we conducted two stakeholder-dialogue events. In this series of dialogues, discussions were held based on the recommendations of experts on two themes: the role that telecommunication companies should play in respecting privacy; and human-rights issues brought about by technological development. Through vigorous debate, the participants succeeded in clarifying the roles that must be fulfilled and the issues unique to SoftBank's business that must be addressed with high priority.

Building on the results of this process of dialogue, we are reinforcing our measures to address human-rights problems that are closely related to our business in these times and continuing discussions with stakeholders to identify human-rights problems unique to our business.

Topic	Speaker	Description
1st Stakeholder Dialogue: August 24, 2020	Keiichi Ushijima; Part-time lecturer, Tohoku University Graduate School	"The role of communication carriers in promoting respect for privacy" - Current trends surrounding human rights issues - Potential human rights risks identified by SoftBank - Ideas for SoftBank's future activities
2nd Stakeholder Dialogue: August 31, 2020	Daisuke Takahashi; Attorney, Shinwa Sohgo Law Offices	"Human rights issues brought about by technology developments" - Effects of AI and other technologies on human rights (e.g., the human rights of socially vulnerable people, privacy, freedom of expression) - The importance of promoting activities targeting human rights issues (human rights due diligence, mechanisms for responding to complaints)

Human Rights Education and Training

The "SoftBank Code of Conduct" stipulates respect for human rights and a prohibition of discrimination and harassment, and at the same time cultivates an awareness of the importance of human rights within the company, by offering human rights education and training for employees. In addition to training that targets specific levels, such as new employee training and training for newly appointed managers, all employees in management positions and above undergo both regular training and training upon receiving promotions, regarding methods for responding to consultations and reports on bullying or harassment incidents.

Training Conducted in 2020

Name	Trainees	Type of training
Compliance training for new hires	Mid-career hires / New employees	e-Learning
Pledging adherence to the SoftBank Code of Conduct	All employees	Other
Compliance training (orientation for mid-career hires)	Mid-career hires	Group training
Harassment prevention course (on abuse of power, sexual harassment)	All employees	e-Learning
Course on prevention of harassment (LGBT version)	All employees	e-Learning
Work instructions in remote work/training on remote harassment	All employees	e-Learning
Compliance magazine (cautions regarding remote harassment)	All employees	Other
Training for newly appointed managers	Newly appointed managers	e-Learning
Compliance training for management executives (on harassment)	Managers; General Manager level and above	Group training
Compliance test	All employees	e-Learning

Promoting Diversity

SoftBank is working hard to foster opportunities and environments in which a diverse workforce can put their individuality and talents to work, regardless of age, gender, nationality or presence/absence of disability. At SoftBank, positions and treatment are determined based on fair evaluations of people based on their roles, results and capabilities.

We aim to create an organization in which all employees unite in efforts to achieve the Corporate Philosophy, reinforcing and complementing each other's strengths, thinking creatively and sharing ideas freely to generate innovation.

To promote in-house diversity, we confront issues in each of our organizational structures. The Diversity Promotion Section, a dedicated organization of the Human Resources Division, spearheads this effort by providing all employees with e-learning resources on unconscious bias and offering diversity-management training to managers, among other efforts.

Measures Against Overwork

SoftBank is committed to strict compliance with the "three-six agreement," the Company's agreement with employees on work hours and overtime based on Article 36 of Japan's Labor Standards Act. In that spirit, we assess our risk of generating overwork and undertakes corrective measures. In one specific measure, we use our attendance-management system to run simulations of monthly and yearly work hours. When a simulation identifies employees who are particularly expected to work long hours, we confirm individual conditions, explore ways of addressing the situation and submit reports to the appropriate management level, to rectify those employees' work hours.

We assess actual working conditions through regular surveys of all employees regarding free overtime and raise awareness through surveys of employee attitudes concerning overtime work. By reporting regularly to management meetings and the Health and Safety Committee about these initiatives and conditions surrounding overwork, we are able to strengthen the initiatives while verifying the effects of risk reduction.

Participation in International Initiatives

To further strengthen SoftBank's human rights education activities, we have signed the United Nations Global Compact (a non-binding agreement that encourages businesses to adopt sustainable and socially responsible policies), and we exchange opinions with outside stakeholders and companies with similar aspirations. Through the UN Global Compact, we participate in Human Rights Due Diligence Workshops as part of efforts to promote awareness as a corporate citizen and engage in ongoing dialogue about critical human rights issues.

Participation in the Tokyo Business Liaison Council on Human-rights Enlightenment

SoftBank participates in the Tokyo Business Liaison Council on Human-rights Enlightenment, a forum that brings together 123 companies headquartered in Tokyo (with a combined workforce of some 1.5 million people). The Council spearheads a wide range of initiatives, in coordination with government agencies and business organizations, aimed at addressing social-integration and other human-rights issues from a corporate perspective.

# 2 SDGs Value Creation Sustainable Growth through Cooperation with Stakeholders

We will engage in co-creation through ongoing dialogue and appropriate information disclosure to all stakeholders in relation to business activities, and contribute to the growth of a sustainable society by taking on social issues and making optimal decisions throughout the entire supply chain.

## Supply Chain Management

### Procurement Policy

Based on SoftBank's corporate philosophy of "Information Revolution — Happiness for Everyone," we will strive to be a lifestyle-driven company that makes people's lives richer and more enjoyable. To achieve these goals, we will conduct purchasing activities based on the following policies.

#### 1. Provision of fair opportunities for competition

We will disclose information on purchasing transactions appropriately, and at the appropriate time, in order to provide fair competitive opportunities for all business partners and suppliers worldwide who wish to engage in these purchasing transactions, and we will avoid reciprocal dealings or excessive reliance on a specified supplier.

#### 2. Selection of business partners based on rational and clear criteria

As a rule, we will obtain proposals and quotations from multiple business partners and suppliers, and choose suppliers based on clear and logical standards, such as quality, price, delivery, stable supply, and reliability. Furthermore, decisions related to the selection of suppliers will be made by the Procurement Division, independently from other divisions.

#### 3. Compliance with laws

When engaging in procurement transactions, we will comply with all related laws and regulations, including antitrust laws and the Act Against Delay in 'Payment, etc.' to Subcontractors," and we will not undertake transactions that violate rights, such as third-party intellectual property rights.

#### 4. Management of confidential information provided by business partners

Based on an awareness of the value of confidential information provided by business partners and suppliers, we will handle such information in the same way as our own confidential information, and will not disclose it to any third party without prior approval.

#### 5. Mutual confidence-building with business partners

We place great value on communications with business partners and suppliers, and shall make every effort to build mutual trust relationships.

#### 6. Green procurement

We will be conscious of environmental protection, procuring products and services with minimal environmental impact.

#### 7. Prohibition of mixing private relations

We will not maintain private relationships with any business partners or suppliers, nor maintain personal interests in these entities.

#### 8. Positive evaluation of CSR efforts by business partners

As we carry out our business activities, we place great importance on fulfilling our social responsibilities throughout all aspects of the supply chain, including business partners and suppliers. With this in mind, we will actively and appropriately recognize cooperation with our own CSR activities, as well as CSR efforts undertaken by business partners and suppliers.

As a rule, we will use electronic transaction systems to promote the above procurement activities.

### Code of Ethical Purchasing

To maintain a balance of environmental, social, and economic considerations, and to contribute to sustainable growth, SoftBank conducts autonomous activities based on the perspective of "Corporate Social Responsibility" (CSR) in transactions and activities with all interested parties (shareholders, employees, customers, business partners and suppliers, government agencies), and asks that interested parties in the supply chain also act based on a CSR perspective.

At its core, CSR is to be undertaken autonomously, but for SoftBank to provide customers with safe, reliable, and valuable products and services, it is essential that we have the cooperation of business partners and supplier companies in SoftBank's supply chain.

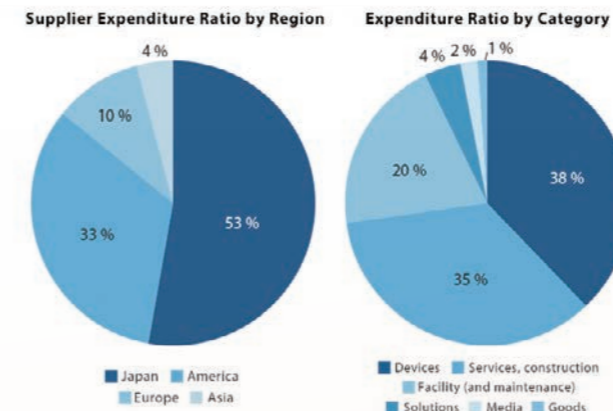
Based on this approach, SoftBank has stipulated a "Code of Ethical Purchasing," and asks business partners to adopt this code proactively.

We also ask that business partners and suppliers comply with this code not only in their in-house operations, but in activities that involve their own suppliers as well.

## Overview of Supply Chains

### Status of Supply Chains

SoftBank's supply chains extend to a wide array of countries and regions around the world. In FY2019, the distribution of Company expenditure on suppliers was concentrated 57% in Japan, followed by 31% in the Americas, 8% in Europe and 4% in Asia ex-Japan. By category, SoftBank's expenditure on suppliers consisted of 37% for handsets, 35% for services and construction, 17% for equipment (including maintenance) and 11% for other items.



### Selection of Suppliers

SoftBank mitigates risk in its supply chains by driving the PDCA cycle. As part of this process, we establish the Supplier Ethics and Rules of Conduct, conduct risk assessment through sustainable-procurement surveys, evaluate suppliers and identify related issues, and conduct interviews with suppliers. When starting a business relationship with a new supplier, before conducting business SoftBank evaluates and selects suppliers according to its Purchasing Regulations and concludes a basic supplier contract that stipulates strict compliance with the Supplier Ethics and Rules of Conduct.



### Key Suppliers

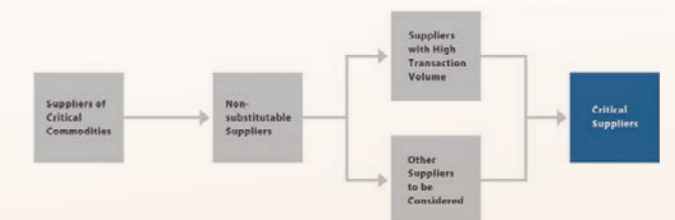
Cultivating sound relationships with a wide range of suppliers is of vital importance to SoftBank's business activities.

SoftBank's stable of suppliers currently numbers over 2,000 companies worldwide. In supply-chain management, we designate key suppliers based on factors such as transaction volume and whether other suppliers can be used as an alternative. By designating certain suppliers as key suppliers from the diverse range of suppliers that work with us, we maintain appropriate supply-chain management.

### Criteria for Selecting Key Suppliers

The suppliers handle important products	The supplier handles products and components that are important in supporting SoftBank's core operations in domestic communications (mobile and fixed-line communications), such as wireless handsets, base stations and network equipment.
The Suppliers that cannot be replaced	The suppliers cannot be replaced (if substitute products are fundamentally not available on the market, or if supply chains are broken for extended periods of time, SoftBank's core business can become critically damaged).
The suppliers have high transaction volumes	The suppliers have transaction volumes of a certain value or higher.
Other suppliers that merit consideration	Suppliers that may bring significant impact on the Company if risk is actualized

### Designation Process



## Materiality 6 Developing a Resilient Management Foundation

## SDGs Value Creation (2) Sustainable Growth through Cooperation with Stakeholders

## Construction of a Sustainable Supply Chain

## Sustainable Procurement Surveys

SoftBank identifies sustainability risks in its supply chains and conducts annual sustainable-procurement surveys of its main suppliers to deal with them appropriately. The Company targets a rate of return of completed sustainability-survey questionnaires of 90% or greater every year.

In FY2020, SoftBank conducted a survey adopting the Self-assessment Questionnaire (SAQ)\* prepared in 2017 by UN Global Compact Network Japan (GCNJ), the Japan chapter of the United Nations initiative on corporate sustainability. Analysis of the survey results revealed a number of items that required improvement. For these items, SoftBank is working with suppliers to advance improvements and monitoring the situation. The rate of return of the completed sustainability-survey questionnaires in FY2020 was 92%.

\*The SAQ consists of nine core items extracted from the Ten Principles of the UN Global Compact, international guidelines such as ISO26000, and CSR questionnaires used in certain industries. It is designed to enable buyers and suppliers to use it in common regardless of industry.

[Details](#) Overview of the FY2020 sustainability survey 

## Responsible Mineral Procurement

To fulfill our social responsibilities in procurement activities, we are working closely with suppliers to ensure that our products are not made using conflict minerals, which provide a source of funding for anti-government forces that are infringing on human rights.

Specifically, the Supplier Ethics and Rules of Conduct stipulate that suppliers must not use conflict minerals (tantalum, tin, tungsten and gold) that provide a source of funding for anti-government forces infringing on human rights in the Democratic Republic of the Congo and surrounding countries. Suppliers are asked to comply strictly with this code.

## Measures for Enhancement

## Collaboration with Other Companies Through Participation in Related Initiatives

SoftBank participates in the Supply Chain Subcommittee of GCNJ. Collaborating through this Subcommittee with companies in a wide range of industries, SoftBank shares practical issues related to social and environmental problems, such as human-rights violations in supply chains, and produces outputs to support those solutions. The aim of these efforts is to achieve sustainable supply-chain management across a broad swath of industries.

## Communication with Suppliers

SoftBank presents briefings to suppliers, in which we reiterate our request that suppliers adhere to the Supplier Ethics and Rules of Conduct and makes efforts to improve awareness of CSR throughout suppliers' organizations. In FY2020, a total of 20 key suppliers took part in these briefings. By explaining the commitments prescribed in the Supplier Ethics and Rules of Conduct, SoftBank encouraged suppliers to engage in efforts contributing to the environment and communities and to build frameworks to strengthen information security and advance fair business practices.

Since 2014, as part of annual evaluations of suppliers for major wireless-handset manufacturers, SoftBank engages in regular interdepartmental exchanges of views with these companies, including with officers. SoftBank shares the results of evaluations directly with the suppliers, focusing on the perspectives of technology, quality, delivery, finances, purchasing and CSR. These exchanges of views are a continuous activity in which SoftBank's suppliers and the Company's technology and purchasing sectors work as a team to improve ethical purchasing.

## Bolstering the Skills of People in Charge of Purchasing

When SoftBank negotiates with various suppliers to procure goods, the Company strives to achieve continuing, stable procurement through fair, impartial and transparent dealings. With this goal in mind, SoftBank provides annual basic training to personnel in charge of purchasing (for example, training on the provisions of the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors) and conducts basic training for newly hired purchasing personnel. To improve procurement and purchasing skills, SoftBank encourages people in charge of purchasing to obtain outside qualifications as certified purchasing professionals (CPPs)\*. In addition, the Company provides training to purchasers on topics such as the Supplier Ethics and Rules of Conduct, including targets for sustainable procurement in the performance evaluations of personnel in charge of purchasing. Going forward, SoftBank will strive to improve these employees' knowledge and awareness of sustainable procurement.

\*This qualification measures employees' grasp of the knowledge required for procurement duties.

## E-commerce Systems

To advance its purchasing activities, SoftBank is implementing Web-EDI as its e-commerce system. Electronic data interchange (EDI) is a data-interchange format used exclusively for business-to-business (B2B) transactions. At SoftBank, we use separate online systems for estimates, contracts and acceptance inspection. Using EDI provides several benefits, such as cutting costs, streamlining operations and strengthening controls. SoftBank conducted 90% of its order placement by EDI in FY2020 and aims to raise this percentage still further in fiscal 2021 and subsequent years.

\*EDI=Electronic Data Interchange

## 100% Use of Electronic Signatures Achieved as Promised in Contract Procedures between Yahoo Japan and Private-sector Business Partners

To eliminate the physical affixation of seals on official documents during the COVID-19 pandemic, as well as to advance DX as a means of making society better through digital technology, in May 2020 Yahoo Japan, a SoftBank Group company, declared that it would switch 100% of contract procedures in private-sector transactions to electronic signatures by March 31, 2021.

To accomplish this target, Yahoo Japan converted a wide range of contract documents to electronic form and provided guidance to business partners on the use of electronic signatures.

As a result, Yahoo Japan accomplished its goal of switching 100% of contract procedures in private-sector transactions to electronic signatures by March 31, 2021. Yahoo Japan will continue to make efforts to raise awareness and encourage companies across Japan to introduce electronic signatures.

## Stakeholder Engagement

## Approach

SoftBank's business activities involve diverse stakeholders. To achieve continuous growth, it must build good relationships with those stakeholders, and create value for society with them as well. SoftBank and the SoftBank Group are implementing stakeholder engagement based on the following approach.

## Activities

To incorporate the views of stakeholders into their business activities, SoftBank and the SoftBank Group establish contact points tailored to the needs of each stakeholder and create mechanisms through which these precious views can be fed back to the management of SoftBank and the SoftBank Group.

SoftBank and SoftBank Group companies will monitor the results of stakeholder engagement, including comments received through these various contact points, and will use these results to improve its day-to-day business activities, based on the promotion structures supervised by the Director in charge of sustainability. To ensure that comments are delivered accurately to top management, opinions are summarized by the respective divisions in charge, and that information is shared regularly with Directors and conferral bodies, including the Board of Directors and other management meetings. The results of stakeholder engagement are also shared with other related shareholders as deemed necessary, for example in the form of reports.

Measures are also planned and proposed to maintain and strengthen individual engagements, not only to create new business opportunities, but also taking risks into consideration. Engagement can be affected by a variety of factors, such as the degree of participation or differences of opinion among stakeholders. We continue to take appropriate corrective measures in cases where there are substantial risks, to achieve more effective engagement.

It is important to ensure that the engagement process is not hindered by language barriers or difficulties in grasping specialized content. SoftBank's website offers English functions and provides a wide range of information so that engagement is fully accessible to all stakeholders.

Materiality 6 Developing a Resilient Management Foundation

SDGs Value Creation (2) Sustainable Growth through Cooperation with Stakeholders

Examples of Stakeholder Engagement

Involvement with Stakeholders

Stakeholder	Relationship	Engagement methods
Customers	To increase customer satisfaction, shop crews and contact centers will work every day to increase the quality of services and network environments.	Customer contact points Website, social media Shops, smart phone classes
Shareholders	To earn the trust of shareholders, we will strive for corporate management performance and accurate information disclosure that meets shareholders' expectations.	Annual General Meetings of Shareholders IR briefings (earnings results briefings, briefings for individual investors, business briefings) Integrated reports / Sustainability reports Shareholder Tsushin (News) One-on-one meetings about IR/SR activities Website
Business partners	We will build good and fair relationships with business partners, and strive to mutually evolve and increase corporate value by resolving CSR issues together.	Supplier briefings Website Integrated reports / Sustainability reports
Employees	We recognize the importance of job satisfaction and employee motivation, and demonstrate this by building energetic work environments and supporting employees' social contribution activities.	Exchanges of opinions with labor unions Diversity Café Training and seminars Employee Satisfaction surveys, "Pulse" surveys Compliance Awareness Month Contact points for in-house and external consultations Intranet / Employee newsletters
Regional community	We promote dialogs and provide appropriate explanations to residents in local communities, for example regarding the construction of new base station facilities.	Website Briefings for regional residents Visits to municipalities / explanations
Japanese government / Government agencies / Industry organizations	We will achieve growth as a company that competes fairly and complies with all relevant laws and regulations.	Participation in policy councils Participation in councils and social gatherings with government agencies Employee exchanges, including seconding to regional municipalities Activities through industry organizations

List of Stakeholder Dialogue Events

Affiliation	Presenter	Date	Discussion Content
University of Tokyo Future Vision Research Center	Hiroshi Naka	July 14, 2020	•Exchange of views on strategic processes in January 2020 •Second SDGs Committee Expert Review of FY2021
Part-time lecturer, Tohoku University Graduate School	Keiichi Ushijima	August 24, 2020	Roles expected of communications carriers in protecting privacy
Attorney, Shinwa Sohgo Law Offices	Daisuke Takahashi	August 31, 2020	Human-rights issues raised by technological development
Representative Director, SDG Partners, Inc.	Kazuo Tase	October 16, 2020	SDGs and ESG
Distinguished Professor of Technology and Policy and the Director of the Urban Institute at Kyushu University	Shunsuke Managi	From May 2021	Social impact of ESG
Deputy General Manager, Corporate Planning Dept. and Principal Sustainability Strategist, Mitsubishi UFJ Research and Consulting Co., Ltd.	Mari Yoshidaka	July 27, 2021	Second SDGs Committee Expert Review of FY2021
Representative Director and CEO, Neural Inc.	Kenji Fuma	August 4, 2021	Lecture to all employees: "What does it mean for companies to tackle the SDGs? A reading from an ESG perspective"

Dialogue with Regional Residents

SoftBank builds base-station facilities to provide high-quality telecommunication services to as many people as possible. When building these base stations, we feel that it is SoftBank's responsibility to place top priority on the safety, security and environment of the people of that regional community. We engage in dialogue and provide appropriate explanations to the people in specified communities in accordance with relevant laws and in-house rules, and begin construction only after ensuring a full understanding of the roles of the stations and the safety of radio waves. During the construction phase, we place top priority on the safety of people in the regional community and provide detailed explanations in response to inquiries and comments received through Company contact points.

