

SoftBank's Medium to Long-term Growth through ESG Strategy and Environmental Initiatives

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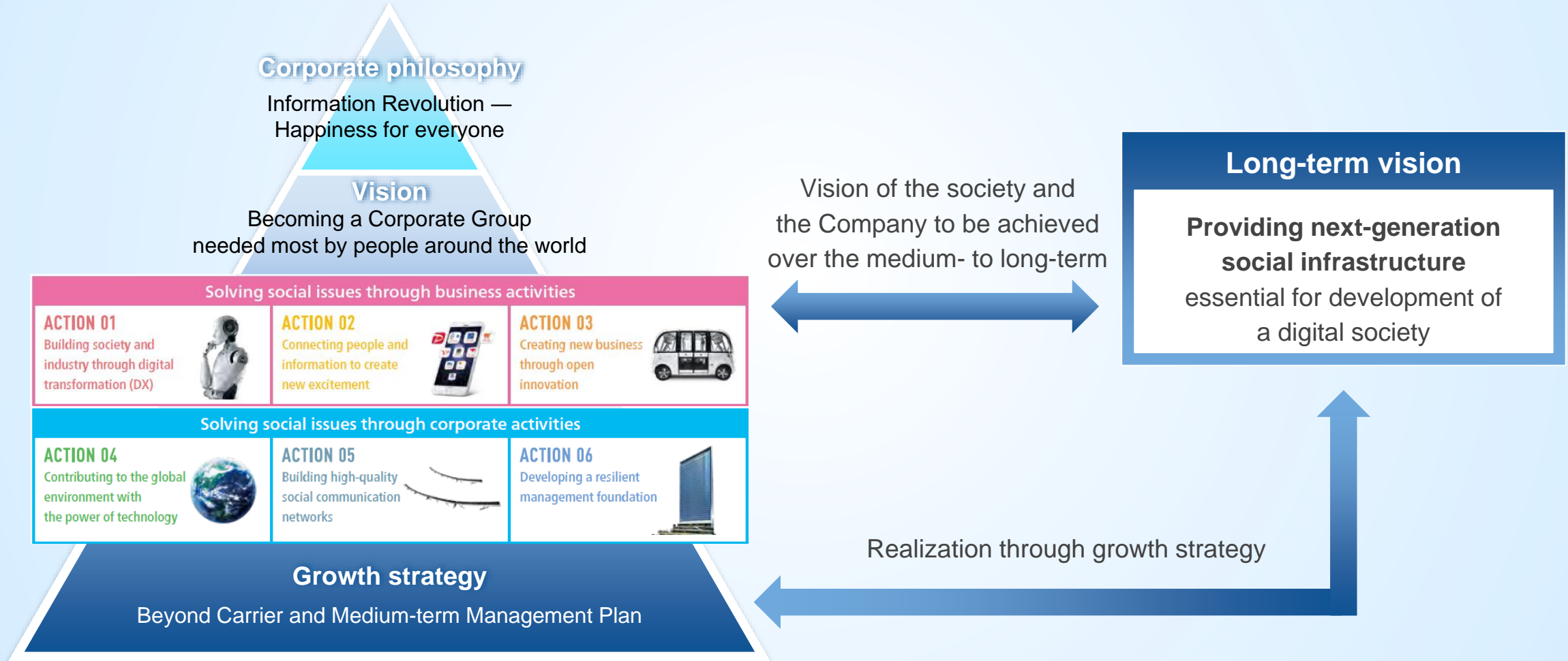


ESG Strategy

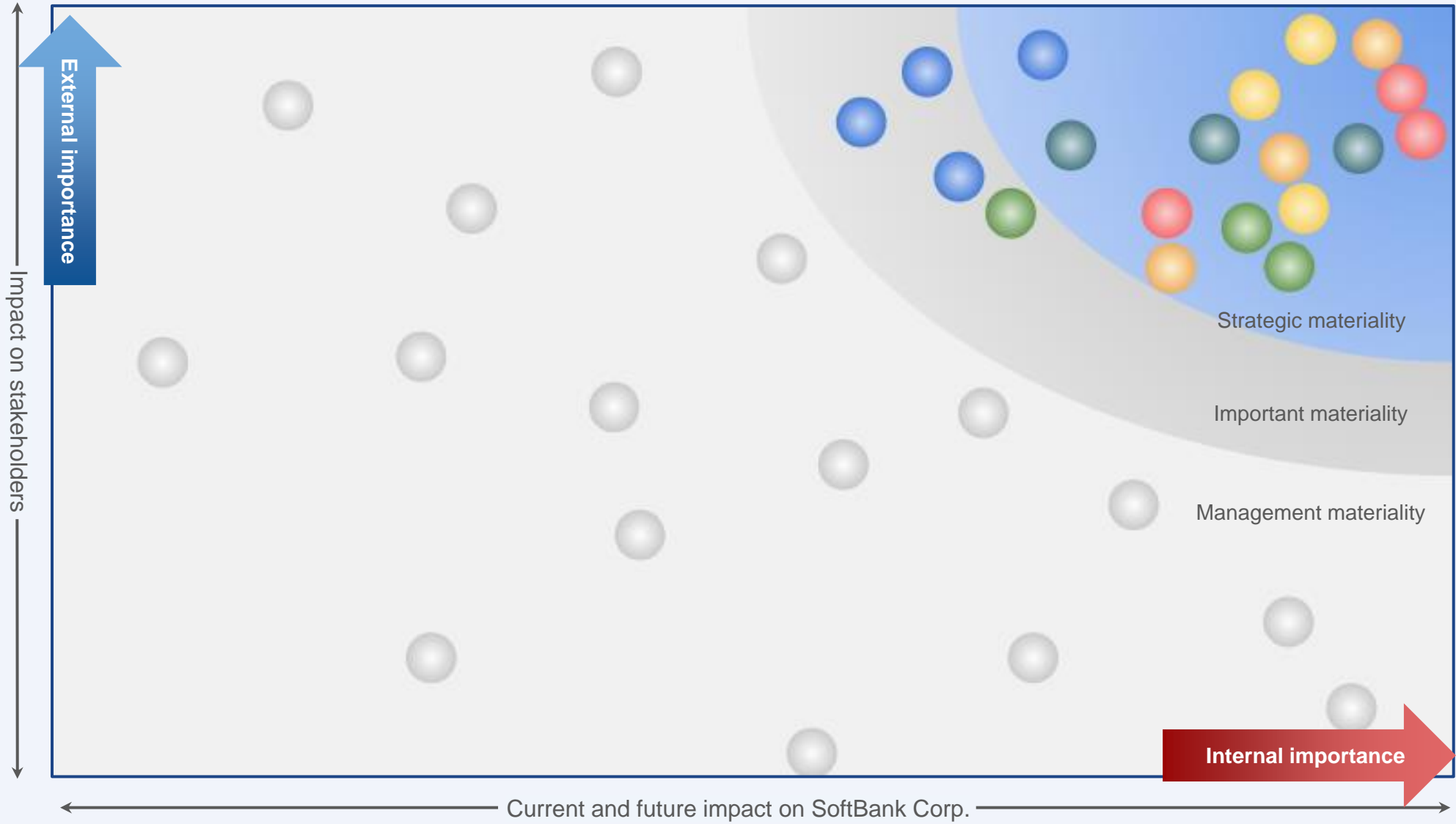
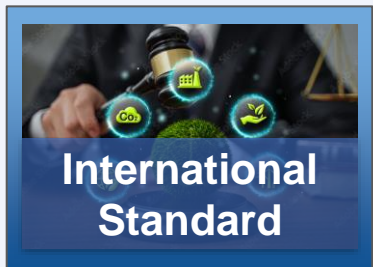
Materiality = A compass that links corporate philosophy to growth strategy



Linked to long-term vision and Medium-term Management Plan



Process for identifying material issues



Short-, medium- and long-term plans

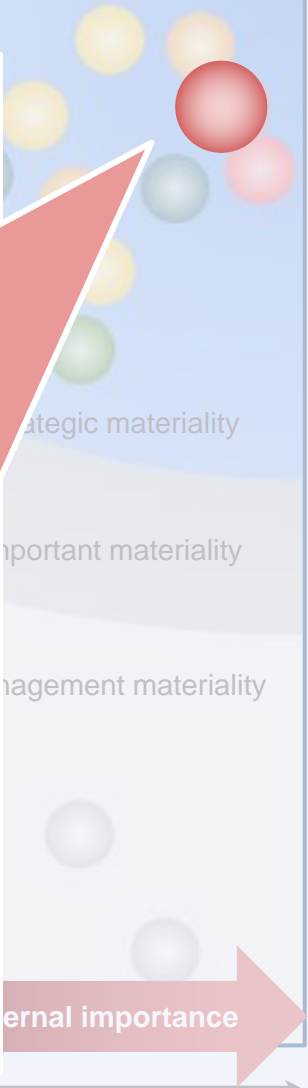
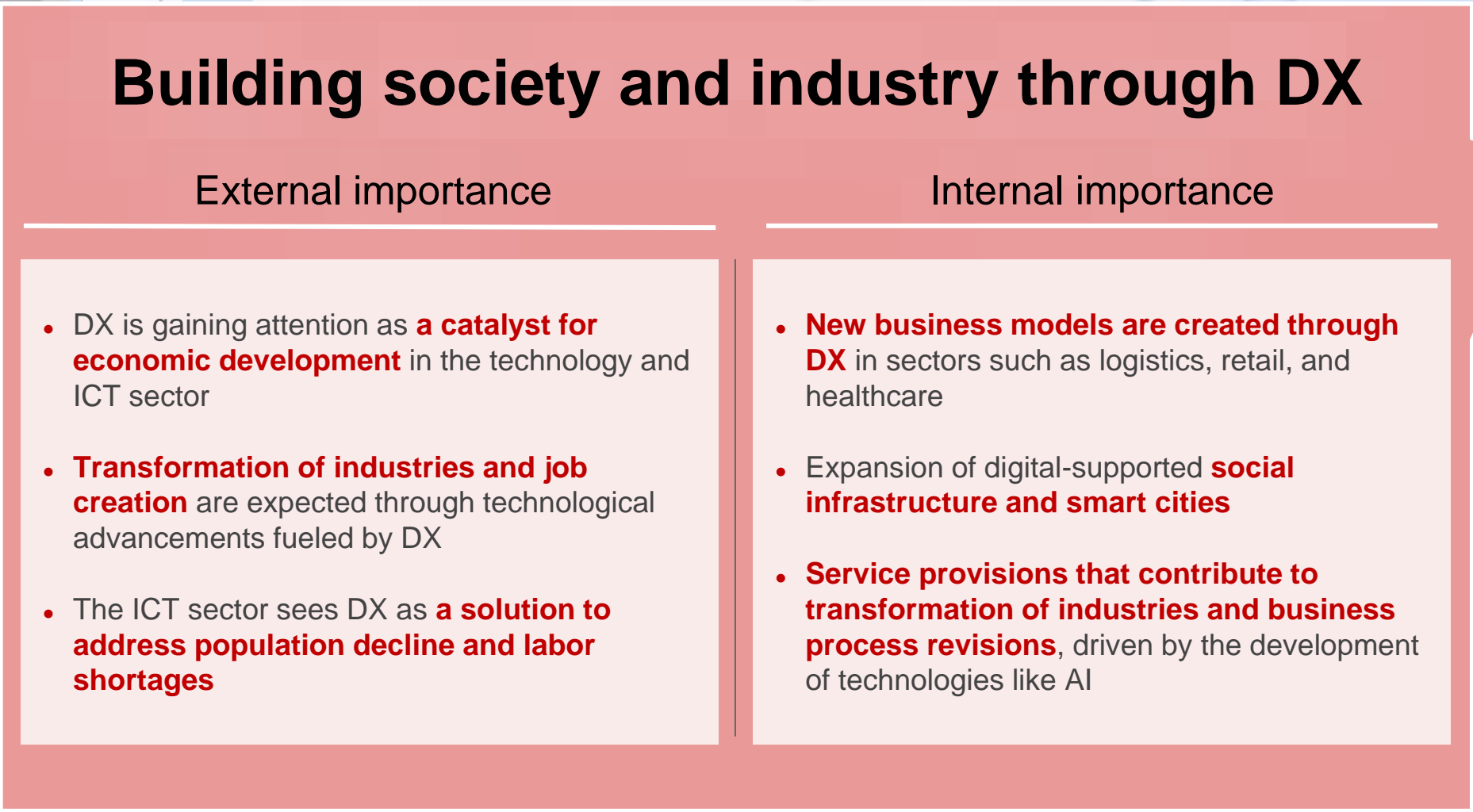
Process for identifying material issues

