How Will We Achieve Carbon Neutrality?

Being in the telecommunications business and other businesses that consume a significant amount of electricity, we believe that it is our responsibility as a company to help resolve climate change issues in order to create a sustainable society. This section provides details on our environment-related goals and explains key initiatives we are undertaking to achieve them.

Environmental Initiatives

The Company recognizes addressing global environmental issues, including climate change and biodiversity conservation, as a key management priority, and has set "contributing to the global environment with the power of technology" as a material issue. In particular, the Company has established "responding to climate change" and "natural capital and resource circulation" as priority themes and is strengthening its initiatives in these areas. To ensure the effectiveness of these activities, the Company has established the "environmental action guidelines" and put in place an environmental management system. Under this system, the Company aims to provide appropriate disclosure of information on global environmental issues and to contribute to the environment through the use of cutting-edge technologies.

Environmental management system

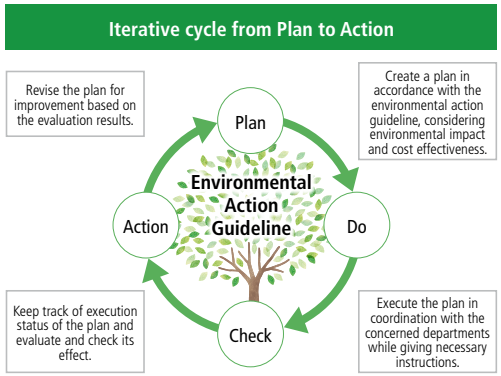
SoftBank has formulated environmental action guidelines and established an environmental management system and administrative framework to promote environmentally-conscious business activities and actively engage in environmental conservation. To make our business activities more environmentally friendly, we place particular importance on measures such as the prevention of global warming, the promotion of recycling used mobile phones, the conservation of resources, and the restriction of the use, inclusion, and emission of specified hazardous substances as defined in the RoHS Directive*.

As public awareness of environmental issues grows, corporations are facing more diverse demands to provide environmentally friendly products and services, to adhere to regulations governing environmental protection, and to achieve energy conservation and resource saving through smart business practices. To respond swiftly to these trends and demands, SoftBank has incorporated a PDCA (plan, execution, confirmation, improvement) cycle to guide our environmental management system and carries out continuous improvements.

In order to promote our environmental management system, we have obtained ISO 14001 certification, the international standard for environmental management systems, for our 19 business sites, including our head office building, network center, and data center, which are designated as Type 1 or Type 2 energy management designated factories, etc.

*EU regulations which prohibit the inclusion of toxic substances in electrical and electronic devices.

PDCA cycle of environmental management system

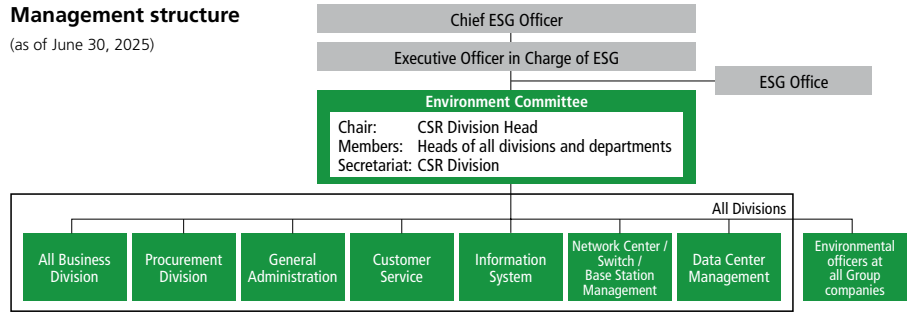


Environmental management structure

To promote Group-wide environmental conservation activities, SoftBank has established the Environment Committee covering environmental matters under the supervision of the Executive Officer in Charge of ESG, which complies with ISO14001 international standard.

Management structure

(as of June 30, 2025)



Compliance with environmental laws and regulations and internal audit implementation

SoftBank strives to comply with environmental laws and regulations based on an environmental management system framework. There were no violations of environmental laws and regulations, including those related to air pollution, water contamination and soil contamination prevention in FY2024.

We conduct regular internal audits to verify that the environmental management system conforms to the requirements of ISO 14001 and is being effectively implemented based on environmental targets. In addition, based on those results, we identify issues, implement corrective measures, and revise the environmental management system for continuous improvement. As a result of external audits we continued to receive ISO 14001 certification in FY2024.

Environmental education

We provide environmental education for our employees via e-learning to acquire and raise awareness of foundational knowledge about environmental concerns. These courses cover key topics such as energy consumption reduction, waste reduction, and water efficiency. Through this training, employees gain a comprehensive understanding of our environmental management initiatives, while also enhancing their individual awareness and understanding of each of these specific environmental challenges. The e-learning courses can be accessed on iPhones and iPads, allowing employees to learn anytime and anywhere. In FY2024, the participation rate for environmental education among employees was 71.4%.