To ensure that Children can Use the Internet Safely

As the use of smartphones becomes commonplace even among young people, there is a growing risk that children will access inappropriate websites through the Internet, leading to potentially harmful situations. To prevent problems and provide a safe Internet environment for children, SoftBank offers free filtering services that contribute to customer satisfaction and peace of mind.

Agreements with Municipalities

SoftBank has completed agreements with 62\* municipalities nationwide to promote regional revitalization. By building collaborative relationships with municipalities and regions, we will contribute to regional revitalization in response to social issues and the unique needs of each region.

\*As of July 31, 2021

[Details](#) List of concluded agreements

Partnerships with NPOs

SoftBank's target for partnerships on CSR activities with NPOs is to engage in partnerships with 1,000 organizations in FY2023. In FY2020, the Company partnered with 688 NPOs, including the Japan Foundation, the Ashinaga Foundation, the Japanese Red Cross Society, the Japan Platform, the Medecins Sans Frontières Japan Association and NPO Florence.

External initiatives

SoftBank supports and participates in worldwide initiatives aimed at building a sustainable society, and shares a wide range of information related to these initiatives.

Examples of external initiatives in which SoftBank is active	
Communications and communication standards	Environment
Japan Mobile Communications Infrastructure Association	TCFD Consortium
International Telecommunication Union - Radiocommunication Sector (ITU-R)	TCFD Supporter
Association of Radio Industries and Businesses (ARIB)	Japan Business Initiative for Biodiversity (JBIB)
Telecommunications Carriers Association (TCA)	EcoVadis
Society	GSMA Climate Action Task Force
UN Global Compact	Renewable Energy Governors' Alliance
Regional Revitalization SDGs Public/Private Sector Partnership Platform	COOL CHOICE popular national movement
Kyoto Super SDGs Consortium	Fun to Share climate change campaign
Tsukuba SDGs Partners	Environmental Subcommittee of the United Nations Global Compact
Children's Rights in Sport Principles (UNICEF)	ESG Dialogue Platform, a project of the Ministry of the Environment to develop infrastructure for environmental information disclosure
The Valuable 500	
Organization of SDGs Digital Society (ODS)	International Climate Change Initiative SBTi

\*As of July 2021



3

SDGs Value Creation

Enhance Employee Happiness with Diversity and Inclusion

SoftBank will work to build an environment in which all employees can fully demonstrate their unique abilities and enjoy personal satisfaction, based on their diverse backgrounds. By building more creative organizations, we will pursue a corporate culture that always chooses people with high market value, and strive to continuously increase corporate value.

SoftBank's Value

The DNA of the SoftBank Group, which strives to be a global No. 1 company that will continue to grow for 300 years, is embodied in the SoftBank value that "Effort is Fun." We have put forward five values that are particularly important to us: "No. 1", "Challenges", "Reverse Planning", "Speed", and "Tenacity." To survive in a rapidly changing business environment, we will put these values into practice in our work, so that we can overcome any and all trials that we encounter.

Human Resource Policies

Basic Policies and Approaches

Organizations that continue to win are essential to achieving continued business growth and success, and it is important that these organizations comprise employees that are always full of energy and vitality. To generate SoftBank's unique vitality, we will support the potential of employees who take on challenges, and clearly recognize those employees' achievements.

Organizations that Continue to Win

For a company to survive for 300 years, it must be an organization that continues to win. It must not succumb to the ills of a large corporation. It must always maintain the mindset of a startup company, in which all employees look forward to change and take on challenges with excitement. SoftBank will continue its efforts to be an organization overflowing with this vitality.

Opportunities for Employees who Take on Challenges

SoftBank supports employees who take on challenges for personal growth. Whether or not opportunities are capitalized upon is up to the individual. We want employees that constantly challenge themselves, without fear of failure. As these exceptional individuals gather to better themselves and each other, we will continue to provide those who take on challenges with the opportunity to grow.

Appropriate Rewards for Results

SoftBank appropriately rewards results in work. For those with ability and will, there are unlimited opportunities to shine, regardless of age, gender, nationality, or academic history. If you work hard, then you will be duly rewarded for your achievements.

HR Systems

Basic Policies and Approaches

Evaluations and remuneration are based on fair and just frameworks that enable people who demonstrate results through their efforts to take on the next challenge.

Grade / Evaluation / Remuneration Systems

Mission Grade System

Fields and grades are decided according to the individual's mission and workstyle, rather than personal attributes such as age or gender. Mission statements are set for each position: Directions for challenges are presented by clarifying the mission that the company expects of the employee, and clearly defining the skills to be demonstrated.

Evaluation System

SoftBank has adopted a number of evaluation indexes, including: Evaluation contributions, which recognize work achievements and contributions to the organization; Mission evaluations, which recognize individual missions and abilities; and evaluations of the core abilities and values required to carry out those missions.

Connecting Materialities with Evaluation System

When setting goals during the annual assessment, we guide employees to enthusiastically incorporate their own personal efforts to achieve SDGs materialities and KPIs. We encourage each and every employee to view the SDGs as a personal matter.

Remuneration System

The remuneration system is tied into the Mission grade system and the evaluation system. Bonuses are tied into the individual's contribution evaluations, and flexibility is maintained so that remuneration can be paid in keeping with contributions to the organization.

Award System

SoftBank Award

Rather than simply recognizing sales and profits, this system awards contributions resulting from ambitious and creative activities by teams and individuals based on the key words of "Challenge" and "Innovation." Encouraging employees to recognize and applaud one another's achievements improves employee motivation and cultivates a desire to take on challenges.

Team Profit Management

Team profit management is an award system for the sales division. It focuses on the smallest organizational units in the front lines (sections or teams), because when individual teams work autonomously to improve profits with a first-person awareness, that serves as a tremendous driving force for the company as a whole, tying into increased performance and growth.

Results are tabulated for each six-month period, and the top-ranking team receives a team bonus as further incentive.

Employee Satisfaction (ES) Surveys

Employee Satisfaction (ES) surveys are conducted each year with the goal of achieving an "overall satisfaction level of 3.5 or higher," to monitor status and identify issues as part of efforts to build stronger organizations and increase motivation. Action plans are created based on an analysis of results and conditions, both companywide and in each division. This ties into continuous improvement activities for building better organizations, and also ensures that those improvement activities permeate through all levels of the organization, contributing to employee vitality and improved business performance.

\*Overall satisfaction level in FY2020 (company-wide average): 3.58  
 \*Overall satisfaction level: Aggregated values of results related to work, workplace, boss, and company  
 \*Scored out of 5 (less than 3.00 = Low, 3.00 to 3.50 = Normal, 3.50 to 4.00 = High, 4.00 or higher = Very high)



Details Employee satisfaction

Recruiting

Basic Policies and Approaches

SoftBank recruits from a diverse pool of people, including new graduates and mid-career hires.

All recruits are selected based on the same selection standards, regardless of age, gender, nationality, or disabilities.

New Graduate Recruits

SoftBank recruits new University graduates based on a policy of "universal hiring." Unlike most Japanese companies, which recruit large numbers of graduates at once, SoftBank keeps its doors wide open so that people who wish to take on challenges can seek employment freely, of their own accord. Because candidates are not limited by the passage of time after graduation, they can apply for a position with SoftBank even after working for a time at another company.

Normal Hiring

When hiring new graduates, SoftBank looks for human resources who are capable of performing in a varied environment without limiting the fields in which they can be active for the next generation, which is changing at a rapid pace. Therefore, we use a wide variety of hiring methods.

Applicants can select their desired job type from Regular Employee, Associate, or Sales Rep. For Regular Employees, applicants have two choices: The first is "Open Selection," in which applicants select either a Generalist Track or an Engineer Track. If they pass, the initial assignment is considered during the informal job offer period, and the assigned job is decided after entering the Company. The second is "Job-Match Selection," in which applicants select the course for their desired job and are judged during the screening process to determine if the specialized skills and knowledge are a match. If they pass the screening process, they are promised a certain job at the time of their initial assignment.

No.1 Recruitment

SoftBank has a recruiting program for students that have achieved the status of No. 1 in any of a number of categories for technology, business, academic fields, sports, and creative endeavors. Applicants to date have become No. 1 in a wide range of fields; for example, winning nationwide sports tournaments or winning robot competitions. During the screen process, these students can advertise their achievements of becoming the undisputed No. 1 in their field, as well as the process of effort required to become No. 1.

Materiality 6 Developing a Resilient Management Foundation

SDGs Value Creation (3) Enhance Employee Happiness with Diversity and Inclusion

Wide Variety of Recruitment Programs

SoftBank holds a variety of internships for students.

In the job-hunting internship "SoftBank SUMMER Program," we carry out the offline work experience intern program "JOB-MATCH Intern" and the online work experience program "Beyond Border Program." Through these programs, students can confirm the corporate culture, something which is difficult to grasp during job interviews, and both students and corporations can ascertain their mutual appeal and uniqueness.

TURE-TECH is a regional revitalization program in which students visit local governments facing problems. The students interview city staff, local residents, and businesses, and then propose solutions to the mayor on the final day of the program. There have been cases in which the student proposals have been adopted as a city policy.



Online Recruitment Activities

In response to the spread of COVID-19, SoftBank holds online recruiting (of new graduates and mid-career employees) events including company information sessions, interviews, and informal discussions. If it is necessary to hold face-to-face events due to circumstances such as difficulty of holding certain events online, SoftBank implements sufficient measures to prevent infection prior to holding the events.

Utilization of Technology in Recruitment

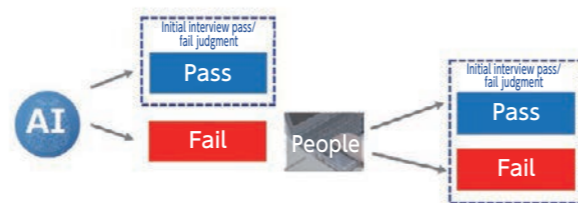
SoftBank's recruitment activities make full use of technology to pursue matching between companies and candidates, and to focus on optimal and more strategic recruitment for both applicants and SoftBank in the newly created time.

There are a wide range of activities including video interviews introduced for the purpose of reducing the time and cost required for applicants to travel to the screening venue, and chatbots using AI introduced for the purpose of reducing the time and effort required by candidates for making inquiries.

Since 2017, SoftBank has been working to utilize AI for conducting pass/fail judgment of entry sheets. In addition to achieving more objective and fair evaluation through unified evaluation standards, the use of AI reduces the time required for screening by about 75%. In this way, by utilizing the newly created time, we are focusing on more strategic recruitment that is optimal for applicants and the Company.

Furthermore, since 2020, SoftBank has been conducting hiring activities using the AI video interview system. During the initial screening of new graduates, applicants are asked to submit a video

containing their answers to preset questions. The submitted video data is evaluated through automatic calculation using a unique AI video analysis system that was developed by the Company in collaboration with ExaWizards Inc., an AI system development company. We use past video data and evaluations by staff in charge of hiring to teach the video analysis model. The system identifies passing applicants by selecting videos which were close to passing applicants in the past. If the system judges the applicant as failing, human resources staff actually watch the video and make a final judgment regarding pass/fail for the interview. This process ensures the accuracy of screening.



Manpower Training

Basic Policies and Approaches

To foster employees who contribute to the realization of the Company's corporate philosophy, SoftBank provides opportunities for all Group employees to share a common goal, to learn together, and to grow through friendly competition. We strive for manpower training that respects diversity, which is a source of continuous growth, and which fosters the individuality of each employee.

We also provide various forms of career development support, to assist employees on their career path. We help employees to define their own career goals and ideal form for the future, identify the knowledge, skills, and experience required to achieve those goals, and support them in developing the careers that they have chosen for themselves. In this way, we strive to foster employees whose originality always shines through.

SoftBank University

SoftBank University is a training institution that was established in September 2010, and which offers practical programs to foster employees who contribute to the realization of SoftBank's corporate philosophy.

To foster employees' individuality while respecting their diversity, the University emphasizes autonomous career development by the employees themselves. Based on this approach, rather than offering uniform career development and training structures defined by the company, SoftBank University provides a framework for independent career development in which employees choose their own program in keeping with their own unique career goals.

The University has adopted a learning style that leverages SoftBank's strengths, making full use of ICT. In addition to group training, programs include e-learning courses offered through PCs,

smartphones, and tablet devices, as well as live online training and archived video feeds.

There are three main programs: the "Business Program," in which employees learn the skills required to undertake business of their own accord (approx. 80 courses); the "Technology Program," in which employees acquire technology-related knowledge and skills to develop growth business and expand existing business; and "Level Specific Programs," which support the acquisition and enhancement of skills required when changing roles or positions. Employees can receive the training they personally need, to suit their unique career goals and duties.

SoftBank University Certified Instructors

In June 2009, the "SoftBank University Internally Certified Instructor (ICI\*) program" was introduced to enable employees to pass on their expertise (knowledge, experience, and wisdom) to others, and to promote more effective manpower training.

With employees acting as training instructors, the training is more in line with real-world experience, so other employees have the opportunity to acquire even more advanced skills. The instructors plan and implement the training in parallel with their regular duties, so rather than just passing on knowledge, they are able to incorporate content that leverages their own unique experiences and expertise, leading to more effective training.

As of March 2021, there were more than 120 ICIs, providing as many as 60 courses.

\*Internally Certified Instructor

SoftBank University Tech

In 2019 SoftBank established SoftBank University Tech (SBU Tech). The purpose of this institution is to encourage all SoftBank employees, not just engineers, to acquire technology skills, so that their knowledge and skills will form the foundation for future growth businesses and advancement of DX. To measure employees' IT literacy, SoftBank exclusively developed an "IT examination." This exam enables employees to visualize their own levels of IT knowledge. Where employees' knowledge and skills require strengthening, learning is available through means such as group training and e-learning. As the adoption of remote work accelerates during the COVID-19 pandemic, employees increasingly need opportunities to attend lectures and seminars without being bound to particular times and places. To serve this need, SoftBank offers employees access to the Udemy online learning service, through which they can study as much as they like from approximately 4,000 videos on programming languages and various other content. Electronic documents are also available for employees to study. Through these and other services, SoftBank provides employees with study content of a wide variety of topics and formats.

AI Campus from SBU Tech

Until now, SBU Tech has provided learning support for various technology skills. As we aim to further promote our business in the future, there is a particular need for human resources who can utilize AI. In response to these trends, from 2021, we have held AI Campus from SBU Tech as a program that systemizes the AI-related learning content that we previously implemented at SBU Tech. Moving forward, SoftBank plans to enhance even more attractive content while supporting employees who are studying for the Deep Learning for GENERAL and Deep Learning for ENGINEER conducted by the Japan Deep Learning Association, holding lectures by outside experts, etc.

Knowledge Marche

In July 2013, SoftBank began providing opportunities for employee-originated learning aimed at fostering a culture of mutual learning through a program called "Knowledge Marche." Employees possessing wisdom and knowledge hold small-group workshops and study sessions in order to share that wisdom and knowledge on an equal basis. Going forward, the Company will continue to support the growth of employees by holding training that reflects the know-how, knowledge, and experience possessed by employees.

Internal Testing (Statistics and IT)

SoftBank offers IT test and SoftBank's own business statistics test for the purpose of improving and visualizing the IT skills and statistical ability which are necessary for responding to changes in business. Employees can ascertain their own skills through SoftBank's original tests that are supervised and developed by experts inside and outside the Company.

Technical Meister System

The Technical Meister System is our in-house certification system given to engineers with outstanding knowledge and skills in specialized fields. At the same time as handling their main work responsibilities, these engineers are expected to freely engage in R&D in their specialized field. The system aims to facilitate further technical study and cultivation of younger generations.

\*Available to full-time employees (including part-time employees) belonging to our Technology Unit.

## Materiality 6 Developing a Resilient Management Foundation

## SDGs Value Creation (3) Enhance Employee Happiness with Diversity and Inclusion

## Various Training Programs

## Learning Opportunities for Successful Candidates

SoftBank offers learning support for successful candidates during the period between the decision to hire and day they begin work, to increase new employees' motivation and ensure a smooth start in this new stage of their lives.

A wide range of contents is offered, including e-learning that covers the company's history, business manners, and business/IT skills such as MS Excel; invitations to lectures; and certification tests to measure the skills required of SoftBank employees.

These prospective employees can also receive support in obtaining specified certifications (examination fees and limited financial support).

## Group Training

All new employees receive the same general training for about three weeks after joining the company, while engineers undergo additional training for up to four weeks after that. During this period, these recruits have the opportunity to switch their mindset to that of a full-fledged employee, while at the same time learning the skills and thinking processes that will be essential to their work, including business manners and how to create documents. After that, they can receive practical project work training even as they study plans as part of a team.

This training is the first step toward becoming a businessman capable of adopt many different types or styles of work, learn them independently, and implement them appropriately.

## Technical Training

Technical training, in the form of an "Engineer Course," lasts for up to four weeks after the general training is complete, targeting new employees that require specialized knowledge in their assigned positions. This training covers basic knowledge of networks (communication mechanisms and LAN construction), as well as security, system development processes, and programming.

## "Elder" System

Through the "Elder" system, experienced staff ("Elders") are assigned to support new employees, communicating closely with them on a day-to-day basis and providing on-the-job training. In this way, new employees can familiarize themselves with the organization, and learn to handle their duties independently from an early stage.

## 3rd-year Step-up Training

This training targets young employees in their third year after entering the company as new graduates. They are encouraged to review their experience since joining the company, to gain a new awareness of their own strengths and roles in the company, and of the values that they consider most important.

They can identify issues as they think about the type of employee they want to be, and take appropriate action, and at the same time learn the skills required at this new stage of their work. The third year is an important landmark in their career, and this training is useful in moving on to the next step.

## Training for New Managerial Employees (Section and Division Managers)

Managers need to take responsibility for achieving organizational goals, and also contribute to keeping the organization united.

For this reason, SoftBank offers training to improve skills both in "managing business" and "managing people."

## Career Development and Demonstrating Abilities

## Opportunities for Career Building

Once a year, employees can use the self-assessment system to declare their desire for transfer to adapt to new work responsibilities or a new workplace. By holding discussions with supervisors based on the content of the self-assessment, we provide opportunities for open feedback on careers and enable transfer/placement of the appropriate person to the appropriate positions by considering individual aptitude and ability. When launching a new business or establishing a new company, members are recruited through the job posting system and the Company provides opportunities for employees to achieve personal growth and self-realization.

