

# Environmental Initiatives

Rapid progress in science and technology has been the driving force by which we, as humankind, have achieved the present economic growth. Unfortunately, these developments have also contributed to climate change including extreme weather, depletion of resources, and losses in biodiversity.

Under the recognition that maintaining and preserving the global environment is the foundation for sustainable development and growth, the SoftBank Group assesses the impact of its business activities on the environment and promotes initiatives to reduce greenhouse gas emissions and promote a circular economy. In addition, we are working to solve environmental issues through our business activities by utilizing the advanced technologies of each Group company, such as renewable energy business and the development of next-generation products with low environmental impact.

Based on our sustainability vision of help shape the next 300 years for our future generations and the planet, we aim to create a world where people live in harmony with the planet.

## Environmental Policy

The SoftBank Group established its “Environmental Policy” in May 2021, recognizing that maintaining and preserving the global environment serves as the foundation for our sustainable development and growth. This policy requires all directors, officers and employees of the Group to be aware of the need to reduce the burden on the global environment in our business activities, to conserve resources and energy, and to strive to maintain biodiversity and contribute to the continuous improvement of the global environment in order to achieve harmony between humankind and nature.

We will promote corporate activities with consideration of the global environment in accordance with this policy.

### Key points in our Environmental Policy

- Comply with laws and regulations concerning environmental conservation
- Recognize the impacts and the associated risks and opportunities of climate change, and work to mitigate and adapt to climate change
- Strive to reduce environmental burdens by reducing greenhouse gas emissions, reducing energy and resource use, and establishing a procurement network that takes the natural environment into consideration
- Strive to prevent or reduce negative impacts on the environment and biodiversity
- Strive to disclose information on the environment and promote active communication with stakeholders

[See our corporate website for the full text of our Environmental Policy.](#)

### ☒ Supplier Code of Conduct

In order to promote environmentally-friendly business activities, the SoftBank Group has formulated ethical standards for the environment in its “Supplier Code of Conduct,” and requires suppliers to work in accordance with the ethical standards set forth in the Code. The SoftBank Group will proactively undertake relevant environmentally-friendly corporate activities through partnership with our stakeholders.

[See our corporate website for the full text of our Supplier Code of Conduct.](#)

## Efforts to Address Climate Change


The SoftBank Group is working to mitigate and adapt to climate change, a global and urgent issue, in collaboration with Group companies and various stakeholders. Each Group company has set a target for reducing greenhouse gas emissions from its business activities and is working to achieve them by a date certain. We also contribute to the expansion of renewable energy through the Group's energy-related businesses. Furthermore, we are helping to contribute to the decarbonization of society as a whole in cooperation with environmental organizations and initiatives.

Going forward, we will identify risks and opportunities, conduct scenario analysis, and set targets for the entire Group in accordance with the framework of the Task Force on Climate-related Financial Disclosures (TCFD), in order to further strengthen our resilience to climate change and enhance our information disclosure.

### ➤ Reducing Greenhouse Gas Emissions

SoftBank Group Corp. has achieved carbon neutrality in fiscal 2020, reducing greenhouse gas emissions from its business activities to virtually zero, and will continue to do so in the future. Each Group company has also set a target to reduce greenhouse gas emissions from its business activities and is working to achieve it.

#### Greenhouse gas emission reduction targets of major subsidiaries and achievement status

Company name (corporate status omitted)	Target and achievement status
SoftBank Group	Achieve carbon neutrality in fiscal 2020 <b>Achieved</b> 
SoftBank	Achieve carbon neutrality by 2030
Z Holdings	Reduce CO <sub>2</sub> emissions per revenue by 50% from fiscal 2008 levels by fiscal 2028
Yahoo Japan	100% conversion to renewable energy for the electricity used by the end of fiscal 2023
Arm	Achieve Net-Zero Carbon by 2030

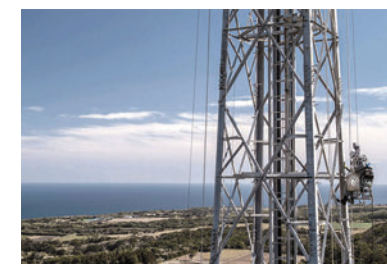
### ➤ Specific Efforts to Reduce Greenhouse Gas Emissions

