



# Sustainability Report 2021

# Even as our business continues to evolve, our vision remains unchanged.



Founding of the company  
and rise of the PC

PC software



Supporting the benefits  
of broadband in Japan

Internet and broadband



Promoting  
information-oriented society

Enriching lives through mobile  
communications business

Mobile broadband



Becoming a capital provider driving  
the Information Revolution

Data / AI



## Our vision remains unchanged: Information Revolution – Happiness for everyone

### Our business continues to evolve

#### 1981 [Foundation]

- ▶ Started as a distributor of packaged software for PCs

#### 1994

- ▶ Established SoftBank Holdings Inc. in the U.S. to invest strategically in Internet-related companies

#### 1996

- ▶ Established Yahoo Japan Corporation through joint investment with Yahoo! Inc. in the U.S.

#### 2000

- ▶ Made strategic investment in Alibaba

#### 2001

- ▶ Launched "Yahoo! BB," a comprehensive broadband commercial service

#### 2004

- ▶ Acquired JAPAN TELECOM CO., LTD. Entered fixed-line telecommunications business

#### 2006

- ▶ Acquired Vodafone K.K. Entered mobile communications business

#### 2013

- ▶ Acquired Sprint, a U.S. telecommunications company

#### 2014

- ▶ "Pepper" is born

#### 2016

- ▶ Acquired UK-based Arm, looking ahead to the IoT era

#### 2017

- ▶ Launched "SoftBank Vision Fund 1"

#### 2019

- ▶ Announced launch of new technology fund focused on Latin America

#### 2019

- ▶ Launched "SoftBank Vision Fund 2"

#### 2020

- ▶ Completed merger of Sprint and T-Mobile



Guided by our corporate philosophy, “Information Revolution — Happiness for everyone,” the SoftBank Group continues to grow and advance toward its aim of becoming the corporate group most needed by people around the world.

Concerns over climate change, the widening of economic, racial and gender inequality and other challenges are becoming increasingly global and are threatening not only companies, but the perpetuity of humankind itself. The spread of COVID-19 has also impacted global economic activities and the lives of people around the world on an unimaginable scale.

Even under such circumstances, we should not give up on hope for the future. Our history shows that humanity can utilize its collective wisdom and do its utmost to solve any issue when confronted by a crisis. During this pandemic, the use of technology has likely increased in every industry sector. I believe the SoftBank Group will continue to help solve global challenges and support the sustainability of humankind and the planet by continuously leading the Information Revolution to accelerate innovation that drives technological evolution.

Our corporate philosophy, “Information Revolution — Happiness for everyone,” embodies our determination to bring happiness to everyone, even to future generations 300 years from now.

To create a world where people can live in harmony with the earth and realize a sustainable society, the SoftBank Group will fulfill its responsibilities as the leader of the Information Revolution.

**Masayoshi Son**

Representative Director, Corporate Officer, Chairman & CEO

## About the SoftBank Group

## Corporate Philosophy

## Information Revolution – Happiness for everyone

## Vision

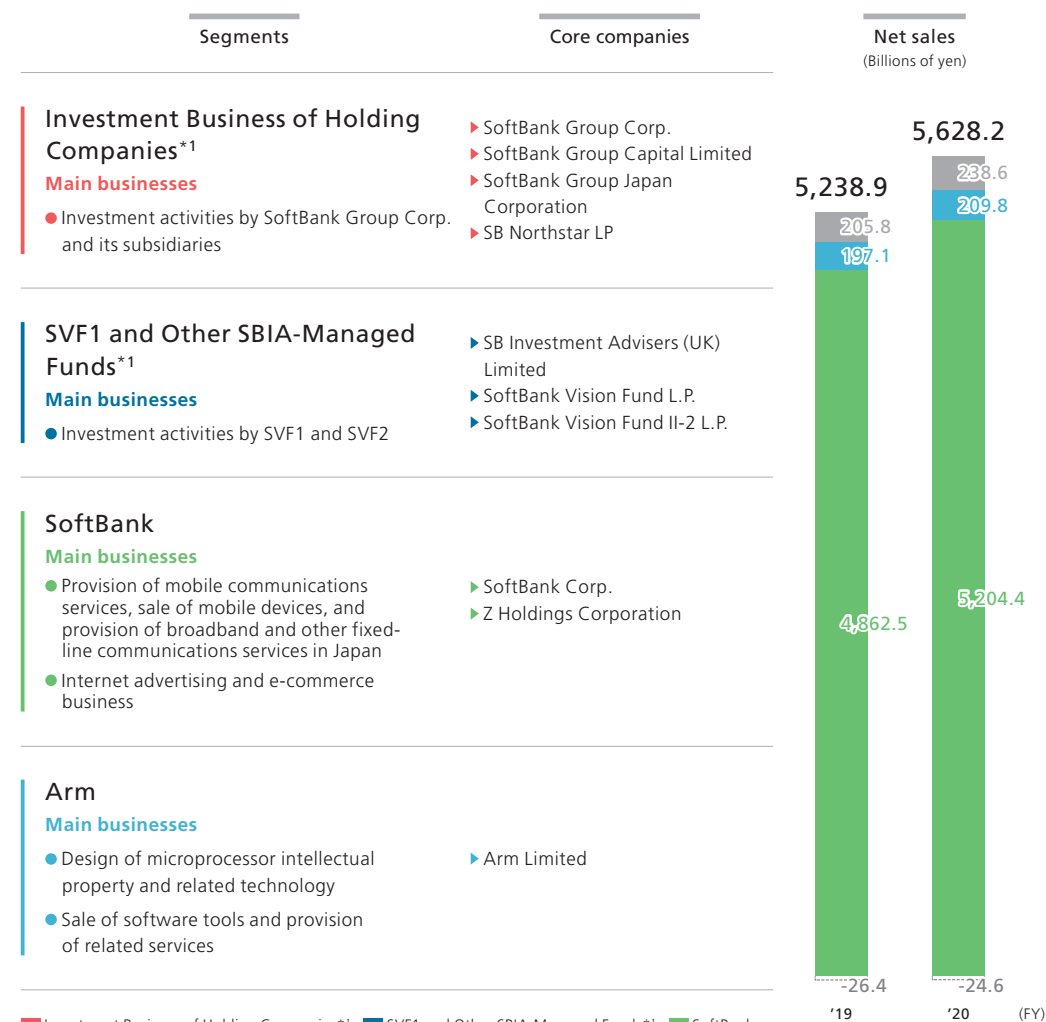
## To become the world's most essential corporate group

The SoftBank Group's aim is 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 its vision, the SoftBank Group will continue to concentrate its operations in the information industry, and advance the Information Revolution through investments in leading technologies essential to the times and the businesses driving innovation.

## Cluster of No. 1 Strategy

The SoftBank Group is endeavoring to form a corporate group that will continue to grow for the next 300 years by implementing the Cluster of No. 1 Strategy, our unique strategy for adapting to the changing times by continuing to change ourselves. The goal of the Cluster of No. 1 Strategy is to form a diverse group of companies that have outstanding technologies and business models in specific fields and encourage them to generate synergies so that they can grow together as the SoftBank Group. Building a cluster of leading companies has the advantages of increasing overall competitiveness and making it easier to reshuffle group companies through flexible group management.

## Segment Information



Investment Business of Holding Companies\*1 Arm Other\*2 Reconciliations SVF1 and Other SBIA-Managed Funds\*1 SoftBank

\*1 Net sales are not recorded for this segment as it is not engaged in the sale of goods and services.

\*2 Other includes the business results from PayPay Corporation, Fortress Investment Group LLC, SoftBank Latin America Fund, and Fukuoka SoftBank HAWKS Corp.



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## Editorial policy

The purpose of this report is to communicate the SoftBank Group's group-wide sustainability activities to stakeholders.

By describing the policies and systems in each field and the activities of each Group company in line with the categories of Environment, Society, and Governance (ESG), the report conveys a more comprehensive picture of the Group's sustainability activities. In addition, among the activities during the fiscal year under review, those we consider to be of particular importance are introduced as "Features."

## Target scope

SoftBank Group Corp. and its Group companies\*1

## Period covered

Fiscal 2020 (April 2020 to March 2021)\*2

## Year and month of publication

September 2021 (previously published in December 2020)

## Guidelines referenced

GRI Standards  
Sustainable Development Goals (SDGs)

## Notation of company names

The notations of company names have the following definitions unless otherwise stated.

Notation	Definition
SoftBank Group Corp. or the Company	SoftBank Group Corp.
The SoftBank Group or the Group	SoftBank Group Corp. and its Group companies*1
SoftBank Vision Fund 1 or SVF1	SoftBank Vision Fund L.P. and its alternative investment vehicles
SoftBank Vision Fund 2 or SVF2	SoftBank Vision Fund II-2 L.P. and its alternative investment vehicles
SoftBank Vision Funds	A collective term for SoftBank Vision Fund 1 and 2
SBIA	SB Investment Advisers (UK) Limited
SoftBank Latin America Fund	SoftBank Latin America Fund L.P.
Sprint	Sprint Corporation
Alibaba	Alibaba Group Holding Limited (former Alibaba.com Corporation)
Arm	Arm Limited
T-Mobile	T-Mobile US, Inc.

\*1 In principle, Group companies indicate subsidiaries of SoftBank Group Corp. and may include some associates depending on the description.

\*2 This report includes some activities outside this period.

## Message from the Chief Sustainability Officer

Message from the  
Chief Sustainability Officer

## Yoshimitsu Goto

Board Director, Corporate Officer,  
Senior Vice President, CFO, CISO & CSusO



Corporate ESG initiatives are becoming increasingly significant amid emerging global risks, such as the spread of COVID-19, that see no end in sight and a rising number of natural disasters in recent years caused by extreme global weather conditions.

Recognizing their significance, SoftBank Group Corp. built an internal foundation and enhanced information disclosure in fiscal 2020 to further strengthen ESG initiatives. In June 2020, I was appointed as Chief Sustainability Officer (CSusO), and we established our Sustainability Committee. Since then, we have gained a better understanding of the ESG initiatives that had been undertaken separately by each Group company, discussed them at the management level, and began establishing Group-wide policies and targets.

On the environmental front, our major subsidiaries have already taken proactive measures to fight climate change, such as expanding renewable energy businesses and setting targets for reducing greenhouse gas emissions. We believe that now is the time to take more concrete action, and in fiscal 2020, we achieved carbon neutrality. In the future, we will take further steps, such as defining climate-related group targets, as we work to reduce the environmental impact of the entire Group.

Also, as one of our key initiatives as an investment company, we revised the “Portfolio Company Governance and Investment Guidelines Policy” to incorporate ESG perspectives into our investment process in May 2021. We made it clear that both opportunities and risks arising from environmental and social factors should be evaluated within the investment and monitoring process. In the same manner, as we meet the expectations and demands of investors and other stakeholders and enhance our ESG initiatives, we believe that proactively encouraging our portfolio companies to take ESG initiatives will contribute significantly to the sustainable development of society as a whole and the sustainable development of the Group. Going forward, we will formulate specific implementation plans to evaluate opportunities and risks at each of our investment business subsidiaries.

We are now at the implementation stage to realize our ESG goals and policies. In addition to further enhancing nonfinancial information disclosure, we will strive to strengthen our ESG initiatives throughout the Group so that we can report our progress to investors and other stakeholders.

## Sustainability Vision

# Help shape the next 300 years for our future generations and the planet

The SoftBank Group's philosophy, "Information Revolution — Happiness for everyone" embodies our determination to bring happiness to everyone, even to future generations 300 years from now. To create a world where people can live in harmony with the earth, the SoftBank Group will fulfill our responsibility as leader in the Information Revolution to realize a sustainable society.

## Sustainability Principles

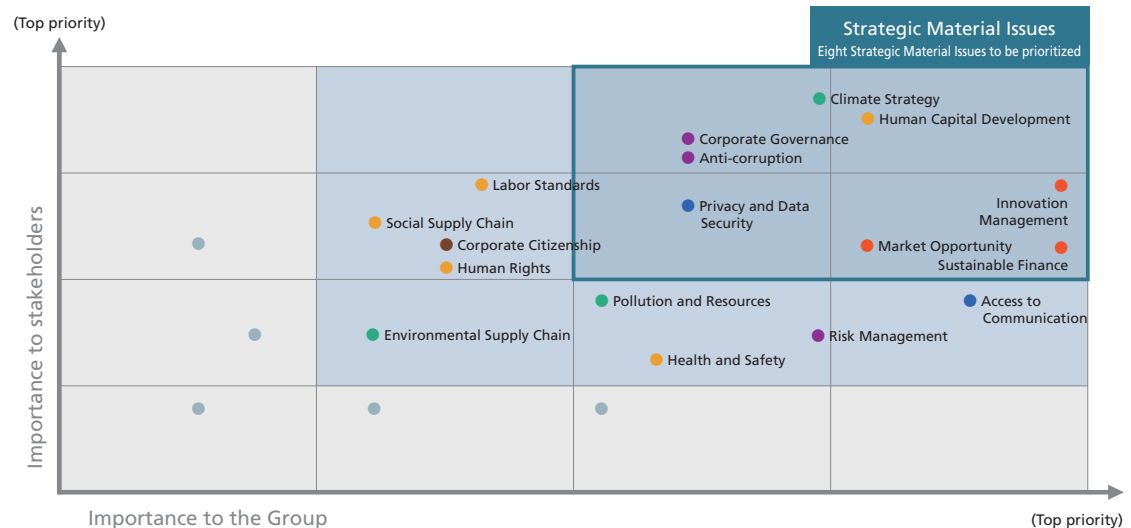
SoftBank Group Corp. sets "The SoftBank Group Sustainability Principles" as a guideline for the Group to appropriately advance sustainability activities. Based on the principles, we have identified material issues (Strategic Material Issues) reflecting the business

characteristics of and social demands of each Group company. We have also defined six activity themes for the Group to promote its sustainability initiatives autonomously.

### Six activity themes – Our direction

- 1 Drive sustainable growth and innovation in society by uniting wisdom and knowledge
- 2 Take responsibility by responding to emerging issues that come with technological advancement
- 3 Ensure the growth of the future generations and our business by creating higher quality employment for all
- 4 Leverage breakthrough technologies to resolve environmental issues, including energy problems
- 5 Demonstrate highly transparent governance and integrity to win further trust of our stakeholders
- 6 Maximize our potential as a group by joining forces with people around the world to make a positive impact on society

### Strategic Material Issues\*<sup>1</sup>



\*1 Colors indicate the six activity themes.

## Sustainability of the SoftBank Group

## Identifying Material Issues (Strategic Material Issues)

SoftBank Group Corp. classified issues to be addressed from two perspectives: the importance to stakeholders and to the Group. Among these issues, we identified eight key issues as Strategic Material Issues that should be addressed with priority. As for the importance to the Group, issues in the major business sectors in which the Group is engaged are analyzed to determine the order of priority.

Step 1  
Identification of Issues

Identify social issues

Refer to external guidelines and the opinions of experts to identify social issues in the social and business environments surrounding the Group's main business sectors.