In the contribution assessment that evaluates the performance and contributions to the organization, factors such as "contribution to overall CO_2 reduction in society," which are KPIs of material issues related to climate change, and the results are taken into consideration in determining employee bonuses.

(Note) Please refer to "Environmental Management" on our website for details.

Group-wide Net Zero Initiatives

SoftBank supports the TCFD recommendations (P74) and the Paris Agreement, a new international framework for reducing greenhouse gas (GHG) emissions post-2020 which replaces the Kyoto Protocol, and aims to proactively disclose information related to climate change and achieve reduction targets. In addition, the Company has set "contributing to the global environment with the power of technology" as a material issue. To achieve this goal, we will promote the efficient use of electricity by utilizing cutting-edge technology, as well as the introduction, diffusion, and expansion of renewable energy to realize a prosperous society through the widespread adoption of natural energy.

In light of the impact of global risks on the Company, SoftBank recognizes the need to actively address climate change measures, natural capital, and the transition to a circular economy. As a measure against climate change, SoftBank declared "Carbon Neutral 2030" in May 2021, aiming to reduce Scope 1 and 2 GHG emissions—emissions from business processes and energy consumption—to zero by FY2030 through the use of AI, IoT and other cutting-edge technologies for energy conservation. On top of this, in August 2022, we announced our "Net Zero" goal of achieving net zero emissions for the entire supply chain, including Scope 3, by FY2050. Furthermore, to accelerate decarbonization across society, in June 2023 we expanded our "Net Zero" initiatives to include Group companies*1.

At the same time, with respect to our greenhouse gas emissions reduction targets, in addition to the short-term targets that have already been certified, our long-term targets were certified as science-based targets (SBT Net-Zero) by the Science Based Targets initiative (SBTi), an international climate change initiative.