## Job Posting (in-house recruiting) System

SoftBank has a system for recruiting staff for the startup of a new business or new company. It provides employees with opportunities for personal growth and self-fulfillment, and creates an environment in which anyone can take on new challenges.

## Free Agent (in-house recruiting) System

This system enables ambitious employees to take on the challenge of improving their own careers. Employees can apply for a position in another Division or Group company where they wish to work, and the transfer can be implemented if the necessary conditions are met.

## Certification Support System

SoftBank supports employees seeking to obtain certifications to improve their skills or for personal betterment, by covering the cost of the examination fees and offering subsidies. This support system covers about 260 certifications, in the fields of business, engineering, and IT.

## Self-assessment System

Once each year, employees submit a self-assessment report on their suitability to their current workplace and on the work that they would like to do in the future, and then participate in face-to-face meetings with their superiors. This system ensures that employee assignments take into account the employee's own aptitudes and future career goals.

## Skill Development Goals

Every six months, employees inventory their own skills and define their own skill development goals, and the company supports the development of those skills in conjunction with in-house training.

## SB Career Dock

The "SB Career Dock" is a support initiative designed to help employees take a positive first step toward their future careers, for example through personal growth and expanded work opportunities. Seminars and lectures by experts, group training, videos, and other materials and events provide employees with opportunities to regularly review their own skills and abilities.

## Programs for Senior Employees

SoftBank offers a variety of career development support programs to create new work opportunities for senior employees. Programs include job postings for employees aged 50 and over, as well as the SB Career Dock.

## Rehiring of Retirees

SoftBank has put in place a "continuing employment system" for full-time employees who have worked until the retirement age of 60. Employees who meet certain criteria can continue their employment in the capacity of part-time employees up to the age of 65.

In this way, employees can continue to demonstrate and apply the rich experience and diverse, specialized skills that they have cultivated throughout their careers.

## Training Programs to Seek Out and Foster Successors

With the announcement of the "SoftBank Next 30-year Vision," Masayoshi Son launched "SoftBank Academia" with the goal of identifying and fostering his own potential successors. The program launched on July 28, 2010.

The program has students focus on developing practical skills and actively providing feedback to support one another, as well as lecture courses taught by Mr. Son in his capacity as founding headmaster.

The program is not exclusive to SoftBank employees, and has been openly accepting students from outside the SoftBank Group since June 2011. Students admitted to the program are selected following a thorough review process designed to shine a light on highly motivated individuals with diverse backgrounds who are eager to inspire and be inspired, and who have what it takes to lead the SoftBank Group.

## Promoting Diversity

## Message from the President

SoftBank will continue to challenge and evolve toward becoming a comprehensive digital platformer with the aim of becoming the most needed corporate group by people around the world. One of the driving forces in this evolution is to establish a management base where diverse human resources can play an active role. It is essential to eliminate barriers due to age, gender, nationality, and the presence or absence of disabilities. Furthermore, it is extremely important to ensure diversity among core human resources involved in management.

I position diversity as an important management issue. My first focus is to promote the active participation of women, and set up an Advancement of Women Promotion Committee with experts as advisors. I will actively promote diversity and inclusion in order to realize a corporate culture in which diverse human resources can fulfill an active role, thereby making SoftBank a company full of dynamism.

Junichi Miyakawa  
June 2021  
President & CEO  
SoftBank Corp.

## Basic Policies and Approaches

SoftBank maintains an environment that offers opportunities where diverse manpower can demonstrate their individuality and abilities, regardless of age, gender, nationality, or disabilities. Positions and compensation are decided based on fair evaluations in keeping with roles, achievements, and abilities.

Materiality 6 Developing a Resilient Management Foundation

SDGs Value Creation (3) Enhance Employee Happiness with Diversity and Inclusion

Diversity Management

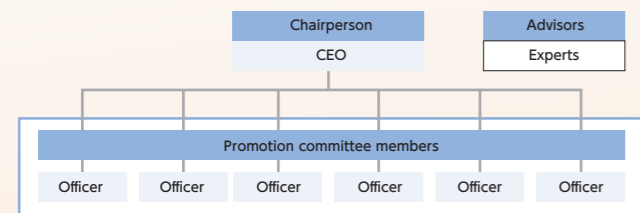
SoftBank strives to build organizations in which each and every employee can freely express his or her opinions, and where all employees share a desire to embody the corporate philosophy, leveraging their respective strengths, to bring about innovations.

Specific activities include: Understanding of LGBTQ and others belonging to sexual minorities, with that understanding embodied in the application of in-house systems which assume marital relations; Hiring standards that ensure equal treatment for candidates with disabilities; The promotion of active participation by women; Workstyle reforms aimed at achieving "Smart & Fun" workplaces; Support for employees handling both work and the care of children or elderly family members; Recruiting manpower with specialized knowledge and skills; Promoting active participation by senior employees; Rehiring of retirees; and Promoting active participation by non-Japanese employees. The goal of these activities is to encourage diverse manpower to share common values and to put in place an environment where these systems can be used effectively, thereby improving the organization's performance.



Systems for Promoting Diversity

Promotion of diversity at SoftBank is under the responsibility and supervision of the executive officer in charge of human resources (Chief Human Resources Officer (CHRO)). While addressing issues for each organization, the Company implements initiatives such as e-learning on unconscious bias for all employees and diversity management training for managers. The Diversity Promotion Section, which is a specialized organization within the Human Resources Division, fulfills a central role in these initiatives.



Supporting Women in the Workforce

With the goal of increasing the ratio of female managers to 20% by FY2035, SoftBank established the Advancement of Women Promotion Committee made up of our CEO and officers on July 1, 2021. The target of 20% is approximately three times the ratio of female managers (7.1%) in FY2021, and includes a stepping-stone target of at least 15% (double the ratio in FY2021) by FY2030.

As of April 2021, women accounted for about 26.9% of all employees at SoftBank and the ratio of female managers was 7.1%. More than 90% of female employees return to work after maternity/childcare leave. The average length of service by gender differs only slightly at 12.8 years for men and 12.4 years for women. These statistics show how many female employees are balancing work and childcare.

Furthermore, to see even greater utilization of women in the workforce, SoftBank is improving and expanding its system of childcare leave and reduced working hours beyond what is stipulated in the Child Care and Family Care Leave Act. In addition to creating a work environment that enables mothers to have and raise children with peace of mind, SoftBank offers special childbirth allowances, childcare support and other unique career support systems so female employees can reach their full potential.

Specifically, career training and leadership training is provided for female employees on an ongoing basis. From 2018, a mentoring program run by internal managers was started to support various forms of career development for women to play a greater role within SoftBank.



"Eruboshi" Certification

SoftBank Corp. received the "Eruboshi" designation (Class 2) from the Minister for Health, Labor and Welfare in recognition of being a company that excels in the empowerment of women.

Moving forward, we will continue our efforts to promote active participation by women, such as holding career training for female employees and holding mentoring programs.



SoftBank's Main Activities Related to "Eruboshi" Certification

Recruitment Event for Women

SoftBank is creating a workplace environment in which each employee can maximize his or her abilities according to their life stage. On May 17 and 19, 2021, we held the recruitment event SoftBank Woman Live for new female graduates who seek personal growth while enriching their careers, raising children, and having a fulfilling personal life.

At SoftBank Woman Live, in addition to introducing our unique efforts to support career development, we had employees discuss the Company's comfortable working environment for women, barriers to taking childcare leave, and working styles after returning from leave, while also introducing their personal experiences. The speakers included three female employees with different experiences in working as a manager, as a salesperson with experience at regional offices, and as currently raising children, as well as a male employee who is also heavily involved in raising his children.



Career Training for Women

Every year, SoftBank invites outside experts and holds workshops for women to create opportunities for each woman to consider their own career, such as balancing working style and life events.

To ensure that SoftBank continues to grow as a company, we will strive to draw out the maximum potential of individuals and organizations, and encourage diverse employees to participate actively and take on challenges while gaining satisfaction from both their work and home lives.

Description of activities

- Workshops for women, featuring outside lecturers (3 times/year)
- In-house mentor programs for women in managerial and leadership positions



Materiality 6 Developing a Resilient Management Foundation

SDGs Value Creation (3) Enhance Employee Happiness with Diversity and Inclusion

Promotion of Equality in Labor

For all our employees, SoftBank has introduced a compensation system that rewards work results by determining grades according to factors such as the assigned mission and working style, not according to personal factors such as age and gender. SoftBank has a policy of striving to pay fair wages regardless of gender. Under this policy, we compare the average amount of "basic salary only" or "basic salary and bonuses" once a year for officers, managers, and non-managers in order to ascertain actual conditions. Although the same salary system is applied to both men and women, there is a difference in total compensation between men and women due to the current grade structure. In response to these circumstances, in 2019, we set the target of increasing the number of female managers to 300 by 2022. In 2021, we set the target of increasing the ratio of female managers to 20% by FY2035. SoftBank is also working to create workplaces that support childcare and childbirth, develop various related systems, and provide career support to maximize the abilities of women.

Hiring People with Special Needs

At SoftBank, we want each employee to utilize his or her respective abilities to play an active role in the company. As a general principle, SoftBank applies the same criteria in the employment of people with special needs as non-disabled persons, and once employed, there is no differentiation in employee compensation. While consideration is given to an employee's disability, the scope of work, promotions, and evaluation standards are identical to those of non-disabled employees. Our goal is to create an environment in which everyone can work with a positive attitude regardless of any special needs. As of June 2021, the hiring ratio of employees with special needs is 2.39% of all persons working in Japan and overseas.

Short Time Work System

This system enables employees to work for less than 20 hours a week if they find it difficult to work for long hours due to mental or developmental disabilities, even if those disabilities are not a hindrance to the execution of duties. This internal system was established based on the IDEA Model advocated by Associate Professor Kondo, who works in the field of Assistive Technology at the Research Center for Advanced Science and Technology, the University of Tokyo. In the IDEA Model, corporations clarify the contents of work and then hire people with disabilities who are able to perform that work.

By building a work environment in which employees can demonstrate their unique abilities even in a short time, we create work opportunities for people who have not had the chance to work even if they wished to do so in the past and the system is

also expected to promote the effective use of manpower in other companies and municipalities.

In February 2018, we established the "Short Time Work Alliance" to promote the adoption of the short time work system throughout society, and to create a society in which diverse people can live in harmony\*. We will continue to collaborate with many companies and municipalities, and contribute to creating a society in which anyone can actively demonstrate their unique attributes.

\*204 organizations have endorsed this alliance and adopted relevant measures (as of April 30, 2021)



Short Time Work Alliance

Spreading Understanding for Diversity and Inclusion

Diversity Week

SoftBank promotes diversity and implements various efforts on a daily basis to create a work environment where everyone can work comfortably. Since 2020, we have been holding Diversity Week for employees to deepen their thoughts on diversity. In 2021, we designated February 15 to 26 as Diversity Week, and held a total of five events and seminars. Since many employees are engaged in telework to prevent the spread of COVID-19, the aforementioned events and seminars were held online. Even so, we received an enormous amount of positive feedback from participants; for example, "I had thought that I understood diversity, but I learned a lot from the events" and "I felt that it was important to gain knowledge and use my imagination for being tolerant of diversity." Moving forward, SoftBank will continue to implement these activities with the aim of promoting diversity within the Company.



開催日	テーマ	内容
2/17	男性育休	ソフトバンク版 育休学級〜イマドキ子育て世代の産前産後戦略〜
2/18	多文化理解	ダイバーシティを包容する企業文化〜私たちにできること〜
2/19	LGBTQ	LGBTQについて理解を深めよう〜星野さん、サリーさんが登場〜
2/24	障がい理解	みんな違って、みんないい！〜アート鑑賞から始まる多様性理解〜
2/26	SDGs	難民映画祭 WILL2LIVE〜Imagine知らない世界に思いを馳せる〜

Support for LGBTQ Employees

Our goal at SoftBank is to maintain a working environment in which all employees, regardless of their sexual orientation, can feel proud of and rewarded by the work they do.

In October 2016, SoftBank amended its internal rules to recognize same-sex partners as spouses in line with the definition stipulated in its internal documentation, in addition to spouses recognized under Japanese law. If the relevant documentation is submitted and processed, same-sex partners are eligible to receive special leave and other spousal benefits equal to those of other married couples. SoftBank has also set up an LGBTQ-related consultation desk at its Wellness Center in conjunction with HR consultation services.

In the preface to internal rules on respecting human rights and the prohibition of discriminatory behavior, SoftBank added clauses related to mutual respect for human rights regardless of gender, sexual orientation, and gender identity, making it clear that discrimination on the grounds of sexual orientation is strictly forbidden. SoftBank is also promoting LGBTQ awareness at training sessions for newly appointed managers and through e-learning training for all employees. SoftBank will continue striving to develop a workplace environment where all kinds of employees can fully realize their potential and take on challenges to achieve personal growth.



Participating in Japan's largest LGBTQ Event, "Tokyo Rainbow Pride"

SoftBank approves of the mission behind "Tokyo Rainbow Pride," which aims to create a society in which LGBTQ and people in other sexual minorities can live in a way which is true to themselves without being subject to discrimination or prejudice.

SoftBank employees and their families participated in the parades held in 2018 and 2019. During the parades, the SoftBank Omotesando shop located along the parade course decorated the shop interior with a rainbow theme and handed out shopping bags with a limited-edition design. SoftBank crew members engaged in awareness activities by wearing original T-shirts, and the company's LGBT initiatives were introduced in a panel exhibition inside the venue.

In 2020 and 2021, the event was canceled due to the spread of the novel coronavirus infection, but SoftBank participated in an online parade (a Web streaming event) hosted by OUT JAPAN Co., Ltd., to communicate the company's approach to LGBTQ initiatives.



Awarded the "Gold" Rating in the "PRIDE Index" for Four Consecutive Years

For four consecutive years starting in 2017, SoftBank received the highest "Gold" rating in the "PRIDE Index" evaluation for its internal initiatives related to LGBTQ and other sexual minorities.

The "PRIDE Index," which is awarded to companies with outstanding LGBTQ initiatives, was established by the "work with Pride (Japanese)" volunteer association to achieve broad social recognition of specific ways to create comfortable workplaces for LGBTQ and other sexual minorities.



"Colorful Project" In-house Community

In April 2017, a group of volunteer employees at SoftBank established the Colorful Project (LGBT and Ally Association). With the aim of increasing the number of people who show understanding for LGBTQ in the workplace and fostering a culture of understanding and acceptance, Colorful Project publishes monthly email newsletters and holds events such as seminars and movie screenings.

HR Data

Click below for other detailed personnel data.

⇒Details ESG Data Book 2021

Materiality 6 Developing a Resilient Management Foundation

SDGs Value Creation (3) Enhance Employee Happiness with Diversity and Inclusion

Third-party Assurances of Companies' Data

In September 2020, third-party assurances were obtained from the Japan Quality Assurance Organization (JQA) with regard to the number of female managers, employment ratio for disabled persons, and ratio of paid holidays used in FY2019.

Third-party Assurances of Companies' Data

Basic Policies and Approaches

SoftBank believes that one fundamental role required of corporations is to create a work environment where children who will lead the next generation of society can be born and raised with peace of mind. In order to actively create a workplace environment where employees can maximize their abilities while balancing work and childcare, we have formulated childcare support system policies and a general business operator action plan in accordance with the Act on Advancement of Measures to Support Raising Next-Generation Children.

Childcare Support System Policies

The basic idea of the system is to support people who wish to continue working while fulfilling their family responsibilities of childcare. The childcare support systems operate under the following two policies.

- Creating a framework that allows employees raising children to stay highly motivated at work and continue to aspire to grow as employees.
- Creating a framework to avoid situations where childcare becomes a barrier for employees, prevents them from leveraging their full potential, or becomes a reason for leaving the Company.

As with all our employees, our wish is for those who are pregnant or raising children to continue to achieve growth and advancement at SoftBank, and we will continue to support the balance of work and childcare.

Acquisition of "Platinum Kurumin" Special Certification Mark

As part of proactive efforts to build a workplace environment in which employees can demonstrate their full potential while attending both to work and child-raising responsibilities, SoftBank has established childcare support policies and created action plans for general business operations as stipulated in the Act on Advancement of Measures to Support Raising Next-Generation Children. The company has introduced and applied systems for supporting balance in work and childcare, and as a result of these efforts, in October 2017, SoftBank received the "Platinum Kurumin" special certification mark, which recognizes companies demonstrating outstanding achievements in this field.



Initiatives Targeting Japan's Decreasing Birthrate

Based on an awareness of the decreasing birth rate in Japan, SoftBank has implemented initiatives aimed at creating a workplace environment where employees can have and raise children with peace of mind. As part of these efforts, the company offers a "childbirth allowance" ranging from ¥50,000 for a first child to ¥5 million for a fifth child. In FY2020, childbirth allowances for first and second children were paid to about 760 people, and allowances for third and subsequent children were paid to about 80 people.



Years of service	Less than 1 year	1 year or more				
Number of children	All children	1st child	2nd child	3rd child	4th child	5th child or more
Allowance	¥20,000	¥50,000	¥100,000	¥1 million	¥3 million	¥5 million

Childcare Support Systems: Descriptions

To support employees during pregnancy, childbirth, and childcare, SoftBank has a flexible work system that can be used from the time of pregnancy until children have finished 6th grade of elementary school.

[Details](#) Childcare support systems and their contents / Status of taking childcare leave

Initiatives to Alleviate Childcare Concerns

SoftBank has introduced shared use of a company-run nursery school as part of measures to alleviate employees' anxiety about their children being on waiting lists for nursery school during childcare leave, and to support employees in returning to work quickly. Employees also have access to daycare, babysitting, and housekeeping services through "Benefit Station," a SoftBank employee welfare program, and can receive childcare subsidies for the use of partnered nursery schools. Employees can continue to use company-issued mobile phones during childcare leave (including maternity leave) and can contact the company and take e-learning courses as well, to ensure seamless access to information in preparation for their return to work.



Childcare Support Initiatives

Alleviating Anxiety, from Pregnancy to the Return to Work

SoftBank provides expectant mothers with e-learning and handbooks that offer detailed information on subsidies and other support systems, and also holds regular consultation meetings. Employees on childcare leave are invited to attend orientation events with their children, so that they will feel confident of their connection with the company. These events alleviate employees' anxieties about coming back to work, and provide an opportunity to prepare for their return. Once they are back to work, they can attend discussion meetings with other parents who have recently been on childcare leave.

Consultation meetings prior to maternity leave	Employees can attend consultation meetings with HR receive advice and explanations on services available during pregnancy, as well as procedures and subsidies available after childbirth. E-learning content is also available for employees who cannot attend in person.
Orientation during childcare leave	Employees can bring their children to orientation sessions during childcare leave. At these events, employees on leave receive explanations on systems in preparation for returning to work, and talk among themselves about how more experienced mothers spend their time. These sessions are popular as an opportunity to visit the office after an extended break.
"Return to work" orientation	These orientation sessions include introductions to in-house communities and systems that can be used after returning to work, as well as discussions about returning employees' concerns.

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Leave and Holidays during Childcare

To support employees through pregnancy and childbirth and while they raise their children, SoftBank has put in place a flexible work system that can be used from pregnancy until the child completes sixth grade in elementary school. Childcare leave can be extended up to the child's third birthday, and even after returning to work employees can work from home and make use of SoftBank's original Kids' leave, as well as Sick/injured childcare leave that goes beyond even what is stipulated by law.

Promoting Men's Participation in Childcare

SoftBank strives to increase awareness of systems for male employees, for example by distributing a "Childcare support mail magazine" and posting "Active Dad" interviews on the company intranet to introduce dads who help with childcare as in-house role models.