Step 2  
Materiality Analysis

Analyze the importance of social issues to stakeholders and the Group

Analyze importance from two perspectives: "importance to stakeholders" and "importance to the Group."

Step 3  
Identification of Material Issues

Identify the Strategic Material Issues that the Group should address in the society

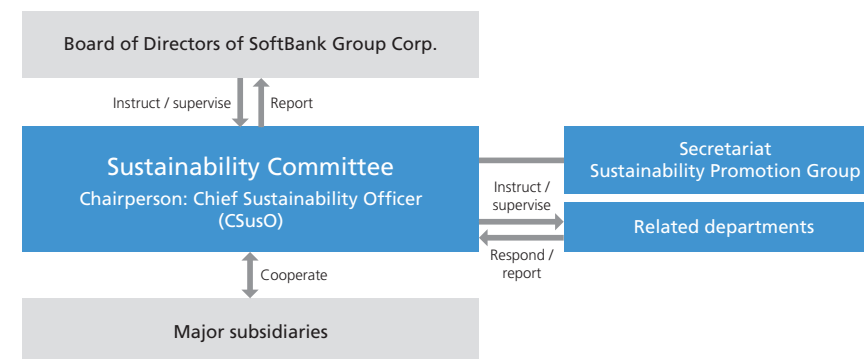
Identify Strategic Material Issues the Group must address with a particular priority.

## Sustainability Governance Structure

In promoting sustainability, SoftBank Group Corp. has appointed Yoshimitsu Goto, Board Director, Corporate Officer, Senior Vice President and Chief Financial Officer (CFO), as its Chief Sustainability Officer (CSusO). Our aim is to achieve more competitive management by examining risks and opportunities from both financial and non-financial perspectives. We also established the "Sustainability Committee," which is chaired by the CSusO and composed primarily of Corporate Officers as its members, to collaborate with related departments and major subsidiaries depending on the agenda. The Committee regularly discusses important ESG issues surrounding the Group and its promotion policies, by taking into account the requests from our stakeholders. Also, the content of the discussions are reported to the Board of Directors.

During fiscal 2020, the Committee met in October 2020 and March 2021. Discussions covered future action policies regarding an active response to climate change; responsibility for human rights; responsibility for corporate transactions, including the supply chain and portfolio companies; the integration of ESG into the investment process; and other important issues for the Group.

## Sustainability governance structure



## Initiatives for the SDGs

SoftBank Group Corp. aims to realize a society where people all over the world can live happily and prosperously. Together with the Group companies that conduct business globally, we will work to contribute to the United Nation's Sustainable Development Goals (SDGs) by addressing the six activity themes identified in our Sustainability Principles.

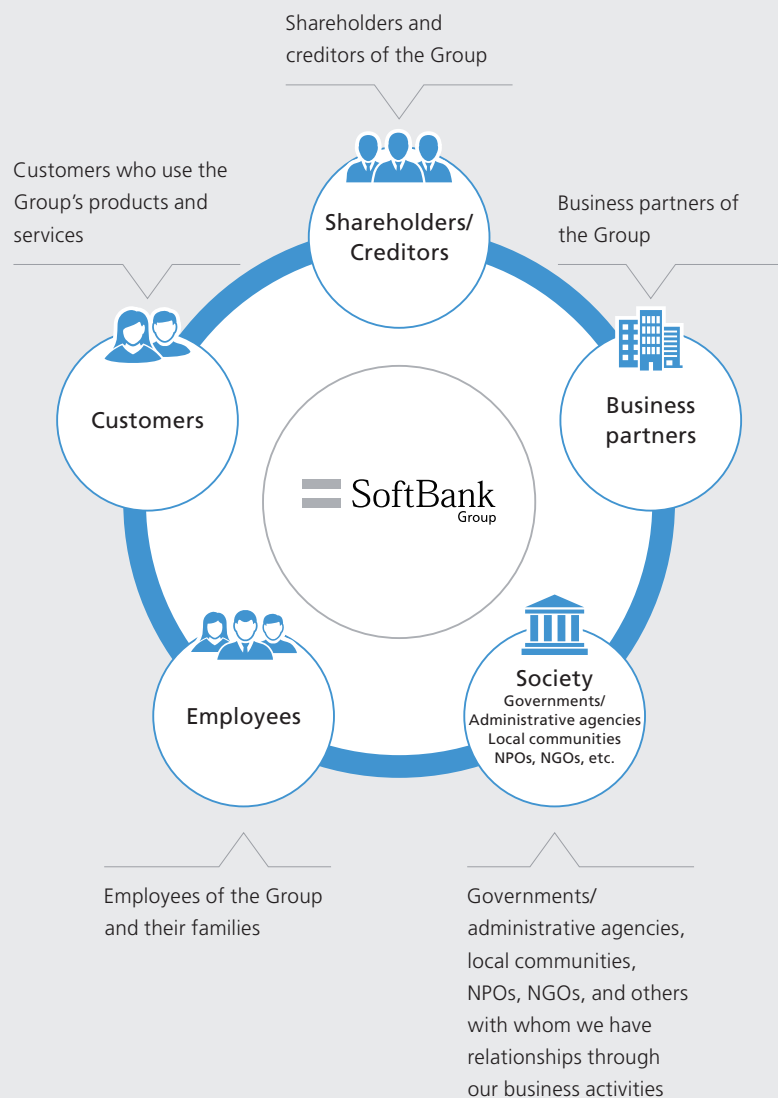


SUSTAINABLE  
DEVELOPMENT  
GOALS



## Communication with Stakeholders

The SoftBank Group builds relationships of trust through communication with stakeholders surrounding the Group, including shareholders/creditors, customers, business partners, employees, governments/administrative agencies and local communities, and will incorporate their perspectives into our corporate activities.



Stakeholders		Communication opportunities and content*1	Related content in this report
Shareholders/creditors		<ul style="list-style-type: none"> <li>Annual General Meeting of Shareholders, earnings results briefings, investor briefings, etc.</li> <li>Engagement with institutional investors (668 cases in FY2020)</li> <li>Publication of Annual Reports, Sustainability Reports, Reports to Shareholders, etc.</li> <li>Expansion of information on the website</li> <li>Publication of press releases and notices</li> </ul>	<p>P.9 ESG Initiatives as a Strategic Investment Holding Company</p> <p>P.15 SoftBank Group's Resilience Further Strengthened during the COVID-19 Pandemic</p> <p>P.34 Corporate Governance</p> <p>P.38 Compliance</p> <p>P.41 Risk Management</p> <p>P.45 Major External ESG Evaluations</p>
Customers		<ul style="list-style-type: none"> <li>Establishment of the inquiry counter</li> <li>Expansion of information on the website</li> <li>Communication through social media, etc.</li> </ul>	<p>P.13 Our Response to COVID-19</p>
Business partners		<ul style="list-style-type: none"> <li>Establishment and dissemination of the Supplier Code of Conduct</li> <li>Information sharing through our website, Annual Reports and Sustainability Reports</li> </ul>	<p>P.18 Environmental Policy</p> <p>P.25 Human Rights Policy</p> <p>P.18 P.25 P.38 Supplier Code of Conduct</p>
Employees		<ul style="list-style-type: none"> <li>Holding employee roundtable (twice a year)</li> <li>Conducting employee satisfaction surveys (once a year)</li> <li>Establishment of an internal reporting system/helplines</li> </ul>	<p>P.27 Human Resources Strategy</p> <p>P.28 Diversity &amp; Inclusion</p> <p>P.29 Creating a Supportive Working Environment</p> <p>P.30 Industrial Safety and Health</p> <p>P.39 Ethics &amp; Compliance Helpline (Internal Reporting System)</p>
Society	Governments/administrative agencies	<ul style="list-style-type: none"> <li>Policy proposals and other activities through industry associations, etc.</li> <li>- Operation of the Renewable Energy Council and the GDC Renewable Energy Council</li> <li>- Participation in Japan Climate Initiative</li> </ul>	<p>P.21 Promotion of a Decarbonized Society through Initiatives</p>
	Local communities	<ul style="list-style-type: none"> <li>Participation in local communities</li> <li>- Measures against COVID-19, development of local human resources, support for disaster-stricken areas, etc.</li> </ul>	<p>P.13 Our Response to COVID-19</p> <p>P.31 Participation in Our Community</p>
	NPOs and NGOs	<ul style="list-style-type: none"> <li>Conducting social contribution activities</li> <li>- Implementation of collaborative projects such as the next generation leader development program</li> </ul>	<p>P.31 Participation in Our Community</p>

\*1 Describes information related to SoftBank Group Corp.

# ESG Initiatives as a Strategic Investment Holding Company

As a strategic investment holding company engaged in global investment activities, we are working to integrate ESG factors into our investment process in order to enhance the sustainability of our investment activities. In this report, we invited Akitsugu Era, Managing Director and Head of Investment Stewardship at BlackRock Japan Co., Ltd., one of our shareholders and the world's largest asset manager, and discuss the requests and expectations he has for us as a shareholder, and how we should approach ESG as an investment company.



**Akitsugu Era**

Managing Director,  
Head of Investment Stewardship  
BlackRock Japan Co., Ltd.

**Yotaro Agari**

Global Head of Investor Relations  
SoftBank Group Corp.

**Reiko Oda**

Head of Sustainability Promotion Group,  
General Administration Department  
SoftBank Group Corp.

## Behind the Fink Letter

**Agari:** The Fink Letter, in which your CEO Larry Fink sends a message to the CEOs of the companies you invest in, attracts global attention every year. As an investee of your company, we also read the letter each year, and it seems that in recent years, he has mentioned ESG in the letter more frequently. Could you tell us what's behind this?

**Era:** We have been sending the Fink Letter since 2012. While the key topics of the letter vary depending on the socioeconomic situation at the time, the core message remains consistent that "we are committed to supporting long-term corporate value creation."

When we first started sending out the Fink Letter, we were concerned, especially in the U.S., that companies were focusing too much on the short-term outcome and that is hindering the long-term value creation of companies. Rather than engaging in excessive share buybacks and distribution of profits through dividends, companies should be making investments for the growth opportunities and their employees, from a long-term perspective. Investors should also navigate and support the companies from a long-term perspective. These are

## ESG Initiatives as a Strategic Investment Holding Company

thoughts in the background regarding what led to prepare the annual Fink Letter.

Since the message emphasizes topics related to long-term view, there have naturally been more references to ESG in recent years. We focus on role of the board of directors in articulating long-term strategy, how they are emphasizing the importance of purpose, how they are adapting its business to prepare for the impacts of climate change risks and opportunities, the energy transition and the changes in society. The reason behind an issuance of the Fink Letter is to express our thoughts on what we believe is important, and what might represent risks and opportunities in long-term value creation. It is also to understand the plans and thoughts from the companies' leaders.

## Long-term value creation of the SoftBank Group

**Era:** In terms of long-term value creation, more than 10 years have passed since the announcement of the SoftBank Group's "Next 30-Year Vision"\*1 in 2010. What do you think has been the major progress or changes?

**Oda:** In the "Next 30-Year Vision," we reaffirmed our corporate philosophy of "Information Revolution — Happiness for everyone." In addition, we have announced to become a company that will grow for the next 300 years as a corporate group needed most by people around the world, by forming partnerships with the most outstanding companies at the time in

the information industry, without focusing on particular technologies or business models.

This was a way of articulating our attitude towards sustainability, as it conveyed the importance of thinking about social trends on a 100-year basis, rather than on a 10- or 20-year basis, and of always keeping abreast of changes in the world and continuing to be the most indispensable company in each situation. In this respect, the vision itself is a long-term one, and remains unchanged in more than 10 years.

At the time of the announcement, we had a stronger focus on telecommunications, and I think there was a sense that we would continue to make a difference in society through a focus on the IT and telecommunications industry. However, as we explained at this year's General Meeting of Shareholders under the key phrase "a capital provider driving the Information Revolution," we are now shifting in the direction of becoming a good advocate of superior technologies and business models in the information industry and realizing our vision as an investment company.

**Agari:** Our CEO Son sometimes looks back and says, "Things are happening more or less as I expected, but at a faster pace," and I also feel that he is becoming increasingly confident about our vision. 10 years ago, I think we were a hybrid telecommunications company investing in the internet domain. Today, the telecommunications business is part of our portfolio, and the company is increasingly becoming an investment company. We are investing in areas that will accelerate innovation to enrich people's lives based on AI, such as healthcare, fintech, and robotics. We are now

realizing what we set out to achieve in our "Next 30-Year Vision," and I believe we are developing our business in line with this vision.

## Integrating ESG into the investment business in the SoftBank Group

**Era:** In May 2021, there was an announcement that the SoftBank Group would integrate environmental and social factors into the investment process. What is the reason behind this decision?

**Agari:** In the past few years, we have been receiving more and more questions in our dialogues with investors about how we integrate ESG into our investment process as an investment company. Actually, we have invested in many companies that make positive changes in terms of the environment and society. To take advantage of these traditional strengths of our



\*1 See our corporate website for further details of "Next 30-Year Vision."

## ESG Initiatives as a Strategic Investment Holding Company

company, we decided that we should adopt a more organized approach. Our investment may have been seen as something carried out based on our instincts and intuition, but through our discussions with our management team, we decided it is important to establish a clear system for evaluating the risks and opportunities associated with environmental and social factors in the investment process, and explain it to our stakeholders.

**Era:** So, the step was mainly to increase transparency of the investment process, rather than drastically shifting to a new investment approach. What are the key points in evolving this process further?

**Oda:** Currently, we are analyzing what are the key risks and opportunities among the environmental and social factors in each investment area. However, creating a massive playbook won't help you in the real world, and we do not want to create complicated processes that prevent speedy decision-making, which is one of our strengths. Our goal is to create a simple, yet powerful tool that will help to



identify the risks and opportunities associated with the environmental and social factors in the business models of potential investments and clarify the issues that we should support after the investment.

There are various approaches and methods of integrating ESG into the investment process. We need to find our best practices through trial and error.

**Agari:** Although risks are common to a certain extent, opportunities vary depending on the business model, so we need to take a close look at the market needs.

**Era:** It has never been more important to achieve the right balance between economic returns and social returns, both at a high standard. This is easier said than done, and as the world becomes more complex, it is becoming increasingly challenging. A company who does a good job in managing this balance will be successful and will be evaluated highly, companies who fail to achieve this balance will be evaluated poorly. We understand that this is a very high expectation, and this is why we would like to be a partner in this value creation process.

### What BlackRock looks for in engagement

**Agari:** As an investor, what are some of the things you focus on when engaging with your portfolio companies?

**Era:** Our engagement focuses on topics that are important in pursuing long-term sustainable value creation. This would include, for example, corporate philosophy, vision, and awareness of sustainability. And how these elements are deeply embedded



throughout the company, including the management team and all employees. For example, sometimes even for a company whose public disclosure seems comprehensive, when we ask questions about the details of their efforts in sustainability, the only person who can answer those questions is the direct person in charge. On the other hand, there are also cases where the top management is very conscious and passionate about explaining the company's approach to long-term value creation including sustainability efforts, even though the public disclosure appears to be limited. This is why we place an importance on qualitative information obtained through engagement, which sometimes cannot be fully understood if you only look at ESG ratings and public documents. We also share these insights achieved from our engagement internally with our portfolio managers.