#### Leveraging Group Synergies to Drive Conversion to Renewable Energy for Base Stations (SoftBank Corp.)

In May 2021, SoftBank Corp. announced its "Carbon-Neutral 2030 Declaration" as its commitment to reducing its greenhouse gas emissions to virtually zero by 2030. In order to achieve this target, the company purchases electricity from virtually renewable energy\*<sup>1</sup> from SB Power Corp., a subsidiary of the company that operates an electricity retail business, and as of the end of fiscal 2020, approximately 30% of the electricity used at mobile phone base stations is already generated from virtually renewable energy.\*<sup>1</sup> The company plans to increase this ratio to at least 50% in fiscal 2021 and 70% in fiscal 2022.

The company is also considering direct procurement of electricity from renewable energy generated by SB Energy Corp., a subsidiary of SoftBank Group Corp.

\*<sup>1</sup> Electricity from virtually 100% renewable energy sources using non-fossil certificates with renewable energy designation.



Mobile phone base stations adopting renewable energy

#### Data Center Energy Efficiency and Conversion to Renewable Energy (Yahoo Japan Corporation)

Yahoo Japan Corporation has set a goal of converting all electricity used in its business activities to renewable energy by fiscal 2023, and is actively switching to renewable energy sources, particularly in its data centers.

In its major data centers in Japan, the corporation has been installing air conditioning systems that use outside air for exhaust heat treatment of servers, and has been working to significantly reduce electricity consumption. In addition, the company has completely switched its power used in Shirakawa Data Center to virtually renewable energy\*<sup>2</sup> supplied by SB Power Corp. from May 2021.

\*<sup>2</sup> Electricity from virtually 100% renewable energy sources using FIT Non-fossil Fuel Energy Certificates with Tracking Information, etc.

## Environmental Initiatives

## Energy-saving Measures at New Head Office Building

(SoftBank Group Corp., SoftBank Corp.)

Along with SoftBank Corp. and other Group companies, SoftBank Group Corp. relocated its headquarters to the “Tokyo Portcity Takeshiba Office Tower” in 2020. As a cutting-edge smart building, the new offices employ LED lighting that uses motion sensors to automatically adjust brightness, automatically operated blinds, and other energy-saving technologies.



New head office building: Tokyo Portcity Takeshiba Office Tower

## Next-generation Lithium-ion Battery Development (SoftBank Corp.)

Since 2018, SoftBank Corp. has worked with multiple research institutes including National Institute for Materials Science (NIMS), universities, manufacturers, and other companies in an effort to research and develop battery material technologies and to exchange information on such. In the field of next-generation batteries, which are indispensable for next-generation devices such as HAPS (High Altitude Platform Station)\*<sup>1</sup> and drone cabs, the company is advancing the development of a large capacity yet lightweight next-generation lithium-ion battery with a high specific energy density. In March 2021, together with U.S.-based Enpower Greentech Inc., the company successfully produced a prototype battery with a specific energy density of 450 Wh/kg, approximately twice that of existing models.

In addition, the company established the “SoftBank Next-generation Battery Lab” in June 2021. This lab evaluates and verifies a variety of next-generation batteries from around the world with the aim to become a platform for advancing the development of next-generation batteries by promoting research and development and early commercialization going forward.



Lithium-ion battery (prototype) jointly developed by SoftBank Corp. and Enpower Greentech Inc.

\*1 General term for a system in which an unmanned aircraft flown into the stratosphere operated as a telecommunications base station to provide communications services over a wide area.

## Climate Change Investor Framework Membership (SBIA)

SBIA, which manages the SoftBank Vision Fund 1 and 2, joined the Climate Change Framework One Planet as founding members of the Private Equity working group in November 2020. Through its membership in this initiative, SBIA is looking to support efforts to advance the understanding of climate related risks and opportunities within investment portfolios.

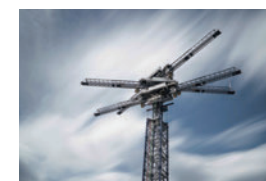
[See the official website for further details.](#)

## Examples of Investments in Companies that Contribute to Decarbonization

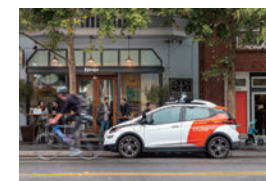
SBIA has made a number of investments which are having a positive impact on climate change.

