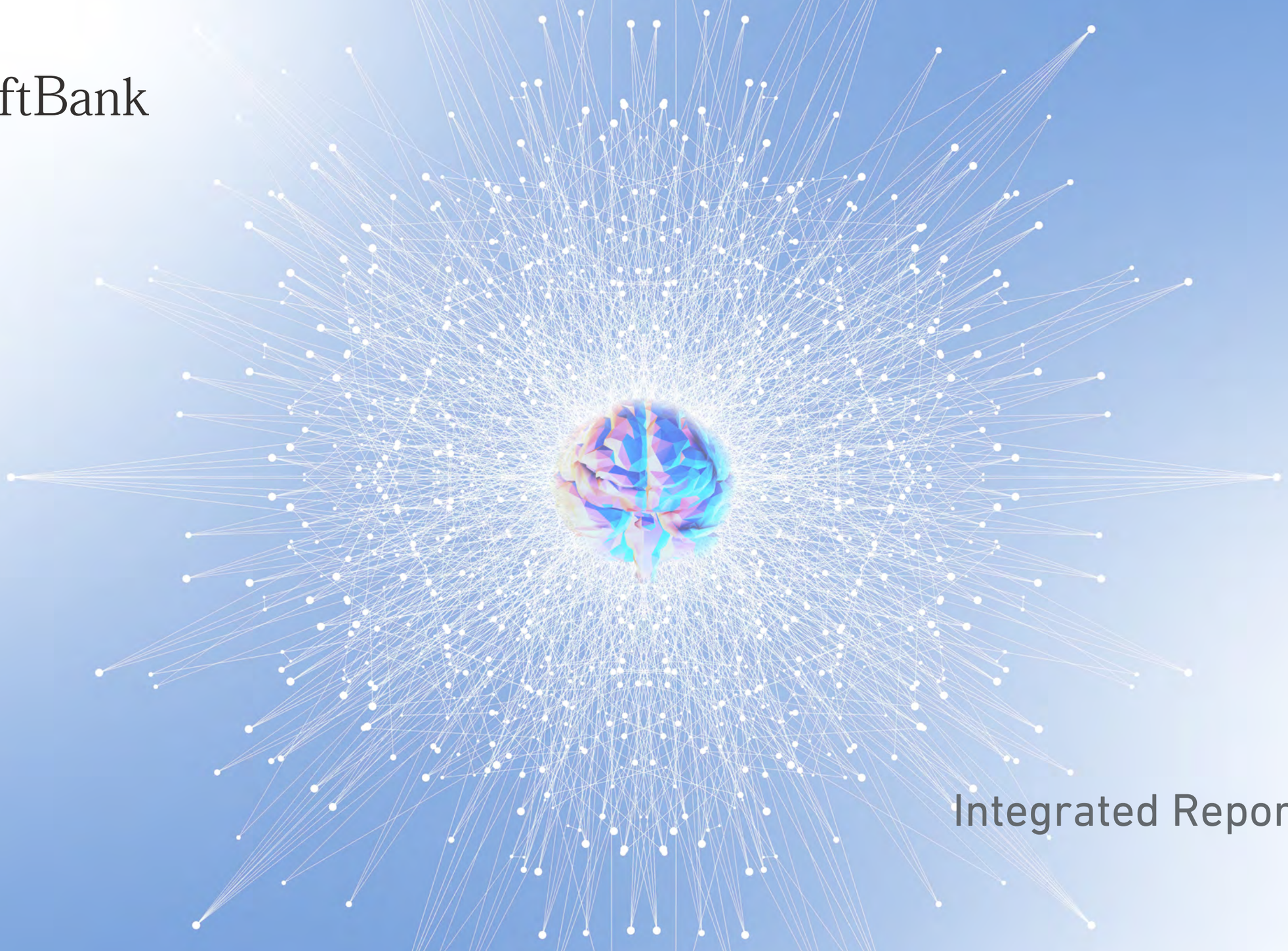
SoftBank



Integrated Report 2026

SoftBank Corp. Integrated Report 2026

Editorial Policy

This integrated report has been prepared with reference to the International Integrated Reporting Framework advocated by the IFRS Foundation, as well as the Guidance for Collaborative Value Creation. Accordingly, we have sought to optimize the report's effectiveness as a communication tool by organizing financial and non-financial information to illustrate how our diverse initiatives are part of a cohesive, strategic vision. SoftBank will continue enhancing the contents of its integrated reports going forward with the aim of furthering understanding of the Company among its shareholders and investors and a wide range of other stakeholders.