Another point to emphasize is that we believe the materiality of ESG and factors vary depending on the business model, region, and



## ESG Initiatives as a Strategic Investment Holding Company

society. Therefore it is important to pay attention to how the world is evolving in order to understand the background, respective situation and context, which is not an easy task.

**Oda:** I can relate to what Mr. Era said about focusing on qualitative aspects. We are currently working to integrate what we have done qualitatively in the investment process into a structure and framework. However, we also understand that sometimes intuition is correct, and that there are situations that are difficult to measure with a uniform standard.

How we strike a balance between these two will be important for us going forward.

### Expectations for the SoftBank Group from BlackRock as a shareholder

**Oda:** Lastly, as our shareholder, do you have any requests or expectations for us?

**Era:** From an investor's point of view, I think a continuous effort to enhance transparency on how the SoftBank Group is achieving the right balance between offense and defense is extremely important. In other words, how the company is balancing risk management, while making sure it is not missing out on new business opportunities.

Strengthening the form of corporate governance is very important to investors. However, I believe it is even more important to make sure that a company has established a management system that is focused on long-term value creation, and simultaneously has an effective governance system in place to support that value creation. I think it would be a good idea for the SoftBank Group to

clearly articulate the most important matters to your company, the philosophy and values, and what do you see as the right balance between management and governance, without taking a one size fits all approach. To do so, it might be helpful to explain how your company's DNA and corporate culture drives such value creation.

**Agari:** It is true that Son's ideas, energy, and leadership are part of our strength, and also our corporate culture is not to avoid risks and minimize failures, but rather to embrace some risks and failures, and take on challenges in a way that does not strictly adhere to conventional wisdom. On the other hand, our company has strong defensive aspects to our approach, and our culture is strongly based on the idea that what's wrong is wrong, and to correct failures immediately once found. In addition, active discussions are held at each Board of Directors meeting, and we receive frank opinions from External Board Directors from their respective expert perspectives. In the future, we may need to make sure to include these aspects in our communication when we talk about the state of our governance.

**Oda:** We understand that it is important to build a system, take essential actions, and disclose information with a focus on our strengths and importance of the company. We would take into account these perspectives as an investor and engage in essential communication with our portfolio companies. Thank you very much for your valuable comments.



### Akitsugu Era

Managing Director,  
Head of Investment Stewardship  
BlackRock Japan Co., Ltd.

As Head of Investment Stewardship in the Investment Division, Mr. Era is responsible for the exercise of voting rights for Japanese companies addressing corporate governance issues, and established policies and guidelines for the exercise of voting rights. He joined BlackRock Japan in 2011. Prior to joining BlackRock, he worked as a corporate governance manager and fundamental equity analyst at Nikko Asset Management from 2006. In addition, he served as the president of an Internet-related company he founded for seven years from 1999. He has also participated in a number of external working groups related to corporate governance, including those of the Japan Business Federation (Keidanren) and the Ministry of Economy, Trade and Industry. Furthermore, he has contributed to the Ito Review of "Competitiveness and Incentives for Sustainable Growth – Building Favorable Relationships between Companies and Investors –, " led by the Ministry of Economy, Trade and Industry.

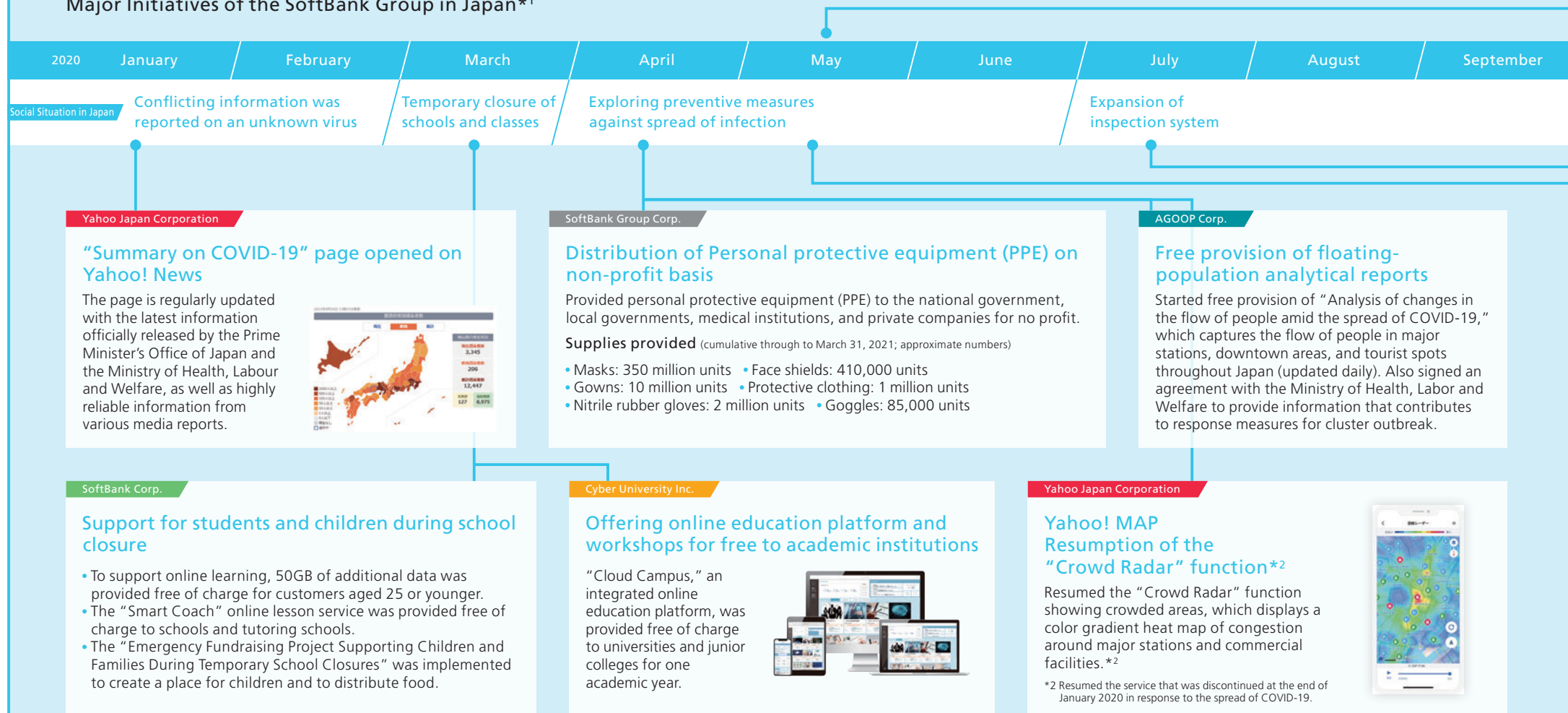
[See the official website for the company's details of "BlackRock Japan Co., Ltd." \(available only in Japanese\).](#)



# Our Response to COVID-19: Contributing to the Society with Rapid Assistance in Response to Changing Circumstances

The spread of COVID-19 is having a serious impact on our lives and the economy. The SoftBank Group, which aims to become the corporate group most needed by people around the world, is working to promote initiatives that leverage the strengths of each Group company and to provide various types of support in response to changing circumstances.

## Major Initiatives of the SoftBank Group in Japan\*1



\*1 The month indicates the timing when each initiative was launched.

\*2 Resumed the service that was discontinued at the end of January 2020 in response to the spread of COVID-19.

## Our Response to COVID-19

SoftBank Group Corp.

## Free provision of antibody testing kits and publication of results

We have provided approximately 330,000\*<sup>3</sup> antibody testing kits free of charge to medical institutions so that the state of the infection in Japan could be quickly assessed. Based on the test results, antibody possession rates and strategies to prevent the spread of infection were presented.

\*<sup>3</sup> Cumulative total through to July 31, 2021

SB Coronavirus Inspection Center Corp.\*<sup>4</sup>

## Hokkaido PCR Inspection Center opened

\*<sup>4</sup> Currently SB Coronavirus Inspection Center Corp.

SB Coronavirus Inspection Center Corp.

## Fukuoka PCR Inspection Center opened

October

November

December

2021

January

February

March

April

May

June

Promotion of vaccination and response to mutant strains

SoftBank Robotics Corp.

## Support for quarantine hotels with robots

Provided the humanoid robot "Pepper" and the AI cleaning robot "Whiz" to quarantine hotels in Tokyo for people with minor symptoms and asymptomatic patients. They are used for providing information to guests, talking to them, and cleaning the facilities.



SoftBank Group Corp.

## Established a subsidiary to offer PCR testing

With the aim of preventing the spread of COVID-19 infection and achieving an early normalization of economic activity through the provision of high frequency testing, SoftBank Group Corp. established Coronavirus Inspection Center Corp.\*<sup>4</sup> as a subsidiary to offer PCR testing. It provides high-quality and safe saliva PCR testing for local governments and private companies at a low price, charging only for the actual cost. By the end of July 2021, it had conducted approximately 2 million tests in total.



\*<sup>4</sup> Currently SB Coronavirus Inspection Center Corp.

SB Coronavirus Inspection Center Corp.

HEALTHCARE TECHNOLOGIES Corp.

## Started offering PCR tests for individuals

Began offering PCR testing to individuals using "HELPO," a healthcare app provided by a HEALTHCARE TECHNOLOGIES Corp.

Yahoo Japan Corporation

## "Vaccine Topics" launched in the Yahoo! JAPAN app

Special site "Vaccine Topics," which delivers content specific to vaccines, was launched in the Yahoo! JAPAN app.



SB Coronavirus Inspection Center Corp.

## Genome analysis business launched

SB Coronavirus Inspection Center Corp. has launched a genome analysis business to identify mutations in the Coronavirus with the aim of contributing to the strengthening of mutant strain monitoring systems, understanding of infection routes, and development of vaccines.

SoftBank Group Corp.

## Establishing vaccination sites

Starting with WeWork Nogizaka, vaccination sites have been established across the country, including the Takeshiba Headquarters and FUKUOKA PayPay Dome. COVID-19 vaccinations have been conducted for healthcare workers, Group employees and their families, and business partners through SB Coronavirus Inspection Center Corp.



See "Our Response to COVID-19" section of our corporate website for further details.

# SoftBank Group's Resilience Further Strengthened during the COVID-19 Pandemic

As the spread of COVID-19 continues, SoftBank Group Corp. is strengthening its resilience as a company and achieving business continuity while ensuring the safety of its employees. Here, the head of the Human Resources Group of the Human Resources Department, which supports major changes in work styles from a system perspective, and the head of the System Planning & Security Management Group of the Information System Department, which supports actual business operations from a work environmental perspective, will talk about the efforts in response to the pandemic and the resilience of the SoftBank Group.

## What we were most aware of during the emergency

— The spread of COVID-19, which fully began in 2020, has brought about major changes in both our institutional and business environments. What were the things that you were most aware of in this situation?

**Sumitomo:** From a human resources perspective, while we were forced to fight against an unknown virus, we placed the utmost importance on realizing employee health management and maintaining a safe work environment, and strived to respond and implement measures as quickly as possible.

**Takahashi:** The Information System Department focused on creating an environment where employees can work without feeling overwhelmed and maximize their work efficiency, including tasks from setting up and arranging PCs to handling security issues. We were

always conscious of the need to improve the work environment and efficiency, with as little inconvenience and disadvantage as possible, even in emergency operations, including the spread of COVID-19.

## Implementation of anti-infection measures and a "Zero Trust Network"

— How were changes made in the system and work environment in response to the spread of COVID-19?

**Sumitomo:** In order to ensure both the safety of our employees and the continuation of our business, we switched to remote work company-wide in March 2020, when COVID-19 began to show signs of spreading in Japan. Since we had already

implemented remote work on a trial basis prior to the spread of COVID-19, we were able to make the company-wide switch to remote work relatively smoothly.

**Takahashi:** The Information System Department continued to evaluate and verify remote work as a response to IT-BCP and work-style reform. In this phase of the spread of COVID-19, we decided to distribute a total of two PCs to each employee, one for office use and the other one for home use, because it was too much of a burden for employees to carry their PCs around when working from home, and we made preparations accordingly.

**Sumitomo:** Thanks to such preparations, two PCs were distributed to employees by April 2020, when the first emergency declaration was issued and the transition to remote work was made. It was well received by our employees that they can work from home or at the office without any additional burdens, including when they have to come to the office for unavoidable reasons.



**Yohei Takahashi**  
Head of System Planning &  
Security Management Group,  
Information System Department

**Hiroyuki Sumitomo**  
Head of Human Resources Group,  
Human Resources Department

## SoftBank Group's Resilience Further Strengthened during the COVID-19 Pandemic

**Takahashi:** At the same time, the Information System Department was migrating to a "Zero Trust Network" that would allow fast and secure access to the company environment from anywhere in the world 24/7, and enable more efficient operations. This implementation project, which began with concept development in late 2019, was completed in October 2020, and remote work using the new method was initiated. The transition would normally take several years, but it was completed in only about a year to coincide with the move to the new Takeshiba Headquarters at the end of December 2020. We believe that we were able to quickly realize a work environment with high security even when working from home by preparing for implementation before the spread of COVID-19.

**Sumitomo:** With the company-wide implementation of remote work, internal meetings, one-on-one meetings, recruitment interviews, and communication with business partners and investees are all conducted through the web conference system as a general rule. Although we had been using a web conference system for communication with people from overseas, during the emergency declaration, online meetings were recommended company-wide. Despite some confusion at first, each department is now able to use it relatively smoothly.

**Takahashi:** As for our web conference system, we currently use Zoom as our standard tool and issue accounts to everyone. We also implement security checks and measures to ensure secure communication.

— What measures are you taking to ensure the safety and security of employees?

**Sumitomo:** In May 2020, we conducted antibody tests at each major Group company in Japan and confirmed the presence of antibodies and the status of infection. In addition, taking advantage of the establishment of a PCR testing center within the

Group, we have been conducting periodic saliva PCR tests for all employees since August 2020. Because the saliva PCR test gives the results on the same day, if there are suspicions of a positive result, we immediately contact the person and their supervisor to check the person's physical condition and also to confirm the possibility of close contacts. Based on the result of the test, we can instruct the employee to go to a medical institution or work from home, and if the person who has tested positive was working onsite, we can promptly have the office disinfected by a specialized company. By identifying asymptomatic employees early on and building a system that prevents cluster outbreaks, we are able to provide employees with a safe work environment.

In June 2021, we also started workplace vaccination for employees of domestic Group companies and their families and business partners. In cooperation with each company, we were able to promptly arrange venues, doctors and nurses, and thus were able to start the vaccination program at an early stage.

### Awareness and improvement of work style born in response to COVID-19

— Please tell us about the positive side effects from the pandemic, if any.