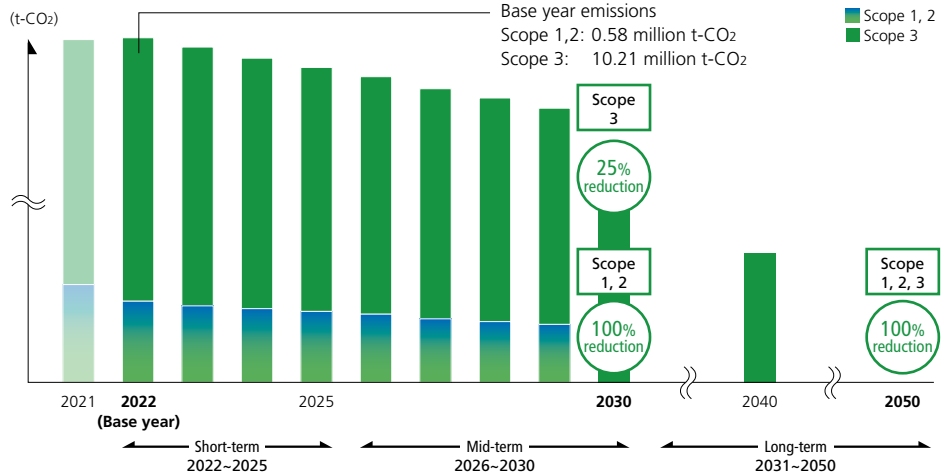
*1 Covers consolidated subsidiaries

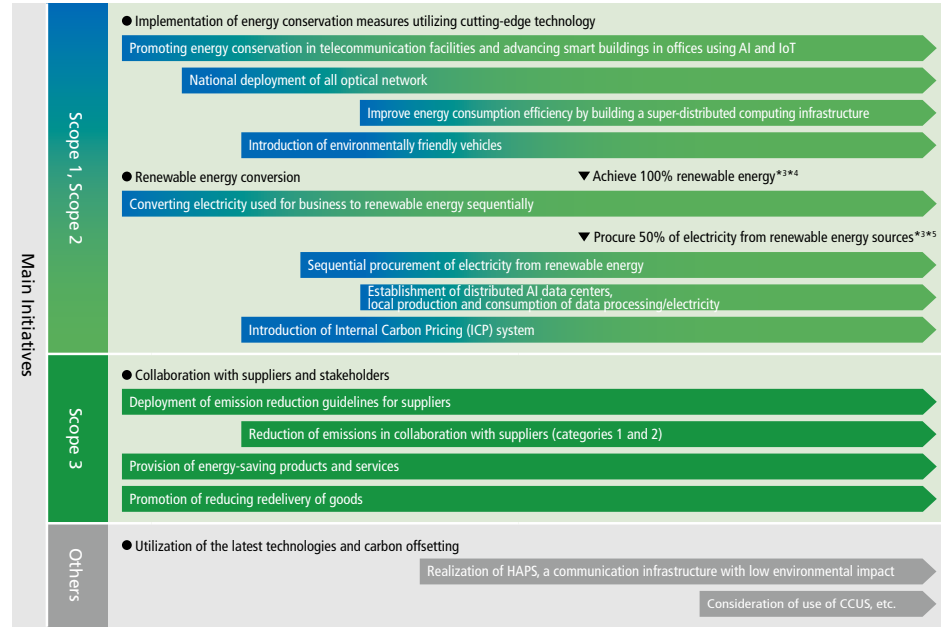
Transition plan to Net Zero by 2050

SoftBank Corp. has developed a transition plan to achieve our "Carbon Neutral 2030" and "Net Zero" targets. Our main initiatives to tackle Scope 1 and Scope 2 emissions are the implementation of energy-saving measures through cutting-edge technology and the use of renewable energy for electricity. In the case of Scope 3 emissions, we will hold briefings for suppliers and develop guidelines to promote purchasing activities aimed at achieving net zero.

In addition to the transition plan disclosed here, we will continue to actively disclose information following the recommendations of various disclosure guidelines and initiatives.

GHG emissions*2





*2 The SBT Net Zero target and short-term SBT target have been certified by the SBTi, and the baseline year emissions and reduction targets are presented based on the certified content. This is a transition plan as of June 2025 and may be revised in accordance with future business strategies.

*3 SoftBank Corp. and Wireless City Planning Inc.
*4 Includes the use of non-fossil certificates designated as renewable energy
*5 Electricity generated from renewable energy sources such as wind and solar power

Disclosure Based on TCFD Recommendations

In April 2020, SoftBank announced its support for the TCFD Recommendations.
Based on the TCFD Recommendations, we are proactively working to implement and enhance disclosure.

With the growing risk of climate change due to global warming, there is a broad trend to assess the financial impact of climate change on a company's business. The TCFD (Task Force on Climate-related Financial Disclosures) is an international initiative established by the Financial Stability Board (FSB) in 2015 to encourage companies to disclose information on the financial implications of the risks and opportunities that climate change presents to their businesses.

We believe that assessing climate-related risks and opportunities in our business activities and proactively disclosing and enhancing information in line with the framework of "governance, strategy, risk management, and indicators and targets" recommended by the TCFD is important for the sustainable growth of the Company.

Governance

In line with our basic policy on sustainability, we have established a corporate governance system to integrate our growth strategy with sustainability and promote it. The Board of Directors deliberates and resolves on important sustainability matters, including climate change and human capital, and supervises the progress of sustainability initiatives. To further strengthen the management oversight function, we have established the ESG Promotion Committee (Chair: Junichi Miyakawa) as an advisory body to the Board. The Committee convenes on a quarterly basis (four times per year, with extraordinary meetings held as necessary) to monitor the progress of the Group's sustainability initiatives (materiality KPIs and others), and to make recommendations to the Board. The Board respects the recommendations of the ESG Promotion Committee and ensures appropriate decision-making. In addition, "sustainability (including climate change and others)" has been included as one of the required skills for directors and Audit & Supervisory Board members. In this way, we promote the incorporation of a sustainability perspective into management. Some of the KPIs for material issues are also linked to executive remuneration.

Risk management

We identify and manage climate change-related risks and opportunities by integrating them with Company-wide risk and opportunity information. Information on climate change-related risks and opportunities identified through our Company-wide risk management process is utilized in formulating plans and considering and improving countermeasures for the realization of net zero. (P60)

Strategy

We recognize that, as a telecommunications operator consuming significant amounts of electricity, particularly through base station equipment, we may be highly exposed to climate change risks. We not only identify the risks and opportunities that climate change presents to the Company but also examine strategies to achieve sustainable growth.

Scenario analyses

We conducted two scenario analyses during this fiscal year to consider strategies for adapting to potential future events caused by climate change: a 1.5°C scenario, in which a rapid transition to a decarbonized society takes place, and a 3–4°C scenario, in which climate change countermeasures do not progress and global warming accelerates. We confirmed the financial impacts on our business, including both upstream and downstream of the value chain.

In the scenario analysis, we used internationally recognized and highly reliable scenarios. The details are as follows.