Tier Mobility (SVF2\*<sup>2</sup>)

Tier Mobility provides sharing mobility services through its electricity scooters in over 80 cities in 10 European countries. In 2020, it achieved complete carbon neutrality, a first for the micro mobility industry including scooters. It is leading the decarbonization of the entire industry.

Energy Vault (SVF1\*<sup>2</sup>)

With the use of gravity and kinetic energy, Energy Vault has developed a system to store electricity in proprietary “blocks” stacked in tower-like structures. Energy Vault contributes to the further spread of renewable energy by reducing the cost of power storage facilities essential for the effective use of renewable energy, in which the amount of power generation is influenced by weather conditions.

Cruise (SVF1\*<sup>2</sup>)

Cruise is developing all-electric, self-driving cars that produce zero emissions while driving. Led by its vision of achieving zero crashes, zero emissions and zero congestion, it is a front-runner in the automobile industry on the cutting-edge of both environmental conservation and safety.

\*2 The names of the funds investing in the portfolio companies.



## ➤ Promotion of a Decarbonized Society through Initiatives

### Support for TCFD Recommendations and

#### Membership in TCFD Consortium (SoftBank Corp., Z Holdings Corporation)

SoftBank Corp. and Z Holdings Corporation announced their support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in April 2020 and in June 2020, respectively. Each is working to proactively enhance information disclosure on climate change in accordance with TCFD recommendations. Both companies are also members of the TCFD Consortium, which consists of companies that support the recommendations, and participate in the consortium's activities and exchange information with member companies and organizations.



### SBT Approval and Commitment to Setting a Target

(SoftBank Corp., Yahoo Japan Corporation)

In June 2021, SoftBank Corp.'s target of reducing its greenhouse gas emissions to virtually zero by 2030, as set forth in its "Carbon-Neutral 2030 Declaration," was approved as having a scientific basis for sufficiently achieving the target of the Paris Agreement by the Science Based Targets initiative (SBTi), an international climate change initiative. Yahoo Japan Corporation is also committed to SBT since April 2021.



### Participation in Japan Climate Initiative

(SoftBank Group Corp., SB Energy Corp.)

SoftBank Group Corp. and SB Energy Corp. have participated in the Japan Climate Initiative (JCI)\*1 since its foundation in 2018. Both companies exchange opinions with companies, local governments, and NGOs that actively take measures to fight climate change, and apply the JCI's activities in the Group's overall efforts for decarbonization. In addition, by endorsing JCI's announcements (declarations, public comments, and opinion ads), we stress the urgency of climate action to society.



[See the official website for further details.](#)

\*1 An initiative formed to strengthen the communication and exchange of information and opinions by companies, local authorities, and NGOs that are actively fighting climate change.

## Establishment and Operation of Renewable Energy Council and GDC Renewable Energy Council (SoftBank Group Corp.)



In response to the energy crisis caused by the Great East Japan Earthquake on March 11, 2011, SoftBank Group Corp. established in July 2011 the "Renewable Energy Council" together with prefectures and the "GDC Renewable Energy Council" together with government-designated cities across Japan with the aim of promoting and expanding the use of renewable energy which is a reliable, safe, and sustainable new energy source.

Both Councils are led by municipalities from 34 prefectures and 20 cities in Japan, respectively, together with private companies and other organizations that support the above principles. For the past 10 years since their establishment, we have been involved in the operation of both Councils from a neutral standpoint as the secretariat. Both Councils have made several policy proposals to the government, including the setting of renewable energy targets and the development and revision of energy related systems. In particular, with regard to the "Renewable Energy as Major Power Source" for which the Councils have made policy proposals for several years, the Japanese government has adopted fundamental decarbonization strategies in line with the principles of the two Councils' proposals, such as ex-Prime Minister Suga's "2050 carbon-neutral declaration," the announcement of 46% reduction in greenhouse gas emissions in fiscal 2030 (compared to fiscal 2013 levels) and the "Strategic Energy Plan" by the Ministry of Economy, Trade and Industry. The draft of the next Strategic Energy Plan sets the fiscal 2030 renewable energy target at 36-38% of the energy mix, which is a 12% increase from the current plan.\*1 In order to achieve carbon neutrality in 2050, the use of renewable energy will be maximized and the expansion of renewable energy will be prioritized by the government.