International Standards

ESG Index

International report

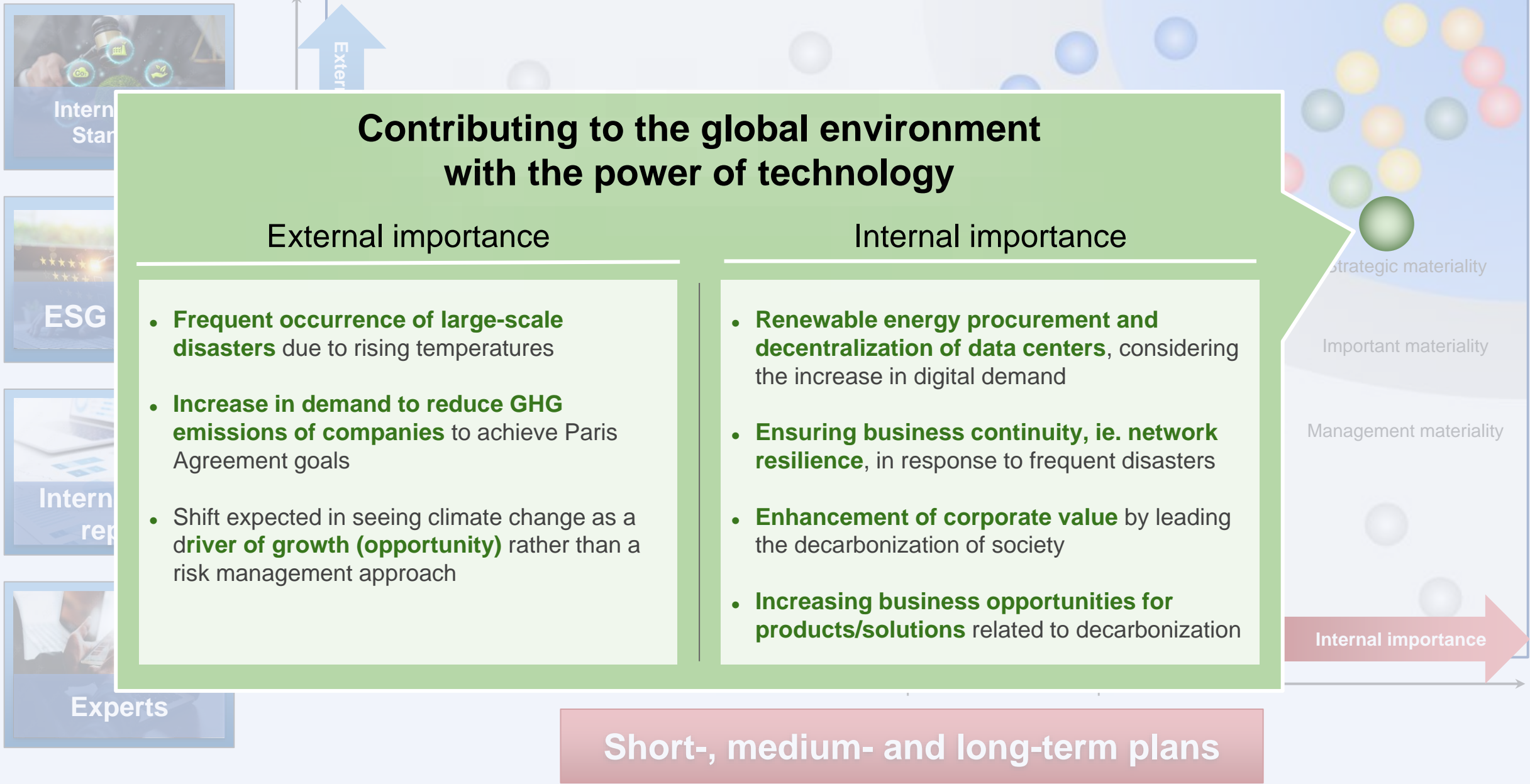
Experts



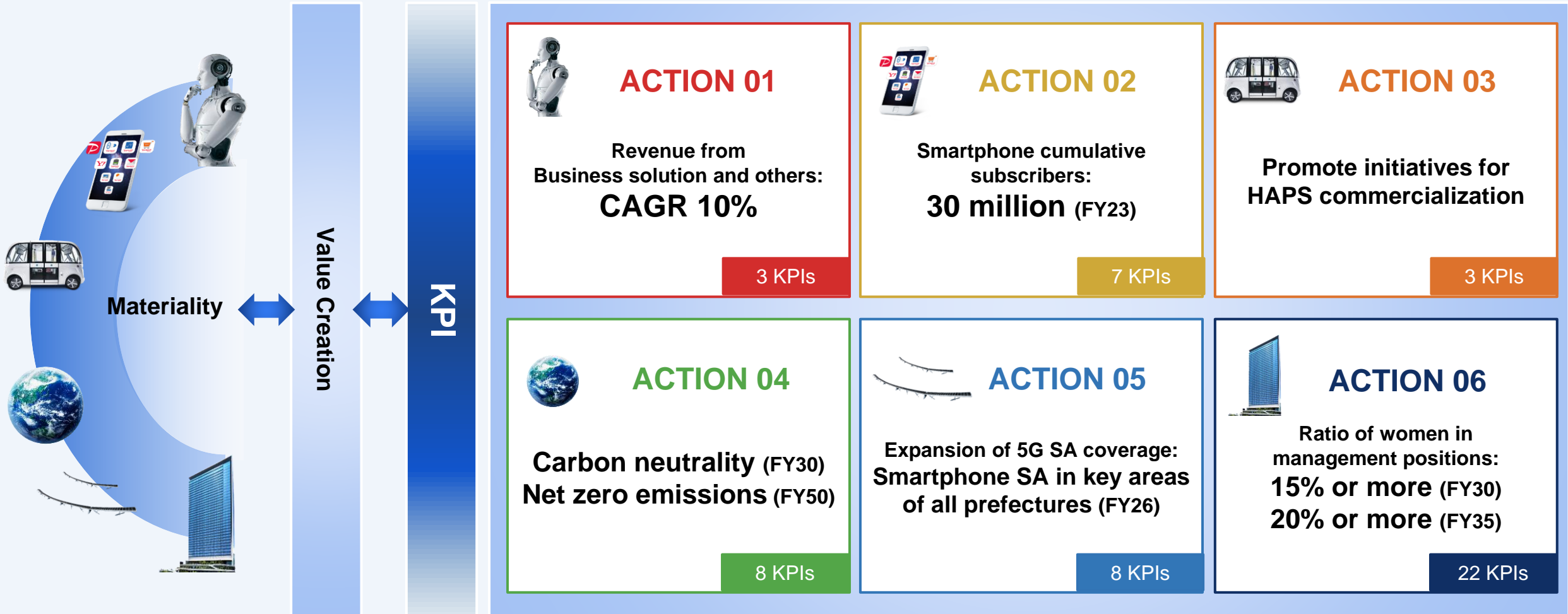
← Current and future impact on SoftBank Corp. →