Furthermore, with the aim of enabling 100% of male employees to take childcare leave if they so desire, SoftBank takes measures to promote the use of leave by contacting the individual to confirm their intention of taking childcare leave, sending push emails to superiors in order to promote the taking of childcare leave, and publishing the rate of taking childcare leave on our website.

Holding a Parenting Class

SoftBank administered a questionnaire to all of our employees regarding the use of childcare leave by male employees. We received responses such as "I can't decide if I want to take childcare leave and I would like to hear the experiences of others" and "I can't imagine childcare leave for male employees." In order to address such responses, in December 2020, we participated in a corporate parenting class held by Fathering Japan (NPO). Then, in February 2021, we held SoftBank's own version of a parenting class. While introducing the actual experiences of employees, these parenting classes cover contents ranging from childcare and husband-wife relationships to partner changes before/after childbirth and forms of careers. Moving forward, we will continue our efforts to create a workplace environment that enables men to be involved in childcare.

Building a Strong Employee Support Network for Childcare

Oya Oya Club (Parents Club) was established in FY2004 by a group of childcare peer supporters with the goal of improving parent-child communication. The club provides communication training through workshops based on knowledge of counseling and coaching, to teach skills for picking up on children's communication signals and building trust. Communities for female employees also hold events regularly to help strengthen family ties.



Furano Nature School

In cooperation with the NPO C.C.C. Furano Nature School, SoftBank holds original programs every year to foster understanding of nature and the environment as well as to help build healthy parent-child relationships. The programs provide an opportunity for families to spend time together and learn about the environment in the rich natural surroundings of Hokkaido.

\*Due to the impact of the COVID-19 pandemic, this program is not offered in FY2020 and FY2021.



Supporting a Balance in Long-term Care and Work

SoftBank is working to enhance systems for providing information and support to resolve the concerns and challenges faced by employees who are trying to balance work with caring for senior family members. Our goal is to eliminate the need for employees to leave their jobs due to the burdens of long-term care at home.

[Details](#) Support for Childcare and Nursing Care

Seminar to Support Balancing Work and Nursing Care

SoftBank administered a questionnaire to all of our employees regarding nursing care and received responses such as "I am unaware of company systems, and don't know how to balance nursing care and work." Therefore, in order to support the acquisition of fundamental knowledge related to nursing care, and the balance of nursing care and work, we held a seminar in February 2021 on balancing nursing care and work. Going forward, we will continue our efforts to create a workplace environment where employees can be involved in nursing care while working.

Welfare / Life Design Support

SoftBank is always thinking about employees' happiness and what the company can do for employees, and offers support so that employees can enjoy better work environments and more comfortable lives.

Annual Paid Holidays

Annual paid holidays are provided as shown in the table below, according to the number of years of employment. Holidays can be taken in half-day units.

1st year	2nd year	3rd year	4th year	5th year	6th year	7th year onward
11 days	16 days	17 days	18 days	19 days	20 days	21 days

\*Annual paid holidays are valid for two years.

\*If an employee joins the Company in the middle of the fiscal year, the number of days granted in the first fiscal year varies depending on the month in which that employee joined the Company.

Accumulated annual vacation

After the validity of annual paid holidays have expired, those days can be saved up as "accumulated annual vacation" days (up to 60 days).

These accumulated days can be used for absenteeism due to personal injury or illness, nursing care leave, fertility treatment, and part of special unpaid leave (see below).

Special paid leave

The following special paid leave is available as separate from annual paid holidays:

Wedding leave, Spouse's childbirth leave, child's wedding leave, Refresh leave, Bereavement leave, Transfer leave, Public-service leave, Disaster leave, Transportation shutdown leave, Summons leave, Donor leave, Volunteer activities leave, and Occupational illness/injury leave (up to third day)

Employees representing Japan in international competitions, regardless of whether those competitions are sports, cultural, or otherwise, are provided with special paid leave to participate in those events.

Special unpaid leave

The following special unpaid leave is available as separate from paid holidays:

Public-service leave, Menstrual leave, Special leave before and after childbirth, Maternity hospital visit leave\*, Sick/injured childcare leave, Kids' leave, Maternity protection leave\*, Long-term-care leave\*, Occupational illness/injury leave (4th day onward), Handicap leave (hospital visit leave for disabled employees)\*, and Cancer treatment leave\*

\*Can be taken as accumulated annual vacation days

New Graduate Housing Assistance

New graduates can receive partial assistance on rent for the first three years after joining the company.

\*Available when the rental is in the employee's name, and the employee is paying rent personally.

SoftBank Employee Shareholders Association

Through employee ownership of SoftBank Corp.'s shares, SoftBank strives to increase the sense of unity among employees, and at the same time increase awareness of management participation based on "community management." The Employee Shareholders Association was established so that employees can enjoy the benefits of the company's growth, and also to contribute to long-term asset building.

Employees can purchase shares in small lots, setting purchase amounts suited to their unique situations, starting from units of \1,000. In addition to individual contributions, company incentives (10% of contributions) are also available.

Asset Building

Through SoftBank's asset building system, SoftBank has completed contracts with institutions that handle asset building operations. An amount set by the employee is deducted from monthly salaries and bonuses, and is deposited in that institution. There are three types of asset building: general assets, pension assets, and housing assets. Once each year, the company offers an incentive payment (3% of the built asset amount (up to ¥9,000)).

Company Residences for Transferred Employees

SoftBank has prepared company residences for use by employees that have been transferred to new work locations. Employees are able to decide on the type of residence\* according to their lifestyle after the transfer (e.g., on an assignment away from their family, or living with family), and the Company handles contract procedures on the employee's behalf.

The company also bears all expenses related to the residence contract, as well as offering a transfer preparation allowance and covering part of the rent.

\*The choice of residence is based on standards stipulated by SoftBank.

Materiality 6 Developing a Resilient Management Foundation

SDGs Value Creation (3) Enhance Employee Happiness with Diversity and Inclusion

Cafeteria: Cafe Shiba

On the 30th floor of the Tokyo Portcity Takeshiba Office Tower where SoftBank's headquarters are located, a cafeteria was created based on the concept of "a cafeteria where people can meet and form relationships." The cafeteria was designed as a place for cultivating solidarity through communication consisting of enjoying delicious food together. The number of seating for single employees has been minimized, while event space and banquet space for use with customers from outside SoftBank has been established. In this way, the cafeteria is used as a place for engaging in communication. The cafeteria serves sustainable coffee grown on environmentally-friendly farms. Moreover, in order to eliminate plastic, paper cups (including lids made from paper) and straws made from corn are used. The cafeteria sometimes offers menus featuring sustainable seafood, which are marine products cultivated in fisheries that have acquired ASC Certification, and SDGs are also implemented in the cafeteria.



Other Welfare Services

SoftBank is currently a member of "Benefit Station," a fringe benefit service provided by Benefit One Inc. Benefit Station offers a wide range of services, including day care and babysitters. SoftBank's original "Gift Program" service allows SoftBank points to be exchanged for unique products that can be used with employees' family members. "Life Planning Support" is a program that assists employees in creating asset formation plans and designing future goals. It focuses mainly on investment education and asset formation for employees, in three formats: Regular life plan seminars, the use of simulation tools, and private consultations with financial planners.

Pension System

SoftBank has introduced both a defined contribution pension (company contribution / selective contribution) and a defined benefits / selective contribution pension plan.

Defined Contribution Pension (Company Contribution / Selective Contribution)

In the defined contribution pension (401k), the company contributes in installments, and the subscriber (the employee) decides how that contribution will be managed. The pension amount received in the future then fluctuates depending on how well those instruments perform.

There is also a system that allows a part of bonus payments to be contributed to the 401k at the employee's own choice. Amid the declining childbirth rate and the growing senior population, the financing of public pensions has become a growing concern, so this type of pension system will continue to play an increasingly important role.

Defined Benefits / Selective Contribution Pension Plan

The Defined benefits / selective contribution pension plan is designed to increase options in asset formation for the future. As a stable pension system that enables preferential savings, it allows employees to set their preferred contributions from company bonuses. This system is similar to the Defined contribution pension in that the employee can choose the amount of the bonus payment to contribute, but in the case of the Defined benefits system, the employee does not need to worry about asset management; interest is paid in accordance with the yield on government bonds, and the principal is guaranteed.

"Spouse Welcome Back" Re-employment System

When a full-time employee leaves the company to go along with a spouse who has been transferred to a different location, as long as certain conditions are met, that employee can use the "Spouse Welcome Back" system to be reinstated at SoftBank upon returning to the region where they originally lived.

Labor Practices

Basic Policies and Approaches

Policies concerning labor practices are put forward in the "SoftBank Human Rights Policy," and we maintain various systems to promote appropriate labor practices. Policies concerning wages, working hours, and other labor standards are translated into English so that they can be understood by all employees working in Japan and overseas.

Specific Initiatives

Labor-management Relations

We respect the freedom of association and the right of collective bargaining as employee rights, and accept the effective exercise of these rights. SoftBank has completed a labor agreement with the labor union. To engage in constructive discussions between labor and management, we host labor-management consultations and committee meetings between the representatives of the labor union and management to improve various systems and discuss wages, lump-sum payments, and occupational safety and health, and also to regularly exchange opinions about the management environment.

Labor Risk Assessment

In order to verify that we are complying with the appropriate labor practices in our own business activities, we assign a human resources specialist as the person in charge of human resources when launching a new subsidiary so that the organization functions in a healthy manner to accomplish goals and to prevent any harm to the employees working there. Specifically, we assess the risks of overwork and other labor problems, and have established a framework for resolving issues and ensuring that measures are implemented in a timely manner.

In our existing businesses as well, we assess risks of overwork and implement corrective measures to ensure compliance with Article 36 of the Labor Standards Act, regarding overtime. Specifically, we ensure appropriate working hours by checking each employee's situation, and especially those who are expected to work long hours, based on a simulation of monthly and annual working hours using the attendance management system. Countermeasures are considered when deemed necessary, and reports on each case are submitted to management staff. We assess actual working conditions through regular "Service overtime surveys" of all employees, and conduct educational activities through "Employee attitude surveys concerning overtime work." By reporting regularly to the Division Heads Meeting and the Occupational Safety and Health Committee about these initiatives and conditions surrounding overwork, we are able to strengthen the initiatives while verifying the effects of risk reduction.

Labor-related Compliance

During fiscal 2020, one labor-related compliance violation was discovered at SoftBank Corp.

This violation occurred because some of our offices did not perform the health examinations required for employees engaging in late-night work. In response to this violation, SoftBank improved our operations by reviewing the performance of health examinations for employees working late-night work hours, and submitting our plan to the Labour Standards Inspection Office.

Ensuring Fair and Industry-competitive Treatment

SoftBank strives to pay industry-competitive wages that go beyond compliance with the legal minimum wage, and exceed a simple "living wage." Decisions on remuneration are made in compliance with applicable laws in each region, and we have set a standard\* for the starting wage of new graduates that substantially exceeds the national weighted average amount of the regional minimum wage.

\*Equivalent to approximately 170% as of 2020 (approximately 150% compared to the minimum wage in Tokyo)

Occupational Safety and Health policies

To maintain a working environment in which employees can work with a healthy mind and body, we have established "Safety and Health Management Rules" that are applied throughout the SoftBank Group. Under this system, the Occupational Safety and Health Committee plays a central role in setting numerical goals for occupational safety and health, monitoring performance, and promoting activities in each organization and throughout the company as a whole aimed at achieving those goals.

\*Scope: SoftBank Corp. and its Group companies



Materiality 6 Developing a Resilient Management Foundation

SDGs Value Creation (3) Enhance Employee Happiness with Diversity and Inclusion

Occupational Safety and Health Activities

Occupational Safety and Health Risk Checks and Audits

To prevent work-related accidents, we feel that it is important to identify occupational safety and health risks in SoftBank's business activities, and to take action in reducing those risks. As part of risk assessment efforts, we ensure employees' health and safety by regularly conducting stress checks, and we have a designated industrial physician check employee work environments and job descriptions through monthly workplace audits, to identify potential hazards related to occupational safety and health. The results of risk assessments are reported to each workplace, and we conduct improvement activities aimed at reducing risks in cases where those risks are deemed high.

Management of Safety and Health in the Construction of Base Stations

As a telecommunications carrier, SoftBank manages construction orders placed with telecommunications construction companies. Because the construction of base stations involves dangerous work in high places, thorough safety and health management is essential. In addition to ensuring the safety of the work environment, SoftBank begins construction work only after educating the workers involved in the project about the rules for using the related tools and equipment. SoftBank has also enacted original "Construction Safety Policy" rules that enhance workplace monitoring to ensure work site safety by eliminating dangers that might escape workers' notice. Meanwhile, safety competitions and video-based safety education activities are conducted jointly with the telecommunications construction companies to reach the goal of "zero accidents" during construction projects. In FY2020, there were zero accidents resulting in injury or death.

Emergency Preparedness Procedures

SoftBank has put in place systems to ensure employee safety in the event of an earthquake, typhoon, or other emergency. In the event of such a crisis, an Emergency Response Headquarters is established as deemed necessary, and appropriate measures are implemented based on regulations stipulated by SoftBank. We also conduct regular in-house training and implement equipment safety procedures and other measures to prepare for emergencies. As an additional safety measure, drinking water, food, and other daily necessities are kept on hand at all times at work sites around the country, to create an environment which ensures that employees stay healthy even when a disaster occurs.

Safety and Health Management for Employees and Overseas Assignments, Including Family Members

SoftBank undertakes a variety of activities to ensure the health and safety of employees on overseas assignments, as well as family members accompanying those employees, providing support to ensure that employees can work anywhere in the world with peace of mind.

- Employees have in-person consultations with an industrial physician before beginning their assignments
- During their assignments, employees are required to return to Japan temporarily for a medical checkup (If the employee is unable to return to Japan temporarily, SoftBank bears the cost of equivalent medical checkups.)
- Employees join the medical consultation support service at their place of employment
- The employee participates in HR interviews before, during, and after the assignment to monitor physical and mental health, and to follow up on issues arising in day-to-day life
- To prepare for emergencies, SoftBank has introduced an "Emergency overseas evacuation service" that enables all employees on overseas assignments or business trips to evacuate to another country in the event of a terrorist attack or political unrest, as well as an "Emergency medical transport service" that provides transportation to another country for medical treatment in the event of a serious illness or injury.
- SoftBank confirms the safety of all employees on overseas assignments or business trips in the event of an emergency
- SoftBank supports protective measures at borders when entering/exiting Japan during the COVID-19 pandemic (the Company provides guidance on information on border measures at the time of entry/exit, and pays for PCR testing fees, accommodation fees, and travel fees)

Data on Labor Practices

Ratio of paid holidays used / Total annual work time / Average annual employee salary / Employee bonuses

[Details](#) Data on Labor Practices

SDGs Value Creation

4

Enhance Productivity with Advanced Workplace Environments

Leveraging cutting-edge technologies, we have put in place advanced workplace environments that enable diverse manpower to participate actively, creating new innovations and increasing employee happiness, which ultimately leads to the continued growth of the company. By maximizing the productivity of individuals and organizations through optimum workstyles for employees, we increase productivity throughout the company as a whole, which in turn contributes to increased corporate value and strategic investments in the future.

Promoting Workstyle Transformations with "Smart & Fun!"

Basic Policies and Approaches

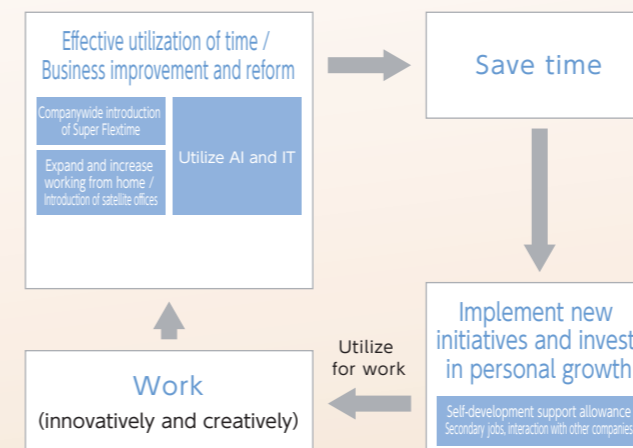
SoftBank applies IT, AI (artificial intelligence), and other technologies to maximize the productivity of individuals and organizations through optimum workstyles for employees, promoting smart work that incorporates diverse approaches.

Based on SoftBank's internal work slogan "Smart & Fun!," we are working to bring about a workstyle transformation that allows us to work smart and have fun, freeing us to be more creative and innovative.

We have introduced the Super Flextime System, which maximizes achievements and frees up more time through greater work efficiency, striving for balance that is not limited by conventional working hours. By allocating this extra time to self-development, employee exchanges, and communicating with friends and family, and by investing in personal growth, individual employees and the company as a whole become more innovative and creative. Our goal is to make it "Fun!" for people to work, because we believe that this will lead to better results.

SoftBank has implemented social distancing in its offices to prevent the spread of the novel coronavirus infection. At the same time, to maximize the productivity

Self-development support allowance —Use IT to make work "Smart & Fun!"—



of individuals and organizations, on June 1, we introduced new workstyles including the use of satellite offices and working from home, and allowing employees to travel directly to and from their homes and outside destinations. Anyone of these measures can be combined as often as deemed necessary. We also strive to keep the number of employees coming to the office on any given day at 50% or less.

Headquarters in Tokyo Portcity Takeshiba Office Tower

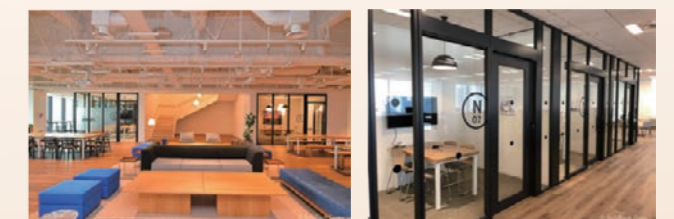
Office with Open Floorplan

The SoftBank headquarters located in Tokyo Portcity Takeshiba Office Tower has a community-based workspace which enables all employees to perform to their best ability. In addition to aiming to create open innovation that transcends divisional boundaries, we will realize more innovative and creative work styles that are not tied to working hours or places.

The floor plan consists of three levels connected by an inner staircase. Employees are freely come and go, which encourages spontaneous communication. Lounges located in the center of each floor of the office feature background music, sofas, and a pantry.

The office also has glass-enclosed meeting rooms, which encourage an open atmosphere within the Company and active communication among employees.

Special measures are taken to stimulate the creativity of employees; for example, about 700 pieces of art are displayed in the office.



Materiality 6 Developing a Resilient Management Foundation

SDGs Value Creation (4) Enhance Productivity with Advanced Workplace Environments

**Facial Recognition Gate**

At entrance and exit gates, an AI temperature detection solution is installed for office workers. This makes it possible to instantly perform face recognition and body temperature detection. Additionally, we introduced an elevator management system so that the elevator that will arrive at the pre-registered work floor in the shortest time can be automatically identified and displayed.



**Robots for Safe/ Secure Buildings and Customers' Comfort**

All areas of the building are periodically cleaned by the AI cleaning robot Whiz, which is developed and provided by SoftBank Robotics. Whiz is capable of autonomous driving for the purpose of cleaning floors. It is possible to easily create an autonomous cleaning route, which had been difficult until now. Also, because Whiz is equipped with AI, it is possible to detect obstacles and the movement of people, and take evasive measures depending on the situation.

We have also deployed the autonomous mobile security robot SQ-2 for immediate detection in the event of an emergency. Furthermore, we implemented a system which uses building cameras and sensors to detect people requiring caution and intrusions, and which is also linked with the chat tools of management staff. In addition to the conventional on-site patrols and notifications, this technology makes it possible to quickly grasp the situation, share information, and respond to abnormal situations in real time.



**State-of-the-Art Briefing Center**

On June 1, 2021, SoftBank opened the Executive Briefing Center in its headquarters. The Center is an experience-based facility aimed at accelerating DX (digital transformation) efforts by corporations.