In addition, both Councils promote information sharing among municipalities and other members through activities such as seminars inviting experts and government policy makers, study sessions, and workshops to share good practices or issues among municipalities. These opportunities enable municipalities to further enhance their renewable energy policies and also private companies to decarbonize their business networks or to promote ESG related effort. Through the operation of both Councils, SoftBank Group Corp. will continue to contribute to the realization of a decarbonized society for future generations.

\*1 As of September 2021



Submission of policy proposals

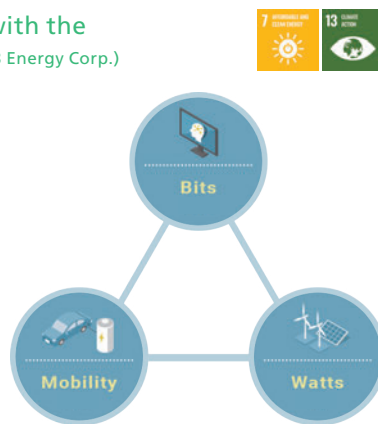
## ➤ Promotion of a Decarbonized Society through the Energy Businesses

### Promoting the Spread of Renewable Energy with the Strength of the Power Generation Business (SB Energy Corp.)

Engaged in the renewable energy-based power generation business since its establishment in 2011, SB Energy Corp. has expanded its scale to become one of the largest power generation companies in Japan. In recent years, the company has designated Watts, Bits, and Mobility as its three core businesses, and has been working on new businesses that take a bird's-eye view of midstream and downstream power application by leveraging its strength in developing, owning, and operating renewable energy power plants, which are positioned upstream in the electric power business.

In the Watts business, the company began operating solar power plants in 2012 and currently has 48\*<sup>1</sup> solar and wind power plants in operation in Japan. The total power generation capacity is 671MW,\*<sup>1</sup> which is equivalent to the annual power consumption of approximately 216,000 standard households in Japan. Overseas, the company owns 326,000 ha of land in the Gobi Desert in Mongolia, where it is operating a wind power generation facility with a capacity of approximately 50 MW. In addition to the conventional operation of large-scale power plants, the company is also working on new businesses that directly supply power from small-scale power plants to businesses.

In the Bits business, the company is using AI and IoT platforms to adjust the power supply-demand balance of electricity, and to ensure a stable supply of electricity derived from



Wind Farm Hamada

\*1 As of the end of August 2021



SoftBank Yakumo Solar Park

renewable energy sources. The Mobility business enables the storage and transportation of renewable energy-derived electricity through the use of energy storage technology.

With these three businesses at its core, SB Energy Corp. strives to further expand the use of renewable energy and contribute to the realization of a decarbonized society.

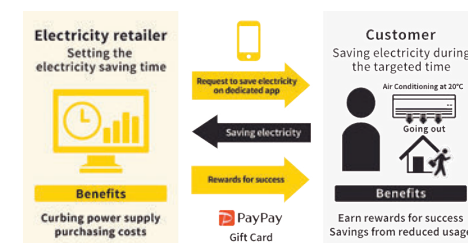
### Providing Electricity Services that Reduce Environmental Impact (SB Power Corp.)

SB Power Corp., that operates a retail electricity business, provides “Shizen-Denki,” an electric power service for households with a virtually 100% renewable energy ratio,\*<sup>2</sup> with the aim of promoting renewable energy and supporting forest conservation activities. In fiscal 2021, the company expects to achieve an annual reduction of approximately 16,000 tons of CO<sub>2</sub> emissions\*<sup>3</sup> through the provision of Shizen-Denki.

In addition, “SoftBank-Denki for Biz (High Voltage),” which provides high-voltage electricity to large-scale buildings and factories, offers a low environmental impact electricity menu in response to the growing momentum toward decarbonization among companies and local governments. The corporation supports Group companies in their efforts for decarbonization and it began supplying RE100\*<sup>4</sup>-compliant electricity to Yahoo Japan Corporation’s Shirakawa Data Center in May 2021.