Short-, medium- and long-term plans

Process for identifying material issues







Set KPIs to ensure materiality is effective



KPIs are linked to Executive remuneration

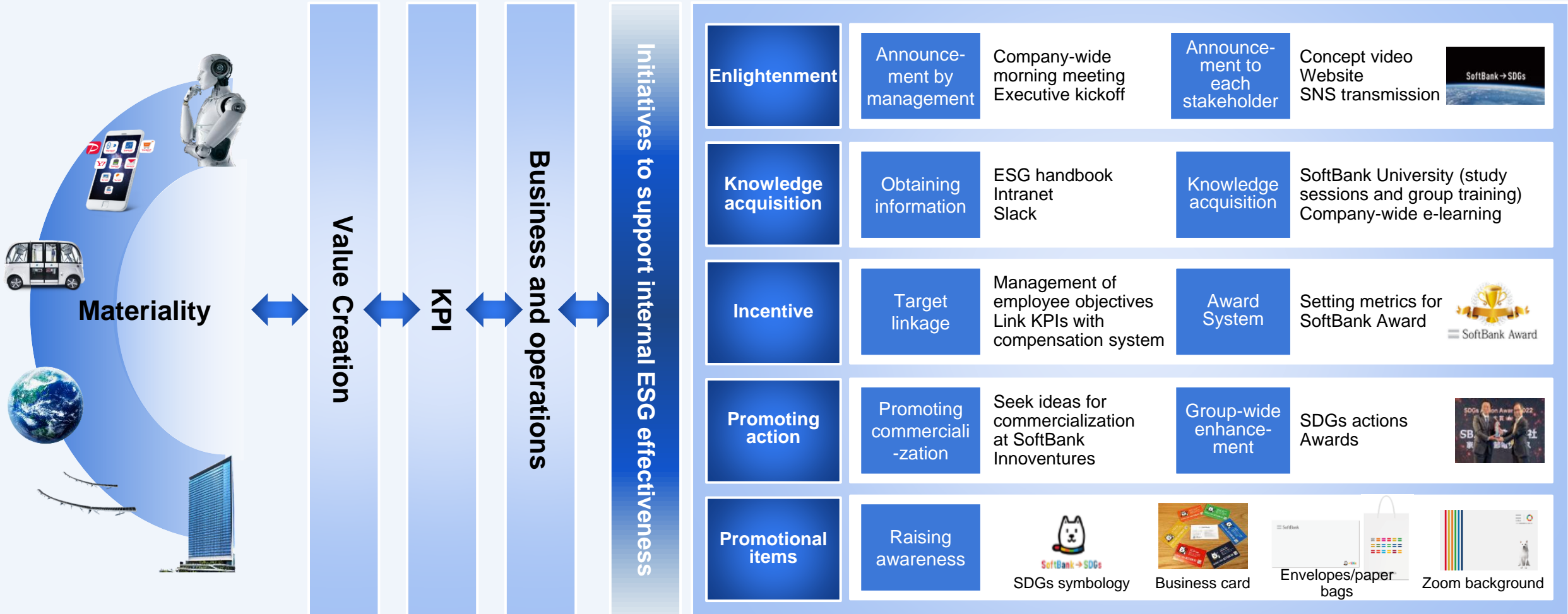
→ Enhance non-financial value

	FY23 compensation-linked KPI	Indicator
 Building society and industry through DX	CAGR of revenue from Business solution and others	10% or more
 Contributing to the global environment with the power of technology	Base station renewable energy ratio	80% or more
 Building high-quality social communication networks	Expansion of 5G SA coverage: Smartphone SA in key areas of all prefectures (Completed by FY26)	10 prefectures
	Number of major network accidents	0 items
	Number of major accidents involving information security	0 items
 Developing a resilient management foundation	DJSI World	Included

Employees are the key to ESG promotion



Systematize the penetration of ESG to employees



ESG awareness survey targeting all employees



Q

Do you think ESG is connected to your job?

First half of FY23

74%

Ratio of employees who perceive ESG promotion as their individual responsibility

About 2.5 times

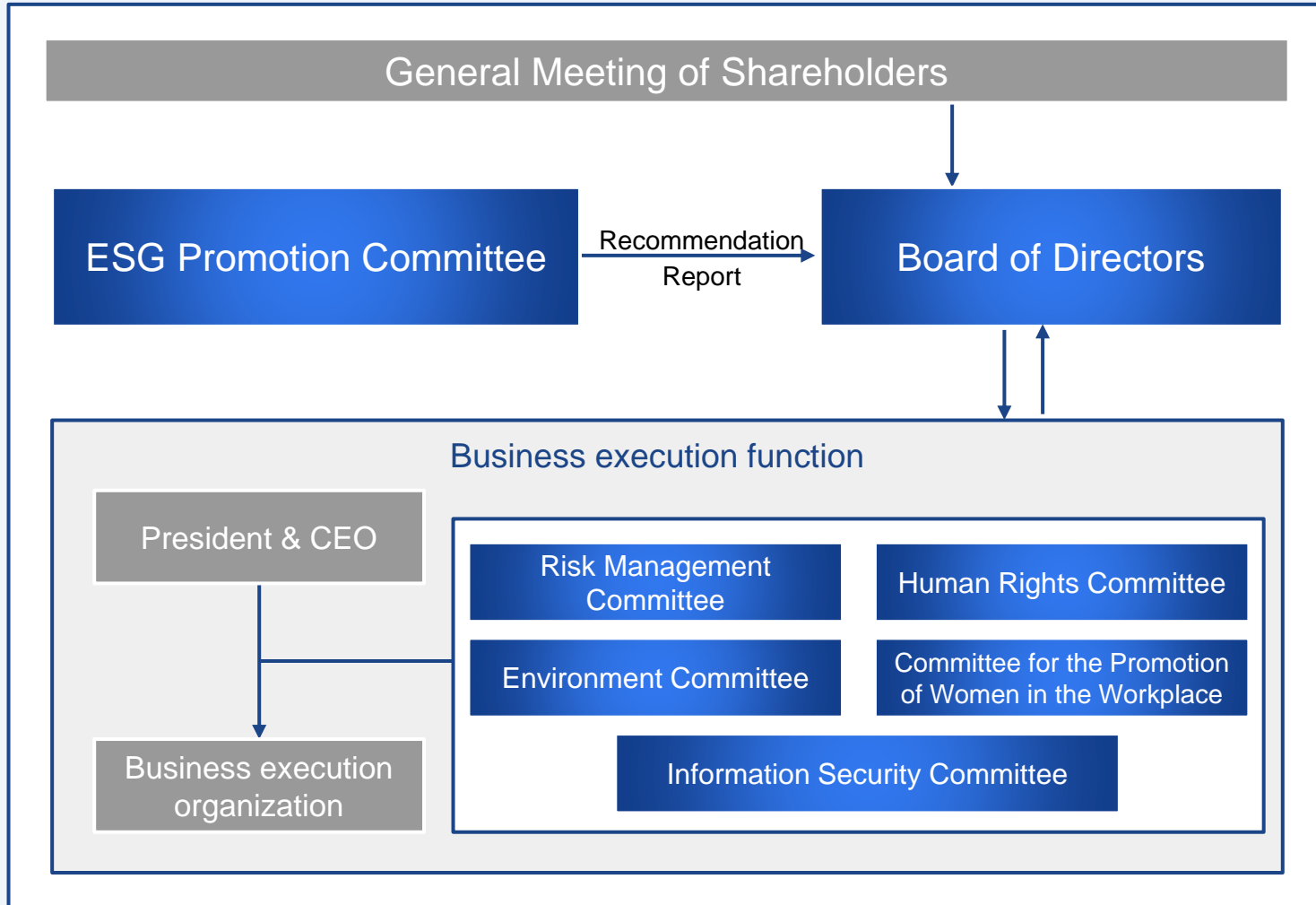
First half of FY20

30%



ESG Governance System

ESG Promotion Committee was established as an advisory body to the Board of Directors



Frequency of meetings

Four times a year

Composition

Chairman: President and CEO
Members: Directors + Executive Officers

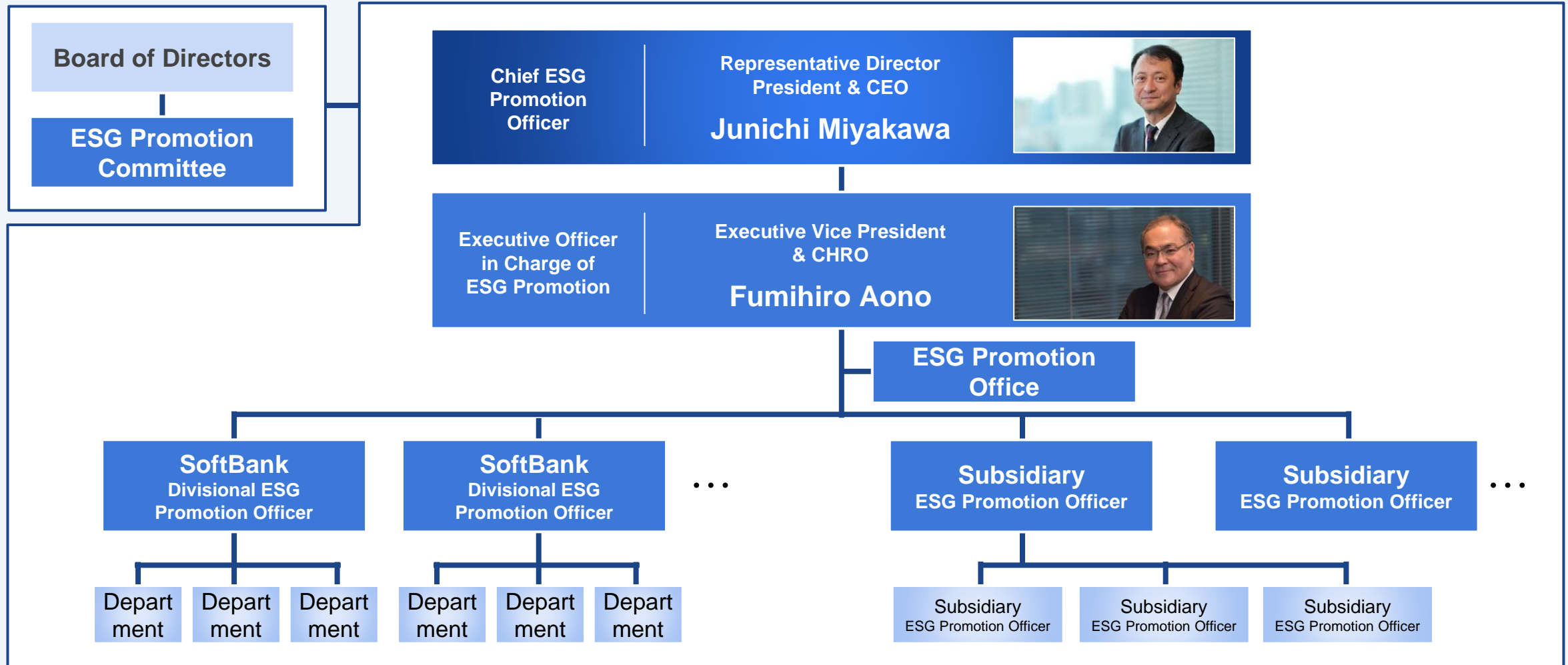
*Nominated by the Chairman

Main topics

- **ESG strategy/policy** (including materiality)
- **Promotion of SX projects**
- **Experts and corporate dialogues**

ESG Execution System

Assigning Promotion Officers at each department and subsidiary



Ensuring objectivity by incorporating third-party perspectives

Committee with experts



Kenji Fuma
Special appointed professor of
Organization for Co-creation
of Green Society,
Shinshu University