Estimated temperature rise	Scenarios applied	Future outlook	Time horizon
1.5°C	• IEA WEO 2024*1 (Net Zero Emission by 2050: NZE / Stated Policies Scenario: STEPS) • IPCC*2 (SSP1-1.9)	Decarbonization efforts accelerate, with the introduction of carbon taxes progressing in many countries toward the realization of net zero. In Japan, the temperature rises by 0.5°C compared with FY2020, and the number of extremely hot days tends to increase. As a result, electricity consumption for air conditioning in offices, shops, and data centers increases.	Short-term: Within several years Mid-term: Around 3–5 years*3 Long-term: Around 10–30 years
3–4°C	• IEA WEO 2024 (Stated Policies Scenario: STEPS) • IPCC (SSP5-8.5)	The introduction of carbon taxes does not progress, and prices remain low. In Japan, the temperature rises by 1.6°C compared with FY2020, and the number of extremely hot days increases by about 6.9 days. Consequently, demand for air conditioning rises further, leading to higher electricity consumption in offices, shops, and data centers.	

*1 IEA: International Energy Agency
*2 IPCC: Intergovernmental Panel on Climate Change
*3 Time horizon consistent with the Mid-term Plan

Financial impact and probability matrix and business risk assessment matrix

Financial impact

Level		Definitions
4	Significantly high	Tremendous impact on entire business/group
3	High	Tremendous impact on business
2	Medium	Impact on execution of business
1	Low	Minor impact on business

Probability

Level		Definitions
4	Significantly high	Likely to occur multiple times a year
3	High	May occur once every year
2	Medium	May occur once every few years
1	Low	May occur once every 10 years

Business risk assessment

Financial impact \ Probability	1	2	3	4
4	Medium	High	Significantly high	Significantly high
3	Low	Medium	High	Significantly high
2	Low	Medium	Medium	High
1	Low	Low	Low	Medium

Climate change-related risks and opportunities

Based on the situation described above, we identified and listed our climate-related risks and opportunities and conducted scenario analyses with reference to scenarios from the IEA and IPCC. As a result, we identified the risks and their financial impacts for the Company, as shown on the right.

Financial impact of climate-related risks

Increase in recovery costs for base station equipment and others due to the intensification of weather-related disasters

We recognize potential risks such as the decline in forests' disaster prevention functions caused by biodiversity loss, the rising frequency and severity of natural disasters due to global warming, increased costs associated with disaster preparedness and restoration of telecommunications facilities such as base stations, supply chain disruptions leading to procurement difficulties, loss of business opportunities, and secondary damage to surrounding areas from damaged facilities. Based on past costs, our analysis of potential future financial impacts indicates that while recovery costs such as labor expenses are expected to remain limited, disasters are expected to have a significant financial impact on telecommunications facilities, particularly base stations deployed nationwide, due to their large asset scale. In FY2024, as an adaptation measure against flood damage, which is becoming more likely with the increased occurrence of typhoons and linear rainbands, we invested ¥1.9 billion in disaster countermeasures for base stations and network centers. These investments were aimed at reducing equipment damage risks and ensuring stable service continuity during wide-area power outages. Specific investments included mobile base stations, portable base stations, battery replacement and maintenance, and deployment of portable generators. In addition, we recorded ¥0.3 billion in disaster recovery expenses.

Identified risks and financial impacts

Identified risks			Anticipated impacts	Scenario	Magnitude of risks		
					Short-term*	Mid-term*	Long-term*
Physical risks	Acute	Worsening damage due to intensified natural disasters associated with ecosystem degradation	Recovery costs and impacts on assets due to more frequent damage to base station equipment and related infrastructure	1.5°C	Large	Large	Large
				3–4°C		Large	Large
			Increase in disaster-mitigation costs	1.5°C	Medium	Medium	Medium
				3–4°C		Medium	Medium
	Chronic	Rising temperatures and expansion of water-stressed areas	Increase in air-conditioning costs	1.5°C	Medium	Medium	Medium
				3–4°C		Medium	Medium
Transition risks	Market	Expansion of low-carbon and decarbonization markets, shifts in customer behavior, and changes in preferences	Increase in investment costs for providing renewable energy-based power	1.5°C	Small	Medium	Medium
	Reputation	Heightened preference for low-carbon and decarbonization among stakeholders	Declines in revenue and share price resulting from reputational damage when our decarbonization efforts are deemed insufficient		Small	Medium	Medium
	Policy and law	Tightening of regulations	Increased costs due to the introduction of new tax systems		Small	Medium	Medium
	Technology	Transition to decarbonization technologies	Business impacts due to delays in the implementation of new technologies and the transition process		Medium	Calculations under review	

* Time horizon: short term (within a few years), medium term (3-5 years, aligned with the Mid-term Plan), and long term (approximately 10-30 years).