The Executive Briefing Center is a facility that exhibits and demonstrates usage examples for the latest technology such as AI and 5G (fifth generation technology standard for broadband cellular networks), solutions related to smart cities, and solutions that can be used for digitization of each industry. More than 50 solutions provided by SoftBank, our Group companies, and our partner companies are on permanent display. Dedicated staff introduces the latest usage examples customized for each visiting corporation, as well as DX and work style reform initiatives being advanced by SoftBank. Also, we have established meeting rooms for exchanging opinions with SoftBank staff about the feasibility and effects of initiatives that utilize various solutions, based on the content introduced in the exhibition area. The Center connects these features to the formulation of specific measures for solving problems faced by corporations and creating new value.



**Satellite Office**

We are opening satellite offices for use by all employees with the aim of maximizing employee productivity by expanding work locations.

SoftBank fully utilizes WeWork workspaces throughout Japan (including 5 offices in the Kanto region) and more than 200 other shared offices. In this way, we are shifting to a more innovative and creative way of working that is not tied to any place, space, or community.

**Teleworking**

Through the use of IT, we have achieved flexible and diverse workstyles that are not limited by time or location. This has enabled us to increase work productivity and provide work environments suited to employees' respective life stages. Due to the spread of COVID-19, 95.9% of employees teleworked in the fiscal year ended March 2020, excluding employees who must come to the office.

When introducing company-wide telework, SoftBank provided a stable remote environment by quickly increasing the number of VPN connection clients and authentication servers to enable working from home. Moreover, we formulated usage rules for Zoom and Slack, and introduced the platforms as company-wide tools for supporting remote communication. We are working to further promote paperless operations such as digitization of invoices using optical character recognition (OCR), electronic contract services that can digitize the stamping of official seals, and OCR support for receipts.

Going forward, SoftBank will continue to pursue the best office environment, methods of working, etc., develop the optimal IT environment, and promote changes in working styles.

**Work From Home Systems**

Currently, SoftBank is shifting to a system that allows employees to work from home without an upper limit. By utilizing IT tools such as online meeting systems and business chat, we continue business while having approximately 90%\* of employees work from home, excluding employees who work at stores such as SoftBank shops.

\*As of June 30, 2020



**Super Flextime System**

This system eliminates core working hours and allows employees to change their starting and ending times on a daily basis based on work conditions.

**"Leave on Time" Day**

Every Wednesday as designated "Leave on Time" Day, so that employees can fully enjoy their private time after work, and lead healthier lives.

**Premium Friday**

We support Premium Friday, a measure developed by Japan's Ministry of Economy, Trade and Industry (METI) and the Premium Friday Promotion Council to promote consumption. With this measure, we encourage employees to leave at 3PM on the last Friday of every month.

## Materiality 6 Developing a Resilient Management Foundation

## SDGs Value Creation (4) Enhance Productivity with Advanced Workplace Environments

## Self-development Support Allowance

SoftBank established a self-development support allowance called the "Smart & Fun! Support Fund," which provides ¥10,000 per month for all full-time employees so that they can use the time saved through efficiency reforms as opportunities for personal growth.

## Secondary Jobs / Side Businesses

SoftBank allows employees to take secondary jobs that will help them develop skills and grow as long as it will not have an impact on the Company's business, and they receive permission from the Company in advance. The goal is to combine the knowledge and skills that they acquire through the secondary jobs with the knowledge and experience that they cultivated previously, to create new innovations by revitalizing existing business or developing new business for the future. Prohibitions on secondary jobs were lifted in November 2017, and as of August 2021, more than 1,700 employees had received these authorizations.

## SoftBank-style Internal Secondary Job System

In February 2021, we introduced a SoftBank-style internal secondary job system for matching needs between "employees who desire growth opportunities and opportunities to display their capabilities" and "organizations that require perspectives, experience, and expertise from outside of the organization." Based on our slogan of Smart & Fun! and new work styles, we aim to heighten the productivity in primary jobs, create time for taking on new work, and enable employees to use the system as an opportunity to take on challenges and make new choices, assuming appropriate balance with their primary jobs.

## Workstyle Support Fund

Based on working styles during the COVID-19 pandemic, SoftBank established a new Workstyle Support Fund in September 2020 as an allowance for supporting new working styles. The fund provides 4,000 yen per month to subsidize the cost of work desks/chairs, the increase in utility costs, etc., associated with setting up a work environment at home, as well as the cost of masks, disinfectant, and other preventive measures taking when coming to the office.

## Special Measures for Management During the COVID-19 Pandemic

Due to the spread of COVID-19, business has become centered on working from home. SoftBank held the Questionnaire on Working From Home in May 2020 and received a response that "management (particularly section managers) are struggling to

communicate with members and manage teams. In response, based on the contents of answers on the questionnaire, we extracted "issues creating difficulties for management" and "examples of skillfully responding to issues." We then created a summary of these items as "Special Measures for Management During Remote Work" and now hold an e-learning course on a website for managers.

## SoftBank-style Remote Work Management Workshop

In the future, there is likely to be a rise to prominence of a new working style that combine working at the office and remote work during COVID-19 and post-COVID-19. In order to improve organizational power and maintain high performance in this situation, we held workshops (100 minutes per workshop) for managers at the rank of line chief. Specifically, we interviewed about 30 line chiefs and then used their responses to hold a lecture section on special know-how and ideas and a section consisting of discussion among participants under the concept of "management know-how that can be used on-site." We also implemented specific tips for use by the line chiefs.

Workshops were held 12 times in January 2021 with participation from 1,202 employees (including from Group companies). The post-workshop survey showed extremely high scores for "Satisfaction" at 88% and "Business utilization" at 96%.

## Received 5-Star Rating in Nikkei Smart Work Survey and Award in Technology Utilization Division of the Nikkei Smart Work Awards 2021

The Nikkei Smart Work survey, a study conducted by Nikkei Inc., gave SoftBank a 5-star rating, the highest possible rating, for three consecutive years. This survey ranks all listed companies and companies with 100 or more employees based on four factors: human resources, innovation, market development, and management fundamentals.

Furthermore, we were also awarded in the Technology Utilization Division of the Nikkei Smart Work Awards 2021 in recognition of our efforts such as developing markets, strengthening innovation capabilities, utilizing human resources, increasing the efficiency of operations utilizing advanced technologies such as AI and RPA, and developing cashless payment services.



## Initiatives by Group Companies

[Work From Anywhere at Anytime (WFA) ]  
New Working Style at PayPay: Work From Anywhere at Anytime (WFA)

From September 2020, the SoftBank Group company PayPay started a new working style called "Work From Anywhere at Anytime" (hereinafter, "WFA"). WFA allows employees to freely work from anywhere in Japan and at the time of their choosing, as long as the environment enables them to perform at a high level.

Until March 2020, working in the office was the basic working style at PayPay. Employees went to the office for work, meetings, business negotiations, and other business-related tasks. Then, due to the spread of COVID-19, approximately 90% of employees have been working from home from April 2020. Furthermore, internal/external meetings, sales activities, in-house training, recruitment activities, and other activities are also held online by PayPay. From September 2020, working from home has been establishing as the norm, except for certain business tasks which require working from the office. As long as there is no interference with work and employees are able to perform at a high level, employees can work at locations other than their home; for example, cafés and public facilities (libraries, etc.) throughout Japan\*. For employees who have difficulty working at home, PayPay is establishing locations where individual work can be performed at sales offices and satellite offices nationwide. Employees can also take "workations" at vacation destinations, family homes, etc. In this way, PayPay is giving employees greater freedom in selecting their working style. In the future, the company will make preparations to enable work from overseas.

By implementing WFA, PayPay reduces the risk of COVID-19 infections for employees, and also achieves efficient working styles according to the situation while giving consideration to safety even in the event of a disaster. PayPay will continue WFA even after COVID-19 has subsided, and will constantly improve the working style of its employees.

\*Assuming appropriate security and a place where employees can work safely.

## Yahoo Japan Begins Operations with 118 Gig Partners Aged 10 to 80, Selected from More Than 4,500 Applicants

From July 2020, the SoftBank Group company Yahoo Japan Corporation has been recruiting people whose main business is at another organization to work secondary jobs at Yahoo Japan with the aim of "creating open innovation" that focuses on the "new normal" in society. The number of applicants exceeded 4,500. Yahoo Japan asked the applicants to participate in interviews, and to issue report on the company's business and their recommendations for pursuing an even better society. As a result of internal deliberation, the company selected 118 gig partners ranging from age 10 to 80. By allowing people to participate in Yahoo Japan as a secondary job, the company seeks to create innovation which leads to new businesses and services together with human resources which previously would not have an opportunity to participate.

Materiality 6 Developing a Resilient Management Foundation

SDGs Value Creation (4) Enhance Productivity with Advanced Workplace Environments

Health Management

Basic Policies and Approaches

SoftBank aims to maintain and improve the health of our employees in accordance with our Basic Mental and Physical Health Policy. The physical and mental health of each employee is the driving force for the achievement of the dreams and aspirations of our corporation and individuals. Therefore, SoftBank has announced a Health Management Declaration that positions the maintenance and improvement of employee health as one of our important management issues.

SoftBank's Health Management Declaration

SoftBank will actively utilize cutting edge AI and information & communication technologies to promote health management that maintains and enhances the wellbeing of our employees and their families.

SoftBank implements health management for employees strategically, from a corporate management perspective. Based on the company's corporate philosophy, investing in employees' health is expected to add vitality to the organization, for example by improving employees' energy and productivity. The goal of SoftBank's health management activities is to maximize productivity for individuals and organizations, as a company that continues to grow and take on challenges in each new stage of the information revolution.

Health Management Declaration

The most important foundation for tackling this new stage of the Information Revolution and realizing continuing growth is to be a group in which each individual employee is healthy in both mind and body and always brimming with energy. In signature SoftBank style, we will actively utilize cutting edge AI and information and communication technologies to promote health management that maintains and enhances the wellbeing of our employees and their families.

Junichi Miyakawa  
SoftBank Corp.  
President & CEO

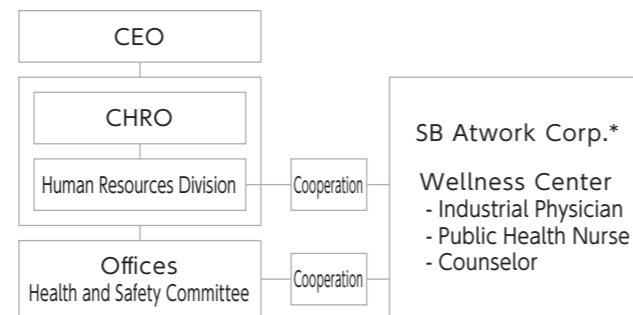
Basic Mental and Physical Health Policy

Support the wellbeing of all SoftBank employees so all work aspirations can be achieved with a sound body and mind.

Work to create a safe and comfortable work environment in which each employee can reach their full potential.

Observe compliance related to occupational health and safety laws to become a highly trusted corporate group among internal and external stakeholders.

Health Management Promotion System



\*SB Atwork Corp. is a subsidiary of SoftBank Corp.

Outstanding Health Management Organizations 2021 Certified in the Large Enterprise Category (White 500)

SoftBank received certification from the Ministry of Economy, Trade and Industry (METI) as a "White 500" organization in the Certified Health Management Organization Program, which recognizes companies that engage in efforts to advance health management for employees from a corporate management perspective. 2021 was the third consecutive year in which the company earned the White 500 certification.

\*"Outstanding Health Management Organizations" are those that practice good health management in collaboration with insurers, and the "White 500" certification is awarded jointly by METI and the Nippon Kenko Kaigi (Japan Health Conference). The goal is to build environments that increase the visibility of outstanding companies actively involved in health management, so that these companies can receive social recognition.



Certified as a "Sports Yell Company" for Three Consecutive Years

For the third consecutive year, SoftBank was certified by the Japan Sports Agency as a Sports Yell Company, which recognizes corporations that are actively engaged in supporting and promoting sports activities in order to improve the health of employees.

In order to encourage our employees to exercise, SoftBank periodically holds activities such as online yoga classes taught by employees who are certified as instructors, streaming of videos showing gentle stretches that can be done in the office taught by "health keepers" (internal physiotherapists), etc.

Initiatives for Employee Self-Care

Pulse Survey

SoftBank holds a monthly pulse survey for the purpose of ascertaining the condition of individual employees and promoting communication between supervisors and members. By answering a total of 13 questions (about 3 minutes) on work, life, and health once a month, employees can measure changes in their own condition. Furthermore, the pulse survey is intended to facilitate timely communication among supervisors and members.

The term "pulse survey" is a reference to how the surveys contain only a few questions and are held repeatedly in a short period of time, similar to quickly checking someone's pulse. Unlike the annual Employee Satisfaction (ES) survey held to diagnose the health of the organization, pulse surveys enable us to grasp conditions in a timely manner.

SoftBank views ES surveys and pulse surveys as a form of risk assessment. By using the results of surveys to appropriately grasp risks related to securing and retaining human resources, the Company is able to retain outstanding human resources who contribute to enhanced employee vitality, improved corporate performance, and sustainable business growth.



Stress Checks

Stress checks are conducted to improve workplace environments and prevent mental health problems through self-care. These stress checks have been conducted regularly since 2007, and since December 2015, they have been a requirement in offices used by 50 or more workers on site at all times. "Wellness Eye" – a stress check system developed by SB Atwork Corp. (a SoftBank subsidiary) through collaborations between industry and academia – is used to support selfcare and resolve organizational issues.



Introduction of the Peer Supporter System

In the Peer supporter system, which was introduced in 2008, employees qualified as industrial counselors or career consultants – following a training and selection process – respond to inquiries from other employees on a volunteer basis, or proactively call on employees who appear to be struggling.

Online Health Care Consultation Service

SoftBank also provides employees with an online health care consultation service, which offers consultations with a highly specialized healthcare team via PCs, smart phones, and other devices, to respond to concerns or anxieties regarding health and medicine.

## Materiality 6 Developing a Resilient Management Foundation

## SDGs Value Creation (4) Enhance Productivity with Advanced Workplace Environments

## Measures for Maintaining Health

SoftBank is implementing measures to keep our employees working in good health, with the aim of always maintaining a vibrant organization.

## Introduction of a "Between Work Interval" System

SoftBank has introduced a "Between work interval" system that ensures a specified break time between the end of work and the start of the next business day, so that employees are assured of having sufficient time for personal activities and for sleep. The system applies to all employees, and makes it a requirement to take ten hours or more of consecutive break time between "shifts." Exceptions can be made when urgent matters arise.

## Encouraging the Use of Annual Paid Holidays

To promote workstyles with a healthy balance of work and personal time, SoftBank has created an environment which makes it easier for employees to take paid holidays. For example, the Company supports Premium Friday (in which employees are encouraged to leave at 3 PM on the last Friday of every month), and encourages employees to take days off when there is only one weekday between the weekend and a national holiday, or on weekdays during the Spring "Golden Week" holidays. SoftBank also encourages employees to take time off during the summer (from July to the end of September).

\*Ratio of paid holidays used during fiscal 2019: 72.2%  
Ratio of paid holidays used during fiscal 2020: 61.8%

## No Smoking During Working Hours

SoftBank has been gradually phasing out smoking during working hours since April 2019 to promote better employee health. Our target is to reduce the percentage of employees who smoke to less than 20% by FY2030. Smoking has been prohibited during all working hours since April 2020. The Company regularly offers financial assistance to cover some of the costs of quitting, including nicotine patches, nicotine gum, and visits to clinics for treatments to break the habit. The ratio of smokers at SoftBank during the year ended March 31, 2021, was 26.8%.

## Support for Improving Employees' Health

## Improving Health Literacy

A program called "You'll understand it in 5 minutes! SoftBank's health management" was designed to improve employee literacy regarding health.

## Improving Eating Habits

SoftBank conducts online seminars and e-learning programs to improve employees' eating habits, and provides special healthy menu items in the employee cafeteria.

## Encouraging Exercise Habits

SoftBank holds walking events as well as online morning yoga classes via Zoom and video streaming of stretching classes taught by a physiotherapist, and encourages employees to participate in in-house club activities.

## Improving Mental Health

SoftBank offers online seminars to improve the quality of sleep, and also provides e-learning on self-care and "line care."

## Activities Promoting Women's Health

SoftBank distributes a "Women's Energy Support Column" by e-mail to all employees, and holds "Women's health support seminars" and related events.

## Healthy Workplace Environments

## Preventing Workplace Harassment

SoftBank provides awareness activities, including division-specific training and e-learning, to ensure a healthy and safe workplace free from all forms of harassment. If a harassment incident does occur, a primary contact point has been established so that appropriate measures can be taken as quickly as possible. As part of the response, the counselor will first listen to what happened, and then discuss the next steps with the employee. All consultations are handled with complete confidentiality, so that employees can raise issues with peace of mind.

## Supporting Employees in the Fight Against COVID-19

## Conducting Antibody Tests for Employees

SoftBank conducted antibody tests within the Company and provided test information to SoftBank Group Corp., which then publishes "Interview with Experts on Preliminary Results of Antibody Test Results for COVID-19 and the Exit Strategy 'SoftBank Model'" on our website.

## Supporting the Distribution of Masks for Employees

SoftBank distributed masks to all employees (including masks for family members) so that they can work and engage in daily activities while striving to prevent the spread of COVID-19.

## Voluntary Implementation of Saliva PCR Test for Employees

In response to the spread of COVID-19, from October 2020, SoftBank has been holding in-house saliva PCR tests for applicants in order to dispel employee anxiety, quickly detect infected individuals, implement prompt response, and contribute to resumption of economic activities and prevention of the spread of COVID-19. As a general rule, employees can undergo a maximum of one test per month. However, employees can undergo tests without any limit on the frequency of testing prior to a business trip, prior to visiting a customer, or if an employee was in contact with an infected individual but was not eligible for a government PCR test.

## Vaccinations During Working Hours and Special Paid Leave in Case of Side Effects

SoftBank is making the following efforts with the aim of creating a work environment where employees can work with peace of mind through vaccination and contributing to the early subsidence of COVID-19 in Japan.

- ◆ Holding of COVID-19 workplace vaccinations  
SoftBank holds workplace vaccinations for our employees, their family members, and employees of Group companies.

- ◆ Creating an environment that makes it easy for interested employees to receive a vaccination  
If an employee receives a vaccination during working hours on a working day, the time required for vaccination will be treated as working hours. Also, transportation expenses will be paid if the employee used public transportation to access the vaccination site.

Furthermore, if an employee needs to rest due to side effects of the vaccination, or an employee needs to accompany or care for a family member in relation to vaccination, a special paid leave called "COVID-19 post-inoculation side-effect leave" will be granted for a maximum of 2 days.



# Initiatives Supporting Business Activities

## Customer Relationship Management

### Efforts to Increase Customer Satisfaction

SoftBank engages in daily efforts to provide services and build network environments that satisfy customers. Through interactions in shops and call centers, we uncover potential issues from customer requests that have been gleaned from questionnaires and other sources, and we reflect this feedback into our operations to provide our customers peace of mind. We are also making efforts to improve customer satisfaction by visualizing customer feedback and incorporating it into the PDCA cycle to accelerate improvements, while thoroughly educating sales staff (hereinafter, "crew") who are on the frontlines of customer support.

### Customer Surveys

SoftBank conducts questionnaire surveys of customers who visit our stores so that we can incorporate the opinions and requests of customers into our business activities. The survey includes Net Promoter Scores\* (NPS) and the underlying reasons for them, as well as crew member customer service evaluations for every customer store visit. We collect approximately 3.55 million responses each year.

