

Corporate Governance

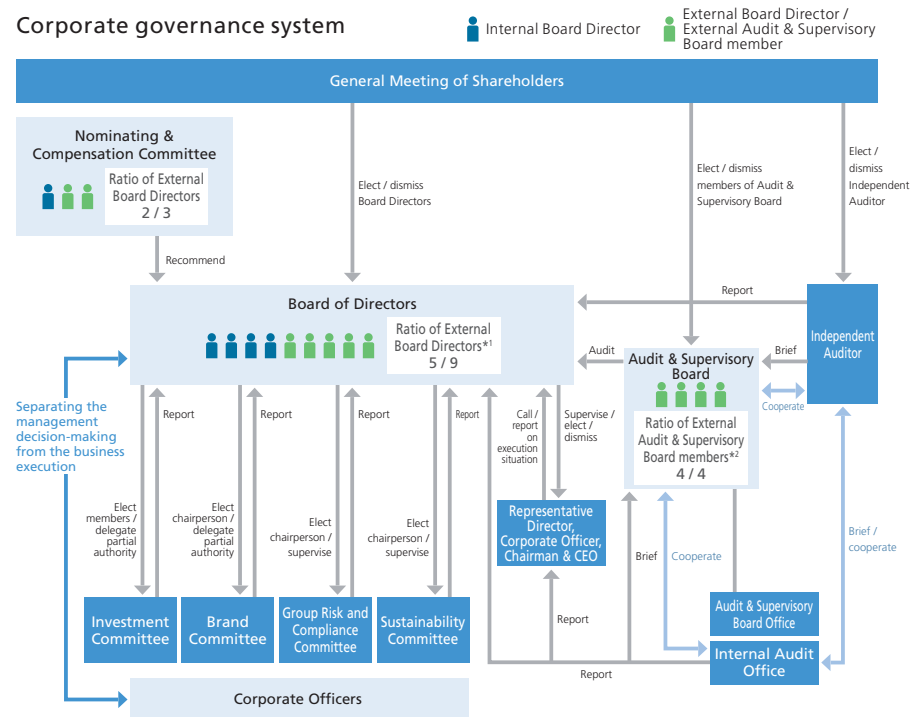
We are actively enhancing and strengthening our corporate governance and working continuously to improve its effectiveness. In fiscal 2020, SoftBank Group Corp. newly established a Nominating & Compensation Committee and diversified its Board of Directors' membership by appointing a female Board Director. 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 | |
|  Representative Director, Corporate Officer, Chairman & CEO Masayoshi Son | | | 39 years | 460,161 | ✓ | ✓ | | | ✓ | | | — |
|  Board Director, Corporate Officer, Senior Vice President, CFO, CISO & CSuO Yoshimitsu Goto | | | 2 years | 1,078 | ✓ | ✓ | ✓ | | | | | — |
|  Board Director Ken Miyauchi | | | 33 years | 2,532 | ✓ | ✓ | | | ✓ | | | — |
|  Board Director Kentaro Kawabe | | | — | 0.2 | ✓ | ✓ | | | ✓ | | | — |
|  External Board Director, Independent Officer Masami Iijima | ✓ | ✓ | 3 years | 1 | ✓ | ✓ | | ✓ | | | | Activities 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. |
|  External Board Director, Independent Officer Yutaka Matsuo | ✓ | ✓ | 2 years | — | | ✓ | | | ✓ | ✓ | | Activities 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. |
|  External Board Director, Independent Officer Lip-Bu Tan | ✓ | ✓ | 1 year | — | ✓ | | | | ✓ | | ✓ | Activities 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. |
|  External Board Director, Independent Officer Keiko Erikawa | ✓ | ✓ | — | 94 | ✓ | | | | ✓ | | ✓ | Reasons for appointment 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. |
|  External Board Director Kenneth A. Siegel | ✓ | | — | — | | ✓ | | ✓ | | | ✓ | Reasons for appointment 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 <small>*Less than one year indicated with "-"</small> | Number of shares owned (in thousands) <small>*As of March 31, 2021</small> | 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 | |
|  Maurice Atsushi Toyama Full-time External Audit & Supervisory Board member, Independent Officer | ✓ | ✓ | 6 years | — | ✓ | ✓ | | | | | | Activities Makes remarks based on his extensive knowledge and experience as a Certified Public Accountant, State of California, U.S. |
|  Yuji Nakata Full-time External Audit & Supervisory Board member, Independent Officer | ✓ | ✓ | — | — | ✓ | | ✓ | | | | | Reasons for appointment 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. |
|  Soichiro Uno External Audit & Supervisory Board member | ✓ | | 17 years | — | ✓ | | ✓ | | | | | Activities Makes remarks based on his extensive knowledge and experience as a lawyer. |
|  Keiichi Otsuka External Audit & Supervisory Board member, Independent Officer | ✓ | ✓ | — | — | ✓ | ✓ | | | | | | Reasons for appointment 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) |