**Sumitomo:** One positive aspect that I would like to mention is that employees who used to think that they had to come to the office to work now understand that it is possible to carry out certain tasks even when working from home. By changing the operational rules that we used to take for granted, we were able to minimize the number of employees coming to the office, and this has also led to improved operational efficiency. In addition, we are starting to work on



things that we have not been able to address in the past such as consideration of the use of electronic signatures.

Although the work environment triggered by the pandemic has brought many challenges, it has brought the possibilities for improving our operations, which have been positive in the end. This can be attributed to the fact that the Information System Department has developed an environment that enables employees to work from anywhere.

**Takahashi:** The implementation of the Zero Trust Network was a major achievement, and I think another positive aspect is that we were able to quickly introduce in our operation system cloud services that are highly regarded as global leaders in improving business efficiency.

— What are some of the issues and challenges that remain?

**Takahashi:** In anticipation of future emergencies, we are aiming to create a system environment and structure that will allow all operations to continue as in normal times, even if offices are completely closed for several months or longer. In particular, we believe that it is necessary to create an environment that can handle further online processing, especially for contract-related operations and the operations of the



## SoftBank Group's Resilience Further Strengthened during the COVID-19 Pandemic

accounting department involved in processing consolidated financial settlements that include overseas subsidiaries.

**Sumitomo:** As remote work continued, one of the concerns I felt was that it was difficult for employees to have a sense of balance between on and off work as the supervisors cannot pay enough attention. Looking at how employees used their time over the last year, I feel that both employees themselves and their supervisors are struggling. Since switching on and off work is very important for improving productivity, we are taking measures in response such as educating employees on points to keep in mind when working from home. In the second year of remote work, I would like to raise the awareness of each employee in order to overcome these issues, while aiming to achieve more appropriate work styles.

### A corporate culture that promotes speedy and smooth change

— What do you think about the reasons and background behind the smooth implementation of personnel measures and BCP response amid the pandemic?



**Sumitomo:** The Group has always had a corporate culture of “Get the thing done anyway” and “Never say we can’t do it, but think of a way to do it,” and I feel that this culture has permeated every corner of our organization. In the case of the pandemic, as we had no choice but to work from home, we made the rules to make it happen, created a system, and took action. As a result of this approach, we were able to implement company-wide remote work, PCR testing, and vaccination within a short period of time, and I believe that this has helped ensure employee safety and business continuity.

Additionally, by responding flexibly and promptly to subsequent changes each time, we have been able to achieve an optimal mix of office work and remote work and continue to be an organization that can achieve results even during the pandemic.

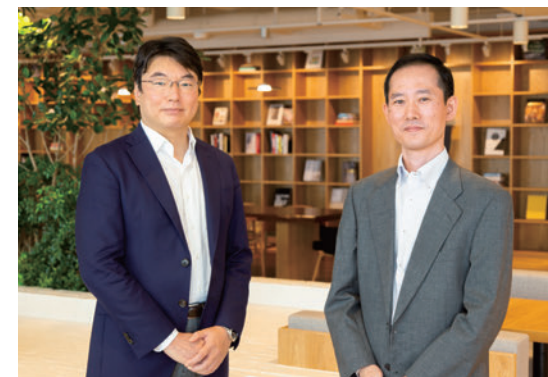
**Takahashi:** The SoftBank Group is a group of companies with a strong commitment to speed, tenacity, and being No. 1, which puts a high level of pressure on those working on projects. However, for elements that are expected to be valuable and effective as resources for realizing objectives, internal approval and implementation is speedy and a high degree of freedom is provided. Even if there is no precedent in Japan, we are able to proceed using the knowledge of our overseas investees and the power of Group companies, and we also have the attitude of aiming to be the best by combining the optimal solutions, unconstrained by the precedents. I believe that this characteristic of our corporate culture is also reflected in our effective response to the pandemic.

— What are your goals for the post-COVID-19 pandemic, and what do you hope to work on in the future?

**Sumitomo:** When COVID-19 is under control and office work is fully resumed, we need to rethink about work styles in the post-COVID-19 pandemic, including how

to take advantage of the benefits of both office work and remote work, and how to solve the issues that have arisen with the move to online work (such as working hour management, employee care, personnel evaluation, and the effective communication). Furthermore, we believe that there will surely be applicants seeking to join our company who desire to work from home, and we need to consider the feasibility of organizational and business operations that include such personnel.

**Takahashi:** As vaccination progresses and overseas business trips resume, I believe that the Zero Trust Network operations system we have established in response to COVID-19 will demonstrate its strength and enable us to work safely and efficiently 24/7, from anywhere in the world. The Information System Department will offer appropriate support to continue this environment and make it even more successful for the organization and our employees. We intend to support the global development of our businesses by promoting and strengthening information security governance and its processes for Group companies in Japan and overseas.





# 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 <span>Achieved</span> 
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

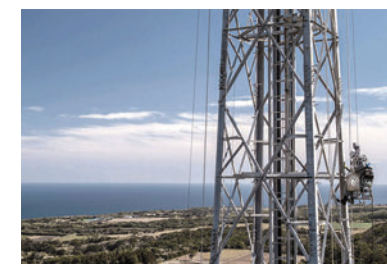
### ➤ Specific Efforts to Reduce Greenhouse Gas Emissions

#### 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.

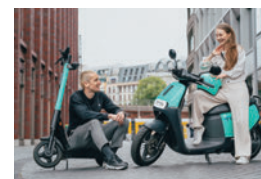
## Climate Change Investor Framework Membership (SBIA)

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

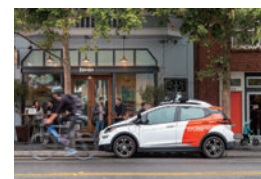
SBIA has made a number of investments which are having a positive impact on climate change.

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

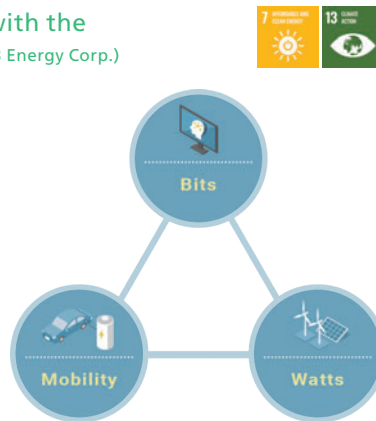
## ➤ Promotion of a Decarbonized Society through the Energy Businesses

### 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.

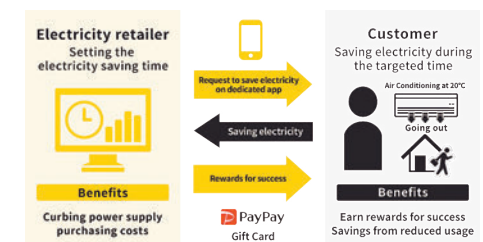
### Providing Electricity Services that Reduce Environmental Impact (SB Power Corp.)

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.

Reduce	Reduce paper consumption by digitizing instruction manuals and invoices, and using iPads in stores.
Reuse	Promote trade-in of mobile phones and tablets, some of which are for reuse in emerging countries
Recycle	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.



# Respect for Human Rights

With the development of information technology and the advance of globalization, companies have an increasing impact on people's lives. Respect for human rights is a fundamental responsibility for each company, and it is a critical part of achieving the SoftBank Group's vision of becoming the corporate group needed most by people around the world.

The SoftBank Group respects human rights across its businesses and is working to develop and implement appropriate systems to protect human rights. In addition, we are working to raise awareness of respect for human rights throughout the Group, and we require our investees and business partners to act in compliance with all laws and regulations related to human rights.

## Human Rights Policy

The SoftBank Group has established its "Human Rights Policy" that acts as the minimum standard with which all directors, officers and employees of the Group must comply.

The policy calls for respecting the human rights of all stakeholders, treating them with dignity and respect, always complying with laws and regulations, and acting with the utmost respect for international human rights principles. The policy also strictly forbids discrimination, harassment, forced labor, and child labor.

### Key points in our Human Rights Policy

- We support the international standards regarding human rights such as the International Bill of Human Rights, while promoting group-wide measures to respect human rights.
- We will comply with human rights laws and regulations and respect international human rights principles to the fullest extent possible.
- We will not engage in any acts of discrimination, directly or indirectly, on the basis of characteristics that define an individual's identity.
- We will not engage in harassment of any kind.
- We will not engage in any human rights violations or illegal activities, including forced labor, child labor, slave labor, or human trafficking.
- We will strive to maintain a safe, sanitary, and healthy working environment.
- We will respect fundamental labor rights.
- We will strive to pay competitive, above-living-wage monetary compensation and benefits.
- We will identify human rights risks and work to reduce them.

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

### ✓ Supplier Code of Conduct

The SoftBank Group conducts business in various areas and sectors across the globe and has built a diverse supply chain in order to become the corporate group needed most by people around the world. The SoftBank Group places importance on sustainability in these supply chains, and believes that it is essential not only to comply with laws, but also to conduct business based on high ethical standards. Therefore, the SoftBank Group has formulated the "Supplier Code of Conduct," which sets forth what we expect our suppliers to comply with, and requires them to work in accordance with the ethical standards set forth in that code.

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

## Improving Awareness of Human Rights

In order to disseminate our Human Rights Policy to directors, officers and employees and raise awareness of human rights, the SoftBank Group conducts ongoing education and awareness activities through training and other programs. In addition, we require our external stakeholders, including investees and business partners, to act in compliance with all laws and regulations related to human rights.

### Stakeholder Engagement

In order to prevent and reduce the negative impact on human rights that may occur in the course of its business activities, the SoftBank Group identifies specific human rights risks at each Group company as part of its human rights risk assessment, works to prevent and mitigate occurrence of such risks, and promotes the establishment of a system that enables the Group to promptly take appropriate measures.

SoftBank Corp. conducted two stakeholder-dialogue events in 2020, inviting experts to discuss human rights issues related to the company's business, based on the information provided by the experts. The first session focused on the role that telecommunication companies should play in respecting privacy, and the second session on human-rights issues brought about by technological development. In each case, the participants engaged in vigorous discussion to identify what human rights issues should be recognized and prioritized as the responsibility of a company leading the Information Revolution.

The SoftBank Group will continue to communicate with its stakeholders on an ongoing basis to strengthen its commitment to respect for human rights.

#### Outline of stakeholder dialogues (SoftBank Corp.)

##### 1st stakeholder dialogue

Keiichi Ushijima; Part-time Lecturer, Graduate School of Tohoku University  
The role of communication carriers in promoting respect for privacy

- Current trends surrounding human rights issues
- Potential human rights risks identified by SoftBank Corp.
- Ideas for SoftBank Corp's future activities

##### 2nd stakeholder dialogue

Daisuke Takahashi; Attorney, Shinwa Sohgo Law Offices  
Human rights issues brought about by technology development

- 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)

### Training to Raise Awareness of Human Rights

In order to raise awareness of human rights and with the goal of creating a better human resources system and a stronger corporate organization, SoftBank Group Corp. holds periodic roundtable discussions between the human resources department and employees. Furthermore, in light of the enforcement of the "Revised Act on Comprehensive Promotion of Labor Measures," SoftBank Group Corp. holds regular meetings for line managers organized by the human resources department, to provide them with not only basic information but also the latest trends in harassment and detailed points to keep in mind, and to instruct them on how to respond appropriately.

SoftBank Corp. stipulates respect for human rights and prohibition of discrimination and harassment in the "SoftBank Code of Conduct". In addition to training for each level, such as new employee training and newly appointed manager training, 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.

#### List of training programs conducted in FY2020 (SoftBank Corp.)

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



# Human Resources Strategy

For the SoftBank Group, which continues to develop innovative businesses, human resources are the source of innovation, and the employees who work for the Group are important stakeholders that support sustainable growth. As a company that leads the Information Revolution, we are working on development and promotion of human resources. This is based on the belief that creating an environment where diverse talent can take on challenges and play an active role while making the most of their individuality and maximizing the potential of individuals and organizations, will increase corporate value.

## Development of Professionals

The SoftBank Group strives to create a diverse work environment where everyone can thrive, regardless of age, gender, nationality, disability, sexual orientation or gender identity.

### > Professional Recruitment and Career Development

SoftBank Group Corp. hires professionals based on the “Three Core Competencies” - Smart, Professionalism, and Relation. Our basic policy is to hire the best person for the position regardless of age, gender, nationality, and other factors and we are committed to a more diverse workforce. In addition, from the perspective of human resource development, the company has established a system for self-driven career development so that each employee can enhance their Three Core Competencies aforementioned. We provide internal education and training services, including English conversation courses, and also allocate education budgets to each department so that employees can independently select and attend external training programs of their choice. We have also established a dual-employment system, under which employees may engage in a second job to promote personal growth through diverse experiences and lead it to their career development.

“Three Core Competencies” we seek in our employees



### > Support System for Career Realization

The SoftBank Group emphasizes the importance of self-driven career development and encourages employees to think about their future goals and career plans, and understand the experience, knowledge and skills they need. By providing opportunities and helping them to achieve their own career plans, we aim to develop professionals with rich individuality.

SoftBank Corp. has established a job posting system for in-house recruitment of members to start up new businesses and companies, a free agent system that enables ambitious employees to transfer to the department of their choice, and a system to support the acquisition of certifications as opportunities for career development, providing an environment where anyone can take on the challenge of personal growth and self-realization. The company allows secondary jobs as long as it does not have an impact on the company's business, based on the belief that skill enhancement and growth through such experiences will lead to the revitalization of its business and innovation. The company has also introduced a SoftBank-style internal secondary job system, which allows employees to experience work outside of their own departments. This system expands opportunities for employees to utilize their abilities and brings organizational vitality to the workplace through inter-departmental exchanges.



## Diversity & Inclusion

### ➤ Advancement of Women in the Workplace



The SoftBank Group believes the driving force for growth across the Group is the empowerment of women in the workplace, and it is actively advancing the hiring and promotion to management positions of female employees. SoftBank Corp. provides female employees with workshops on career development and a mentoring program for leaders to receive advice from female managers who serve as role models. In addition, to enable employees to raise their children with peace of mind and to balance work and childcare after returning to work, the company allows employees to take childcare leave and to work shorter hours beyond what is stipulated in the law. As a result, the rate of female employees returning to work after taking childcare leave was over 98% as of the end of March 2021.

### ➤ Support and Promotion of Appreciation of Foreign Employees



Based on the belief that each employee fully demonstrating their individuality and ability in a diverse workplace will be the driving force behind the growth of the entire Group, SoftBank Group Corp. advances the hiring and promotion of employees to management positions regardless of nationality. In addition, as an effort to support the active participation of foreign employees, official documents such as notices, internal training contents, and internal systems are provided in Japanese and English as a general rule to facilitate communication.

In order to deepen the understanding of foreign employees within the company and to strengthen ties among employees, SoftBank Corp. conducts enlightenment activities through internal events such as the “Diversity Week” and training programs. By continuing these activities in parallel with developing its internal systems, the company is working toward the creation of a more accepting working environment for all employees.