Mari Yoshitaka
Visiting professor of
Arts and Sciences
(Green Business)
University of Tokyo

**Regularly incorporate the
opinions of experts**

Internal audit/ Third-party assurance



Hiroshi Naka
Institute for Future Initiatives,
University of Tokyo

**Pioneering internal
auditing of ESG
in Japan**



**Obtaining voluntary
assurance on non-
financial information**

16 items acquired

Stakeholders dialog



**Engaging in dialogues with
investors, NGOs, and NPOs**

Accelerating Group-wide ESG promotion

Group-wide Coordination Meeting



Enhancing ESG collaboration and sharing expertise among companies

Group SDGs Action Awards



Recognizing exemplary cases to promote SX



Promotion of Environmental Initiatives



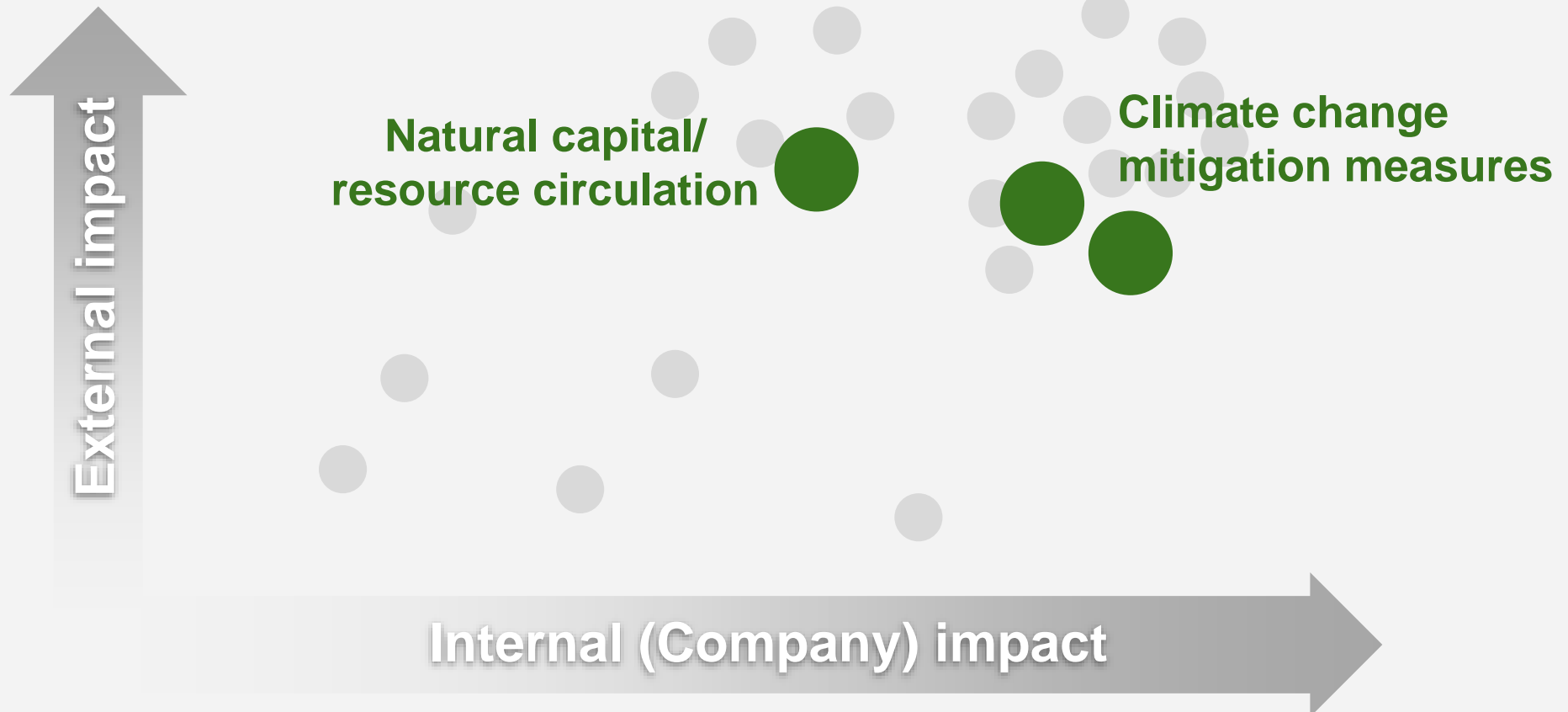
The international community is raising the alarm

2021	2022	2023	2024
1 Abnormal weather	1 Failure of climate change adaptation	1 Failure to mitigate climate change	1 Abnormal weather
2 Failure of climate change adaptation	2 Abnormal weather	2 Failure of climate change adaptation	2 Crisis-level changes in the Earth system
3 Anthropogenic environmental disasters	3 Loss of biodiversity	3 Abnormal weather	3 Biodiversity loss and ecosystem collapse
4 Infectious diseases	4 Erosion of social cohesion	4 Loss of biodiversity	4 Natural resource scarcity
5 Loss of biodiversity	5 Financial distress	5 Large-scale involuntary migration	5 Misinformation and fake news

Our Company's priorities regarding environmental initiatives

Climate Change

Natural capital/
resource circulation



**Climate
change**

**Natural capital/
resource
circulation**

Our fundamental stance on climate change



**Telecommunications
Internet**

=

**Electricity is essential for the
sustainability of our business**

SoftBank's responsibilities

**Promoting endorsement of the
Paris Agreement and actions
towards its achievement**

**Disclosure based on the
recommendations of TCFD**

Impact of climate change on our Company *examples

Risk

Opportunity

Physical

Increased burden on stores for response and recovery due to frequent disasters



Increased costs of air conditioning and mitigation measures due to rising temperatures



Business impacts due to delays in compliance with regulations and adoption of energy-saving technologies



Decarbonization efforts / Costs incurred due to service disruptions / Impact on revenue



Increased tax burden due to the introduction of carbon taxes, etc.



Transition

Mitigation

Expansion of AI, ICT, and smart building solutions
Expansion of energy-saving businesses



Expansion of renewable energy-related businesses



Increased demand for energy-efficient devices
Expansion of consumer behavior-promotion services



Adaptation

Expansion of Mobility as a Service (MaaS) and sharing economy businesses

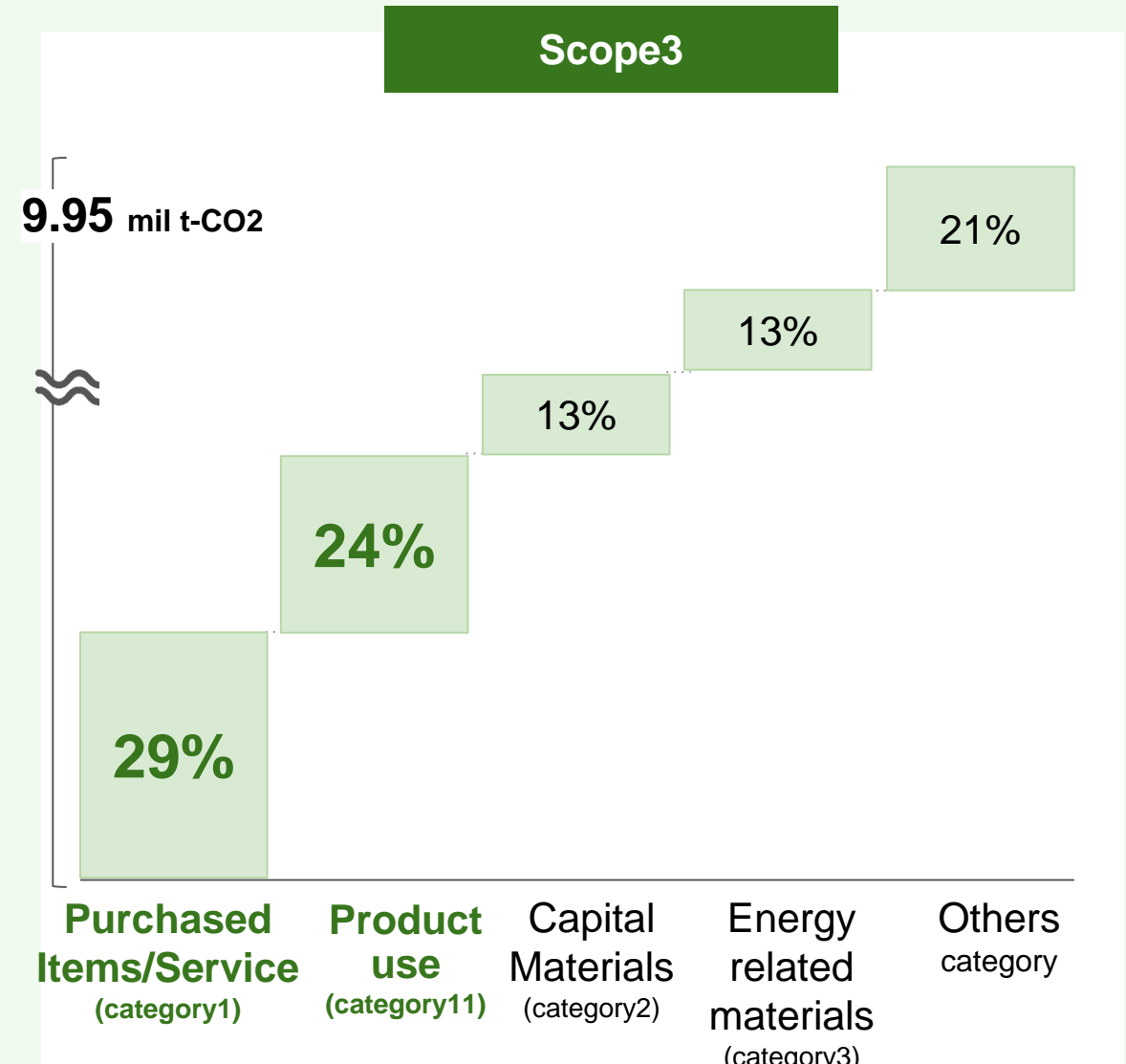
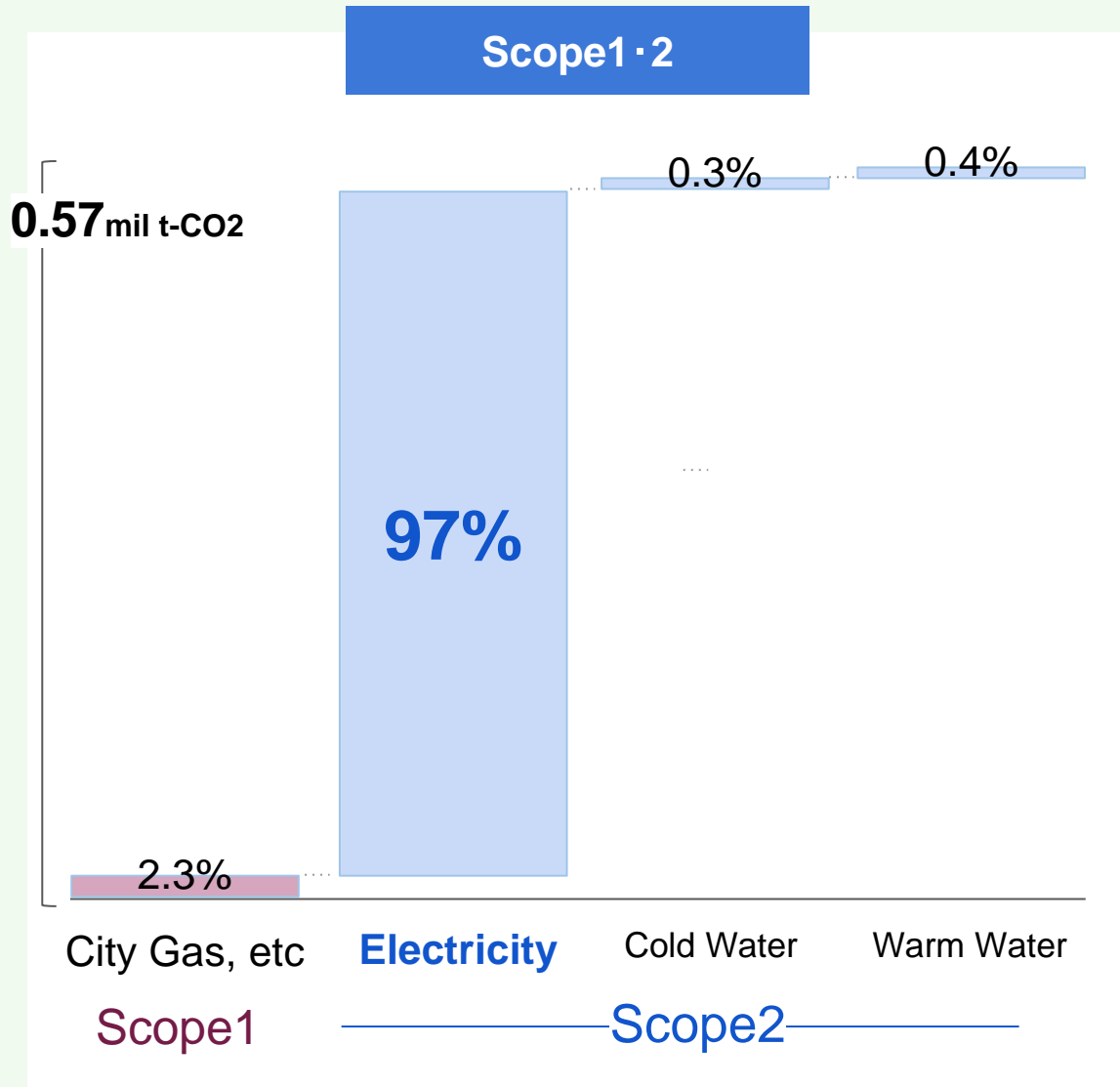