Questionnaire responses are visually displayed on a dedicated system and the contents are shared at store meetings to enable each store to efficiently apply them to the PDCA cycle and conduct improvement activities. In addition, we conduct satisfaction surveys at random among customers under contract. Customer opinions and comments gathered through 880 thousand annual questionnaire responses are also reported along with issues and countermeasures at management and other meetings.

\*Net Promoter Scores are a metric for assessing customer loyalty

### Efforts to visualize customer and staff feedback



### Efforts to Collect Items Noticed by Staff

We engage in efforts leading to improved satisfaction by collecting requests and items of note working staff have noticed through interactions with customers.

We collect items for improvement and issues noticed by crews working at stores through interactions with customers.

In addition, call center operators gather approximately 2,000 submissions a month in an effort to post customer opinions, referred to as "Voice of Customer" (VOC). Operators also submit 500 posts each month from a "comment box" regarding issues they noticed. This feedback is shared with the relevant departments and responses are made as necessary.

### Efforts to Increase Satisfaction of Enterprise Customers

Placing the highest priority on solving issues faced by corporate customers, SoftBank always pursues service provision in the customer perspective. For example, we propose a combination of a wide variety of solutions and technologies instead of simply selling our products.

In addition, in SoftBank, we actually use many of the solutions that we offer to our customers. By doing so, we strive to improve solutions. With an understanding of the ease of use for users, we propose solutions and provide assistance for the introduction and approach for diffusion inside customer companies. We are striving to enhance our services in all directions.

### External Evaluations

**Nikkei Computer Customer Satisfaction Survey 2019-2020**  
**Number One in IoT/LPWA Services and Network Services (Wireless)**

### Crew Education Initiatives

SoftBank engages in education efforts to ensure high levels of knowledge and skills for crew members who interact directly with customers in stores with the aim of creating SoftBank, Y!mobile and other stores that provide customers with a higher degree of happiness. We share our aspirations, teach customer service etiquette and product knowledge, and provide all crew members with group training, e-learning, video content and other tools appropriate to their level, purpose and role, while visualizing the management and skill acquisition status of each crew.

We have also introduced in-store live training enabling group training and education with the aim of creating new learning opportunities for crew members.

By conducting this training in a timely manner in line with the release of new models and services, we can directly share sales tactics and other noteworthy points for communication with customers to crews nationwide. Knowledge and customer service skills gained through daily work and training are evaluated through the qualification examinations, with certified crews displaying badges that represent their certification in an effort to improve customer service at each store. SoftBank and Y!mobile stores also hold the "Customer Service No. 1 Grand Prix," which involves role-playing where crews play the part of customers at mass retailers, to select and commend the crews with the best customer service in each district throughout Japan. This activity is sent in video format to retail stores nationwide as an opportunity to share examples of better customer service, which not only awards excellent crews but also improves customer satisfaction.

### Base Station Quality Control

In the quality control of base stations, AI, drones, and other cutting-edge technologies are used. Although only 30 cases of base station tuning work can be conducted manually, 1,000 cases of automatic tuning per day is now possible due to the introduction of AI.

### Ensuring Customers Use Products Safely

SoftBank believes it is important to provide products and services that meet social needs (customer and market expectations), thus we strive to provide safe, secure products and services based on universal design. In addition, we implement thorough quality control, from design to market quality after launch, with a strict focus on safety. We established our own safety standards above and beyond compliance with laws and guidelines, fully confirming safety across the design, development and manufacturing processes. We also implement 100% of the labeling required for relevant regulations during shipping and delivery. If failure or quality issues arise after a product is released, we will accept repairs at stores nationwide or online, promptly investigate the cause and work to improve and increase quality. In the event of a serious malfunction, we established an Emergency Response Headquarters system led by the President to determine malfunction details and cause, decide policy and provide prompt responses. In an effort to prevent the misuse of products, we also engage in safety promotion activities through various announcements in collaboration with the MCPC\* and other industry organizations.

\*Mobile Computing Promotion Consortium

### Quality Control Flowchart



Initiatives Supporting Business Activities

Brand Management

Corporate Identity

Company Name Origin

SoftBank Group Corp. (formerly, "SoftBank Corp.") started out in 1981 as a distributor of personal computer software. As software is called "soft" in Japanese, the name "SoftBank" literally means "a bank of software." The word "bank" was chosen based on the grand aspiration to be a key source of infrastructure for the information society.

Corporate Logo



The SoftBank logo consists of the brand symbol, which is a combination of "two lines" and "silver," and the word SoftBank. The double-line represents the "=" (equal) sign, symbolizing the Group's role as an actor in the information revolution. It shows that the SoftBank Group has an "answer" it can provide to customers and help solve the various problems the world faces. The double-line also expresses interactive communication and unlimited possibilities. The brand color silver shines brightly on its own, unaffected by surrounding colors. Combined with the double-line, it becomes a banner that symbolizes the information revolution, not losing its luster with the passage of time.

Responsible Advertising and Public Relations Activities

When conducting advertising, public relations activities, and other communication activities, SoftBank is careful to consider the accuracy of information concerning the management policies and business description, technologies, products, and services as well as ethics (sufficient consideration of human rights, environment, confidential information, intellectual property rights, personal information, and other problems). At the same time, we listen to the opinions of wider society and incorporate them in our business.

When it comes to advertisements and other forms of publicity, we consider advertising ethics and endeavor to display content which complies with the Act Against Unjustifiable Premiums and Misleading Presentations and

other applicable laws as well as the "Voluntary Standards and Guidelines Concerning Telecommunications Service Advertising Displays" established by the Telecom Services Promotion Conference business group.

In the Legal, Technology, Marketing, and other departments, we verify content according to legal compliance, consumer protection, and the customer's perspective while also consulting with attorneys and other external experts and specialized organizations as needed to verify that the advertising display content is accurate and appropriate.

After a major advertising proposal has been decided, advertising content is verified at the management level by presenting the content in a managerial meeting or by providing individual explanations to managerial personnel.

Feedback concerning advertising activities which have already been executed are also accepted by SoftBank Customer Support (inquiries). Moreover, we continuously monitor previously conducted advertising activities by subjecting them to a regular advertising check scheme conducted by an industry organization (Telecom Services Promotion Conference) to verify that there are no legal, guideline-based, or ethical issues with the content.

In this manner, we establish a strict verification process and mechanism for detecting problems. In the unlikely event that a customer, administrative authority, or consumer group, etc., points out a problem with our advertising activities, we change the content.

During fiscal 2020 there were no cases of unjustifiable and misleading representation as stipulated in the Act Against Unjustifiable Premiums and Misleading Presentations resulting in administrative disposition within SoftBank's advertising activities.

In order to continue responsible advertising activities, it is important to improve ethical awareness with respect to advertising displays within the company. At SoftBank, we conduct periodic group training and e-learning regarding advertising display ethics to promote an understanding of the relevant laws, advertising display rules defined by the industry, and internal rules, etc..

In addition, in order to upgrade our level of responsible advertising activities, we participate in the "Japan Advertisers Association (JAA)" which aims for the healthy development of advertising activities and feed back the knowledge obtained through discussions with participating companies and leading experts into our advertising activities.

About Advertising

SoftBank has developed highly popular advertising and topical series such as the Shirato Family series of commercials launched in 2007. Recently, we are developing the "5G is Doraemon?" series, which is a collaboration between "SoftBank 5G" and cartoon character "Doraemon," as well as the "Katte Ni HERO'S" series, which conveys the attractiveness of the pricing service "Merihari Museigen."

In addition, SoftBank's low-priced smartphone brand "Y!mobile" features humorous and friendly commercials that aim to simply convey the value of the "Y!mobile" brand since its commercial launch in 2014.

Energetic and cheerful advertising for the LINEMO online specialty brand that was launched in March 2021 introduces valuable and attractive services for LINE users such as the LINE Giga Free service under the concept of "Fun surprise."

Advertising Awards History

SoftBank

CM Research Institute May 2019 commercial ranking 1st Place (production)  
Target: Student discount commercial "Giga Koku Monogatari, Karaoke"

CM Research Institute April 2020 commercial popularity ranking 1st Place (production)  
Target: 5G promotion commercial "Shirato Family, 5G is Doraemon?"

ACC2019 Film Section A Category (TV commercial)  
Bronze "Shirato Family Giga Dorobo"

ACC2019 Film Section A Category (TV commercial)  
Bronze "Shirato Family Interview with Rei Kikukawa"

ACC2019 Media Creative Section  
Gold: "Kimi No Na Wa?" Terrestrial broadcast project

87th Mainichi Advertisement Design Competition Second Place the Advertiser Category  
Target: "New" na jidai wo 'york' shiyone" (two facing newspaper pages)

68th NIKKEI AD Award (2019) Electrical, Communication, IT Category Excellence Award  
Published August 22, 2019 30 lines (5G Hachimura)

APA Awards 2020 Advertisement Production Category, Minister of Economy, Trade and Industry Award  
Excellence Award Giga Koku graphics

34th All Japan DM Award Gold Award & Jury Special Award Implementation Effect Category  
Target: "Direct marketing encouraging childcare support clubs and direct marketing promoting kids' phones"

73rd Dentsu Advertising Awards Film Advertising/Spot short version (First half) Silver award  
Target: Half price support and promotion commercial "Chuka Han" version

Transit Advertising Awards 2020 Excellence Award, Train Station Signboard Category  
Target: 5G is Doraemon?"

88th Mainichi Advertisement Design Competition Second Category Award, Advertiser Category  
Target: 5G is Doraemon?" (Single newspaper page)

CM Soken Consulting December 2020 1st Place in commercial popularity ranking (Company/brand/production)  
Target: 5G promotion commercial "5G is Doraemon? Time machine" version

CM Soken Consulting February 2021 1st Place in commercial popularity ranking (Company/brand/production)  
Target: Student discount promotion commercial "Gakuwari HERO's: Oyakoko" version

CM Soken Consulting Best Advisor  
(FY2020 No.1 company with the most popular commercials)

35th Japan DM Award Bronze  
PayPayDM

Y!mobile

CM Research Institute December 2019 1st Place in commercial popularity ranking (Company/brand/production)  
Target: Student discount commercial "Oyako de Dance"

NTV CM Awards 2019 – NTV CM Award  
Y!mobile "Y!BAND Honoo" version

National Catalog Exhibition Highest Award "Minister of Economy, Trade and Industry Award  
Target: "Smartphone No Tomo"

72nd Dentsu Advertising Awards Activation Planning – Silver Award  
Y!mobile Student Discount "Wai Moba Gakuen" (nationwide unified smartphone debut test)

"AD FEST 2019" Brand Experience & Engagement Lotus Division Use of Digital & Social Platforms – Gold  
"Love begins when the end of school bell rings"

"London International Advertising Awards 2019" Digital section Use of Social Media – Silver  
"Love begins when the end of school bell rings"

"JPM Planning Solution Award 2019" Digital Promotion Planning Department – Silver  
"Love begins when the end of school bell rings"

"EPICA AWARDS 2019" Communication & Public Services – Gold  
"Parallel School DAYS"

ADFEST 2020  
• BRANDED ENTERTAINMENT LOTUS Category  
USE OF FICTION FILM Silver  
• MEDIA LOTUS Category  
USE OF BRANDED ENTERTAINMENT & CONTENT: PROGRAM & PLATFORM Silver  
"Parallel School Days"

2020 60th ACC TOKYO CREATIVITY AWARDS Marketing Effectiveness Category – ACC Bronze  
"Senior Strategy (Easy Smartphones)"

Initiatives Supporting Business Activities

Community Participation | Social Contribution Activities (CSR Initiatives)

Approach

Basic Approach

As a company leading the Information Revolution, we utilize our strengths in technology to promote activities which contribute to society. Based on a Sustainability Basic Policy, the main themes of our social contribution activities to create a sustainable society are the "promotion of an information society," "next-generation education," "support for a diverse society," "environmental and resource measures" and "disaster countermeasures and reconstruction support." These focus themes are linked to our corporate philosophy "Information Revolution — Happiness for Everyone" and our growth strategy "Beyond Carrier" in the hope that knowledge gained from social contribution activities and connections with society will lead to further improvements in business activities.

While engaging in repeated discussions with stakeholders including everyone in local communities, we sincerely undertake the resolution of social issues and aim to contribute to the achievement of the SDGs to create a society in which everyone can enjoy a convenient and comfortable lifestyle.

Themes of Focus

Theme	Contents of Activities	KPI
Promotion of an information-oriented society	<ul style="list-style-type: none"> <li>Addressing digital divide</li> <li>Health and medical support</li> <li>Support for communities and organizations</li> </ul>	<ul style="list-style-type: none"> <li>Smartphone classes held: more than 430,000</li> </ul>
Fostering the next-generation	<ul style="list-style-type: none"> <li>Education support</li> <li>Child-rearing support</li> </ul>	<ul style="list-style-type: none"> <li>Number of special needs education institutions supported by SoftBank: 650 (FY2021)</li> </ul>
Responding to a diverse society	<ul style="list-style-type: none"> <li>For the senior generation</li> <li>For diversity</li> </ul>	<ul style="list-style-type: none"> <li>Number of support groups for people with disabilities coordinated with SoftBank: more than 300 (FY2021)</li> </ul>
Disaster countermeasures and reconstruction support	<ul style="list-style-type: none"> <li>For disaster prevention and disaster mitigation</li> <li>For recovery</li> <li>Efforts to support reconstruction</li> </ul>	<ul style="list-style-type: none"> <li>Maintain 200 or more mobile base station vehicles and portable mobile base stations</li> <li>Maintain 80 or more deployed mobile power supply vehicles</li> <li>Maintain 200 or more portable antennas</li> </ul>
Environment and resource measures	<ul style="list-style-type: none"> <li>Measures for resources and energy</li> <li>Environmental conservation</li> </ul>	<ul style="list-style-type: none"> <li>Number of reused/recycled terminals: 10 million (FY2020–FY2025)</li> </ul>

Social Contribution Activity Focus Themes



Promotion Structure

SoftBank's CSR Division formulates basic policies and themes of focus for CSR activities for the Company and the entire Group, which are shared throughout the Group. Each of our Group companies has established its own CSR department or person in charge of CSR and has built a system to promote its own activities in accordance with the business and characteristics of each company.

In order to obtain the results of the entire Group's activities and the activity plan for the relevant fiscal year, information is exchanged on a regular basis by holding CSR group liaison meetings. In addition, the results and status of our CSR activities are shared with and reported back to management and we realize effective social contribution based on the opinion of management.

[Details](#) Social Contribution Activity Expense Data

Deploying Senior Personnel to Resolve Regional Issues

Since 2017, to work more closely with local communities and resolve local social issues, we have established bases for CSR activities in Hokkaido, Tohoku, Hokuriku, Tokai, Kansai, Kyushu, Chugoku, Shikoku and Okinawa where we deploy about 60 senior CSR employees with a wealth of experience and achievements as ICT professionals that play a central role in resolving local social issues and supporting regional revitalization. This initiative will also promote work style reforms as a new role model for utilizing senior human resources.

Regional CSR Deployment Bases



Working More Closely with the Governments while Using ICT to Resolve Social Issues

SoftBank contributes to regional revitalization through cooperation with local governments and other authorities, including the Ministry of Internal Affairs and Communications' "Regional Revitalization Personnel Exchange Program" as well as agreements with and appointments of various advisors to provide a frontline response to the resolution of social issues using ICT. (As of June 31, 2021)



Support for Reconstruction in Namie Town, Fukushima Prefecture

Under the "Community Building Businessperson Exchange Program" of the Ministry of Internal Affairs and Communications, a SoftBank staff member is assigned to the Namie Promotion Section in Namie Town, Fukushima Prefecture from April 2021. The Namie Promotion Section sets the resolution of challenges of the town by incorporating personnel from outside of the town and utilizing their outsider perspectives as the purpose. The Namie Promotion Section plans to proactively create more attractions that the town can offer through measures such as information transmission on social media and product development.



SoftBank staff (Left)

Local Government Support in Nakama City as a Special Mission Advisor

SoftBank and Nakama City in Fukuoka Prefecture concluded a cooperation agreement on future urban development for the purpose of improving the city's residential services on September 10, 2020. As part of the agreement, SoftBank staff engage in support for revitalization of the city and promotion of various projects as a special mission advisor of city hall.

Under the SoftBank Robotics' Pepper Social Contribution Program, we provide Pepper to private corporations with the aim of contributing to society. In addition, as Japan's first initiative, we lent Pepper to boards of education for three years for free of charge to enhance programming education for children. As these examples illustrate, the special mission advisor has also been working on the creation of a system to encourage companies to contribute to society.

In addition, for child-rearing support, we will back up the enhancement of Nakama City's child-rearing support leveraging a wide variety of SoftBank's services. In recent years, the Kyushu region where Nakama City is located has undergone numerous large-scale disasters including heavy rainfalls. By introducing a rainfall observation system using ICT and implementing disaster response education using Pepper, the special mission advisor has been working on the creation of an environment that helps the prevention and mitigation of disasters.

SoftBank Staff Visit Elementary and Junior High Schools in Chiba City as Guest Speakers

As guest speakers under a program organized by Ciba City's Board of Education, SoftBank staff visited elementary schools in Chiba City on October 8, 2020, October 16, 2020, and December 9, 2020. Several SoftBank staff members introduced the Company using a panel discussion format and so on so students could look forward to working in the future.

Furthermore, upon request directly from a junior high school in Chiba City, we held special sessions where students presented new customer acquisition measures in ZOZOTOWN that were created through working in a group.



Initiatives Supporting Business Activities

Community Participation | Social Contribution Activities (CSR Initiatives)

Donations as Social Contributions

Tsunagu Bokin—Connected through Fundraising

SoftBank smartphone users can add a donation to their smartphone bill payments or make a donation using their T-POINTS. By providing a platform that allows people to more easily participate in a wider variety of non-profit fundraising activities using the smartphones that have become such a familiar part of life, we will continue to support the efforts of non-profit organizations and the resolution of social issues.

Fiscal 2020 Results

Registered groups: Approximately 510  
Total donations: Approximately ¥3.5 million per year

Charity Smile

An optional mobile phone service that provides ongoing support to children who have lost their homes due to abuse, or have lost their parents to accidents or disasters, through monthly donations of ¥20 per month per customer to supporting non-profit organizations, with each donation comprising ¥10 from a customer and a matching ¥10 donation from SoftBank Corp.



Fiscal 2020 Results

Total donations: ¥5,706,866

Charity Mobile

This is a program that allows users of SoftBank mobile phones to donate 3% of their monthly mobile phone usage fees to non-profit organizations over the course of two years. When customers sign up for this plan using a special application page that appears when they purchase or upgrade their mobile phones, SoftBank will donate a fixed amount of ¥6,000, and 3% of their monthly mobile phone usage fees over the course of two years\*, to non-profit organizations of their choosing (with no additional fees or burdens for the customer).

\*A maximum donation period of 24 months

Fiscal 2020 Results

Total donations: ¥85,957

Employee Volunteer Participation

Employee Volunteer Activities

To encourage employees to participate in community volunteer activities, SoftBank provides up to two days a year of volunteering leave. Through volunteer efforts such as cleanup activities, support for people with disabilities and support for areas affected by large-scale disasters, employees engage in close communication with the community beyond their core business. Furthermore, by applying that experience and knowledge to our core business, we aim to contribute to a better society.

Volunteering Leave Utilization

Fiscal 2019:	Fiscal 2020:
179 people	16 people

Employee Volunteer System

Utilizing the experience and skills employees have accumulated through their work and hobbies, the SoftBank Group Employee Pro Bono System supports non-profit organization efforts to resolve social issues through volunteering. We also provide various systems including local employees supporting and participating in events held by local municipalities to enliven the community, enabling employees to use their skills and experiences accumulated through their core business and hobbies to support regional revitalization.

Employee Blood Donations

SoftBank employees participate in blood donations at our Head Office and regional bases. In February 2020, approximately 250 employees donated blood at the Head Office located in the Shiodome area of Tokyo.