Furthermore, the “Eco-Denki App” is provided free of charge to “SoftBank-Denki” customers. As well as functions for checking electricity bills and predicting electricity charges for a month, this app also offers an “Electricity-Saving Challenge” that allows customers to effortlessly save electricity through the app. In the winter trial\*<sup>5</sup> of the Electricity-Saving Challenge, about 32,000 households have participated, reducing a total of 233,237 kWh of electricity. This is equivalent to a reduction of approximately 122 tons of CO<sub>2</sub> emissions.

SB Power Corp. will continue to contribute to the realization of a decarbonized society through the development and provision of energy-saving and environmentally-friendly services.



Eco-Denki App that allows users to check and predict electricity bills

\*<sup>2</sup> By combining electricity supplied to customers with Non-fossil Fuel Energy Certificates with renewable energy designation, it can virtually supply electricity with a 100% renewable energy ratio and zero CO<sub>2</sub> emissions.

\*<sup>3</sup> The CO<sub>2</sub> reduction effect is calculated by multiplying the amount of electricity used by Shizen-Denki customers by the national average CO<sub>2</sub> emission factor, and adding the amount of J-credits retired through support for forest conservation organizations.

\*<sup>4</sup> An international initiative that aims for companies to use 100% renewable energy to power their own operations.

\*<sup>5</sup> Period covered: December 1, 2020 to March 31, 2021

## Promotion of Circular Economy

In order to make efficient and effective use of limited resources, the SoftBank Group strives to reduce the environmental impact of its business activities by conserving resources, reducing the generation of waste, and promoting the reuse and recycling of products and other materials. We also contribute to the realization of a circular economy through our reuse business.

### Promotion of “3R” Initiative in Mobile Phone Services (SoftBank Corp.)



In order to realize a circular economy, SoftBank Corp. is promoting the “3R initiatives (Reduce = reduce the volume of waste, Reuse = use repeatedly, Recycle = utilize once again as resources)” in the mobile phone services.

<b>Reduce</b>	Reduce paper consumption by digitizing instruction manuals and invoices, and using iPads in stores.
<b>Reuse</b>	Promote trade-in of mobile phones and tablets, some of which are for reuse in emerging countries
<b>Recycle</b>	Collect and recycle used mobile phones handsets and battery packs

### E-commerce Services that Contribute to a Circular Economy

(Yahoo Japan Corporation, PayPay Corporation)



Yahoo Japan Corporation offers “YAHUOKU!” and PayPay Corporation offers “PayPay Flea Market” as e-commerce services that contribute to the realization of a circular economy through the promotion of reuse.



#### YAHUOKU!

YAHUOKU! is one of the largest online auction and flea market services in Japan since 1999. The service promotes the reuse of unwanted items by those who need them, thereby helping to create a circular economy.



#### PayPay Flea Market

PayPay Flea Market is a service that specializes in flea market-type transactions, where individuals can easily trade goods at fixed price. In collaboration with YAHUOKU!, it aims for the further development of the business in sustainable secondary distribution.

### Efficient Use of Resources in Logistics Processes and Initiatives for a Circular Economy (SB Logistics Corp.)



SB Logistics Corp., which engages in logistics-related businesses, is promoting various efforts for a circular economy with the aim of realizing sustainable logistics and supply chains. One of these initiatives is to change the buffer materials. The manual packaging line uses buffer materials such as recycled paper instead of the plastic film buffer materials used in general distribution warehouses.

The automated packaging line that the company plans to operate in the future will also utilize a packaging machine that automatically generates boxes with adjustable three sides (height, width, and depth) in order to reduce the size of the packages, while reducing the use of buffer materials. The company is also working to eliminate the use of buffer materials themselves by introducing a system that automatically generates shipping boxes that are almost the same size as the products, and a packaging system that uses shrink wrap to secure products to mounts. As for other efforts to reduce the size of packages, the company has established a “Box Recommendation System” that automatically selects the optimal sized shipping box for each product, thereby reducing the amount of cardboard used and improving the efficiency of cargo space utilization through packaging size optimization, and reducing CO<sub>2</sub> emissions from transportation.