Indicators and targets

To manage the risks and opportunities that climate change poses to the Company, we manage environmental impact data, including greenhouse gas emissions (Scopes 1, 2, and 3). These emissions are calculated and disclosed for each scope in accordance with the "Greenhouse Gas Protocol (GHG Protocol)," an internationally recognized standard for GHG accounting. In FY2024, GHG emissions amounted to 393,250 t-CO_2 for Scopes 1 and 2, and 11,546,072 t-CO_2 for Scope 3. As a principal target, we have set a carbon neutral goal to achieve net zero GHG emissions from electricity and other energy used in our business activities by FY2030, and we are promoting the use of 100% renewable energy for all electricity consumed in our Group's operations. In addition, by entering into long-term renewable energy procurement agreements and sourcing the electricity used by the Company* from renewable energy generated by wind, solar, and other sources, we are working to reduce GHG emissions, achieve our carbon neutral goal, and contribute to the realization of a decarbonized society. These long-term agreements also support the transition to a business structure less susceptible to surging electricity costs. Furthermore, we are reducing GHG emissions by promoting additional energy-saving measures for our network equipment, such as replacing devices with energy-efficient models and improving the efficiency of air-conditioning systems. The carbon neutral goal covers Scope 1 (direct GHG emissions from the Company's operations) and Scope 2 (indirect emissions from the use of electricity, heat, and steam supplied by other companies).

*Total of the Company and Wireless City Planning, Inc.

Category		Boundary	Coverage	Unit	FY2024		
					Results	Target	Reduction compared to the Base Year (FY2022) (%)
GHG emissions	GHG Scope 1	Consolidated basis	FY2024: 100.0%	t-CO_2	9,485	12,000	32.2
	GHG Scope 2 ★ (market-based)				383,765	508,000	32.2
	GHG Scope 2 ★ (location-based)				967,525	1,198,000	—
	GHG Scope 3 ★		FY2024: 97.5%		11,546,072	9,694,000*1	–23.2
	Sum of Scope 1 and 2 (market-based)		FY2024: 100.0%		393,250	520,000	32.2
	Sum of Scope 1,2 and 3 (market-based)		FY2024: 97.5%		11,939,322	10,214,000	–20.0
GHG emissions (Scope 1, 2)	Carbon Dioxide (CO_2) from Energy Sources	Consolidated basis	FY2024: 100.0%	t	392,677	—	—
	Carbon Dioxide (CO_2) from Non-Energy Sources			t	0	—	—
	Methane (CH_4)			t-CO_2	57	—	—
	Dinitrogen Monoxide (N_2O)			t-CO_2	12	—	—
	Hydrofluorocarbons (HFCs)			t-CO_2	504	—	—
	Perfluorocarbons (PFCs)			t-CO_2	0	—	—
	Sulfur hexafluoride (SF_6)			t-CO_2	0	—	—
	Nitrogen trifluoride (NF_3)			t-CO_2	0	—	—
	GHG Emissions Intensity (Scope 1, 2)*2	Standalone basis	—	t-CO_2 Gbps	94	155	—

★: Examined by a third-party
(Note) The greenhouse gas emissions (Scope 1, 2, and 3), energy consumption, industrial waste and water consumption in FY2024 were examined by Japan Quality Assurance Organization as a third party (Limited guarantee level in accordance with ISO 14064-3 and ISAE 3000).
*1 Setting the target that accounts for the expanded coverage
*2 Greenhouse gas emissions at 1 Gbps

Disclosure Based on TNFD Recommendations

SoftBank registered early as a TNFD Adopter in December 2023.
We will strive for proactive information disclosure based on the information disclosure framework indicated in the TNFD Final Recommendations.

All of our business activities benefit from ecosystem services provided by biodiversity and natural capital, while at the same time exerting some impact on the environment. We recognize the importance of biodiversity conservation and support the international community's goal of achieving "Nature Positive". Based on this approach, we have defined reducing the impact of our business activities on ecosystems as one of our material issues and are promoting initiatives for the conservation of biodiversity and natural capital.

Governance

To promote ESG, we have established the ESG Promotion Committee as an advisory body to the Board of Directors. The Committee is chaired by the President & CEO, who also serves as Chief ESG Officer, and assumes overall responsibility for the Company's sustainability activities under the supervision of the Board. The Committee consists of the Chair and members designated by the Board of Directors, and convenes, in principle, quarterly and on an ad hoc basis when important issues arise, submitting such matters to the Board for deliberation.

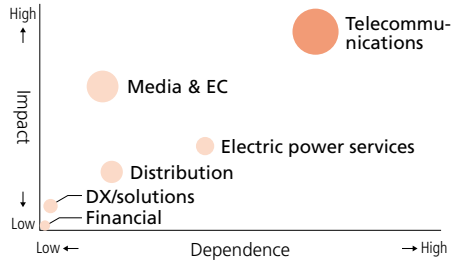
Strategy

We selected natural-related risks in our business activities and identified businesses with high dependence on and impact on biodiversity. As a specific evaluation method, we conducted narrowing down (scoping) based on business scale and ENCORE*1 (Table 1), and visualized the results in a heatmap (Tables 2 and 3). As a result, we identified the telecommunications business as requiring prioritized detailed analysis due to both high dependence and high impact. This is because the construction and operation of telecommunications facilities such as base stations depend on the landslide prevention and soil conservation functions of forests, while at the same time having a high potential to impact terrestrial ecosystems. Based on this analysis, we further conducted scenario analysis to evaluate the magnitude of risks. Covering the business across the entire value chain from upstream to downstream, we identified potential risks projected to arise over the next 30 years, and singled out those with particularly significant financial impacts (Table 4).