Internal event with foreign employees

### ➤ Advancement of Promotion of People with Disabilities



The SoftBank Group makes no distinction between potential employees in the hiring process or after they join the Company and aims to create a work environment where all employees can work to the best of their capabilities. As part of this effort, SoftBank Corp. introduced a full-scale short-time work system in May 2016. This system enables people with mental or developmental disabilities who have difficulty working long hours, even if those disabilities are not a hindrance to the execution of duties, to work less than 20 hours per week. The company will continue to collaborate with companies and municipalities help create a society in which anyone can actively contribute their unique attributes.

### ➤ Support for LGBTQ Employees



The SoftBank Group promotes LGBTQ inclusion in the workplace. Since October 2016, the SoftBank Group Corp. and SoftBank Corp. have defined a spouse in their internal regulations to include same-sex partners, and have provided the same benefits to those employees' spouses, such as special leave and congratulatory and condolence payments. In addition, SoftBank Corp. has established a consultation desk for LGBTQ employees, their coworkers and superiors, and provides LGBTQ-related training for employees, and supports the activities of the “Colorful Project,” an internal community launched jointly by employee volunteers and the human resources department. Through these activities, the company is working toward the creation of a more accepting working environment for everyone.

#### ☑ Human resources and diversity data (SoftBank Group Corp.) \*1

Ratio of female employees	Ratio of female employees in management	Ratio of female in new hires
42.3%	23.9%	33.3%
Average years of employment	Ratio of mid-career hires	Ratio of foreign employees
Men: 8.8 years Women: 8.9 years	90.0%	6.2%

\*1 As of March 31, 2021

📄 See our corporate website for human resources and diversity data.

## Creating a Supportive Working Environment

We aim to create a working environment where all employees of the SoftBank Group can maximize their abilities, work with enthusiasm, and take on the challenge to achieve further growth. In addition to respecting the rights of employees and striving to ensure equal opportunities as well as occupational safety and good health, we aim for becoming the corporate group needed most by people around the world by promoting internal communication and creating a working environment where each employee can maximize their abilities.

### Work-style Reform

The SoftBank Group encourages the work-life balance of its employees and has established programs to help ensure that balance. We also take various measures to reduce long working hours, including the use of technology.

#### Examples of measures to promote work-style reform (SoftBank Group Corp., SoftBank Corp.)

- Company-wide introduction of Work from Home
- Company-wide introduction of the super flextime system<sup>\*1</sup>
- Attendance management linked to the office entry-exit management system using facial recognition
- Periodic delivery of attendance alert e-mails using an RPA<sup>\*2</sup> system (understanding of the attendance registration status, long-working-hour alerts based on a predictive simulation of working hours, and encouragement of taking annual leave)
- Promotion of "Premium Friday"<sup>\*3</sup>

<sup>\*1</sup> Flextime system without core time

<sup>\*2</sup> RPA stands for robotic process automation, a technology that automates business processes and tasks carried out on computers previously performed by humans.

<sup>\*3</sup> A private-public initiative aimed at revitalizing consumption and changing lifestyles by moving the end of the workday forward on the last Friday of each month.

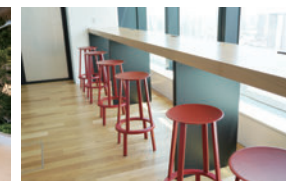
### ➤ New Office Aiming to Transform Work-styles

With the aim of further transforming work-styles and strengthening our business continuity plan (BCP), in September 2020, the SoftBank Group Corp. and some of its Group companies began relocating their headquarters to the "Tokyo Portcity Takeshiba Office Tower," an office building that opened in the Takeshiba area of Minato-ku, Tokyo, and completed the move in December 2020.

The new office was designed by the Group company, WeWork, and employees working there are able to freely choose a location where they can work efficiently according to their objectives at the time, such as when they want to concentrate on their work or have discussions with multiple people. In this new office, we aim to create open innovation across departments and practice a more innovative and creative work-style that is not bound by location, space, or community.



Lounge



Counter area



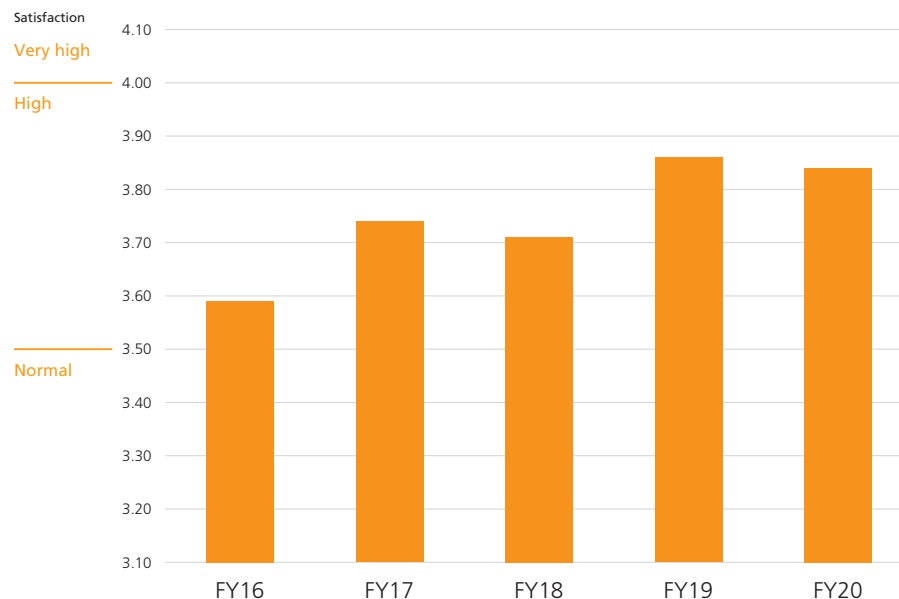
Open meeting space

## Employee Engagement

Once a year, the SoftBank Group conducts an employee satisfaction survey (ES survey) for all employees in order to better understand employee sentiment with the aim of building a stronger organization and enhancing employee motivation. This survey was developed based on the characteristics of the Group, and in fiscal 2020, it was conducted at 26 Group companies.

The ES survey provides a score for each item on the level of satisfaction with the organization (job, workplace, superiors) and the company, allowing for comparison over time. In addition, continuous monitoring of the results of the survey enables early identification and improvement of organizational issues. In the fiscal 2020 ES survey of SoftBank Group Corp., each item received a high score of 3.60 or higher, indicating a particularly high level of satisfaction with superiors and the workplace. We will continue proactive employee engagement to create a more comfortable workplace going forward.

SoftBank Group Corp. employee satisfaction survey (ES survey)\*1



\*1 Organizational satisfaction (overall satisfaction for surveys before FY18)

## Industrial Safety and Health

### Identifying and Addressing Labor Risks

To prevent the occurrence of occupational accidents and ensure compliance with established labor practices, SoftBank Group Corp. conducts labor risk assessments, which include regular employee stress checks, monitoring and forecasting of long working hours, and checks for harassment as part of employee satisfaction surveys. As part of its effort to optimize working hours for employees, we also simulate monthly and annual working hours for individual employees by using an attendance tracking system, take action in response to employees expected to work long hours, and continuously report working hours to management.

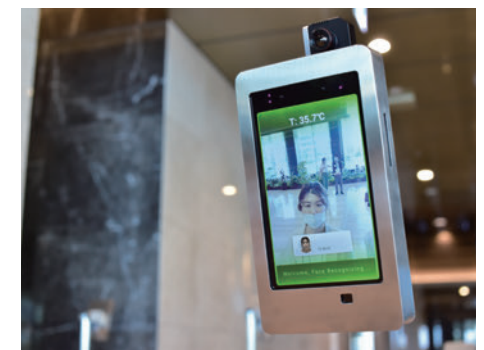
### Safety Measures in the Event of an Emergency, Including a Pandemic

SoftBank Group Corp. has systems in place to ensure the safety of employees whenever an emergency strikes, including natural disasters such as an earthquake or a typhoon and pandemics. With the government declaring a state of emergency in response to the spread of COVID-19 in April 2020, we required all employees in principle to work from home. Further showing our commitment to creating an environment in which employees can work with peace of mind, we introduced measures designed to prevent the spread of the virus in August 2020, including periodic saliva PCR tests and a temperature-sensing entry system.

With an eye toward ongoing changes in how our employees work, we are promoting the development of an office automation system allowing work at any time or place, the use of cloud computing for systems and information, and enhanced security measures.



Facial-recognition entry-exit system with a temperature-sensing function



Displays temperature simultaneously with facial recognition



## Participation in Our Community

It is essential for a company's sustainable growth to be a good corporate citizen that walks together with society and responds to society's expectations through participation in the community. Under the corporate philosophy, "Information Revolution — Happiness for everyone," we at the SoftBank Group will contribute to the resolution of various societal issues and help support the realization of a prosperous society by building good relationships with local communities and stakeholders.

### TOMODACHI SoftBank Leadership Program (SoftBank Group Corp.)

— Development Program for Leaders Charged with Recovery from Great East Japan Earthquake —



The "TOMODACHI SoftBank Leadership Program" is a program conducted by the SoftBank Group Corp., which expressed its support for the "TOMODACHI Initiative," an initiative led by the U.S. Embassy in Japan and the U.S.-Japan Council, that invites high school students from Iwate, Miyagi, and Fukushima, areas affected by the March 11, 2011 Great East Japan Earthquake, to a fully-paid three-week intensive course at the University of California, Berkeley in the U.S., and encourages them to engage in community activities after returning home. Students actively take part in various projects in their local areas by leveraging the knowledge of community service and problem solving they have learned in the program. By helping them improve their leadership skills through activities in the real world, we are developing community members who will support the future of Tohoku.



Program participants at the University of California, Berkeley (4th year)

[See our corporate website for further details.](#)

### Pepper Social Contribution Program (SoftBank Group Corp.)

— Supporting Programming Education in Elementary Schools —



SoftBank Group Corp. is conducting the "Pepper Social Contribution Program," lending its humanoid robot "Pepper," with the goal of supporting education and society. For programming education in elementary schools, which became compulsory in 2020, we also provide the "Robo Blocks School Template," which allows teachers to easily formulate lesson plans, to support the educational field and improve the logical thinking and problem-solving skills of students. These support activities for educational institutions using Pepper are not limited to Japan, but are also being implemented in the U.S. and China.



Elementary and junior high school students participating in the program

[See our corporate website for further details.](#)



### Future Energy Project (SB Energy Corp.)

— Providing Opportunities for Children, the Future Leaders of the World, to Think Independently and Creatively about Energy Issues —

SB Energy Corp., a renewable energy business operator, offers a hands-on environmental education program, the Future Energy Project, for elementary school students living near its power plants. This program was launched in 2012 to create opportunities for children to independently and creatively think about energy by using video materials and tablet devices, and to deepen their learning about energy through discussions and presentations. The company will continue to provide opportunities for children, who will lead the future, to think for themselves about environmental and energy issues.

[See the project website for further details \(available only in Japanese\).](#)



Elementary school students participating in the hands-on environmental education program



### Providing Equal Learning Opportunities (Cyber University Inc.)

— Online Higher Education for Everyone —

Cyber University, Japan's first full online four-year university dedicated to advanced IT education, is working on activities to eliminate gender, age, and regional disparities in education so that all people can have equal learning opportunities. To promote the advancement of women into professional and management positions, where the proportion of men has been high in the past, the company is focusing on eliminating the disparity in the ratio of male to female students in higher education in information technology. As a result, the percentage of female student body has increased from about 15% in 2007 to over 25% in 2021. Going forward, the company aims to further increase this ratio to 35% by 2030.



### Employment of Local Talent (SB Logistics Corp.)

— Contributing to the Local Community through Employment and Human Resource Development —

SB Logistics Corp., which operates logistics-related businesses, actively recruits people from the surrounding region for employment in customer support and warehouse operations.

The Ichikawa Logistics Center is equipped with the world's most advanced robot technology, including automatic packaging equipment. By having locally hired employees handle advanced technologies through its operations, the company believes that it can contribute to the local community through talent development. In the future, the company will also contribute to the local community in ways other than employment, such as providing opportunities for local residents and educational institutions including universities to observe its cutting-edge technology.



### Fight! Kyushu (Fukuoka SoftBank HAWKS Corp.)

— Initiatives for Disaster Recovery and Community Revitalization Rooted in Kyushu Area —

"Fight! Kyushu" is a project launched by Fukuoka SoftBank HAWKS Corp.

in April 2016 to support the recovery from the Kumamoto and Oita earthquake. Since its launch, the company and the Fukuoka SoftBank HAWKS Players Association have continuously carried out many recovery support activities. In the midst of COVID-19 pandemic where there was little to be cheerful about, the company pursued what as a baseball team rooted in Kyushu area should do, and redefined the purpose of this project not only as recovery support but also as the "HAWKS' activities to make Kyushu brighter," and continuing these activities. The company will continue to work with the HAWKS players to involve the whole of the Kyushu area in activities to make society brighter and more vibrant.



Fight! Kyushu project website



[See the project website for further details \(available only in Japanese\).](#)

### Next Action → Social Academia Project (SoftBank Corp., Yahoo Japan Corporation)

— Project to Support Human Resource Development and Business Creation in Areas Affected by the Great East Japan Earthquake —

On March 10, 2021, the 10th anniversary of the Great East Japan Earthquake, SoftBank Corp. and Yahoo Japan Corporation, together with General Incorporated Association Pionism, launched the "Next Action → Social Academia Project" for the recovery of Minamisoma City in Fukushima Prefecture.

This project will promote the development of the next generation of leaders and the creation of businesses from 2021 to 2030 by maximizing the expertise, resources, and assets of the three parties in entrepreneurship and commercialization. The project is calling for a wide range of projects, including responses to issues faced after the disaster, and will create opportunities to maximize synergies while encouraging interaction and collaboration among participants and with companies, organizations, and local governments in and outside of the prefecture. By creating more businesses and producing talented people with world-class skills over the next 10 years until 2030, the project aims to become a model case for sustainable recovery.

[See the project website for further details \(available only in Japanese\).](#)



## Emerge (SBIA)

### — Accelerator to Support Underrepresented Founders —



The technology and venture capital communities are not yet representative of the communities they serve. As an industry, we're missing out on the diverse perspectives and innovative thinking that can lead to the next world-changing companies.

In 2020, SBIA launched Emerge, an accelerator aiming to improve diversity in tech and entrepreneurship by supporting and investing in innovative underrepresented founders and their start-ups.

Emerge founders participated in an eight week intensive curriculum consisting of workshops, access to mentors from across our ecosystem and sessions with SoftBank executives. The accelerator culminated in June 2020 with a showcase event which connected founders with over 150 investors. The SBIA Emerge Accelerator has since invested in 13 Emerge companies and launched the second Emerge program in Europe this June 2021.