Additionally, in recognition of our ongoing blood donation promotion efforts, we received the "President's Special Commendation for Corporate Distinguished Service" at the 2017 Japan Red Cross Nationwide Conference.

Employee Fundraising

In response to our employees' desire to support NPOs, SoftBank Corp. established an employee fundraising system in April 2013, through which donations continue to be given to certain organizations. Also, after a major disaster, we form a separate employee fund to help those affected. We match all employee donations, enabling a two-fold contribution to be made to non-profit organizations in disaster-stricken areas.

Fiscal 2020 Results

Total donations: ¥8,091,406

Promotion of an Information-oriented Society

Responses to the Digital Divide (Maho Project)  
—Using cutting-edge technologies to support the education of children with special needs—

Research undertaken since 2009 on ways of utilizing mobile devices to benefit children with special needs. SoftBank is researching the potential for ICT as a method of communication and cognition by lending tablets and the humanoid robot "Pepper" free of charge for a set amount of time to schools participating in the project for use in learning and daily life. Children unable to communicate well with others are able to communicate by displaying words on the tablet to facilitate mutual understanding and use an application displaying a picture of a timer to support the understanding of abstract time concepts like "wait a minute."

ICT Education Cooperation Project in Special Needs Education with the Hokkaido Board of Education

As one of the research studies of the "Maho Project" in fiscal 2021, we support four schools for the visually impaired in Hokkaido Prefecture through the Hokkaido Board of Education and Hokkaido Special Needs Education Center. The prefecture faces the challenges of reductions in school size due to declining birthrates and schools located in remote areas due to the geographical situation. To resolve these challenges, we will promote ICT use and support for the effective and efficient provision of lessons for children with disabilities. Offering remote classes connecting multiple special needs schools where teachers and students can communicate with each other under leadership of the boards of education in the Maho Project is the first initiative of its kind in Japan.

In addition, this project provides support beginning with four schools for the visually impaired in the prefecture and aims for expansion to other special needs education institutions in the prefecture in multiple years. In fiscal 2021, we aim to assist the provision of highly specialized education to children with disabilities through connecting four schools for the visually impaired in an online conference format. These schools are facing challenges of maintaining specialized support and instruction in education for the visually impaired students. However, connecting these schools online enables the provision of remote classes where teachers and students can communicate with each other.

Recording Growth and Development Status Using the ICT "Growth Log Service"

This online service records and manages information on growth, development and health from infancy throughout one's lifetime for the purpose of realizing seamless support. In addition to the development record traditional maternity health record book, this service enables the recording of the health, growth and development status of the entire family. The amount of information that can be understood will increase and become useful in daily life for learning, social welfare and other purposes.

Local governments can use the notification function to deepen their relationship with residents.

Residents will be able to understand their condition and of that of their family

quickly by recording information. Also, sharing recorded information with the local government will make it easier to receive the appropriate support.

Currently, this service has been introduced in Ikeda City, Osaka Prefecture, Niimi City, Okayama Prefecture, and Abira, Hokkaido (as of August 31, 2020).



\*The growth/development recording function of the "Growth Log Service" ("Face Sheet" "Current Condition"), is based on the recording file Ikeda Tsunagari Sheet "Ikeda\_s" jointly developed by the United Graduate School of Child Development, Osaka University, and Ikeda City.

Next-generation Education Initiatives

Supporting Education Using Cutting-edge Technologies

From 2020, programming education will be compulsory in elementary and middle schools in Japan, so SoftBank is providing various opportunities for programming education. As part of this effort, in fiscal 2019, we started the new education program "IoT Challenge," which uses Pepper and micro:bit. We also conduct hands-on programming classes using Pepper in various locations to support the creation of opportunities for children to think about the future.

Simultaneous Remote Disaster Response Class Using Pepper at Three Schools in Three Prefectures on World Tsunami Awareness Day

On November 5, 2020 which was World Tsunami Awareness Day, the first tsunami version disaster response class using Pepper was held in Japan. In the class, three schools, namely, Tsukuba City Takezono Higashi Elementary School in Ibaraki Prefecture, Wakayama City Sunayama Elementary School in Wakayama Prefecture, and Tokunoshima Town Kedoku Elementary School in Kagoshima Prefecture were connected by the Zoom online conference system.

In the class, the characteristics and generation mechanism of tsunamis were explained using explanations and images provided by Pepper, and students held group discussions on how to prevent damage. The children agreed when Pepper said they need to protect their lives on their own, and students deepened their knowledge of tsunamis so much that they even presented the idea of checking safe evacuation locations beforehand in the presentation session.

The utilization of robots and ICT enables children to have fun while learning about disaster prevention.

Initiatives Supporting Business Activities

Community Participation | Social Contribution Activities (CSR Initiatives)

IT Human Resource Development Project

Yahoo Japan is working on an IT Human Resource Development Project for the purpose of providing opportunities to high school students and other future generations to encourage independent thinking under the theme of how to survive the increasingly advanced digital society. In this project, while thinking about the assigned theme, participants are able to master logical skills and experience findings for taking the initiative, joint work, information transmission, and diversified values through group work using Internet sales, digital marketing, media literacy, and the like as the base of learning materials.

Moreover, in addition to students, this project offers occupational training related to opening and management of online stores and implementing initiatives to promote the sales of locally produced products outside of Mine City in Yamaguchi Prefecture as part of reoffending prevention and regional revitalization projects in the Mine Rehabilitation Program Center which is a penal institution operated jointly through cooperation between the public and private sectors. Through these measures, the IT Human Resource Development Project contributes to the revitalization of the region as well.

Using ICT to Support Gym Classes and Club Activities

SoftBank provides remote support using smart coaches for the purpose of supporting remote islands and other areas impacted by geographical issues, as well as teachers who lack experience in competition and leadership skills in school gym classes and club activities. Teachers and students can watch videos on their smartphones, tablets, and PCs to receive online distance learning from professional coaches having a wealth of knowledge and experience.

This initiative is also incorporated into classes at universities and other institutions with the aim of supporting school teachers, nurturing children and developing future leaders.  
(see Materiality 2 on p. 70)

Introduction Efforts

**Cumulative number of municipalities: 53**  
**Cumulative number of club activities: 207**

Note: As of March 31, 2021



Support for a Diverse Society

SoftBank aims to use technology to create a society in which people of all ages can remain physically and mentally healthy and comfortable in their own way.

Short-time Telework

This new employment and working style which is not restricted by time or place allows those who have the desire and ability to work but lack employment opportunities due to day-to-day commitments or do not have workplaces nearby appropriate for their capabilities to work 8 hours a week or so at their homes or co-working spaces using ICT devices such as PCs, smartphones and tablets to work.

For example, women who have given up their careers due to childbirth, child-rearing, or nursing care are also able to work for short periods of time without commuting and re-connect with society.

Introduction Efforts

- Isogo Ward, Yokohama City (from March 2019)
- Aoba Ward, Yokohama City (March 2020 to August 2020)
- Sukagawa City, Fukushima Prefecture (from February 2021)

Disaster-stricken Area Support

Efforts to Support Disaster-stricken Areas

When a natural disaster occurs in Japan, SoftBank lends mobile phones and other digital devices and donates funds to support disaster-stricken areas. We provide liaison support enabling us to work closely with local governments to hasten our response with regard to disaster conditions and the necessary support. In addition to the unlimited lending of mobile phones for local governments and Self-Defense Forces dispatched to provide disaster relief, we also provide necessary assistance including usage fee deadline extensions, communications fee reductions and free or reduced-rate repairs for damaged devices.

Additionally, Yahoo Japan works to conclude Yahoo! Disaster Agreements with local governments in an effort to improve local resident access to disaster information by facilitating the dissemination of information from the local government where the disaster occurred online or through the Yahoo! Disaster Prevention app.

As a telecommunications company and a member of society, we will work to restore infrastructure in an ongoing effort to support disaster-stricken areas.

Main Support Efforts in Fiscal 2020

Date	Disaster Relief Act	Smartphones/mobile phones				Internet/fixed-line phones			Electricity	
		Free of charge data additional purchase	Extension of fee payment due date	Terminal loan	Reduction or exemption of fees for repairs or device replacement	Extension of fee payment due date	Reduction or exemption of monthly base fee	Free of charge device replacement due to malfunction	Extension of fee payment due date	Reduction or exemption of fees
July 4	Disaster caused by heavy rainfall that began on July 3, 2020	○	○	○	○	○	○	○	○	○
October 10	Typhoon No. 14 (Chan-hom)		○		○	○	○			
December 17	Disaster caused by heavy snow that began on December 16, 2020		○		○	○	○	○	○	○
January 7	Disaster caused by heavy snow that began on January 7, 2021		○		○	○	○	○	○	○
February 13	Earthquake centered along the coast of Fukushima Prefecture on February 13, 2021		○		○	○	○	○	○	○
February 25	Large scale fire in Ashikaga City, Tochigi Prefecture in 2021		○		○	○	○	○	○	○
March 4	Landslide in Itoigawa City, Niigata Prefecture in 2021		○		○	○	○	○	○	○

Great East Japan Earthquake Recovery Support

Response to the Great East Japan Earthquake

Immediately after the earthquake on March 11, 2011, in addition to local recovery activities, we provided the necessary support to disaster-stricken areas and engaged in various recovery support activities. Immediately after the earthquake on March 11, 2011, in addition to local recovery activities, we provided the necessary support to disaster-stricken areas and engaged in various recovery support activities. 2021 marks the passing of 10 years since the Great East Japan Earthquake, and SoftBank felt that what Tohoku needs from now on is to continuously think about reconstruction and provide support for initiatives and efforts that will be the driving force for the future. As a result, we updated the "3.11 TOHOKU Support Continues" special section on our website which was released in March 2020. The website communicates the current situation in Tohoku and our support activity, helps people remember the disaster, and calls for support for Tohoku.

Moreover, as an initiative with a focus on the future of disaster-stricken areas, we inaugurated the Next Action → Social Academia Project with the aim of human resource development and business creation for reconstruction from the Great East Japan Earthquake with the General Incorporated Association Pionism and Yahoo Japan. The project targets 16 to 29 years olds who aim to start businesses based in Fukushima Prefecture in the future. The goal of the project is the creation of numerous businesses and production of numerous personnel that flourish on the global stage in 10 years until 2030. Fully leveraging the knowledge of starting businesses and commercialization possessed by three companies, the project strives for human resource development and business creation.



Charity White

Launched in August 2011, Charity White allows mobile phone users to add a ¥10 donation to their monthly fees. SoftBank Corp. launched a service matching ¥10 for each donation<sup>1</sup>, a total monthly donation of ¥20. Total donations have exceeded ¥1.1 billion<sup>2</sup>, and the funds are being used for educational and psychological support of children in the Tohoku region.

1. Recipient organizations: Ashinaga Foundation / Central Community Chest of Japan
2. As of March 31, 2021

\*This service has ended new sign-ups as of July 31, 2020 (Friday).



Initiatives Supporting Business Activities

External Evaluations

ESG Evaluation

MSCI Japan ESG Select Leaders Index

SoftBank Corp. was selected as a constituent for the MSCI Japan ESG Select Leaders Index, a leading environmental, social and governance (ESG) index that has been adopted as a benchmark by Japan's Government Pension Investment Fund (GPIF)-the world's largest public pension fund-for passive ESG investing.



FTSE4Good Index Series

In 2020, SoftBank Corp. was selected as a component for inclusion into the FTSE4Good Index Series, a world-leading environmental, social and governance (ESG) index, and the FTSE Blossom Japan Index which are indexes set by FTSE Russell.



FTSE Blossom Japan Index

In 2020, SoftBank Corp. was selected as a component for inclusion into the FTSE4Good Index Series, a world-leading environmental, social and governance (ESG) index, and the FTSE Blossom Japan Index which are indexes set by FTSE Russell.



Digital Transformation Brand 2021

In recognition of its efforts to solve social issues through new businesses, SoftBank Corp. was selected as the only company in the information and telecommunications industry to be selected as the "Digital Transformation Brand 2021" by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange.



S&P/JPX Carbon Efficient Index

The S&P/JPX Carbon Efficient Index selected SoftBank as a brand satisfying environmental information disclosure and carbon efficiency (carbon emissions per unit of revenue) standards according to their constituent selection and weighting process.



SOMPO Sustainability Index

Selected as a constituent of the "SOMPO Sustainability Index" operated by SOMPO Asset Management Co., Ltd. This index is used for "SOMPO Sustainable Management," which broadly invests in companies with high Environmental, Social and Corporate Governance (ESG) ratings.



EcoVadis Silver Medal Certification

SoftBank received a Silver Medal rating in the EcoVadis 2020 sustainability questionnaire. Our efforts received high ratings among all four themes: Environment, Labor & Human Rights, Ethics and Sustainable Procurement.

CDP 2020 Climate Change

SoftBank received a score of A- in the climate change category from CDP (headquarters: London, U.K.), which is a nonprofit organization carrying out environmental assessment of major companies and cities worldwide.



Received 4.5 stars in Nikkei "SDGs Management" Survey 2020

In the "Nikkei SDGs Management Survey" conducted by Nikkei Inc., we received a 4.5 stars rating. This survey targets a total of four fields: "SDGs Strategy / Economic Value", "Social Value", "Environmental Value", and "Governance".



Website and Information Disclosure

2020 "Internet IR Awards" Commendation Award (Daiwa IR)

SoftBank received the Commendation Award at the 2020 "Internet IR Awards," which recognize listed companies that make effective use of their IR websites.

Selected as a AAA Website in the Fiscal 2020 All Japanese Listed Companies' Website Ranking

SoftBank's IR website was selected as a "AAA Website in Nikko Investor Relations Fiscal 2020 All Japanese Listed Companies' Website Ranking survey.

Received the Excellent Reliability Report Award in the 24th Environmental Communication Awards

The sustainability report issued by SoftBank Corp. received the Excellent Reliability Report Award in the 24th Environmental Communication Awards, sponsored by the Ministry of the Environment, Japan and the Global Environmental Forum.



Double Award Recipient in the CR Reporting Awards 2021

At the CR Reporting Awards 2021 organized by Corporate Register in the United Kingdom, our sustainability report won the "Best 1st Time Report" and "Innovation in Reporting" awards.



Labor Practices

Platinum Kurumin

In February 2017, we obtained Platinum Kurumin certification from the Minister of Health, Labour and Welfare as "a company that has already received the Kurumin certification that has introduced and utilized a system for supporting work-life balance to a considerable extent and is implementing high-level efforts."



Eruboshi

SoftBank has received the "Eruboshi" designation (class 2) from the Minister for Health, Labor and Welfare in recognition of being a company that excels in the empowerment of women. Going forward, we will maintain efforts to promote the success of women, such as holding career training for female employees and implementing mentoring programs.



PRIDE Index Gold Rating

SoftBank was awarded the highest "Gold" rating in the PRIDE index for policies regarding LGBTQ and other sexual minorities within the Company.



Excellence in Corporate Health and Productivity Management Category (White 500)

SoftBank was selected and recognized for the third straight year as a "White 500" organization in the "Health Management Paid Corporation 2021" large enterprise category by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi for excellence in healthcare management efforts.



Five-star Rating in the "Nikkei Smart Work Management Survey" and Received the Technology Utilization Award at the "Nikkei Smart Work Awards 2021"

We have received the highest possible five-star rating for three years in a row in the "Nikkei Smart Work Management Survey" conducted by Nikkei Inc. The Japan-based survey ranks all listed companies and companies with over 100 employees based on three aspects: human resources, innovation and market development. A company's strength is comprehensively evaluated based on points drawn from these four survey categories.

Furthermore, in the Nikkei Smart Work Awards, SoftBank was awarded the Technology Utilization Award in recognition of our employment screening of newly graduates utilizing AI (Artificial Intelligence), efficiency increase of internal work using RPA, and service deployment utilizing technology including the PayPay cashless payment service.



Tokyo Sports Promotion Company Certification

SoftBank was certified as a "Tokyo Sports Promotion Company" for excellence in the sports support area and the promotion of sports activities for employees.



Sports Yell Company

SoftBank was certified as a "Sports Yell Company" by the Japan Sports Agency for its proactive promotion of sports to improve the health of all employees.



Network

No. 1 in the World for both Video Experience and Game Experience / No. 2 in the World for Voice App Experience at the "Global Mobile Network Experience Awards 2021"

SoftBank Corp. was ranked the global No. 1 for both Video Experience and Game Experience and second globally in Voice App Experience in the Global Mobile Network Experience Awards 2021 announced in March 2021 by the UK-based mobile network analytics firm Opensignal.

Customer Satisfaction

2018 Cloud Service Provider Customer Trial Survey (SM) (Cloud type Groupware Introduction Vendor Segment)

In a customer satisfaction survey of system vendors that support the sales and introduction of cloud-type groupware products for enterprises, SoftBank has ranked first in overall satisfaction for the third consecutive year since 2016.

Nikkei Computer Customer Satisfaction Survey 2019-2020 Number One in Customer Satisfaction for IoT/LPWA Services and Network Services (Wireless)

SoftBank was ranked number one Customer Satisfaction for IoT/LPWA Services and Network Services (Wireless) in the customer satisfaction surveys for IT vendors for products and services respectively.