▪ Report period

From April 1, 2025 to March 31, 2026

(Note) Certain information concerning matters before and after this period has also been included.

▪ Report scope

SoftBank Corp. and its subsidiaries and associates

▪ Monetary and percentage amounts in this report

In this integrated report, monetary amounts less than the stated units have been rounded, and percentage amounts less than a unit of the stated digits have been rounded.

▪ Cautionary statement with respect to forward-looking statements

Statements concerning such matters as current plans, forecasts, and strategies in this integrated report include forward-looking statements that reflect the assessments made by the Company in light of the information available to it when preparing the report. Please be aware that various factors could cause the Company's actual business results to differ significantly from forecasted business results. Risks and uncertainties that could affect actual business results include the economic conditions surrounding the Company's business environment competition in markets, foreign exchange rates, taxes, and various systems.

▪ Company name or abbreviation in this report

Company name or abbreviation	Meaning
SoftBank, the Company	SoftBank Corp. (standalone basis)
The Group	SoftBank Corp. and its subsidiaries
SoftBank Group Corp.	SoftBank Group Corp. (standalone basis)
SoftBank Group	SoftBank Group Corp. and its subsidiaries
LY	LY Corporation (standalone basis)
LY Group	LY Corporation and its subsidiaries
PayPay	PayPay Corporation
SB Intuitions	SB Intuitions Corp.
Cubic[3]	Cubic Telecom Ltd.

▪ How to use navigation buttons, etc.

Each page includes navigation buttons for easy movement between pages.



▶ LINK ····· LINK Click to open a webpage outside this PDF

P00 ····· Clicking on a page number takes you to the relevant page within the report

Positioning of Our Reports and Disclosures

Business Strategy/ Financial Information



Integrated Report ▶ LINK

Provides comprehensive information on our vision, medium- to long-term growth strategies, value creation process, and material issues, as well as financial and non-financial information. (Updated annually)

Our Websites

Investor Relations ▶ LINK

Primarily provides financial information aimed at our shareholders and investors.

- Management policy and strategy (Medium-term Management Plan)
- Earnings results briefing
- Business briefing / ESG briefing session
- Briefing for individual investors

Audited Consolidated Financial Statements ▶ LINK

General Meeting of Shareholders ▶ LINK

- Notice of General Meeting of Shareholders
- Business strategy briefing materials

Newsletter to Shareholders ▶ LINK
(only in Japanese)

Non-financial Information/ ESG Information

Our Websites

Sustainability ▶ LINK

Provides information on our sustainability initiatives. (Updated as necessary)

- Sustainability approach
- Material issues
- Major ESG initiatives
- ESG related information
- External evaluations and initiatives