Expansion of smart agriculture and water-related businesses



Our current greenhouse gas (GHG) emissions status

*result of FY22



Our target

Scope 1, 2



Achieving zero GHG emissions by **2030**

Scope 3

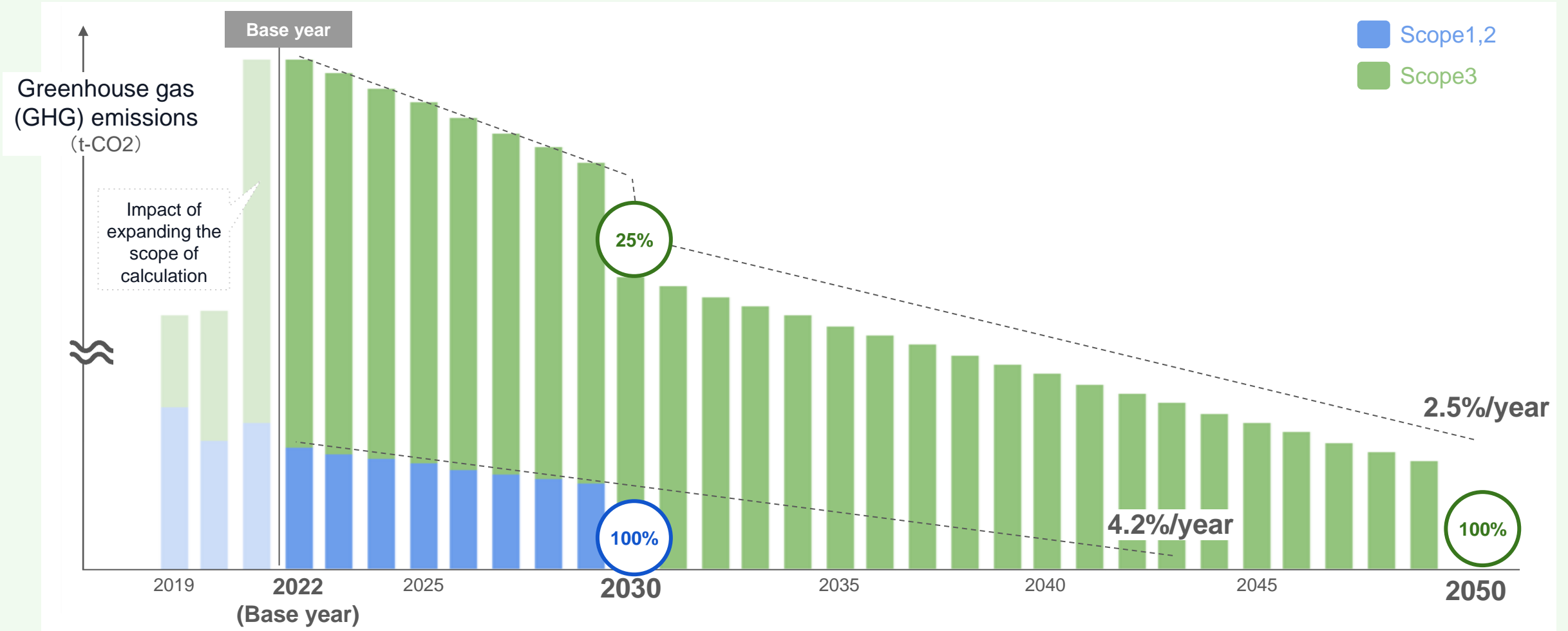


Achieving zero GHG emissions by **2050**

GHG emission reduction plan

Scope 1, 2: Reduction of at least 4.2% per year
Scope 3: Reduction of at least 2.5% per year

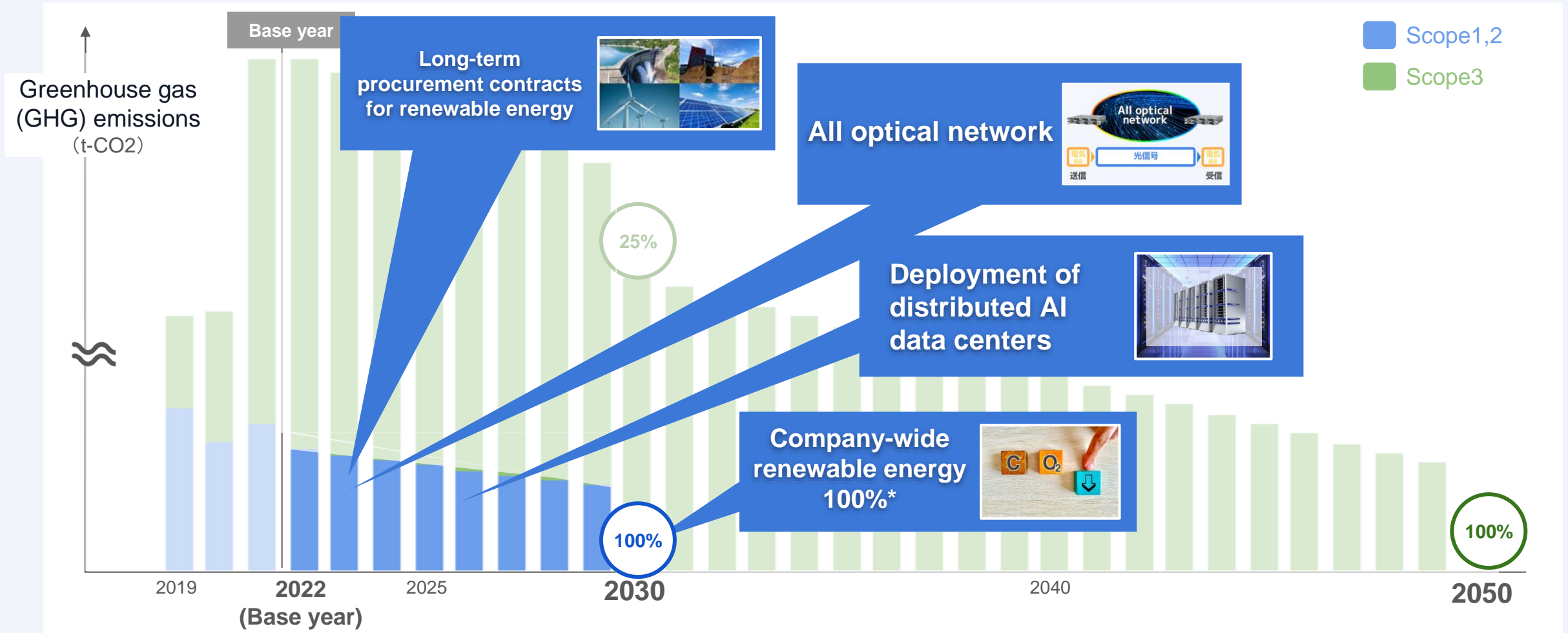
Under review for SBT*
(Base year 2022)



*SBT short-term goals: Certified in 2021 (base year 2019). Short-term goals are updated and under review in conjunction with long-term goal application. The total of SoftBank Corp. and other major subsidiaries

Scope 1 and 2 emission reduction plan

Expected achievement through renewable energy and energy efficiency, etc.