Emerge cohort 1 program participants

### Emerge cohort 1 (from March to May 2020)

Program highlights		Founder demographic	
Mentors	40	Female	9
Accelerator curriculum (hours)	80	Black	7
Investors attended showcase	150+	Latinx	2

[See the website for details of the Emerge.](#)

## SB Opportunity Fund (SB Opportunity Fund Manager LLC)

### — Investment Fund to Support Underrepresented Founders —

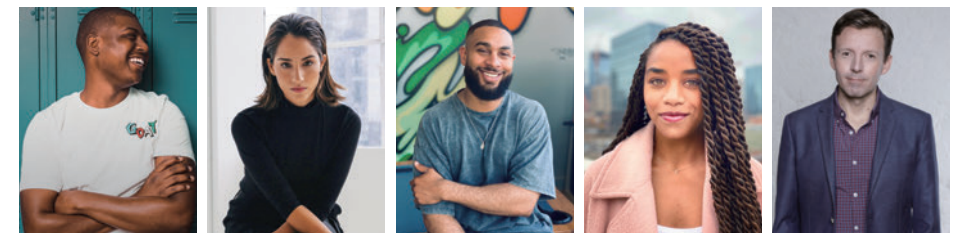


To help diversify the tech sector, the SoftBank Group established the \$100 million fund, SB Opportunity Fund, to invest in businesses led by Black, LatinX and Native American founders in the United States.

The primary goal of the SB Opportunity Fund is to generate exceptional returns, demonstrating that there is no trade-off between racial diversity and investment performance. Through this fund, we have invested in 54 companies,\*<sup>1</sup> and the fund will continue to seek out and invest in exceptional underrepresented founders.

### Fund portfolio companies (partial)

PlayVS	PlayVS	Operates an eSports platform to organize high school and collegiate esports
Eight Sleep	Eight Sleep	World's first sleep fitness company redesigning sleep with cutting-edge AI and machine learning models
Career Karma	Career Karma	Helps people to navigate their careers in technology and through career advice and job training
Praxis Labs	Praxis Labs	Reimagines corporate bias training, integrating research-backed curriculum with cutting edge VR technology
Zoe Financial	Zoe Financial	Helps people find independent, fiduciary financial advisors



Delane Parnell  
PlayVS

Alexandra Zatarain  
Eight Sleep

Ruben Harris  
Career Karma

Elise Smith  
Praxis Labs

Andres Garcia  
Zoe Financial

\*1 As of the end of June 2021

[See the website for details of the SB Opportunity Fund.](#)

# Corporate Governance

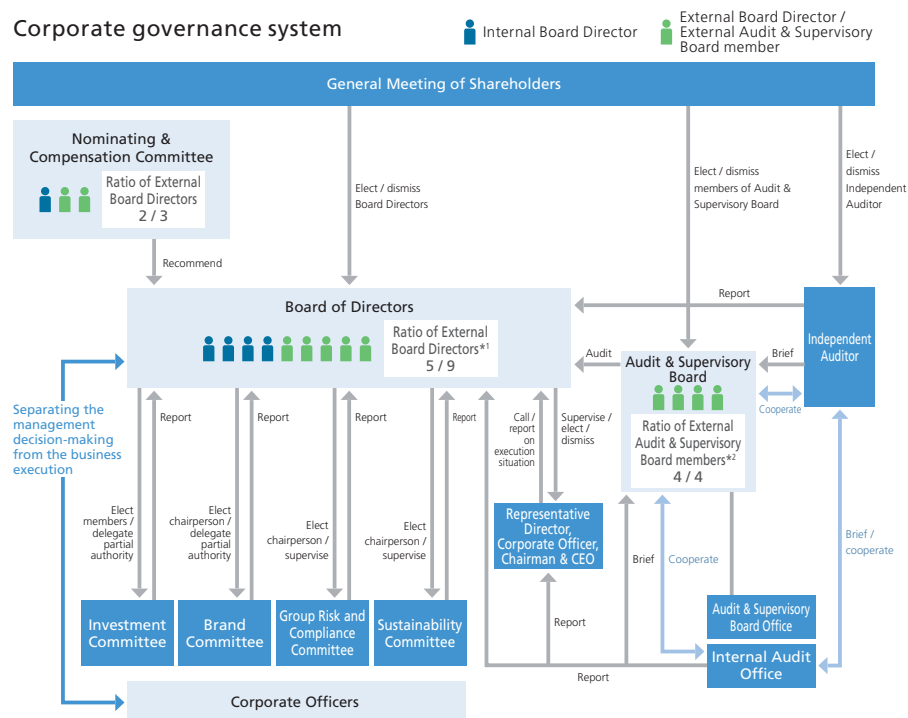
We are actively enhancing and strengthening our corporate governance and working continuously to improve its effectiveness. In fiscal 2020, SoftBank Group Corp. newly established a Nominating & Compensation Committee and diversified its Board of Directors' membership by appointing a female Board Director. Since June 2021, External Board Directors have accounted for a majority of all Board Directors, thereby strengthening the supervisory function of the Board of Directors.

## Corporate Governance System

Guided by a fundamental concept of "free, fair, and innovative," and our corporate philosophy of "Information Revolution — Happiness for everyone," SoftBank Group aims to be a provider of essential technologies and services to people around the world while maximizing its enterprise value.

To realize this vision, we have formulated "the SoftBank Group Charter" to share our fundamental concept and corporate philosophy and have devised the "Group Company Management Regulations of the SoftBank Group" to set forth our management policy and management framework for Group companies. We have also established the "SoftBank Group Code of Conduct," which prescribes policies to be followed by the directors, officers and employees of the Group, and continue to strengthen governance. Further, we have formulated "the SoftBank Group Sustainability Principles" to set out matters necessary for the Group to appropriately carry out sustainability activities, and we will continue to meet the expectations of customers, shareholders, creditors, business partners, employees, and other stakeholders and fulfill our responsibilities as a company leading the Information Revolution with the goal of supporting a sustainable society.

### Corporate governance system



### SoftBank Group Corp.'s path to strengthening governance

- 1994 Registered as an OTC stock with the Japan Securities Dealers Association (1998 Listed on the First Section of the Tokyo Stock Exchange)
- 1995 Appointed the first foreign national Board Director
- 1999 Invited a Board Director from outside the company (equivalent to a current External Board Director) transitioned to a pure holding company
- 2002 External Board Directors system introduced in the Commercial Code (currently the Companies Act)
- Started livestreaming of earnings results briefings
- 2003 Started livestreaming of the General Meeting of Shareholders
- 2006 Companies Act enacted
- 2012 Introduced a Corporate Officer system
- 2015 Japan's Corporate Governance Code entered into force
- 2019 Established the Group Risk and Compliance Committee
- 2020 Formulated the Portfolio Company Governance and Investment Guidelines Policy; increased the number of External Board Directors from two to four; appointed the first female Board Director; established the Nominating & Compensation Committee and the Sustainability Committee; appointed a CSuO\*3 and CRO\*4; revised the Board of Directors structure (separation of the management decision-making function from the business execution function)
- 2021 Added environmental and social items to the above policy; achieved a 55.6% external ratio of Board Directors and a 100% external ratio of Audit & Supervisory Board members










\*3 Chief Sustainability Officer

\*4 Chief Risk Officer

\*1 Of the five External Board Directors, four are designated as Independent Officers.





\*2 Of the four External Audit & Supervisory Board members, three are designated as Independent Officers.

## Board Directors (As of June 23, 2021)

Position / Name	External Board Director	Independent Officer	Term of office *Less than one year indicated with “-”	Number of shares owned (in thousands) *As of March 31, 2021	Skill matrix							Reasons for appointment and major activities of External Board Directors
					Corporate management	Banking / M&A	Finance / Accounting	Law / Governance	Technology	Academic background	Diversity	
 <b>Masayoshi Son</b> Representative Director, Corporate Officer, Chairman & CEO			39 years	460,161	✓	✓			✓			—
 <b>Yoshimitsu Goto</b> Board Director, Corporate Officer, Senior Vice President, CFO, CISO & CSUSO			2 years	1,078	✓	✓	✓					—
 <b>Ken Miyauchi</b> Board Director			33 years	2,532	✓	✓			✓			—
 <b>Kentaro Kawabe</b> Board Director			—	0.2	✓	✓			✓			—
 <b>Masami Iijima</b> External Board Director, Independent Officer	✓	✓	3 years	1	✓	✓		✓				<b>Activities</b> Makes remarks to support business judgments and decision-making based on his extensive knowledge and broad experience in corporate management and governance, acquired through his career in the management of a trading conglomerate with global business development. Also, as Chairperson of the Nominating & Compensation Committee, leads objective discussions from an independent standpoint and plays an important role in consulting with the Board of Directors.
 <b>Yutaka Matsuo</b> External Board Director, Independent Officer	✓	✓	2 years	—		✓			✓	✓		<b>Activities</b> Makes remarks to support business judgments and decision-making based on his extensive knowledge and broad experience of AI and other technologies as a leading expert in the field, acquired through his engagement in AI research over many years. Also, as a member of the Nominating & Compensation Committee, expresses objective opinions from an independent standpoint and plays an important role in consulting with the Board of Directors.
 <b>Lip-Bu Tan</b> External Board Director, Independent Officer	✓	✓	1 year	—	✓				✓		✓	<b>Activities</b> Makes remarks to support business judgments and decision-making based on his extensive knowledge and broad experience in investment and corporate management, acquired through his career in the management of an international venture capital company specializing in the technology field.
 <b>Keiko Erikawa</b> External Board Director, Independent Officer	✓	✓	—	94	✓				✓		✓	<b>Reasons for appointment</b> Since founding KOEI Co., Ltd. (currently KOEI TECMO GAMES CO., LTD.), Ms. Erikawa has played a vital role in developing and strengthening the business foundation of the Group as a corporate manager and a finance manager, and therefore has extensive knowledge and experience related to corporate management and technology. SoftBank Group Corp. expects that she will use her wealth of knowledge and experience to supervise SoftBank Group Corp. and offer advice and has therefore appointed her as an External Board Director for the further growth of the Group.
 <b>Kenneth A. Siegel</b> External Board Director	✓		—	—		✓		✓			✓	<b>Reasons for appointment</b> After joining Morrison & Foerster LLP in August 1986, Mr. Siegel became Partner of the firm in January 1994 and thereafter Managing Partner of Morrison & Foerster Tokyo Office (Morrison & Foerster Gaikokuho Jimu Bengoshi Jimusho) in August 1996. Having engaged in corporate acquisitions, joint venture deals, and strategic alliances, he has extensive knowledge and experience as a lawyer. Although he does not have management experience, SoftBank Group Corp. expects that he will use his wealth of knowledge and experience to supervise SoftBank Group Corp. and offer advice and has therefore appointed him as an External Board Director for the further growth of the Group.



## Audit & Supervisory Board Members (As of June 23, 2021)

Position / Name		External Audit & Supervisory Board Member	Independent Officer	Term of office *Less than one year indicated with “-”	Number of shares owned (in thousands) *As of March 31, 2021	Skill matrix							Reasons for appointment and major activities of Audit & Supervisory Board Members
						Corporate management	Banking / M&A	Finance / Accounting	Law / Governance	Technology	Academic background	Diversity	
	Full-time External Audit & Supervisory Board member, Independent Officer <b>Maurice Atsushi Toyama</b>	✓	✓	6 years	—		✓	✓					<b>Activities</b> Makes remarks based on his extensive knowledge and experience as a Certified Public Accountant, State of California, U.S.
	Full-time External Audit & Supervisory Board member, Independent Officer <b>Yuji Nakata</b>	✓	✓	—	—		✓		✓				<b>Reasons for appointment</b> Has extensive knowledge and experience related to corporate management and risk management, having served as Representative Executive Officer and a risk management manager at financial institutions. SoftBank Group Corp. appointed him as External Audit & Supervisory Board member with the expectation that he will conduct audits from a fair, objective, and independent standpoint based on his knowledge and experience.
	External Audit & Supervisory Board member <b>Soichiro Uno</b>	✓		17 years	—		✓		✓				<b>Activities</b> Makes remarks based on his extensive knowledge and experience as a lawyer.
	External Audit & Supervisory Board member, Independent Officer <b>Keiichi Otsuka</b>	✓	✓	—	—		✓	✓					<b>Reasons for appointment</b> Has extensive knowledge and experience as a Certified Public Accountant. Although Mr. Otsuka does not have management experience other than as an external officer, SoftBank Group Corp. appointed him as External Audit & Supervisory Board member with the expectation that he will conduct audits from a professional standpoint based on his knowledge and experience, and from a more independent standpoint.

## Committees

As part of its efforts to strengthen corporate governance, SoftBank Group Corp. has established voluntary committees that report to or provide recommendations to the Board of Directors.

Each of the respective committees discusses important issues and promotion policies, thereby building a system that ensures appropriate management decisions without compromising the efficiency of the Board of Directors. The committees include: the Nominating & Compensation Committee, which deliberates and submits its opinions to the Board of Directors regarding policies related to the election, dismissal, evaluation, and compensation of the Board Directors; the Investment Committee, which makes decisions on investments, loans, and borrowings; the Brand Committee, which is responsible for decision-making and management of matters related to the SoftBank brand; the Group Risk and Compliance Committee (GRCC); and the Sustainability Committee.

	Chairperson	Main roles	Number of members & composition
Nominating & Compensation Committee	Masami Iijima External Board Director, Independent Officer	Deliberates on Board Director election and dismissal criteria, candidate proposals, individual remuneration, and policies, etc. related to evaluation and remuneration, and makes recommendations to the Board of Directors	3 members (including 2 External Board Directors)
Investment Committee	—	Decides matters stipulated in the Regulations of the Investment Committee, including investment, loans, and borrowings under a certain amount	4 members
Brand Committee	Yoshimitsu Goto Board Director, Corporate Officer, Senior Vice President, CFO, CISO & CSUSO	Decides matters stipulated in the Regulations of the Brand Committee, including management and licensing of the SoftBank brand	1 Chairperson 4 members (Corporate Officer, Senior Vice President / Head of the Corporate Legal Department / Head of the Corporate Communications Office / Head of the General Administration Department)
Group Risk and Compliance Committee	Tim Mackey Corporate Officer, CLO & GCO	Deliberates on policies, promotion systems, and status of risk management and compliance activities of the Company and the Group companies, and other matters deemed necessary by the committee chairperson or members	1 Chairperson 2 members (Board Director, Corporate Officer, Senior Vice President / Corporate Officer, Senior Vice President)
Sustainability Committee	Yoshimitsu Goto Board Director, Corporate Officer, Senior Vice President, CFO, CISO & CSUSO	Deliberates over important issues, promotion policies and related issues regarding sustainability at the Company and its Group companies	1 Chairperson 3 members (Corporate Officer, Senior Vice President / Corporate Officer, CLO & GCO / Head of the General Administration Department)

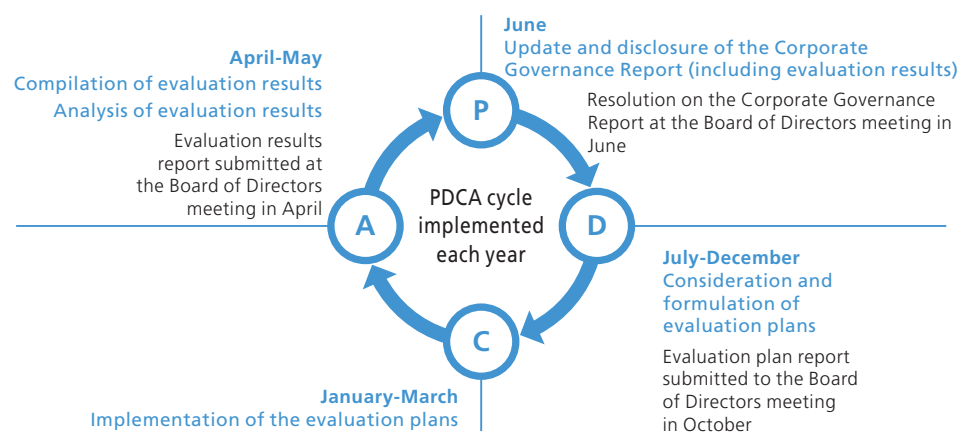
## Evaluation of the Effectiveness of the Board of Directors

SoftBank Group Corp. conducts an evaluation of the effectiveness of the Board of Directors on an annual basis. The latest evaluation was conducted from November 2020 to April 2021. SoftBank Group Corp. had an independent organization conduct a questionnaire and interviews with its Board Directors and all of its Audit & Supervisory Board Members from the perspective of the composition, operation, and support systems of the Board of Directors, and conducted an evaluation of the effectiveness of the Board based on the results of the questionnaire and interviews. The results of the evaluation confirmed the overall effectiveness of the Board of Directors.