Corporate Governance ▶ LINK

- System
- Corporate governance report

ESG Data Book (Updated annually) ▶ LINK

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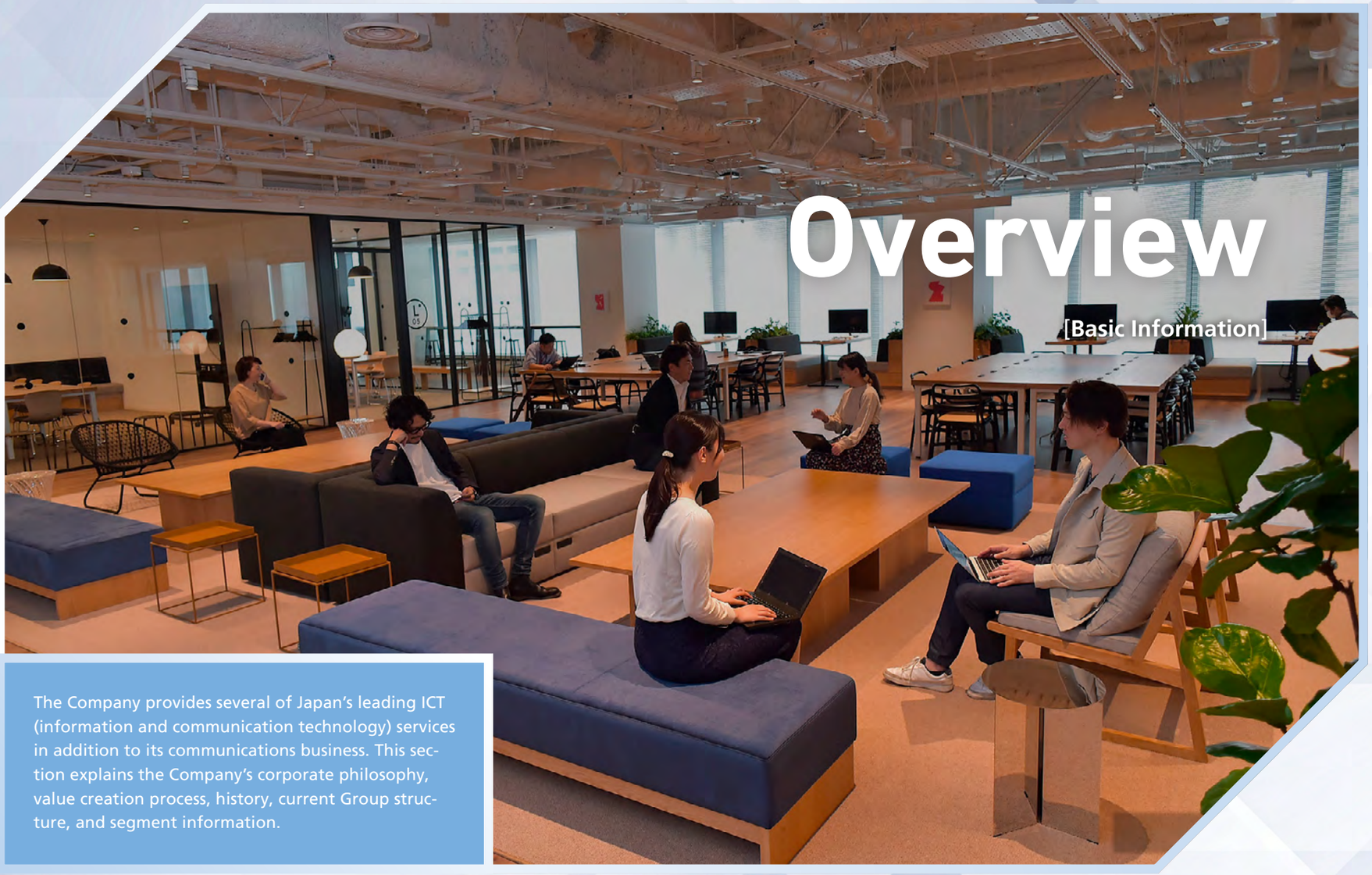


Overview

[Basic Information]

The Company provides several of Japan's leading ICT (information and communication technology) services in addition to its communications business. This section explains the Company's corporate philosophy, value creation process, history, current Group structure, and segment information.

Corporate Philosophy

Information Revolution — Happiness for everyone

Since its founding, the SoftBank Group has always remained true to its goal of accelerating the Information Revolution to make the world a happier place.

Just what is happiness?

Some might say happiness is to love and be loved in return,
or to make the most of each day.
Others might derive happiness from self-expression.
Still, others might find happiness in something as simple as a smile.
Above all, the SoftBank Group equates happiness with inspiration.
Through our business, we strive to bring emotional meaning
and happiness to lives.
In everything we do, we aim to drive the Information Revolution and build a more connected, empowered, and joyful world.
This unchanging kokorozashi (mission) is encapsulated in our philosophy,
Information Revolution — Happiness for everyone.

Humankind stands on the cusp of an era of dramatically increasing computing performance,
and we are getting ever closer to an age of super-intelligence that will surpass human ability.
Our mission is to harness the raw, unlimited power of the Information Revolution and channel it in a direction that makes people happier. This aspiration will continue to drive our organization toward further growth for many years to come.

Thoughts Behind Our Brand Symbol

A corporate group that continually provides answers to social issues



The double-line design that forms our brand symbol represents the “= (equal)” sign, which symbolizes the SoftBank Group’s corporate stance as a driver of the Information Revolution. It shows that the SoftBank Group has an “answer” it can provide to customers and society to help solve the various problems they face.

As various social issues such as declining population, an aging society with fewer childbirths, and increasing natural disasters become more severe, the SoftBank Group is working to solve social issues, not only current but also new social issues that may arise in the future.

We want to be a corporate group that continually provides answers to social issues, considering the world 30 years and 300 years in the future. These are our thoughts behind our brand symbol.