*Reduction achieved through actual renewable energy and renewable energy with additionality
The total of SoftBank Corp. and other major subsidiaries

Basic policy for Scope 1 and 2

Promoting both renewable energy and energy efficiency

Transitioning entire company's electricity consumption to renewable energy



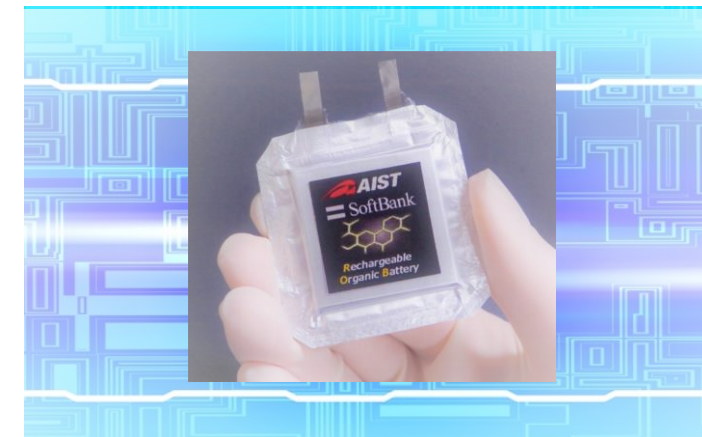
Achievements in FY2022 42%*

Power efficiency improvement through AI/IoT



Reduction of environmental impact through the utilization of technology

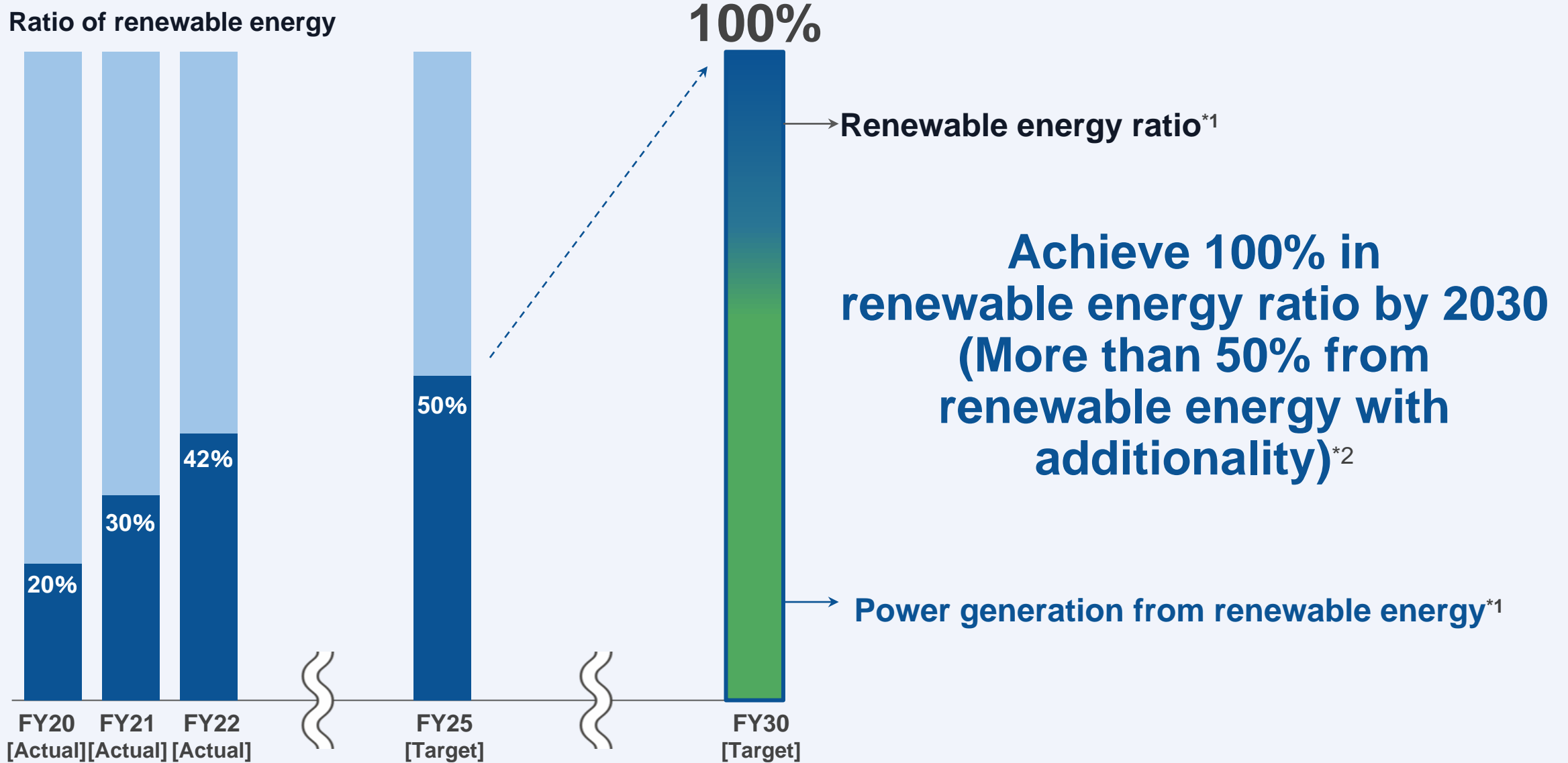
Research and development of next-generation batteries



Towards the development and practical application of high-capacity / high-energy-density batteries

Status of renewable energy utilization

Ratio of renewable energy

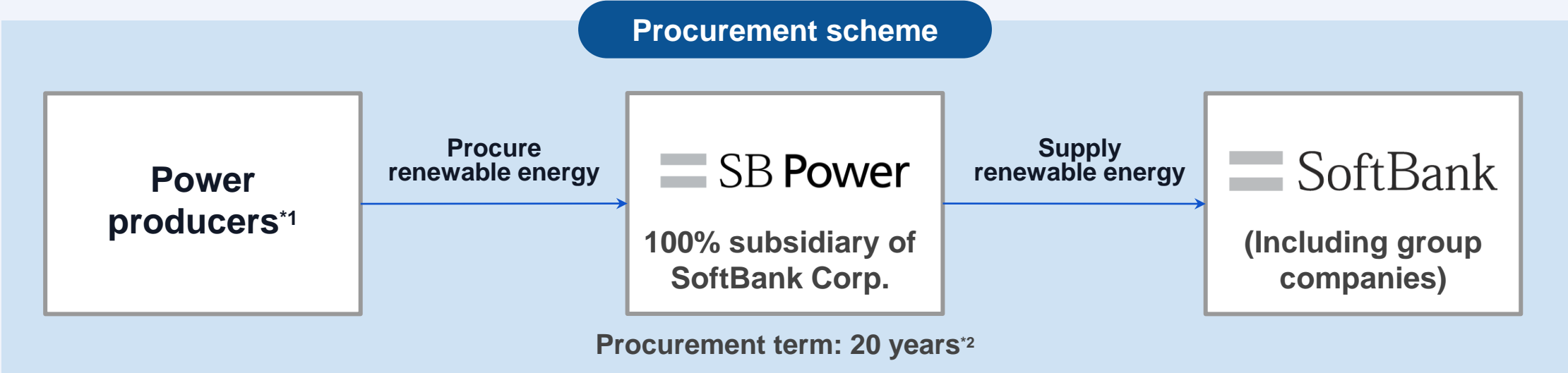


*1 Renewable energy (Actual renewable energy utilization through non-fossil fuel certificates, etc. Additional renewable energy sourced from wind, solar, and other renewable energy generation) *2 The total of SoftBank Corp. and Wireless City Planning Inc.

Procure all electricity needed for telecommunications operations

(approximately 2 billion kWh)

Signed long-term renewable energy procurement contract



Transitioning to a business structure less affected by electricity price hikes

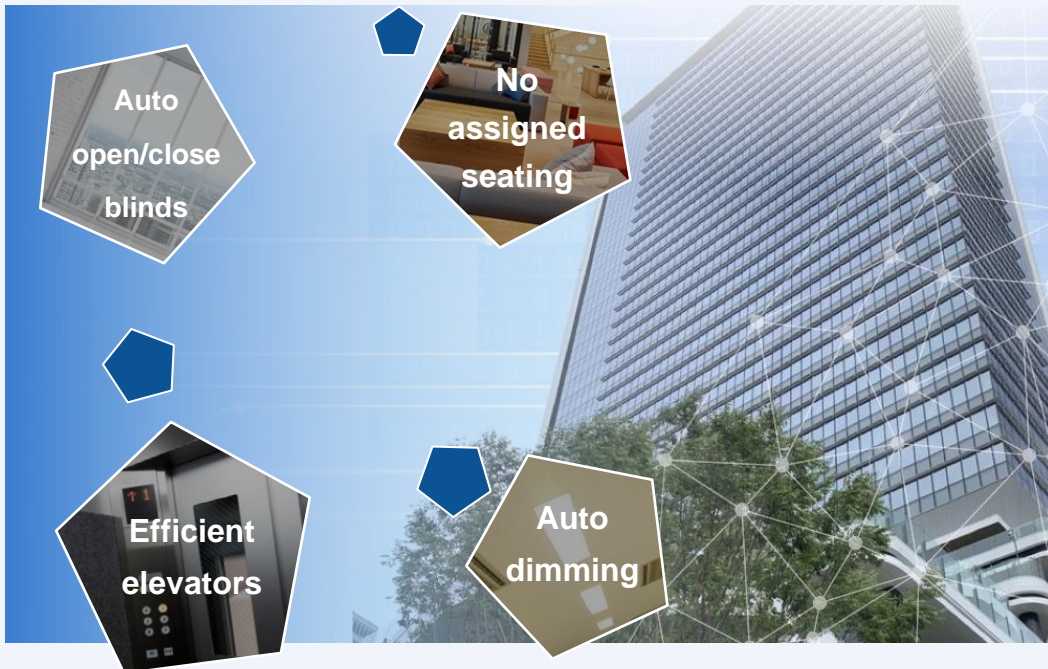
SB Power: Retail Electricity Provider, *1: Signed contracts with multiple power producers to procure renewable energy