At the same time, in the questionnaire and interviews, discussion of management strategy and planning, establishment and supervision of internal control systems, oversight of conflicts of interest, as well as management and oversight of the Group companies and investees, were often cited as important roles for the Board of Directors. In light of such roles of SoftBank Group Corp. as a strategic holding company, it was recognized that there is a need to further enhance reporting on the status of the Group as a whole and to discuss oversight to prevent conflicts of interest. In addition, it was pointed out that there is a need to improve Board of Directors' meeting materials, including the depth of information necessary for considering and discussing the agenda and the timing of their provision, as well as a need to ensure the effectiveness of oversight related to the nomination and compensation of Board Directors and senior management within the Nominating & Compensation Committee.

The results of the evaluation were reported at the Board of Directors meeting held in April 2021, and the Board has confirmed that it will make improvements with regard to the indicated issues.

### Schedule for evaluation of Board of Directors



## Approach and Policies on Group Management

SoftBank Group Corp. is working to increase NAV (Net Asset Value) while building a corporate group that engages in a wide range of businesses in the information and technology sectors through direct investments,\*<sup>1</sup> including those in Group companies, and investments in investment funds.\*<sup>2</sup> In this process, each portfolio company will seek self-sustained growth, while the Company, as a strategic investment holding company, will support each portfolio company in its increase of corporate value by promoting collaboration among the portfolio companies by leveraging the Group network.

Furthermore, SoftBank Group Corp. will confirm, or make reasonable efforts to ensure, that each portfolio company operates under standards of environmental, social, and corporate governance that are substantially equivalent to the standards set forth in the "Portfolio Company Governance and Investment Guidelines Policy."

\*<sup>1</sup> Including investments made through subsidiaries.

\*<sup>2</sup> SVF1, SVF2, etc.

## Portfolio Company Governance and Investment Guidelines Policy

In January 2020, SoftBank Group Corp. implemented Portfolio Company Governance and Investment Guidelines Policy to clarify the standards related to the corporate governance of portfolio companies that should be considered when the Company and its subsidiaries\*<sup>3</sup> consider an investment. This policy covers a wide range of important corporate governance issues such as a portfolio company's board composition, founder and management rights, rights of shareholders (including matters on super-voting shares), and mitigation of potential conflicts of interest. The policy sets forth general principles and allows for each investing entity to exercise discretion with certain limitations. Each investing entity is required to monitor the corporate governance of each portfolio company and report to the Company periodic basis. Annual assessments of compliance with this policy were reported to SoftBank Group Corp.'s Board of Directors in January 2021. Moreover, in May 2021, SoftBank Group Corp. revised this policy to go beyond corporate governance to include environmental and social items with respect to a series of processes from investment screening through post-investment monitoring to annual assessment. With regard to the environmental and social items, we continue to examine ways of establishing best practices at the Company to ensure greater returns without sacrificing the speed of investment decision-making.

\*<sup>3</sup> Includes SVF1, SVF2, and investment subsidiaries managed by subsidiaries of SoftBank Group Corp., but excluding listed companies and subsidiaries that SoftBank Group is restricted from controlling for regulatory reasons.

# Compliance

The SoftBank Group believes that it is essential that we conduct our business according to the highest ethical standards, not just in compliance with the law. All of our business activities are based on a relationship of trust with society, and any act that violates this trust could threaten the Company's business activities. Based on this idea, we place great importance on being an organization where each and every employee has a high regard for ethics in their daily work and the ability to always act with integrity.

## SoftBank Group Code of Conduct



As a strategic holding company, SoftBank Group Corp. established the "SoftBank Group Code of Conduct" to further reinforce the entire Group's ethics and compliance structure. The SoftBank Group Code of Conduct applies to everyone at the SoftBank Group - the Group's directors, officers and employees in every country, region, business unit and department. SoftBank Group Code of Conduct clearly describes our five commitments, namely, our commitments to integrity and respect; being customer driven; transparency and robustness; diversity, inclusiveness and an engaging environment; and fair business practices. It also stipulates action statements, which provide direction in conducting business ethically, regarding the five commitments.

[See our corporate website for further details.](#)

### Ethical Standards of the SoftBank Group

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We Commit to  
Integrity and  
Respect

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We Commit to  
Being Customer  
Driven

守

We Commit to  
Transparency and  
Robustness

尊

We Commit to Diversity,  
Inclusiveness and an  
Engaging Environment

正

We Commit to  
Fair Business

## Supplier Code of Conduct

The SoftBank Group is expanding its business in a wide range of areas and sectors across the globe in order to become the most needed corporate group in the world, and in furtherance of this goal it has built a diverse supply chain both in Japan and overseas. The SoftBank Group believes that it is essential for our supply chains not only to comply with laws, but also to conduct business based on high ethical standards. Accordingly, SoftBank Group Corp. formulated the "Supplier Code of Conduct" in May 2021, which defines the items that we expect of our suppliers, and requires them to work in accordance with the ethical standards set forth in the Supplier Code of Conduct, together with their suppliers. Going forward, the SoftBank Group will continue to contribute to sustainable development and the resolution of environmental and social challenges.

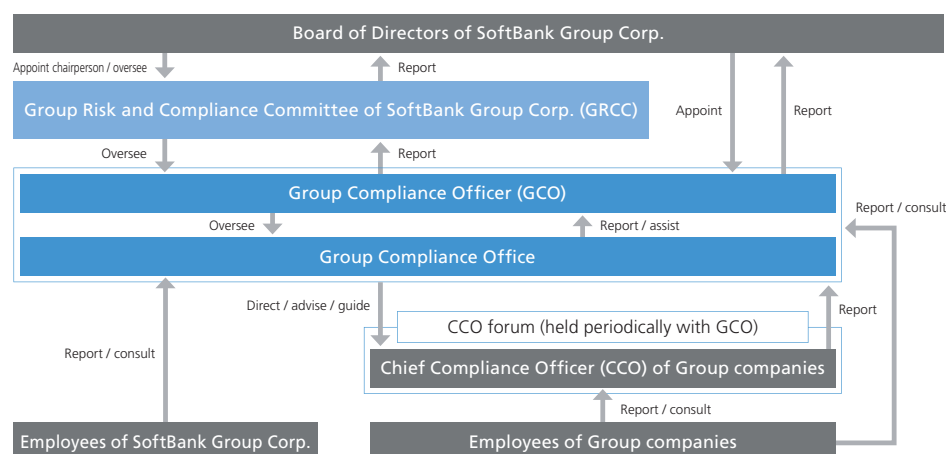
[See our corporate website for the full text of our Supplier Code of Conduct.](#)

## Group Compliance Structure

In order to concentrate authority over compliance and address issues quickly, SoftBank Group Corp. designated the Group Compliance Officer (GCO) as the officer responsible for compliance across the entire Group, and appointed Tim Mackey, who serves as Corporate Officer, CLO, and Head of Legal Unit. Each Group company has also appointed a Chief Compliance Officer (CCO) who is responsible for compliance.

The GCO and the CCOs of each Group company are responsible for planning and executing the necessary initiatives for the establishment and strengthening of the compliance structure to engage in corporate activities that adhere to high social ethics, in cooperation with compliance chiefs who undertake monitoring and education of each department in day-to-day operations. In addition, through sharing information on a regular basis at the CCO meeting, the GCO and CCOs work to identify and resolve compliance-related issues while promoting initiatives to raise compliance awareness throughout the Group.

### Group compliance structure



## Ethics & Compliance Helpline (Internal Reporting System)

The SoftBank Group believes that it is extremely important to create an environment in which employees feel safe to report/consult problems and concerns. This plays a vital role in maintaining an ethical workplace. The SoftBank Group leaders are responsible for creating such an environment where people can report/consult problems and concerns easily.

All of the SoftBank Group directors, officers and employees have access to multiple channels to report/consult problems and concerns. In addition to helplines at each Group company, the SoftBank Group Ethics Helpline has been established by SoftBank Group Corp. as a secondary channel for all Group companies' directors, officers and employees to report/consult problems. Any director, officer or employee who may be uncomfortable using their company's helpline may report/consult their concerns to the SoftBank Group Ethics Helpline, especially for those situations that may have a serious adverse effect on the entire Group. The Ethics Helpline accepts anonymous reporting and has multilingual support. Through this helpline, directors, officers and employees can report/consult on compliance issues and concerns that happened at the workplace, such as financial and accounting fraud, human rights infringement and harassment, all forms of corruption (misappropriation, bribery, etc.), conflicts of interest, and insider trading.

The SoftBank Group conducts timely and appropriate investigations of whistleblowing cases, verifies the facts, and takes corrective and relief measures as necessary. The SoftBank Group also takes appropriate actions on those disclosure cases and reports. We have no tolerance for any form of retaliation against those who raise genuine concerns, participate in an investigation, or against those who refuse to participate in misconduct.



This Ethics Helpline is available not only to the SoftBank Group directors, officers and employees, but also to people outside the group. In the event the SoftBank Group or its directors, officers or employees discover acts that violate laws or ethics or that might lead to such violations, please use the following link to report/consult a case.

[Click here to report/consult with the Ethics & Compliance Helpline.](#)



## Educational/Awareness Programs

The SoftBank Group conducts training and awareness-raising activities to ensure that directors, officers and employees recognize high-risk compliance areas and have the information they need to make the right choices. In addition, based on the results of risk assessments, we provide training to directors, officers and employees regarding risk areas such as insider trading and conflicts of interest.

SoftBank Group Corp. conducts annual training based on the SoftBank Group Code of Conduct for its officers and employees to deepen their understanding and ensure thorough compliance with the Code of Conduct. Furthermore, we have introduced a global training system and provide training based on the Code of Conduct and focus on certain high-risk areas for the Group companies in Japan and overseas.

As one example of our compliance awareness-raising activities, SoftBank Group Corp. holds a Compliance Awareness Month annually for directors, officers and employees of the Company and those at its major subsidiaries in Japan and overseas. During Compliance Awareness Month, we conduct a variety of initiatives to enhance compliance awareness, including an employee survey that measures compliance awareness, the distribution of weekly quizzes, and compliance-related training. Moreover, we periodically deliver animated videos featuring everyday compliance issues to enable our directors, officers and employees to learn about ethical behaviors. In addition, the management and GCO deliver messages to employees regarding compliance based on the results of the employee survey.

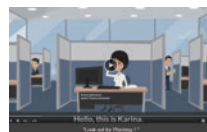
### Compliance-related training and awareness-raising activities conducted in fiscal 2020 (SoftBank Group Corp.)

- Training on the SoftBank Group Code of Conduct
- Training on insider trading
- Training on conflicts of interest
- Delivering animated videos of alerts regarding information leaks
- Delivering animated videos of alerts regarding the handling of personal information
- Delivering animated videos that give reminders on taking annual leave
- Compliance Awareness Month

Compliance Starts  
with YOU!



FY2020  
compliance slogan



Compliance awareness  
animation video

## Group Policies

SoftBank Group Corp. has established minimum requirements referred to as “The SoftBank Group Policies,” which each Group company must comply with in high-risk compliance areas. The SoftBank Group Policies cover the areas of anti-corruption, competition law, conflicts of interest, management of investment conflicts, governance of portfolio companies, insider trading, economic sanctions, risk management, information security, privacy, brand management, human rights, and the environment.

## Anti-corruption Initiatives

Under the supervision of the Board of Directors, the SoftBank Group promises in its “Anti-corruption Policy” to conduct business ethically, to be intolerant of any form of bribery and corruption, and to comply with all applicable laws prohibiting bribery and corruption (hereinafter “laws and regulations related to anti-corruption”). Also, we ensure that all Group employees fully acknowledge and observe the Anticorruption Policy to prevent corruption in any form which would constitute an ethics and compliance violation by the Group. Furthermore, we ask for the cooperation of our suppliers to prevent corruption through our Supplier Code of Conduct.

Each group company sets internal rules and procedures to efficiently reflect the Anti-corruption Policy into the business process, considering laws and regulations related to anti-corruption. When SoftBank Group Corp. conducts transactions with a third party, we confirm in advance whether there are any conflicts of interest with the business partner in addition to preventing corruption, and whether the business partner does not fall under a party subject to economic sanctions or anti-social forces.

When SoftBank Group Corp. or its subsidiaries make a new direct investment, we also seek to understand the risks related to compliance and internal controls. In the investment decision-making process, due diligence is conducted not only on the business of the investees but also on the status of legal compliance.

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

# Risk Management

Risk management, which protects the interests of stakeholders and ensures business continuity, is essential to a company. There are a wide variety of risks to be managed by the SoftBank Group, which operates its business globally under the corporate philosophy of “Information Revolution — Happiness for everyone.” In order to deal with these risks, we analyze the risk information we collect and work to build a system to prevent identified material risks and minimize losses.

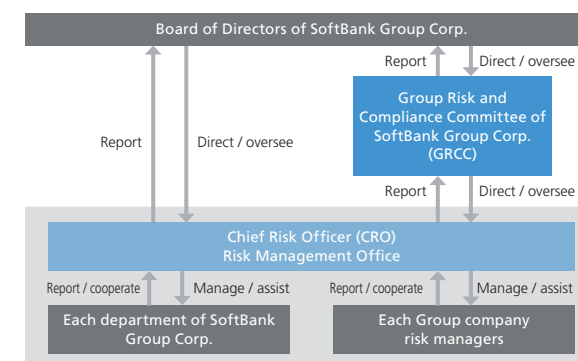
## Risk Management System

In November 2020, SoftBank Group Corp. appointed the Chief Risk Officer (CRO) and established the Risk Management Office to strengthen our risk management system. Supervised by the CRO, the Risk Management Office spearheads Group-wide risk management activities.