As a result, we recognize that physical risks arising from disaster damage to telecommunications facilities may have a major impact on our financial plans. The evaluation results are presented below.

*1 ENCORE: the dependency and impact analysis online tool featured in TNFD

Table 1: Dependence/impact considering the scale of operations of each business



TNFD Taskforce on Nature-related Financial Disclosures

Table 2: Heatmap "Dependence"

Business category	Bio-reme-diation	Climate regulation	Dilution by air and ecosys-tems	Filtration	Flood and storm protection	Ground-water	Mass stabiliza-tion and erosion	Surface water	Water flow mainte-nance	Water quality mainte-nance
Telecommunication										
Electric power services										
DX/solutions										
Distribution										
Media & EC										
Financial										

Low High

Table 3: Heatmap "Impact"

Business category	Distur-bances	Freshwa-ter ecosys-tem use	GHG emis-sions	Marine ecosys-tem use	Non-GHG air pollut-ants	Soil pollut-ants	Solid waste	Terres-trial ecosys-tem use	Water pollut-ants	Water use
Telecommunication										
Electric power services										
DX/solutions										
Distribution										
Media & EC										
Financial										

Low High

(Note) Tables 1 to 3 are intended for prioritizing the scoping of businesses, aiming to achieve relative and objective evaluation results based on business scale and ENCORE. The business classifications are described with reference to the GICS sub-industries used in ENCORE.

Table 4: Risk analysis results

Classification		Business risks	Anticipated impacts	Magnitude of risks		
				Short-term*2	Mid-term*2	Long-term*2
Physical risks	Acute	Worsening damage due to intensified natural disasters associated with ecosystem degradation	Increased disaster preparedness and recovery costs for equipment, and revenue loss due to prolonged service outages	Large	Large	Large
	Chronic	Expansion of water-stressed areas	Impact on the procurement and securing of water for business operations	Medium	Medium	Medium
Transition risks	Market/reputation	Changes in customer behavior and preferences	The delay in responding to market changes leads to a decline in brand image and loss of business opportunities	Small	Medium	Medium
		Insufficient evaluation of information disclosure	The impact of lost orders, boycotts, as well as on talent acquisition, funding, and stock prices	Small	Small	Small
		Resource shortage	Increased demand and depletion of raw materials such as rare metals leading to supply shortages and higher procurement costs	Small	Small	Medium
	Policy and law	Tightening of regulations	Increased costs due to the introduction of new tax systems, tightening of regulations, rising litigation risks, etc.	Small	Medium	Medium
	Technology	Impact on the transition to sustainable new technologies	Increased development costs, transition delay impacting finances, and failures in investments	Medium	Calculations under review	

*2 Time horizon: short term (within a few years), medium term (3-5 years, aligned with the Mid-term Plan), and long term (approximately 10-30 years).

Status of business activities in priority areas

For the telecommunications business identified in the aforementioned analysis, we conducted a survey to determine priority areas. From the perspective of biodiversity conservation, we defined important biodiversity areas as domestic nature reserves and other areas protected and managed under laws and international conventions. Using IBAT*3, we confirmed the proximity of these priority areas to our nationwide base stations as well as to the data centers that serve as the core facilities of the Next-generation Social Infrastructure initiative to be deployed across Japan. For the evaluation, we referred to the LEAP approach set out in the TNFD recommendations.

As a result, we found that 15% of our outdoor base stations (excluding rooftop installations, etc.) are located within nature reserves, which we recognize as areas where risks should be prioritized for assessment.

We also confirmed that the AI data center scheduled to open in Tomakomai, Hokkaido in FY2026 is located in proximity to a nature reserve.

*3 IBAT: a biodiversity assessment tool developed by the UN Environment World Conservation Monitoring Centre (UNEP-WCMC), the International Union for Conservation of Nature (IUCN), and Conservation International.

Risk countermeasures and opportunities

Actions taken to reduce business risk can also be significant business opportunities. By utilizing cutting-edge technologies such as AI, IoT, and big data, and by analyzing vast amounts of environmental data through AI's learning function, it is possible to predict the impact on the global environment. The use of cutting-edge technology in environmental issues is attracting attention around the world because it enables us to take various countermeasures based on such predictions. We are striving to maximally utilize cutting-edge technologies such as AI and IoT, which are our strengths, as well as synergies between Group companies in order to contribute to the conservation of biodiversity.