Value Creation Process

Advancing the Activate AI for Society growth strategy to maximize corporate value

The Group has adopted Activate AI for Society as its growth strategy. By unlocking the potential of AI across all businesses and promoting its social implementation, we aim to maximize corporate value (P22).

Social issues

Consumer segment
- Increasing demands for communication quality and stability
- Widening digital divide

Enterprise segment
- Growing infrastructure demand with the advancement of an AI-driven society
- Addressing increasing power consumption while achieving a decarbonized society
- Labor shortages due to population decline
- Delays in AI adoption and digitalization

Media & EC segment
- Difficulty accessing optimal information amid information overload
- Responding to the shift in consumer behavior online

Financial segment
- Slow adoption of cashless payments
- Disparities in access to financial services

(Note) For notes on this page, please refer to the next page.

Inputs

(FY2025 or end of FY2025 results)

Financial Capital
- Primary free cash flow*1 ..... ¥633.6 billion
- Capital expenditures ..... ¥745.3 billion
  (of which, long-term growth investments in AI, etc.*2 ¥27.1 billion)
  (of which, capital expenditures for telecommunications infrastructure*3 ¥341.2 billion)
- Long-term ratings*4 ..... R&I: A+, JCR: AA–, S&P: BBB, Fitch: BBB+
  (as of the end of September 2026)

Manufactured Capital
- Data centers ..... 17 locations
- Number of stores nationwide*5 ..... Approx. 6,200 stores

Intellectual Capital
- Number of patents held ..... Approx. 2,200
- Conducting cutting-edge AI research with the University of Tokyo and other institutions
- In-house developed, one of Japan's largest Japanese Large Language Models (LLMs)
- Cutting-edge technologies and business models from SoftBank Group portfolio companies

Human Capital
- Number of employees (consolidated basis) ... Approx. 58,000
- Sales staff*6 ..... Approx. 15,000
- Engineers*7 ..... Approx. 14,000
- AI-related certification holders*8 ..... Approx. 17% of all employees*9

Social and Relationship Capital
- Number of mobile subscribers (main subscribers)*10 ..... 41.0 million
- Yahoo! JAPAN number of monthly users*11 ..... 83.0 million
- PayPay number of registered users*10 ..... 73.0 million
- LINE number of monthly active users (Japan)*10 ..... 100 million
- Percentage of large corporations doing business with the Company*12 ..... 92% of large corporations

Natural Capital
- Electricity use*13 ..... 2,975,461 MWh

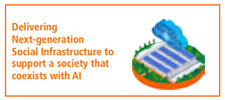
Long-term Vision (Vision for 2030)

A company that provides Next-generation Social Infrastructure essential for development of a digital society

Material Issues P103













Business model

Providing end-to-end services from telecommunications and AI platforms to solutions

Service areas (outputs)



Homegrown large language model


GPU Cloud (Infrinia)


Crystal intelligence



Internet media



E-commerce



Communication apps



Cashless payments



Mobile



Broadband

Telecommunications and AI platforms


Mobile network


Broadband network


AI data centers
AI computing infrastructure

Outcomes

(FY2025 or end of FY2025 results)

[Internal] Corporate value enhancement
- Revenue ..... ¥7,038.7 billion
- Operating income ..... ¥1,042.6 billion
- Net income attributable to owners of the Company ..... ¥550.8 billion
- Engagement Survey*14 ..... Scored 66 out of 100
- Interbrand Best Japan Brands 2026 Rankings ..... 7th / USD 8,161 mil
- Consolidated adjusted ROE (Ratio of net income to equity attributable to owners of the Company)*15 ..... 21.3%

Medium-term Management Plan: Financial targets (FY2026-FY2030)
Aim to continue setting record highs in both operating income and net income attributable to owners of the Company (FY2030: operating income of ¥1.7 trillion and net income attributable to owners of the Company of ¥700.0 billion)

Medium-term Management Plan: Non-financial targets (FY2026-FY2030)
Maintain our commitment to achieving carbon neutrality in FY2030 even as we expand AI data centers and other facilities

(Please refer to P37 for an overview of the Medium-term Management Plan and growth strategies by business area.)