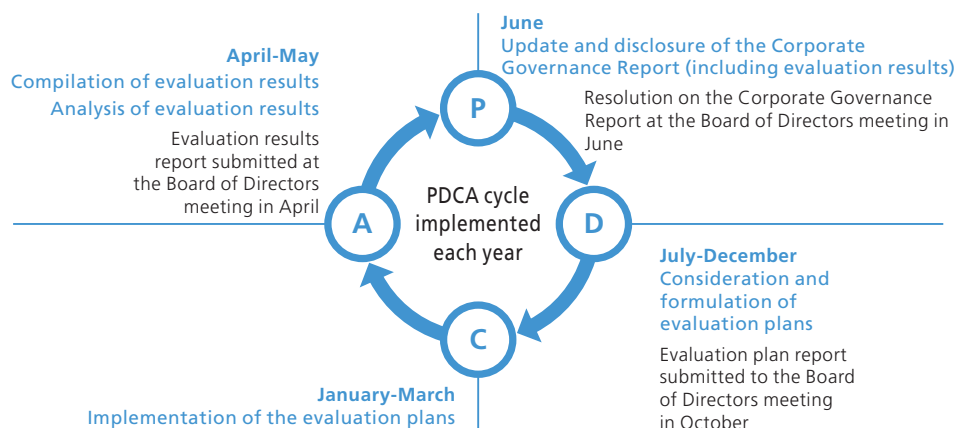
Evaluation of the Effectiveness of the Board of Directors

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,*¹ including those in Group companies, and investments in investment funds.*² 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."

*¹ Including investments made through subsidiaries.

*² 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*³ 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.

*³ 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

信

We Commit to Being Customer Driven

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We Commit to Transparency and Robustness

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We Commit to Diversity, Inclusiveness and an Engaging Environment

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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.

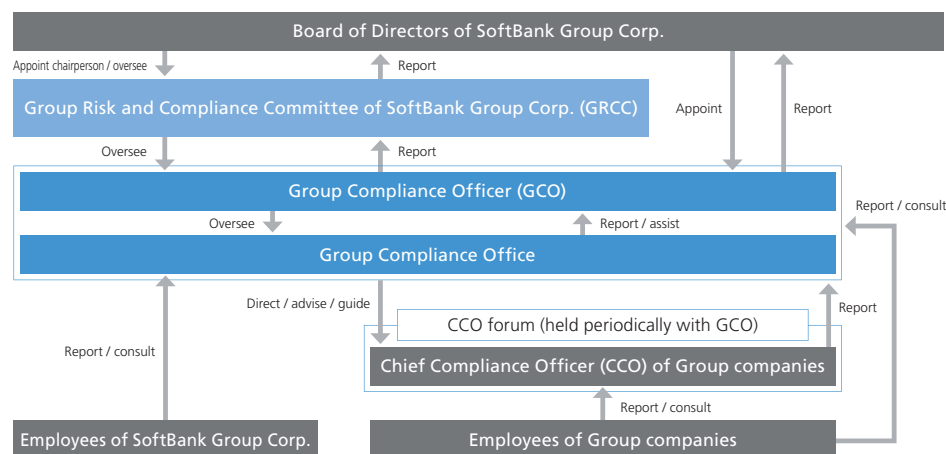
[See our corporate website for the full text of our Supplier Code of Conduct.](#)

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.

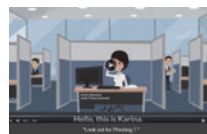
Compliance-related training and awareness-raising activities conducted in fiscal 2020 (SoftBank Group Corp.)

- 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.

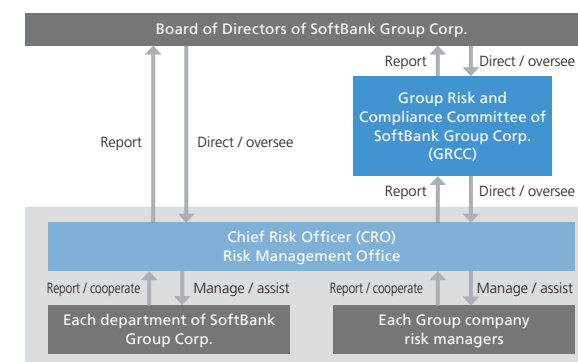
Risk Management System

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.

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.

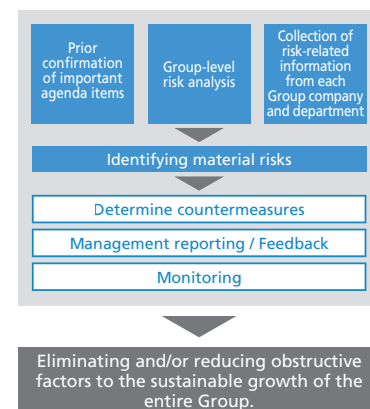
Collection of risk-related information from each Group company and department

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 consider countermeasures and monitors the status to confirm the effectiveness of those countermeasures.

Our risk management process



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).^{*1} 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.

*1 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.](#)

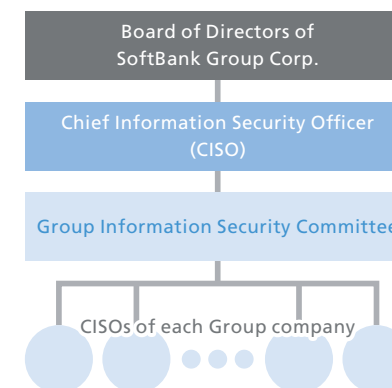
[See our corporate website for the full text of our Privacy Policy.](#)

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*¹ 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.

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

Disclaimers

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

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

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