Risk and impact management

Identified and assessed risks related to the earth environment, such as biodiversity and climate change, are integrated into Company-wide risk management. Through regular risk management cycles, we are working to reduce and prevent risks. The Risk Management Committee determines the level of importance of each risk and the persons responsible for dealing with it (risk owner), issues instructions on countermeasures, and reports the status to the Board of Directors.

Metrics and targets

To provide telecommunications services widely and stably as a social infrastructure, it may be necessary to install communication facilities such as base stations in key biodiversity areas.

To contribute to the conservation of biodiversity when installing facilities in key biodiversity areas designated by the country or international treaties, SoftBank has set a target for FY2030 to implement forest conservation in an area that is at least twice the area where the telecommunications facilities are installed in nature reserves or other areas that are important to biodiversity.

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 Company-wide basis. The Environment Committee effectively manages water risk while conducting managerial supervision that ensures both Company-wide response to these risks and efficient water resource utilization.

Water usage management

In order to optimize water usage, we monitor, manage, and analyze water intake status of the entire organization. By repeatedly planning, implementing, evaluating, and improving water usage reduction plans, we aim to reduce environmental impact and comply with laws and regulations, thus contributing to the global environment and society.

Items (Unit)	FY2022	FY2023	FY2024
Water consumption*1 (Water withdrawal) (m^3)	731,594	825,936*2	992,454

*1 For offices that do not have individual meters, calculations are based on the area of the relevant office and actual water consumption within the group.
*2 Due to a change in definition in FY2024, the figures for FY2023 have been retroactively adjusted
(Note) 1. Coverage based on the sales ratio of each Group company in FY2024 is 100%
2. We have obtained third-party verification (limited assurance level in accordance with ISAE 3000).
3. As a long-term target for FY2030, we assume that the demand for water will increase due to business expansion, but we have set the same level of water consumption as the current level by striving for more efficient use, etc.

Efficient use of water resources

We are engaged in water usage management, including setting targets for water consumption and regularly monitoring and evaluating progress.

At our headquarters building, "Tokyo Port City Takeshiba Office Tower," we are implementing water-saving measures to reduce miscellaneous water usage by over 30%. Rainwater collected from the roof and other areas, as well as kitchen wastewater, is collected, stored, sterilized, and reused for toilet flushing. Additionally, on each floor, we have installed water-saving devices such as flow restrictors on hot water supply facilities and sound simulators in toilets to reduce the frequency of flushing. We promote water conservation by disseminating information about these initiatives to all employees through internal intranet and other channels, raising awareness across the organization.

Understanding regions subject to water risk and stress

Using the *Aqueduct* 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. In addition, Singapore, where our group company SB Telecom Singapore Pte. Ltd. is headquartered, is considered to be a region with high water stress*3. According to assessments using the *Aqueduct* tool, water stress is projected to increase to 1.4 times the current level by 2040. If the Singapore site were to cease operations, an impact on annual sales of ¥320 million is expected.

Although there is little need for immediate countermeasures in consideration of the scale of the project and the amount of water withdrawn, we recognize the need to collect information and consider the need for countermeasures in light of the increased physical risk due to extreme weather conditions in the future.

*3 As the end of March, 2025. Ranked 1st among the top 33 Water-stressed Countries: 2040, according to WRI (World Resources Institute).

Support for building new water recycling systems

We are collaborating with WOTA Corporation, with whom we have entered into a capital and business partnership, to address challenges in depopulated areas where maintaining water and sewage systems has become difficult due to population decline, as well as in island regions where stable water access and infrastructure development are hard to achieve. Using WOTA's "Small-Scale, Decentralized Water Reuse System for Household," which enables nearly 100% recycling of all domestic wastewater without relying on existing water and sewage infrastructure, we have been conducting pilot experiments in Toshima Village, Tokyo since June 2023, aiming to establish a new water infrastructure system that supplies water reliably in island regions. In addition, we also sell the water circulation-type handwashing stand *WOSH*, which enables water use even when water and sewage systems are disrupted by disasters, as well as the portable water recycling system *WOTABOX*, which provides warm private shower baths.

Initiatives and KPIs for water resource efficiency in data centers

Data centers use large amounts of water to cool the significant amount of heat generated by servers and network equipment, making the efficient use of water resources an urgent issue in reducing environmental impact. At our data centers, we have adopted highly efficient water-cooling systems, such as "turbo refrigerators" that generate cold air and "chillers" that circulate liquid for cooling, to maximize cooling efficiency. In addition, at the AI data center currently under construction in Tomakomai, Hokkaido, we plan to introduce an air conditioning system that utilizes Hokkaido's cool outside air, thereby aiming to significantly reduce the amount of water required for cooling. Furthermore, we are designing and developing rack-integrated solutions equipped with two-phase DLC (Direct Liquid Cooling) technology, a cooling system that does not use water, as part of our efforts to introduce innovative waste heat solutions.