[External] Social Value Creation

Return to shareholders
- Total dividends*16 ..... ¥418.9 billion
- TSR (Total shareholder return)*17 (P31) ... 155%

Return to society
- Tax amount*16 ..... ¥247.4 billion

Provision of an environment in which everyone can access information (Consumer segment) (P10)
- Number of smartphone class participants ..... Approx. 1.4 million

Contribution to industrial innovation and corporate growth through DX and AX, and revitalization of local communities (Enterprise segment) (P12)
- Business solution and others revenue ..... CAGR 13%

Increased convenience due to the spread of online shopping, etc. (Media & EC segment) (P14)
- E-commerce transaction value*18 ... ¥4.7 trillion

Increased convenience through spread of cashless payments (Financial segment) (P16)
- PayPay number of payments ..... 9.24 billion

Return to employees
- Personnel costs*19 ..... ¥581.9 billion

Contribution to environment
- Sum of Scope 1 and 2 GHG emissions (market-based) ..... 674,089 t-CO_2*20 (349,556 t-CO_2)*21
- Emissions per communication volume in Scope 1, 2*22 ..... 77 t-CO_2/Gbps
- Ratio of renewable energy to electricity used by the Company ..... 49%*20 (66%)*21
- Mobile phones collected for reuse or recycling ..... 15.32 million units (Total from FY2020-2025)
- Promotion of forest conservation covering an area at least twice the land development area in biodiversity conservation areas ..... 2,437 m²

Reinvestment for value creation



Financial Capital

Financial soundness

Under its policy of balancing medium- to long-term growth with shareholder returns, the Group conducts financial management based on its capital allocation plan for FY2026-FY2028. Stable operating cash flow, primarily from the telecommunications business, funds capital expenditures and total dividends, while monetization of AI-related businesses and other initiatives generates funds for strategic investments and strengthening its financial position. In addition, on the premise of maintaining its current credit ratings, the Group places emphasis on the net leverage ratio, which measures net interest-bearing debt relative to EBITDA. The Group maintains a sound financial position, using an adjusted net leverage ratio in the mid-2x range as a guideline for financial discipline (P30).

Key challenges identified

- Balancing medium- to long-term growth and shareholder returns
- Balancing financial soundness with capital efficiency
- Maintaining and improving long-term ratings

Future initiatives

- Continuing to generate stable operating cash flow
- Securing a stable funding base
- Executing strategic investments with a focus on financial discipline and capital efficiency



Manufactured Capital

Promoting initiatives to build "Next-generation Social Infrastructure"

We aim to further enhance our corporate value through the realization of "Next-generation Social Infrastructure" that supports a society that coexists with AI. As part of this, we are working on constructing distributed AI data centers, providing sovereign cloud services, and building "AI-RAN" (P46), among other initiatives.

- Securing land and power required for distributed AI data centers
- Securing renewable energy to operate the distributed AI data centers
- Close collaboration with national and local governments, as well as electric power companies
- Securing a stable power supply through long-term Power Purchase Agreements (PPAs)



Intellectual Capital

Technology development through active collaboration with universities, research institutions, and companies

Based on our belief that "technology only has value when it is used in society," we conduct R&D toward the introduction and practical application of advanced technologies in areas such as AI, quantum technology, space, and energy.

We are also achieving efficient technology development that leverages mutual strengths by actively collaborating with external institutions such as the University of Tokyo.

- Active creation, protection, and utilization of intellectual property
- Acceleration of technology development for medium- to long-term growth
- Strengthening our Group's IP governance and developing IP human resources (P94)
- Fostering a culture that generates highly original and outstanding inventions Company-wide
- Collaboration with universities, research institutions, and companies
- Securing the necessary R&D budget



Human Capital

Promoting a shift of human resources to new business areas

We have introduced systems that provide opportunities to proactive employees, such as the free-agent and job posting systems, offering them chances for self-growth and self-fulfillment, which leads to the growth of the entire organization (P53).

- Securing high-market-value talent (such as AI engineers and DX professionals)
- Improving employee engagement
- Establishing competitive compensation
- Providing learning content through "SBU Tech (SoftBank University Tech)"
- Supporting the acquisition of AI-related qualifications and certifications
- Promoting the optimization of various HR systems through Engagement Survey analysis
- Promoting initiatives that enable diverse talent to thrive
- Communicating our vision and business strategy through Employee Town Hall meetings and all-hands morning assemblies



Social and Relationship Capital

Overwhelming business foundation

A key feature is our massive user base in Japan, which includes not only mobile subscribers but also users of LINE, Yahoo! JAPAN, and PayPay.