*2: 20 years from the start of procurement from each electric generation plant

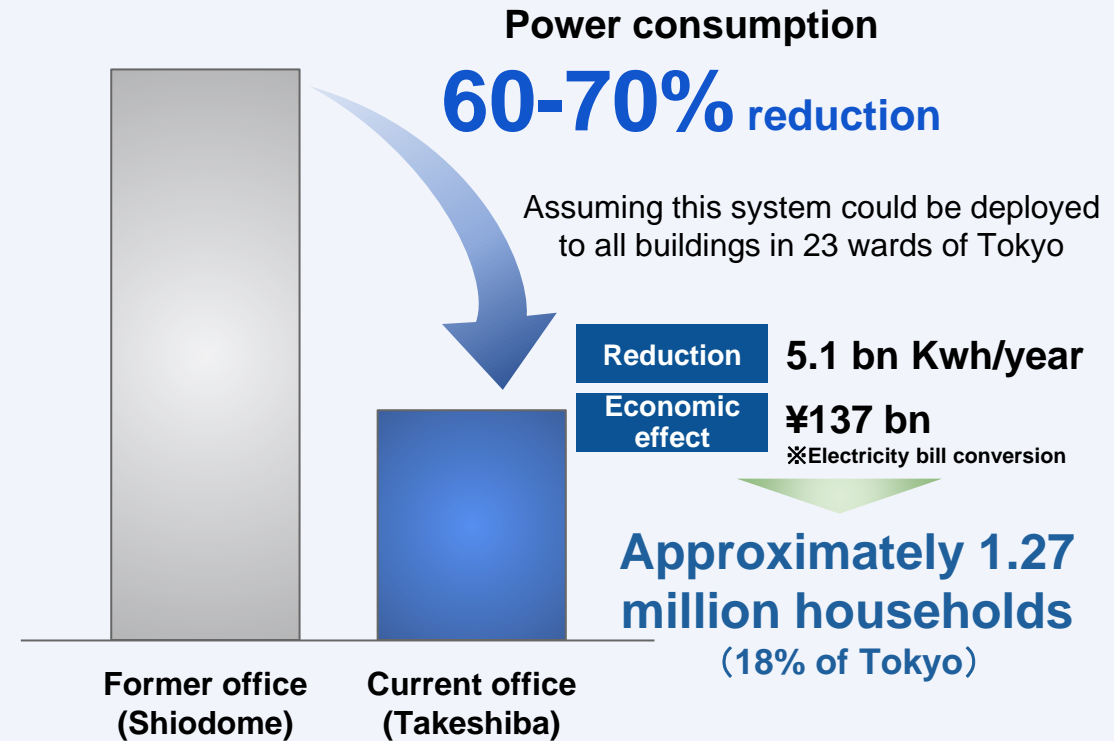
Smart office

Achieving energy savings using AI and IoT

Utilization of sensors/space saving



Energy savings



Promoting HAPS business

Achieving zero emissions by enhancing next-generation base stations

Power consumption by base station



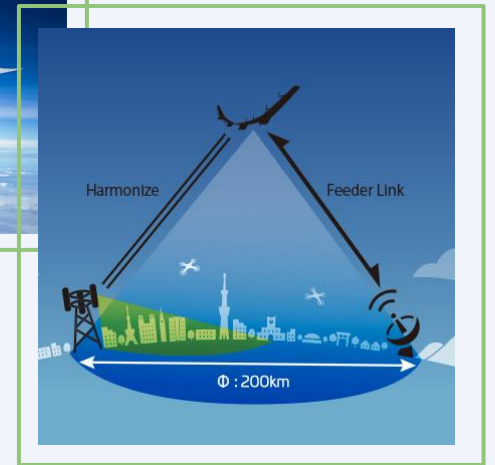
About **60%** of power is used by base stations

Significant energy consumption for construction and maintenance

Efficient area coverage



Solar power + next-generation batteries



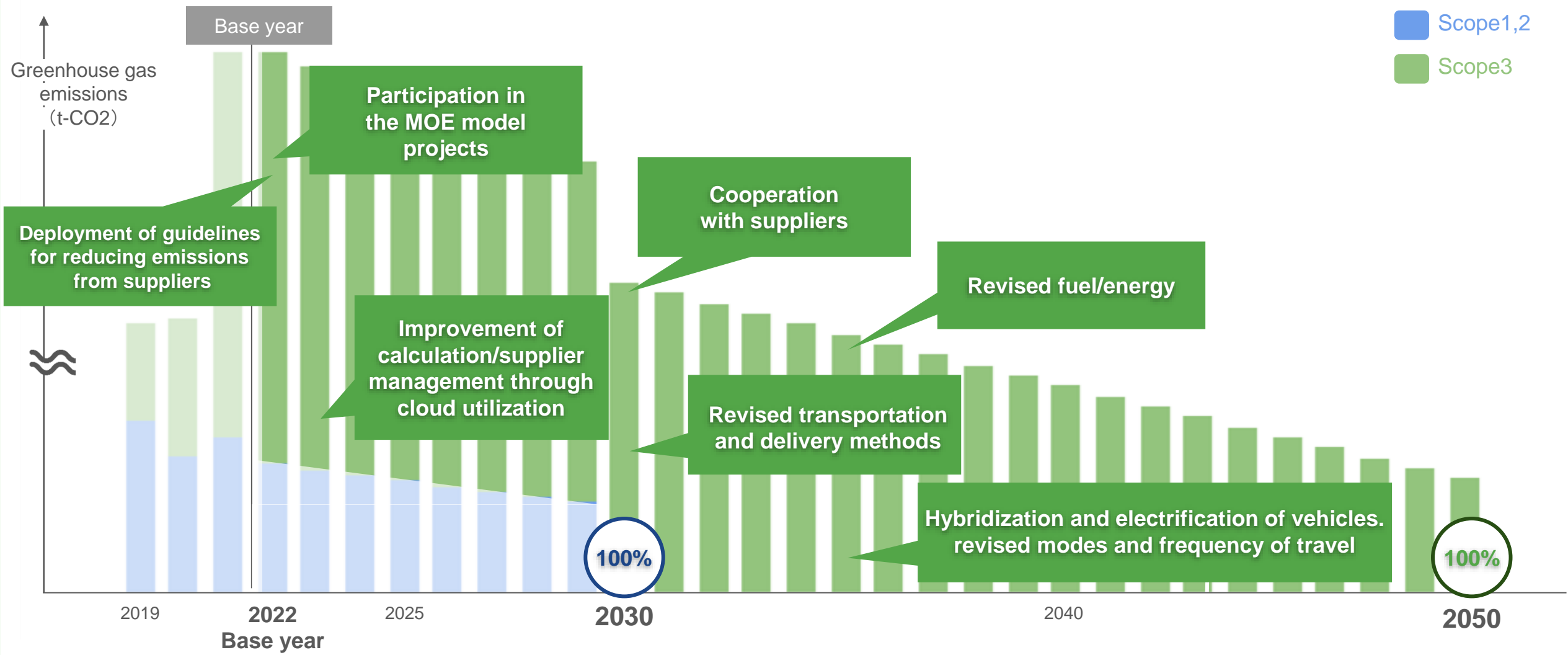
All of Japan covered by low environmental impact aircraft



CLIMATE GROUP
RE100

Officially joined

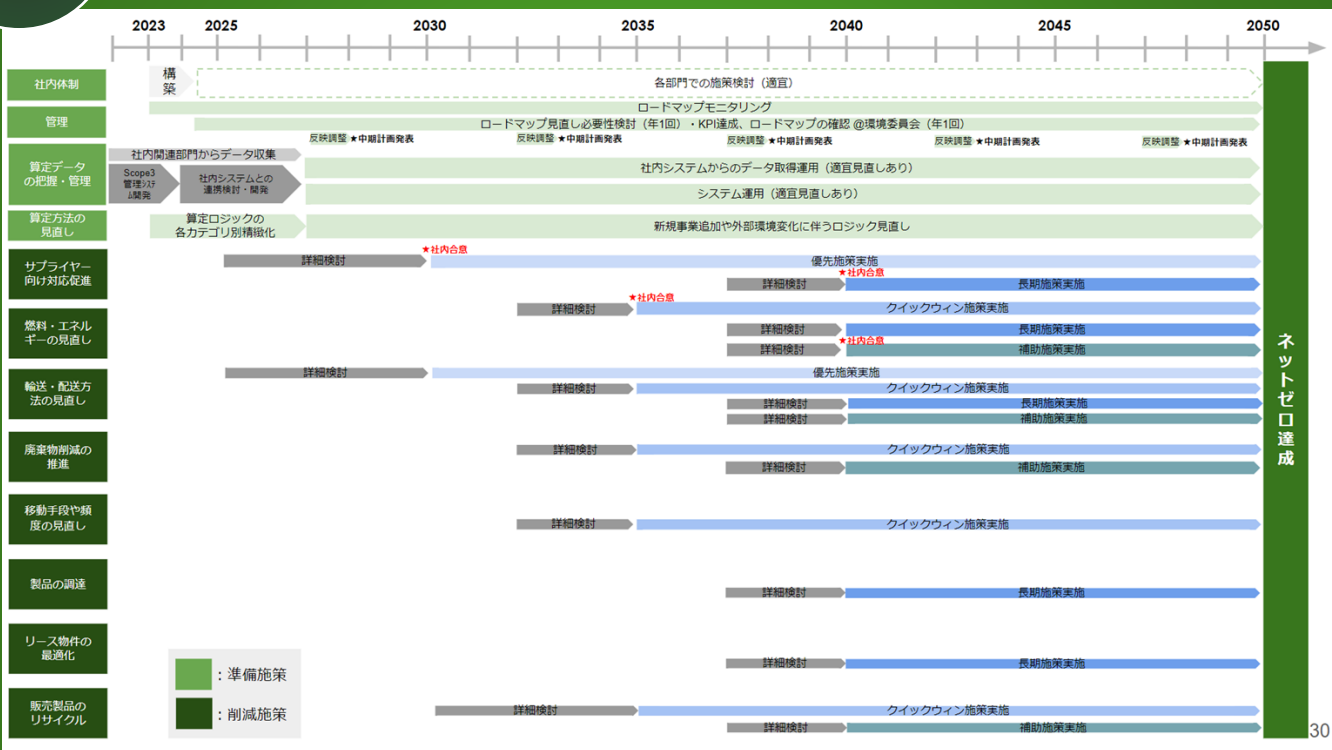
Scope 3 emission reduction plan



Development and planning of Scope 3 roadmap

Roadmap of MOE

Only company in telecom



Action : 52 items

Short term	Priority measure	<ul style="list-style-type: none"> Promotion of initiatives for suppliers
Mid term	Quick win measure	<ul style="list-style-type: none"> Review of fuel/energy usage Review of transportation/delivery methods Promotion of waste reduction Review of commuting/travel
Long term	Long-term supporting measure	<ul style="list-style-type: none"> Procurement of products Optimization of leased properties Recycling of sales products