In addition, we have set a KPI of "promotion of initiatives such as tree planting to contribute to water source replenishment equivalent to 1%*4 of water usage for newly developed data centers." In FY2024, we implemented initiatives such as tree planting (2.5 hectares) that contribute to water source replenishment equivalent to one data center.*5

*4 Equivalent to 1% of daily water usage at a data center
*5 One data center equivalent is an estimated value based on our model usage (tree planting required for replenishment is 2 hectares or more)
(Note) Please refer to "Appropriate Use of Water Resources" on our website for details.

Promotion of a Recycling-oriented Society

We position the promotion of resource circulation as one of our key management issues. By promoting waste reduction and resource recovery through the efficient use of limited resources, we aim to mitigate environmental impact, enhance corporate trustworthiness and competitiveness, and sustainably increase corporate value. As part of these efforts, we are engaged in reducing, reusing, and recycling industrial waste.

Indicators and targets

To contribute to the creation of a recycling-oriented society, we manage environmental impact data. Our main targets are a recycling rate of 99% or higher for decommissioned base station telecommunications equipment, the collection of 14 million used mobile phones for reuse and recycling (cumulative total for FY2020 to FY2025), and an annual 1% improvement in the recycling rate of industrial waste.

Recycling rate of decommissioned base station telecommunications equipment, number of collected used mobile phones for reuse and recycling, and recycling rate of industrial waste

Items (Unit)		FY2022	FY2023	FY2024
Decommissioned base station telecommunications equipment	Recycling rate (%)	99.96	99.97	99.99
Collected used mobile phones	Number of collected devices for reuse/recycling (units)	2,229,218	2,567,975	2,629,035
Industrial waste	Recycling rate (%)	90.1	94.8	96.0

(Note) The boundary is SoftBank Corp. on a standalone basis.

Industrial waste generated and final disposal amount

Items (Unit)	FY2020	FY2021	FY2022	FY2023	FY2024
Amount of generation (t)	6,313	6,196	6,398	6,696	6,604
Amount of final disposal (t)	831	528	557	301	256

(Note) 1. Coverage in FY2024 is 100% of consolidated sales
2. The calculation method for final disposal amount has been changed since FY2020.
3. Third-party verification has been conducted by the Japan Quality Assurance Organization (Limited level of assurance in accordance with ISAE 3000).

Initiatives for promoting a circular economy in business operations

Reduce

We strive to reduce the amount of paper resources used in the sales of mobile phones by making individual packing boxes smaller, digitizing instruction manuals and other bundled documents into applications, and utilizing iPads in our stores. Moreover, to replace the conventional paper-based invoices, we launched an "online charges guide" which allows users to view electronic billing statements over the Internet from a *SoftBank* mobile phone or PC. This has been provided as a basic service to all individual subscribers since October 2006.

Reuse

We efficiently collect and resell mobile phones that we have sold or rented to customers. As the domestic and global markets for used smartphones continue to expand, we will further enhance our value-added services to meet increasingly diverse market needs.

Recycle

As a member of the Mobile Recycle Network (MRN), which engages in mobile phone and PHS recycling activities, we collect not only mobile phones sold by our Company but also those sold by other companies. In FY2024, we collected a total of 2.63 million used mobile phones (417 tons) for reuse and recycling. Having achieved our initial cumulative target of 12 million units (from FY2020 to FY2025), we revised our FY2025 target upward to a cumulative total of 14 million units for the same period, aiming for further increases in collection volume.

In addition, we are promoting the recycling of waste materials from telecommunications equipment such as cables, switches, and utility poles that are generated during the renewal or removal of network facilities.

(Note) Please refer to "Promotion of a Recycling-oriented Society" on our website for details.

Mobile Recycle Network
Please cooperate in the recycling of mobile phones and PHS devices.

Waste reduction through the introduction of reusable cups at headquarters

Aiming to reduce environmental impact, we have replaced disposable cups, which had been used as a measure against infectious diseases, with reusable cups in the lounges on each floor of our headquarters. This initiative was fully implemented in April 2025.

The introduced cups are made primarily of biomass plastic (PLA) derived from corn starch, with silicone used for the lids. Through this transition, we expect to reduce waste by approximately 3.5 million paper cups and 1.16 million plastic lids annually, in addition to reducing CO_2 emissions by about 119 tons.

In addition, the introduced cups are planned to be collected and remanufactured after three to four years, contributing not only to waste reduction but also to the promotion of a circular economy through resource circulation.

Biomass plastic cups introduced by our Company