Leveraging the customer touchpoints we have cultivated, we create new value while generating Group synergies (P8).

- Continuous expansion of the customer base
- Improvement of user engagement
- Data management and privacy protection
- Mutual customer referrals between telecommunications and non-telecommunications businesses
- Providing services that leverage Group synergies
- Operation and management using advanced security systems and tools
- Thorough employee education on security and development of a secure environment and facilities



Natural Capital

Initiatives to achieve "Net Zero"

In addition to "Carbon Neutral 2030," which aims to achieve net zero greenhouse gas emissions from our own business processes and energy consumption by FY2030, we are also working to achieve "Net Zero." This initiative aims for net zero emissions of all GHG related to our business activities (supply chain emissions) by FY2050 (P61).

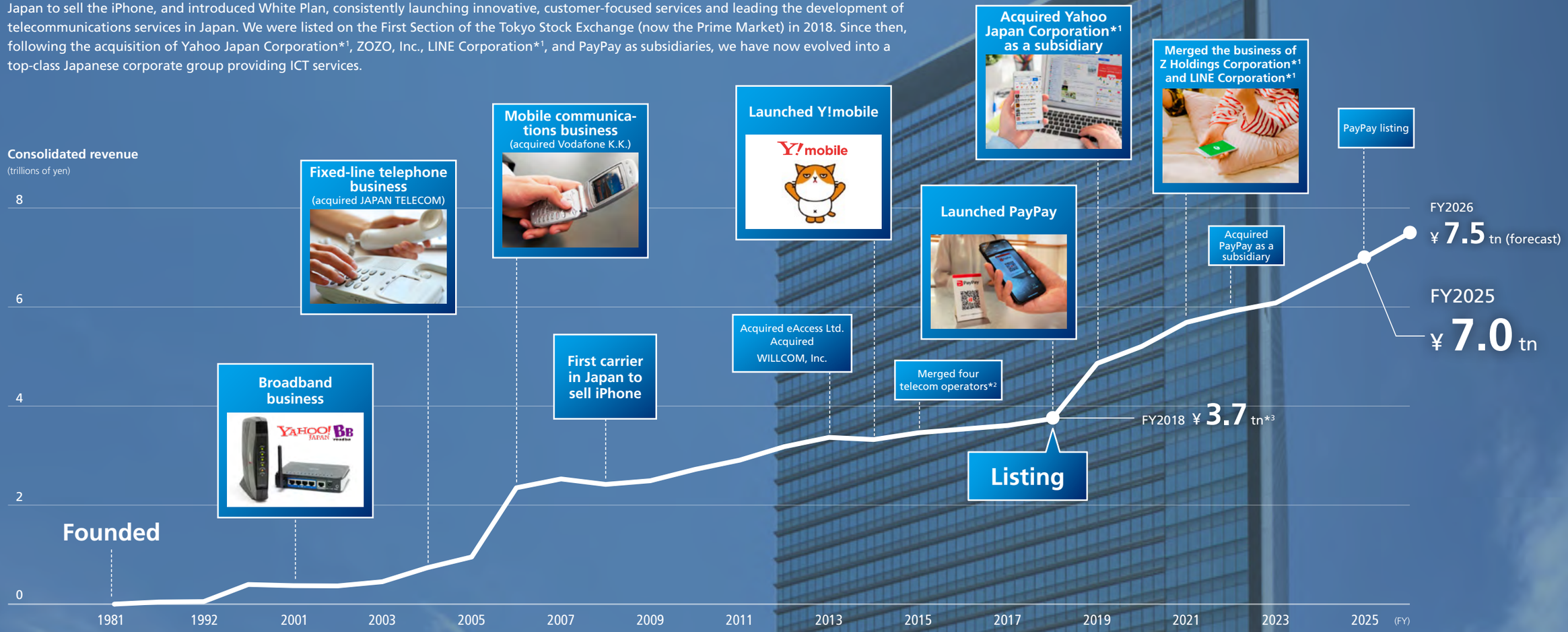
- Balancing sustainable business growth with the reduction of greenhouse gas emissions
- Implementing energy-saving measures through cutting-edge technology and promoting the shift to renewable energy
- Holding briefings for suppliers and formulating guidelines to reduce greenhouse gas emissions throughout the supply chain