Initiatives Supporting Business Activities

Third-Party Assurances and Certifications



ISO9001

\*Copies of certificates are published herein

- Main registration scope for ISO9001 certification is as follows: Process Management Division, IaaS Engineering Department 1, ICT Operation Division, Tokyo #1 Data Center, Tokyo #2 Data Center, Tokyo #4 Data Center, Tokyo #5 Data Center, Sapporo Data Center, Osaka Data Center, Osaka Central Data Center, Osaka #3 Data Center, Kita-Kyushu e-PORT Data Center, Kita-Kyushu e-PORT #2 Data Center, Oita Data Center, Hokkaido Network Technology Department, Tohoku Network Technology Department, Kanto Network Cent

\*12 of 15 data centers are ISO 9001 certified



ISO14001

\*Copies of certificates are published herein

- Main registration scope for ISO14001 certification is as follows: Contact Center Operations Department, Tokyo #4 Data Center, Sapporo Data Center, Kita-Kyushu e-PORT Data Center, Kita-Kyushu e-PORT #2 Data Center, Oita Data Center, Hokkaido Network Technology Department, Tohoku Network Technology Department, Kanto Network Center, Tokai Network Technology Department, Hokuriku Network Technology Department, Kansai Network Technology Department, Chugoku Network Technology Department, Shikoku Network Technology Department, Kyushu Network Technology Department, General Affairs Division

\*8 of 15 data centers are ISO 14001 certified (Including the number of network centers in the same building that have obtained this certification)



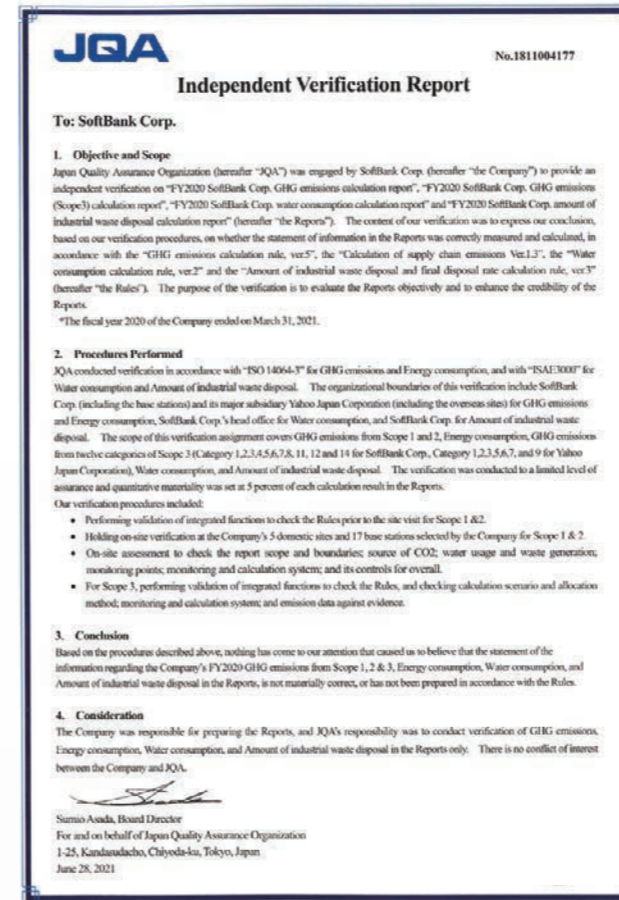
ISO27001

\*Copies of certificates are published herein

- Main registration scope for ISO27001 certification is as follows: Contact Center Operations Department, Billing Center Operation Department, IaaS Engineering Department, SE Department 1, UC Design Division, Solution Engineering Division, ICT Operation Division, Tokyo #1 Data Center, Tokyo #2 Data Center, Tokyo #3 Data Center, Tokyo #4 Data Center, Tokyo #5 Data Center, Sapporo Data Center, Osaka Data Center, Osaka Central Data Center, Osaka #3 Data Center, Kita-Kyushu e-PORT Data Center, Kita-Kyushu e-PORT #2 Data Center, Oita Data Center, SaaS Service Department, Technology Administration Division, Network Operations Division, Solution Operations Division, Corporate Information Technology Division, IT Operation Division

\*14 of 15 data centers are ISO27001 certified (Including those acquired by group companies)

Greenhouse Gas Emissions Verification Report



Socially Relevant Information Verification Report



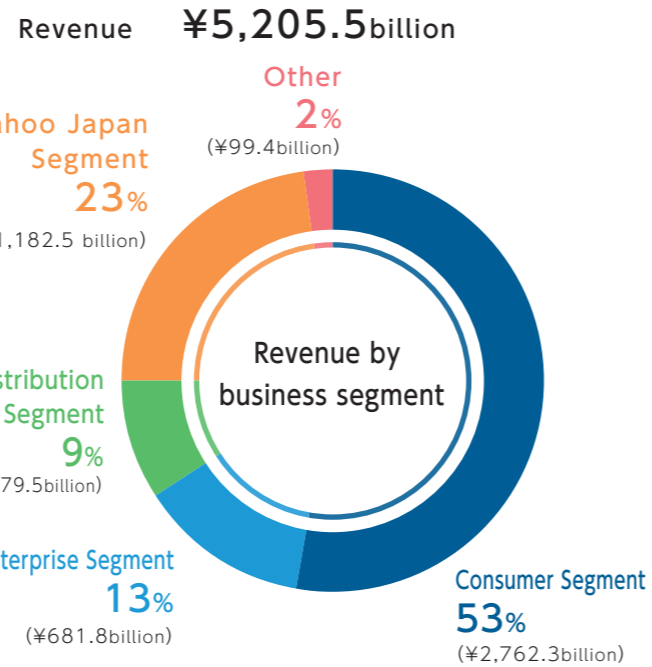
## Company Overview

Company name : SoftBank Corp.  
 Description of business : Provision of mobile communications services, sales of mobile devices, provision of fixed-line telecommunications and ISP services  
 Established : December 9, 1986  
 Corporate headquarters : 1-9-1 Higashi-Shimbashi, Minato-ku, Tokyo 105-7317 Japan  
 Representatives : Ken Miyauchi, Representative Director & Chairman  
 Junichi Miyakawa, President & CEO  
 Jun Shimba, Representative Director & COO  
 Yasuyuki Imai, Representative Director & COO  
 Common stock : ¥204,309 million (as of March 31, 2021)  
 Number of employees : Non-consolidated: Approximately 18,173 (as of March 31, 2021)  
 Consolidated: 47,313 (as of March 31, 2021)  
 URL : <https://www.softbank.jp/>

## ISO Certifications

Items	Remarks
Integrated Management Systems	PAS 99
Quality Management Systems	ISO 9001
Environmental Management Systems	ISO 14001
IT Services Management Systems	ISO 20000-1
Information Security Management Systems	ISO 27001
Personal information protection management systems	JIS Q 15001
ISMS cloud security certifications	ISO 27017 JIP-ISMS517-1.0

## Fiscal 2020 Performance (Consolidated)



Segment Breakdown by Revenue

- The revenue ratio for each segment is calculated based on sales to external customers. Percentages are rounded off to the decimal point, thus the percentage total for the chart may not add up to 100.
- Since LINE Corporation became our subsidiary in March 2021, the report segment name was changed from "Yahoo Japan segment" to "Yahoo! JAPAN / LINE segment" from the fiscal year ending March 31, 2022.

## Information Disclosure Approach

SoftBank discloses information to all stakeholders based on the following approach.

### Compliance with laws and regulations

Regarding Company information that influences investment decisions, SoftBank discloses information in accordance with the Financial Instruments and Exchange Act and various regulations stipulated by the Tokyo Stock Exchange. In addition, we make every effort to prevent the infringement of copyrights and intellectual property rights.

### Information accuracy and editorial independence

To ensure information disclosure accuracy, SoftBank thoroughly checks accuracy using an internal system and incorporates objective evaluations. In addition, in the process of determining content for disclosure, we avoid the influence of external organizations and individuals to ensure editorial independence.

### Timely and appropriate information disclosure

SoftBank discloses information in a timely, appropriate, and easily understandable format to facilitate the investment decisions of shareholders and investors. In addition, even when the disclosure standards of various laws and regulations are not applicable, we proactively disclose actionable information to our shareholders and investors through our website and various reports.

### Fairness of information disclosure

We strive to disclose information fairly so that there are no discrepancies in information disclosed to different stakeholders. Materials and videos, such as financial results briefings and subsequent Q&A sessions, are posted on the Company's website, and efforts are made to disclose information in English to ensure access for all stakeholders.

### Information ethics

When disclosing information, SoftBank makes an effort to avoid violating social ethics by respecting diversity and considering disclosure from a neutral perspective on human rights.

## Editorial Policy

This report communicates the SoftBank Group's efforts for sustainable growth while using GRI (Global Reporting Initiative) Standards as reference. In addition, this report strives for covering not only financial information but also non-financial information with the aim of comprehensive assessment of the value of the SoftBank Corp. by stakeholders.

### Report period

Fiscal 2020 (April 1, 2020 to March 31, 2021)

\*Certain information concerning matters before and after this period has also been included.

### Organizations covered

SoftBank Corp. and its Group companies

### Publication date

August 2021 (next report planned for September 2022)

### Referenced guidelines

- GRI(Global Reporting Initiative) [GRI Standards]
- SASB(Sustainability Accounting Standards Board)
- OECD Guidelines for Multinational Enterprises
- IIRC(International Integrated Reporting Council)
- ISO26000

### Websites

SoftBank Sustainability

<https://www.softbank.jp/corp/sustainability/>  
IR Library

<https://www.softbank.jp/corp/ir/documents/>

### Inquiries

SoftBank Corp.

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105-7317 Japan

TOKYO PORTCITY TAKESHIBA

SDGs Promotion Office

Email: [SBBGRP-sdgs@g.softbank.co.jp](mailto:SBBGRP-sdgs@g.softbank.co.jp)

# GRI Guidelines Comparison Table

## General Disclosures

### Organizational profile

No.	Reporting Requirements	Publication pages	Details and Reference
102-1	Organizational profile	216	Corporate Data
102-2	Activities, brands, products, and services	14	Growth Strategy
102-3	Location of headquarters	216	Corporate Data
102-4	Location of operations		SoftBank Corp. Companies
102-5	Ownership and legal form	216	Corporate Data/General Stock information
102-6	Markets served	14	Growth Strategy
102-7	Scale of the organization	216	Corporate Data
102-8	Information on employees and other workers	216	ESG DATE BOOK/Integrated Reports
102-9	Supply chain	170	Supply Chain Management
102-10	Significant changes to the organization and its supply chain		Supply Chain Management
102-11	Precautionary Principle or approach	157	Risk Management/Corporate Governance/ Compliance/Information Security
102-12	External initiatives	212	External Evaluation Initiative
102-13	Membership of associations		Collaboration to protect cyber security

### Strategy

No.	Reporting Requirements	Publication pages	Details and Reference
102-14	Statement from senior decision-maker	4-5	Top Message
102-15	Key impacts, risks, and opportunities	12-13,14-15,27,49, 75,95,125,147,157	Management policies/Risk management/ Business and other risks

### Ethics and integrity

No.	Reporting Requirements	Publication pages	Details and Reference
102-16	Values, principles, standards, and norms of behavior	2,160-162,176	Vision & Strategy
102-17	Mechanisms for advice and concerns about ethics	160-162	Compliance

### Governance

No.	Reporting Requirements	Publication pages	Details and Reference
102-18	Governance structure	149-156	Corporate Governance
102-19	Delegating authority	149-156	Corporate Governance
102-20	Executive-level responsibility for economic, environmental, and social topics	149-156	Corporate Governance
		18,161,166, 182,198,206	Corporate Management
102-21	Consulting stakeholders on economic, environmental, and social topics	97-99	Environmental Management
		149-156	Corporate Governance
102-22	Composition of the highest governance body and its committees	173-175	Stakeholder Engagement
		18-19	Policy & Structure
102-23	Chair of the highest governance body	149-156	Corporate Governance System
102-24	Nominating and selecting the highest governance body	149-156	Corporate Management
102-25	Conflicts of interest	153	Corporate Governance/ Corporate Governance Report
102-26	Role of highest governance body in setting purpose, values, and strategy	149-156	Corporate Governance
		154-155	Internal Control System
102-27	Collective knowledge of highest governance body	149-156	Corporate Governance
102-28	Evaluating the highest governance body's performance	149-156	Corporate Governance
102-29	Identifying and managing economic, environmental, and social impacts	149-156	Corporate Governance
		97-99	Environmental Management
102-30	Effectiveness of risk management processes	157-158	Risk Management
		97-99	Environmental Management
102-31	Review of economic, environmental, and social topics	174	IR Activities
		97-99	Environmental Management
102-32	Highest governance body's role in sustainability reporting	6-25	Sustainability & CSR
102-33	Communicating critical concerns	18-19	Policy & Structure
102-34	Nature and total number of critical concerns	18-19,149-150	Corporate Governance
102-35	Remuneration policies	161	Compliance/ESG Data Book
102-36	Process for determining remuneration	152-153	Corporate Management
102-37	Stakeholders' involvement in remuneration	152-153	Corporate Management
102-38	Annual total compensation ratio		ESG Data Book
102-39	Percentage increase in annual total compensation ratio		ESG Data Book

### Stakeholder engagement

No.	Reporting Requirements	Publication pages	Details and Reference
102-40	List of stakeholder groups	173-174	Stakeholder Engagement
102-41	Collective bargaining agreements	191	Labor Practice Initiatives
102-42	Identifying and selecting stakeholders	173-175	Stakeholder Engagement/ Procurement Policy/Supply Chain Management
102-43	Approach to stakeholder engagement	173-175	Stakeholder Engagement/ Procurement Policy/Supply Chain Management
102-44	Key topics and concerns raised	173-175	Stakeholder Engagement

### Reporting practice

No.	Reporting Requirements	Publication pages	Details and Reference
102-45	Entities included in the consolidated financial statements	217	SoftBank Corp. Companies
102-46	Defining report content and topic Boundaries	217	
102-47	List of material topics	6-17	Materiality (Priority Issues)
102-48	Restatements of information		
102-49	Changes in reporting		
102-50	Reporting period	217	
102-51	Date of most recent report		
102-52	Reporting cycle	217	
102-53	Contact point for questions regarding the report	217	
102-54	Claims of reporting in accordance with the GRI Standards	217	
102-55	GRI content index		
102-56	External assurance	97-99	Environmental Management
		214-215	ISO Certifications

### Management approach

No.	Reporting Requirements	Publication pages	Details and Reference
103-1	Explanation of the material topic and its Boundary	6-17	Materiality (Priority Issues)
103-2	The management approach and its components	206-211	Governance
		18,151,164,170, 176,181,186,191, 193,198,206	Policy & Structure
		6	Sustainability Strategy
103-3	Evaluation of the management approach	18-19	ESG Activities
		212-213	External Evaluation Initiative

## Economic

### Economic performance

No.	Reporting Requirements	Publication pages	Details and Reference
201-1	Direct economic value generated and distributed		Investor Relations
201-2	Financial implications and other risks and opportunities due to climate change	20,102-111, 157-158	Risk Management/Risk Factors/ Environmental Management
201-3	Defined benefit plan obligations and other retirement plans	190	Investor Relations
201-4	Financial assistance received from government		

### Market presence

No.	Reporting Requirements	Publication pages	Details and Reference
202-1	Ratios of standard entry level wage by gender compared to local minimum wage		
202-2	Proportion of senior management hired from the local community		

### Indirect economic impacts

No.	Reporting Requirements	Publication pages	Details and Reference
203-1	Infrastructure investments and services supported	29-41,119, 127-129,131-136, 198,211	Recovery Measures/ Nurturing the Next Generation/ Promoting a Digitalized Society
203-2	Significant indirect economic impacts		

### Procurement practices

No.	Reporting Requirements	Publication pages	Details and Reference
204-1	Proportion of spending on local suppliers		

### Anti-corruption

No.	Reporting Requirements	Publication pages	Details and Reference
205-1	Operations assessed for risks related to corruption	161-163	
205-2	Communication and training about anti-corruption policies and procedures	161-163	Compliance
205-3	Confirmed incidents of corruption and actions taken	162	

### Anti-competitive behavior

No.	Reporting Requirements	Publication pages	Details and Reference
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	162	

## Environmental

### Materials

No.	Reporting Requirements	Publication pages	Details and Reference
301-1	Materials used by weight or volume	97-99	Environmental Management
301-2	Recycled input materials used	114-115	3Rs (Reduce, Reuse, and Recycle)
301-3	Reclaimed products and their packaging materials	114-115	3Rs (Reduce, Reuse, and Recycle)

### Energy

No.	Reporting Requirements	Publication pages	Details and Reference
302-1	Energy consumption within the organization	97-99,106	Environmental Management
302-2	Energy consumption outside of the organization	97-99,106	Environmental Management
302-3	Energy intensity	97-99,106	Environmental Management
302-4	Reduction of energy consumption	99,118-123	Environmental Conservation
302-5	Reductions in energy requirements of products and services	97-99	Environmental Management

## GRI Guidelines Comparison Table

### Water

No.	Reporting Requirements	Publication pages	Details and Reference
303-1	Water withdrawal by source		ESG Data Book
303-2	Water sources significantly affected by withdrawal of water		
303-3	Water recycled and reused	118-123	Environmental Conservation

### Biodiversity

No.	Reporting Requirements	Publication pages	Details and Reference
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		
304-2	Significant impacts of activities, products, and services on biodiversity	118-123	Environmental Conservation
304-3	Habitats protected or restored	118-123	Environmental Conservation
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		

### Emissions

No.	Reporting Requirements	Publication pages	Details and Reference
305-1	Direct (Scope 1) GHG emissions	106-107	Environmental Management
305-2	Energy indirect (Scope 2) GHG emissions	106-107	Environmental Management
305-3	Other indirect (Scope 3) GHG emissions	106-107	ESG Data Book
305-4	GHG emissions intensity	106-107	ESG Data Book
305-5	Reduction of GHG emissions		ESG Data Book
305-6	Emissions of ozone-depleting substances (ODS)		
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions		ESG Data Book

### Effluents and waste

No.	Reporting Requirements	Publication pages	Details and Reference
306-1	Water discharge by quality and destination	117	
306-2	Waste by type and disposal method	97-99	Environmental Management
306-3	Significant spills		
306-4	Transport of hazardous waste		
306-5	Water bodies affected by water discharges and/or runoff		

### Environmental compliance

No.	Reporting Requirements	Publication pages	Details and Reference
307-1	Non-compliance with environmental laws and regulations	97-99	Environmental Management

### Supplier environmental assessment

No.	Reporting Requirements	Publication pages	Details and Reference
308-1	New suppliers that were screened using environmental criteria		
308-2	Negative environmental impacts in the supply chain and actions taken		

## Society

### Employment

No.	Reporting Requirements	Publication pages	Details and Reference
401-1	New employee hires and employee turnover		ESG Data Book
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		
401-3	Parental leave	187-188	Support for Childcare and Nursing Care

### Labor / Management relations

No.	Reporting Requirements	Publication pages	Details and Reference
402-1	Minimum notice periods regarding operational changes		

### Occupational health and safety

No.	Reporting Requirements	Publication pages	Details and Reference
403-1	Workers representation in formal joint management-worker health and safety committees	191-192	
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	191-192	
403-3	Workers with high incidence or high risk of diseases related to their occupation	191-192	
403-4	Health and safety topics covered in formal agreements with trade unions	191-192	

### Training and education

No.	Reporting Requirements	Publication pages	Details and Reference
404-1	Average hours of training per year per employee		ESG Data Book
404-2	Programs for upgrading employee skills and transition assistance programs	90,178-181	Career Development and Opportunities to Excel
404-3	Percentage of employees receiving regular performance and career development reviews		

### Diversity and equal opportunity

No.	Reporting Requirements	Publication pages	Details and Reference
405-1	Diversity of governance bodies and employees	169,181-182, 184	Realizing a Diverse Society
405-2	Ratio of basic salary and remuneration of women to men		

### Non-discrimination

No.	Reporting Requirements	Publication pages	Details and Reference
406-1	Incidents of discrimination and corrective actions taken		

### Freedom of association and collective bargaining

No.	Reporting Requirements	Publication pages	Details and Reference
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	165,170-173, 191	

### Child labor

No.	Reporting Requirements	Publication pages	Details and Reference
408-1	Operations and suppliers at significant risk for incidents of child labor		

### Forced or compulsory labor

No.	Reporting Requirements	Publication pages	Details and Reference
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor		

### Security practices

No.	Reporting Requirements	Publication pages	Details and Reference
410-1	Security personnel trained in human rights policies or procedures		

### Rights of indigenous peoples

No.	Reporting Requirements	Publication pages	Details and Reference
411-1	Incidents of violations involving rights of indigenous peoples		

### Human rights assessment

No.	Reporting Requirements	Publication pages	Details and Reference
412-1	Operations that have been subject to human rights reviews or impact assessments	165-169	
412-2	Employee training on human rights policies or procedures	165-169	Human Rights Initiatives
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening		

### Local communities

No.	Reporting Requirements	Publication pages	Details and Reference
413-1	Operations with local community engagement, impact assessments, and development programs	45,207	Activities for Regional Communities (Countryside Revitalization) / CSR Activities with Close Ties to Regional Communities
413-2	Operations with significant actual and potential negative impacts on local communities		

### Supplier social assessment

No.	Reporting Requirements	Publication pages	Details and Reference
414-1	New suppliers that were screened using social criteria		
414-2	Negative social impacts in the supply chain and actions taken		Supply Chain Management

### Public policy

No.	Reporting Requirements	Publication pages	Details and Reference
415-1	Political contributions	162	ESG Data Book/Compliance

### Customer health and safety

No.	Reporting Requirements	Publication pages	Details and Reference
416-1	Assessment of the health and safety impacts of product and service categories	203	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		

### Marketing and labeling

No.	Reporting Requirements	Publication pages	Details and Reference
417-1	Requirements for product and service information and labeling		
417-2	Incidents of non-compliance concerning product and service information and labeling		
417-3	Incidents of non-compliance concerning marketing communications	204	Consideration for Safety and Peace of Mind

### Customer privacy

No.	Reporting Requirements	Publication pages	Details and Reference
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	137-145	Protecting Customer Information

### Socioeconomic compliance

Item No.	Reporting Requirements	Publication pages	Details and Reference
419-1	Non-compliance with laws and regulations in the social and economic area		