30



**Expansion of
business opportunities**
**Promotion of CO₂
reduction in society**

Expanding business in the field of climate change adaptation

Agri-
tech

e-kakashi

Supporting agricultural digitization (DX) and environmentally friendly agriculture with AI

Efficient farming



Solving labor shortage



Preserving techniques



e-kakashi

Placing sensors around crops, collecting and analyzing environmental data, and providing support for cultivation decisions

Water
infra-
structure

WOTA

Implementing portable water circulation systems in society with AI



AI water circulation shower

WOTA BOX

Utilized as public bath facilities during disasters or emergencies

Making over 98% of wastewater reusable
Capital and business alliance with WOTA CORP. to solve social issues related to water

Carbon credit

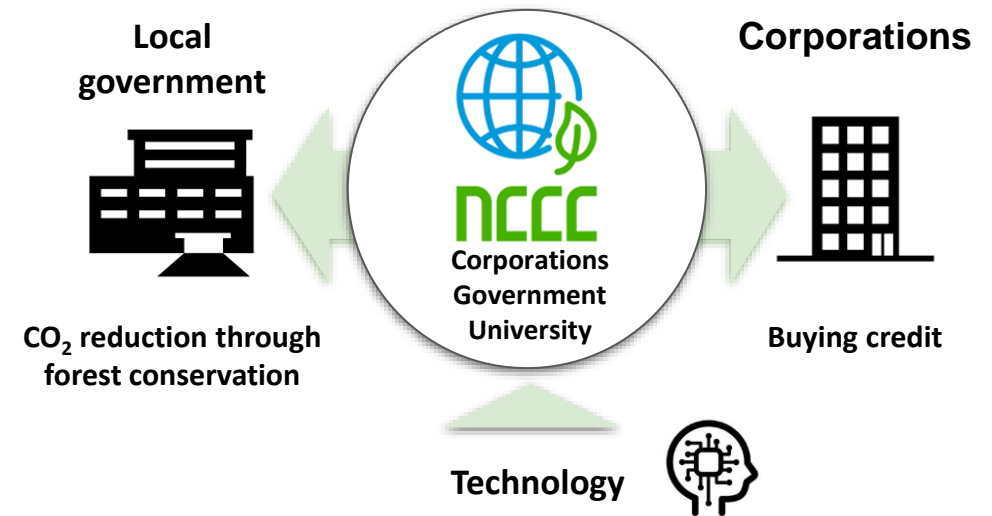
Public Sector: GX league

Collaborating across industry, government, and academia, envisioning carbon neutrality achievement and societal transformation



Private consortium: NCCC

Creating voluntary carbon credit with technology and natural capital



Broad discussion
for Japan to achieve
decarbonization

Industry-academia collaboration platform Participating in ETI-CGC

Energy Transition Strategy

Decarbonization strategies in
various industries for 2050

2050 Future Vision Strategy

The ideal societal and
economic system for Japan



**CENTER FOR
GLOBAL
COMMONS**



**Top 12 companies in each industry,
including SoftBank**



Eco First company of MOE



Japan Climate Leaders' Partnership

Enhancing partnerships towards a decarbonized society



Task Force on Climate-related
Financial Disclosures



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

SBTi

Climate
change

**Natural capital/
resource
circulation**

Basic policy

SoftBank's business = Usage of land and resources is unavoidable



International goals
Supporting Nature Positive

Goals of natural capital and resource circulation

**Land development
impact mitigation**

Afforestation to a greater area than that for
land development in nature conservation areas

FY2023: over 492 m²

**Number of re-cycle
and re-use**

FY2020-2025: 12 million devices

Analysis on impact of natural capital for SoftBank

Begin by tackling top priority issues

Category	Dependency	Effect	Impact
Land Utilization	Infrastructure construction such as networks	Deforestation and weed removal	Very High
	Paper usage for smartphone packaging/promotional items, etc.	Deforestation	Very Low
Water	Data center server cooling water	Water scarcity/land subsidence/water pollution due to excessive water extraction	Mid
Others	Waste (electronic and electrical equipment waste)	Soil contamination due to improper disposal	Mid
	Plastic usage in smartphones/promotional items, etc.		Very Low

Top priority

LEAP approach

Analysis using TNFD-recommended tools : ENCORE, Aqueduct

Initiatives for land development

Construction of telecom facilities

Our
responsi-
bility

Maintaining the lifeline



In order to maintain the lifeline,
some constructions are done
in nature conservation areas

Initiatives for “Nature Positive”

Promotion of nature conservation activities



Afforestation to a greater area than that
for land development in
nature conservation areas*

Scope of analysis and evaluation

Current

**Impacts on
our business
operations**



Future

**Impacts on
our value chain**

**Land
use**

**Supply of rare metals for
telecom equipment**

**Water
use**

**Use in semiconductor
manufacturing for telecom
equipment**

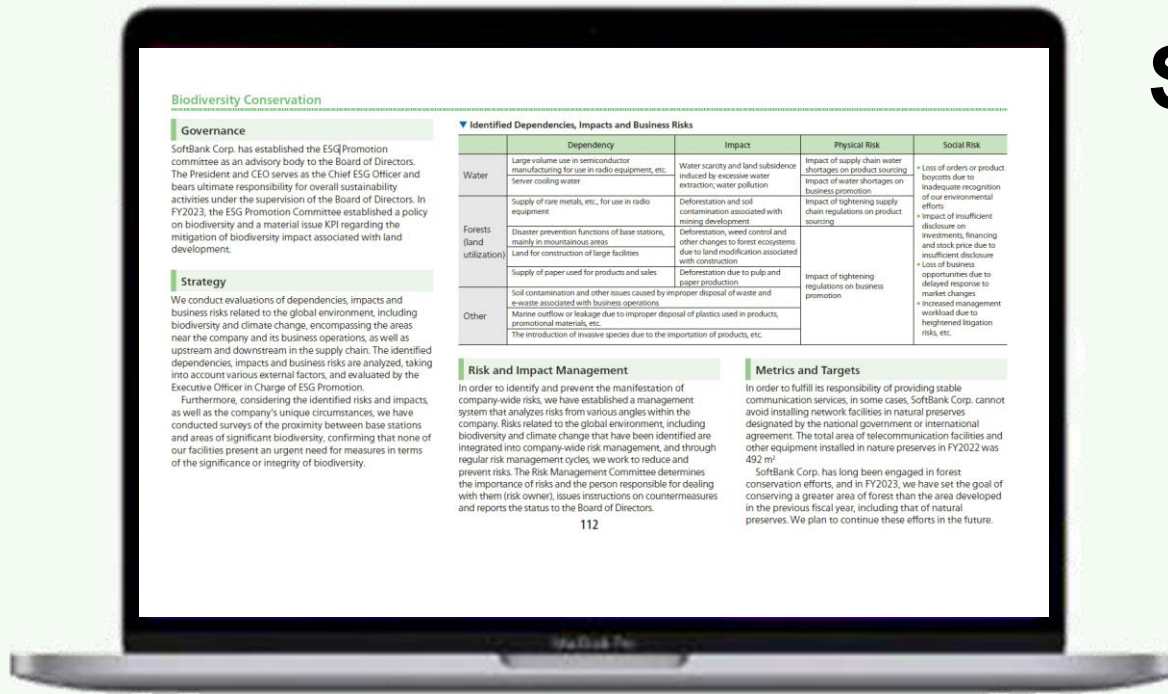
**Contamin
ation/
others**

**Introduction of invasive
species due to the
importation of products**

*Above are examples

Initiatives for TNFD

Partially disclosed on our website



Started disclosure based on the TNFD disclosure framework

Further information disclosure

Registered for the Early Adopter

Initiatives for biodiversity

Future and Coral Project



Collect donations, purchase coral seedlings, and plant them, together with Onna village in Okinawa and project members

“Furano Nature School” for our employees and families



Planting trees on a former golf course site to return it to the original forest for the future

Promoting effectively together with customers, corporations, and organizations

Shizen-Denki



50 yen/mo./subscription contributed for forest conservation

Environmentally friendly materials in business tools



Utilization of unused kudzu plant for papermaking, together with Kakegawa City in Kanagawa



All the items for corporate use switched to recyclable materials

Promotion of recycling-oriented initiatives

Smartphone reuse or recycling



7.3M in total
from 2020 to 2022

Reduction of industrial waste including base station equipment



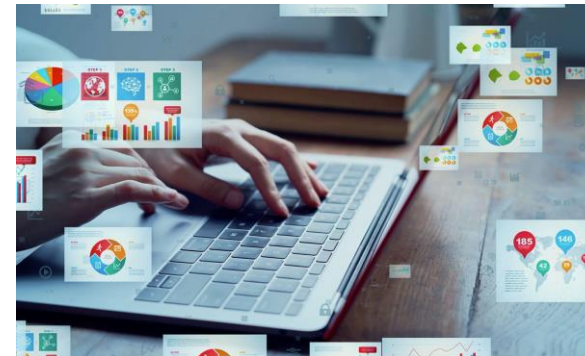
Percentage of decommissioned base stations going to landfill
1% or less

Educational activities to teach recycling



“Recycle” environment classes for children

Zero paper for internal operations



80% decrease
in annual printouts



TNFD Forum



**Japan's Ministry of Environment's 30by30
Alliance for Biodiversity**

Participation in biodiversity initiatives



**Japan's Keidanren Committee on
Nature Conservation**



Japan Business Initiative for Biodiversity

Received multiple highest ratings for external ESG assessment

5th Nikkei SDGs Management Award

Grand prize
(Received ★5 for three consecutive years)

NIKKEI
SDGs
大賞 2023

Decarbonized Management Ranking, GX500

1st place



DJSI World

Selected for second consecutive year
(highest score in Japan)

Member of
Dow Jones Sustainability Indices
Powered by the S&P Global CSA

MSCI ESG Ranking

AAA

MSCI
ESG RATINGS



CCC B BB BBB A AA AAA

Selected in ESG investment indices referred by GPIF



FTSE4Good



FTSE Blossom
Japan



FTSE Blossom
Japan Sector
Relative Index

2023 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX

2023 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)



**Becoming a Corporate Group needed
most by people around the world**