In July 2021, the company started an effort to redistribute products that would otherwise be discarded due to reasons such as damaged packaging, despite having no functional or quality problems, through the social contribution shopping website “KURADASHI,” thus contributing to the realization of a circular economy through logistics.



Packaging machine that automatically generates boxes with three adjustable sides

## Environmental Initiatives

## Water Circulation Type Hand Washing Stand Using Water Recycling Technology (SoftBank Corp.)



SoftBank Corp. has formed a capital and business alliance with WOTA CORP. to build a new water supply system independent of the water infrastructure. As part of these efforts, in May 2021, the company started to sell "WOSH," a water circulation type hand washing stand developed by WOTA CORP.

WOSH can be used anywhere with just a power source and 20 liters of water, and can repeatedly provide hygienic water that complies with the World Health Organization's (WHO) guidelines for drinking-water quality, even in places without running water. The autonomous water treatment control technology by an AI, based on data collected by IoT sensors, can recycle more than 98% of the water used on the spot, making a significant contribution to the circulated use of water resources. Because the system can be installed at the entrances of stores and facilities where connection to the water supply is not available, it contributes to the prevention of the spread of infectious diseases such as COVID-19.



WOSH, a water circulation type hand washing stand



## Enhancing Employee Awareness

The SoftBank Group has established the "Environmental Policy" to ensure that its corporate activities are conducted in consideration of the global environment, and the "SoftBank Group Code of Conduct" clearly states the guidelines for employees to conduct their daily work in consideration of the environment, which is thoroughly disseminated to all Group employees. In addition, each Group company is actively conducting internal educational activities on the environment to enhance employee awareness.

## Internal Educational Activities (SoftBank Corp.)

In order to enhance awareness of employees of environmental issues, SoftBank Corp. conducts educational activities through training and eco-friendly tools.

### Examples of educational activities

- Training: Basic environmental knowledge training, training on industrial waste treatment.
- Use of internal tools: Use of paper bags made only from recyclable materials and business cards made from "kudzu (Japanese arrowroot)," which helps protect the environment and culture.



Paper bags made of recyclable materials



Business card printed with SoftBank Corp.'s materials

## Greenhouse gas emissions\*<sup>1</sup>

	Unit	FY2017	FY2018	FY2019	FY2020	FY2020 (target)	Achievement rate (%)
Scope 1&2	t-CO <sub>2</sub>	722,514	693,953	776,104	620,929	722,000	116
Scope 1	t-CO <sub>2</sub>	11,386	11,456	15,803	15,416	15,000	97
Scope 2	t-CO <sub>2</sub>	711,128	682,497	760,301	605,513	707,000	117
Intensity of GHG emission* <sup>2</sup>	t/Gbps	849	682	628	411	520	127

### Long-term goals

	Unit	FY2021	FY2022	FY2023	FY2024	FY2025	FY2030
Scope 1&2	t-CO <sub>2</sub>	553,000	473,000	443,000	417,000	400,000	0

\*1 Boundary: SoftBank Corp. until FY2018. SoftBank Corp., Yahoo Japan Corporation and ASKUL Corporation after FY2019. (SoftBank Group Corp. has achieved Carbon Neutrality in Scope 1 and 2 in FY2020, and will continue to do so in FY2021 and beyond.)

\*2 Emissions per communication volume

[See our corporate website for environmental data.](#)

## External evaluation

SoftBank Group Corp. and SoftBank Corp. both received an "A-" score in climate change from CDP.



#### Disclaimers

This report provides relevant information about the Group and does not constitute or form any solicitation of investment, including any offer to buy or subscribe for any securities in any jurisdiction.

This report contains forward-looking statements, beliefs or opinions regarding the Group, such as statements about the Group's future business and future position, including estimates, forecasts, targets and plans for the Group. None of the Group nor its management gives any assurance that the estimates expressed in these forward-looking statements will turn out to be correct, and actual results or performance could materially differ from expectations.

#### Inquiries

SoftBank Group Corp.

<https://group.softbank/en/contact>





SoftBank Group Corp.

<https://group.softbank/en/>

Copyright © 2021 SoftBank Group Corp. All Rights Reserved.