We have developed the “Risk Management Policy” and it is applied to all directors, officers and employees in order to enhance risk management on a Group-wide basis. The Policy encourages active participation and secures the effectiveness of risk management by sharing the objectives of risk management across the Group and defining the roles of directors, officers and employees and persons in charge of risk management. Under the Policy, each department at SoftBank Group Corp. is making every effort to reduce and prevent risks arising from its operation based on Risk Management Regulations. Also, each Group company appoints risk managers and takes the initiative autonomously to reduce and prevent risks in its business activities in accordance with the Group company Management Regulations, which stipulate matters to be reported to SoftBank Group Corp. These policies and regulations are reviewed periodically and approved by resolutions of SoftBank Group Corp.’s Board of Directors, among others.

In addition, when an incident occurs that may have a material impact on the Group’s execution of business activities or reputation, an immediate report to the Risk Management Office is required in accordance with our policies and regulations. Depending on the situation, the Risk Management Office collaborates with SoftBank Group Corp.’s departments and Group companies to ensure that appropriate measures are taken.

### Group risk management system



## Group Risk and Compliance Committee (GRCC)

SoftBank Group Corp. set up the Group Risk and Compliance Committee (GRCC) to oversee risk management and compliance programs across the Group. The GRCC, which consists of the Company’s Board Directors and Corporate Officers, works to enhance the risk management system on a Group-wide level by discussing policies on risk management activities and countermeasures for material risks on a quarterly basis with related risk management parties. The details of the discussions are reported to and overseen by the Board of Directors, pursuant to the Board of Directors Regulations.

The GRCC for fiscal 2020 were held in April, June, and October 2020, and January 2021. In addition to reporting on activities related to risk management and compliance promotion, deliberations were held on the status of governance at portfolio companies, the strengthening of information security, ESG-related responses, insider information management and other matters aimed at the sustainable growth of the entire Group.

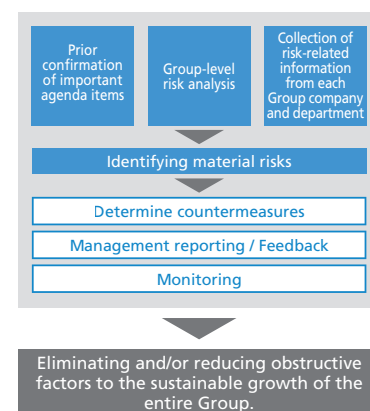
## Risk Management Initiatives

The Risk Management Office of SoftBank Group Corp. works to strengthen risk management activities by identifying and responding to risks, with the aim of eliminating and/or reducing factors that obstruct the sustainable growth of the entire Group.

### Identifying Risks

The Risk Management Office is pursuing the following initiatives in order to gain a comprehensive understanding of the various risks the Group is facing.

#### Our risk management process



#### Prior confirmation of important agenda items

The Risk Management Office reviews important agenda items and proposals to be resolved by SoftBank Group Corp.'s Board of Directors and other decision-making bodies. By ensuring that risk-related information is properly reflected in agenda items, the Risk Management Office provides the information necessary for decision-making.

#### Group-level risk analysis

We recognize that maintaining a sound financial base is one of the management challenges for SoftBank Group Corp. Accordingly, the Risk Management Office conducts stress tests to analyze how a potentially significant future deterioration in economic and financial conditions might adversely affect our key management indicators. For portfolio companies in which we make intensive investments, the Risk Management Office also strives to understand the material risk factors that these companies are facing.

#### Collection of risk-related information from each Group company and department

The Risk Management Office regularly collects information on risks, including non-financial risks, identified by Group companies and SoftBank Group Corp.'s departments, and receives incident reports when risks materialize.

### Responding to Risks

Based on information collected by the procedures above, the Risk Management Office identifies material risks at the Group level by analyzing and evaluating the impact and likelihood of the risks. Material risks are reported to and discussed by the GRCC and the Board of Directors. Based on the results of those discussions, the Risk Management Office considers countermeasures and monitors the status to confirm the effectiveness of those countermeasures.

## Responses to Risks Surrounding the Company

### Financial Risks

SoftBank Group Corp. mainly makes equity investments in high-tech companies through SoftBank Vision Fund 1 and 2, SB Northstar LP, and SoftBank Latin America Fund. At the same time, in order to maintain a sound balance between assets and liabilities, we strive to adhere to the financial policy that utilizes indicators such as loan-to-value (LTV).<sup>\*1</sup> However, the Company's financial base may be threatened in the event of a large-scale financial crisis, such as the global financial recession triggered by the subprime mortgage crisis, or a sudden deterioration in the business of large portfolio companies. To this end, we conduct stress tests based on assumptions of past large-scale market fluctuations, and identify concentration risks at large portfolio companies for use in discussions aimed at enhancing our crisis management.

<sup>\*1</sup> An index calculated as net debt divided by the equity value of holdings of the SoftBank Group Corp.

### Non-financial Risks

With regard to non-financial risks, we focus on understanding the risks that may be factors in obstructing the sustainable growth of the entire Group and the status of responses to these risks. This is done through regular collaboration with each department of SoftBank Group Corp. and major Group companies. We hold discussions with related parties on a variety of risks, including ESG responses such as climate change and human rights, as well as conflicts of interest, reputation, and information security. We assess the materiality of each risk and consider countermeasures from the perspective of the entire Group.

Major risks	Response status
Deterioration of financial base	Stress test analysis, monitoring major risks of large portfolio companies.
Country risks	Concentration analysis by country/region, ascertaining regulatory trends, etc.
Unforeseen situations befalling our representatives	Formulation of contingency plans, including action guidelines and proactive measures.
Delay in ESG responses	Discussions on important ESG issues led by the Sustainability Committee, and reflecting them in various policies and measures.
Information security risks	Appointment of a Chief Information Security Officer, education and training sessions for officers and employees, and strengthening of the monitoring system using AI.

# Information Security

While the use of digital technology is expanding in all fields, convenience and efficiency in our daily lives and business are increasing. At the same time, new risks are emerging as threats including cyberattacks are becoming more sophisticated and complex. As a leader in the Information Revolution, the SoftBank Group will establish and maintain strong information security within the Group during the development of a wide range of businesses. The Group will identify and manage information risks surrounding the Group and take appropriate measures.

## Principles for Information Security

The SoftBank Group Corp. establishes the “Information Security Policy” and the “Privacy Policy” as its principles on information security. To ensure information security for the entire Group, both policies require compliance not only by directors, officers and employees of SoftBank Group Corp. and its Group companies, but also by third parties who conduct business on behalf of the Company, such as suppliers and contractors.

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

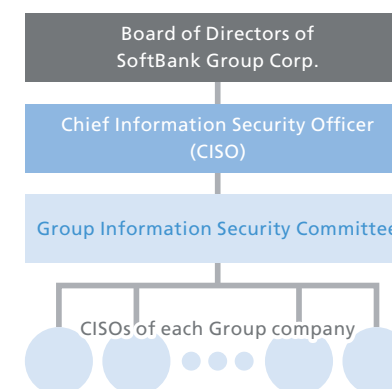
[See our corporate website for the full text of our Privacy Policy.](#)

## Information Security Governance Structure

The SoftBank Group Corp. has appointed Yoshimitsu Goto, Board Director, Corporate Officer, Senior Vice President of SoftBank Group Corp., as Chief Information Security Officer (CISO). We promote and enhance information security governance of the entire Group, through the operation of the Group Information Security Committee, which consists of the CISOs of each Group company.

We have established and are implementing a risk management process to identify and manage risks related to information security. For material risks, we examine policies based on analyses of the causes and effects, and encourage Group companies to implement risk countermeasures. To identify potential risks at an early stage and prevent them from materializing, we collect information on threats and vulnerabilities that could lead to the infringement of information assets. We share this information with Group companies, and monitor the implementation of risk countermeasures at each Group company, so that we can prevent the occurrence of incidents and minimize their impact. Furthermore, when a major information security incident occurs, the department in charge responds to and recovers the situation quickly and appropriately under the CISO's supervision. At the same time, we analyze the causes of incidents, identify future issues, and reflect them in the information security strategy of SoftBank Group Corp. and the entire Group, in order to prevent a recurrence. We also use such information to improve the contents of security education for officers and employees.

### Information security governance structure



## Information Security Measures

SoftBank Group Corp. and its Group companies are working on information security measures from four perspectives in order to address the risks surrounding the Group. The Group protects its important information assets by implementing measures from the following perspectives: Organizational Measures to ensure appropriate control throughout the organization; Physical Measures to prevent the physical destruction or unauthorized removal of information assets; Technical



Measures to prevent threats such as cyberattacks, and internal fraud; and Personnel Measures to improve awareness and capabilities on information security of directors, officers and employees, and outsourced workers.

### ➤ Organizational Measures

We maintain a management system to implement and strengthen information security management, and formulate an information security plan on an annual basis. The plan is formulated in consideration of the consistency with our vision and technological progress, relevant laws and regulations, and risk assessment for the entire Group including SoftBank Group Corp.

### ➤ Physical Measures

We have set up security areas and implemented access control using IC cards and facial recognition, in order to prevent unauthorized intrusion into our offices and physical destruction and unauthorized removal of information assets. For information handled in the course of business, we have introduced security printers that require IC card authentication for printing, and adopted a clean desk policy to prevent documents and information media from being left unattended on desks, thereby preventing information leaks to third parties. Furthermore, in addition to responding to misconduct, we are taking measures such as data backup to remote locations to protect information assets, due to the need for management of the business continuity to improve the resilience to disasters.

### ➤ Technical Measures

The SoftBank Group Corp. has implemented technical measures to prepare for threats such as cyberattacks and internal misconduct. In order to respond to the current trends, such as the use of cloud computing and work-style reforms, we have adopted “Zero Trust” type networks that only permit connections when trust can be established, rather than the conventional perimeter-type security measures that isolate internal and external networks. This helps to realize and ensure robust security independent of the work environment. In addition to threat analysis by a third-party organization and 24/7 security monitoring by the Security Operation Center, regular penetration tests are conducted to analyze and strengthen system vulnerabilities. Furthermore, as a measure to prevent internal misconduct, we conduct behavioral analysis using operation records of information systems for officers, employees, and outsourced workers to detect high-risk behavior and take countermeasures.

Information security measures



### ➤ Personnel Measures

Some information security risks are difficult to be mitigated through physical and technical measures. In order to minimize such risks, we continuously educate our officers, employees, and outsourced workers to improve their awareness and capabilities regarding information security. For security education for our officers and employees, we have prepared an e-learning environment which allows them to take courses without being restricted by location or time. In addition to the regular implementation of this e-learning, we have established a security portal website on our internal information website to present related regulations and guidelines, and to inform employees of the consultation desk in case of accidents. This security training is also shared with Group companies to improve awareness and capabilities across the entire Group, and we require our officers and employees, as well as outsourcing companies, to thoroughly comply with relevant laws and regulations and confidentiality.

### Strengths of the SoftBank Group's Information Systems and Security

#### Cooperation with portfolio companies and Group companies

One of the strengths of the SoftBank Group is that it has a wide variety of Group companies and portfolio companies that operate globally. By regularly sharing information on security threats and countermeasures with each company, we not only keep abreast of the latest information of security measures at all times, but also quickly introduce advanced services and systems developed by each company to maintain a secure work environment.

#### Human capital development





In addition to training white hackers\*<sup>1</sup> to respond to cyberattacks, SoftBank Corp. has organized the Computer Security Incident Response Team (SoftBank CSIRT), which consists of about 250 internal staff members and responds to service security incidents such as information leaks and service outages caused by cyberattacks. The SoftBank CSIRT prevents security incidents before they occur and minimizes damage through prompt incident response.

\*<sup>1</sup> Engineers who use their in-depth knowledge of computers and networks as well as advanced technologies to contribute to society.

## Major External ESG Evaluations / Corporate Data

## Major External ESG Evaluations (As of August 31, 2021)

## Selection for ESG Indices

Indices		Company names (corporate status omitted)
	Dow Jones Sustainability World Index (DJSI World) Dow Jones Sustainability Asia Pacific Index (DJSI Asia Pacific)	Z Holdings
 	FTSE4Good Index Series* <sup>1</sup> FTSE Blossom Japan Index* <sup>1</sup>	SoftBank Group SoftBank Z Holdings
	MSCI Japan Empowering Women Index (WIN)* <sup>2</sup>	SoftBank Group Z Holdings
	MSCI Japan ESG Select Leaders Index* <sup>3</sup>	SoftBank Z Holdings

## Major Evaluations and Certifications (corporate status omitted)

## CDP

## SoftBank Group / SoftBank

Received an "A-" score in the climate change category from CDP, an international non-profit environmental organization.



## Health &amp; Productivity Management Outstanding Organizations Recognition Program (White 500)

## SoftBank / Z Holdings

Certified as a Health & Productivity Management Outstanding Organization in the large enterprise category (White 500).



## Science Based Targets (SBT)

## SoftBank

The targets set forth in the "Declaration of Carbon-neutral 2030" approved as "Science Based Targets (SBT)," as they are based on scientific evidence.



## Eruboshi

## SoftBank

Certified as an "Eruboshi" (certification level 2) as a company with outstanding initiatives to promote the active participation of women.



## EcoVadis

## SoftBank

Granted a "Silver" rating in a survey conducted by EcoVadis, a French evaluation organization specializing in sustainability assessment of supply chains.

## Kurumin / Platinum Kurumin

## SoftBank Group / SoftBank

SoftBank Group Corp. granted "Kurumin" certification, and SoftBank Corp. granted "Platinum Kurumin" certification, respectively, as excellent childcare support companies.



See the official website of each company for further details.  SoftBank Group Corp.  SoftBank Corp.  Z Holdings Corporation

## Corporate Data (As of March 31, 2021)

Corporate name	SoftBank Group Corp.
Corporate website	<a href="https://group.softbank/en/">https://group.softbank/en/</a>
Established	September 3, 1981
Corporate headquarters	1-7-1, Kaigan, Minato-Ku, Tokyo 105-7537, Japan
Telephone number	+81-3-6889-2000
Representatives	Masayoshi Son, Representative Director, Corporate Officer, Chairman & CEO
Common stock	238,772 million yen
Subsidiaries	1,408
Associates	535
Joint ventures	34
Number of employees	241 (consolidated basis: 58,786)
Main business	Pure holding company
Independent auditor	Deloitte Touche Tohmatsu

\*1 FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that SoftBank Group Corp., SoftBank Corp., and Z Holdings Corporation has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.

\*2 THE INCLUSION OF SoftBank Group Corp. and Z Holdings Corporation IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF SoftBank Group Corp. and Z Holdings Corporation BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

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#### Inquiries

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