(Note) The notes on this page pertain to the previous page.
*1 Primary free cash flow is a measure calculated by adding back the amounts spent as long-term growth investments to adjusted free cash flow (excluding LY Group, PayPay, etc.). Long-term growth investments include investments in AI computing infrastructure and AI data centers. Adjusted free cash flow (excluding LY Group, PayPay, etc.) = free cash flow + (proceeds from the securitization of installment sales receivables – repayments thereof) + dividends received from A Holdings Corporation – investment in PayPay Corporation + proceeds from the sale of shares in PayPay Securities Corporation – free cash flow of the LY Group, PayPay, etc., among other items. "LY Group, PayPay, etc." refers to A Holdings Corporation, LY Corporation and its subsidiaries (LY Group), B Holdings Corporation, PayPay Corporation, PayPay Card Corporation, PayPay Bank Corporation, PayPay Securities Corporation, etc.
*2 Includes investments in AI computing infrastructure and AI data centers.
*3 Capital expenditures of the Consumer and Enterprise segments. Acceptance basis; excludes investments in devices for rental services, shared equipment (contributions by other operators), and the impact of adopting IFRS 16 "Leases."
*4 R&I: Rating and Investment Information, Inc., JCR: Japan Credit Rating Agency, Ltd., S&P: S&P Global Ratings Japan Inc., Fitch: Fitch Ratings Japan Limited
*5 Total of SoftBank and Y!mobile directly managed stores, agents, mass merchandisers, and other retail channels (as of March 31, 2026)
*6 Number of SoftBank Corp. sales staff (as of March 2026)
*7 Total of the engineers in SoftBank Corp., LY Corporation, PayPay Corporation, ZOZO, Inc., etc. (as of March 31, 2026)
*8 Number of holders of JDLA Deep Learning for GENERAL and JDLA Deep Learning For ENGINEER organized by the Japan Deep Learning Association (JDLA)
*9 SoftBank Corp. on a standalone basis
*10 As of March 31, 2026
*11 Average monthly users from January to October 2025, based on Nielsen's "TOPS OF 2025: DIGITAL IN JAPAN, Top 10 by Total Digital Reach in Japan." Does not include overlap of smartphone and PC users.
*12 The percentage of listed companies in Japan with annual sales of ¥100 billion or more that conducted business with SoftBank Corp. in FY2025
*13 From FY2025, electricity supplied by property owners (power consumed by equipment installed outside the Company's premises), which was included in Scope 3 through FY2024, is included in Scope 2.
*14 The Engagement Survey (formerly Employee Satisfaction) was redefined in FY2023 and is scored on a 100-point scale (up to 49: Low, 50-64: Normal, 65-74: High, 75+: Very high).
*15 (Net income attributable to owners of the Company – total dividends on Bond-Type Class Shares) / (equity attributable to owners of the Company – balance of Bond-Type Class Shares)
*16 Presented on a consolidated cash flow basis
*17 (Share price of the Company's common stock on the Tokyo Stock Exchange at the end of FY2025 + cumulative dividends per common share from FY2022 to FY2025) / (share price of the Company's common stock on the Tokyo Stock Exchange at the end of FY2022) x 100
*18 Total transaction values of domestic shopping business, reuse business, other (merchandise), ASKUL Corporation's BtoB-related, domestic services, domestic digital content and overseas e-commerce
*19 Wages and benefits for employees and officers (on the basis of the Consolidated Statement of Income breakdown of expenses by nature)
*20 Starting in FY2025, electricity supplied by building owners (consumed through the use of equipment at buildings not owned by the Company) will now be included in Scope 2 calculations, having previously been included in Scope 3 through FY2024.
*21 Figures in parentheses exclude electricity supplied by property owners.
*22 Greenhouse gas emissions associated with 1 Gbps of data communication (method for calculating communication volume changed from FY2024)

History of Our Challenges and Evolution

Expansion beyond just being a telecommunications carrier into the information and technology field

Since entering the broadband business in 2001, the Company has expanded into the mobile communications business, become the first carrier in Japan to sell the iPhone, and introduced White Plan, consistently launching innovative, customer-focused services and leading the development of telecommunications services in Japan. We were listed on the First Section of the Tokyo Stock Exchange (now the Prime Market) in 2018. Since then, following the acquisition of Yahoo Japan Corporation*1, ZOZO, Inc., LINE Corporation*1, and PayPay as subsidiaries, we have now evolved into a top-class Japanese corporate group providing ICT services.

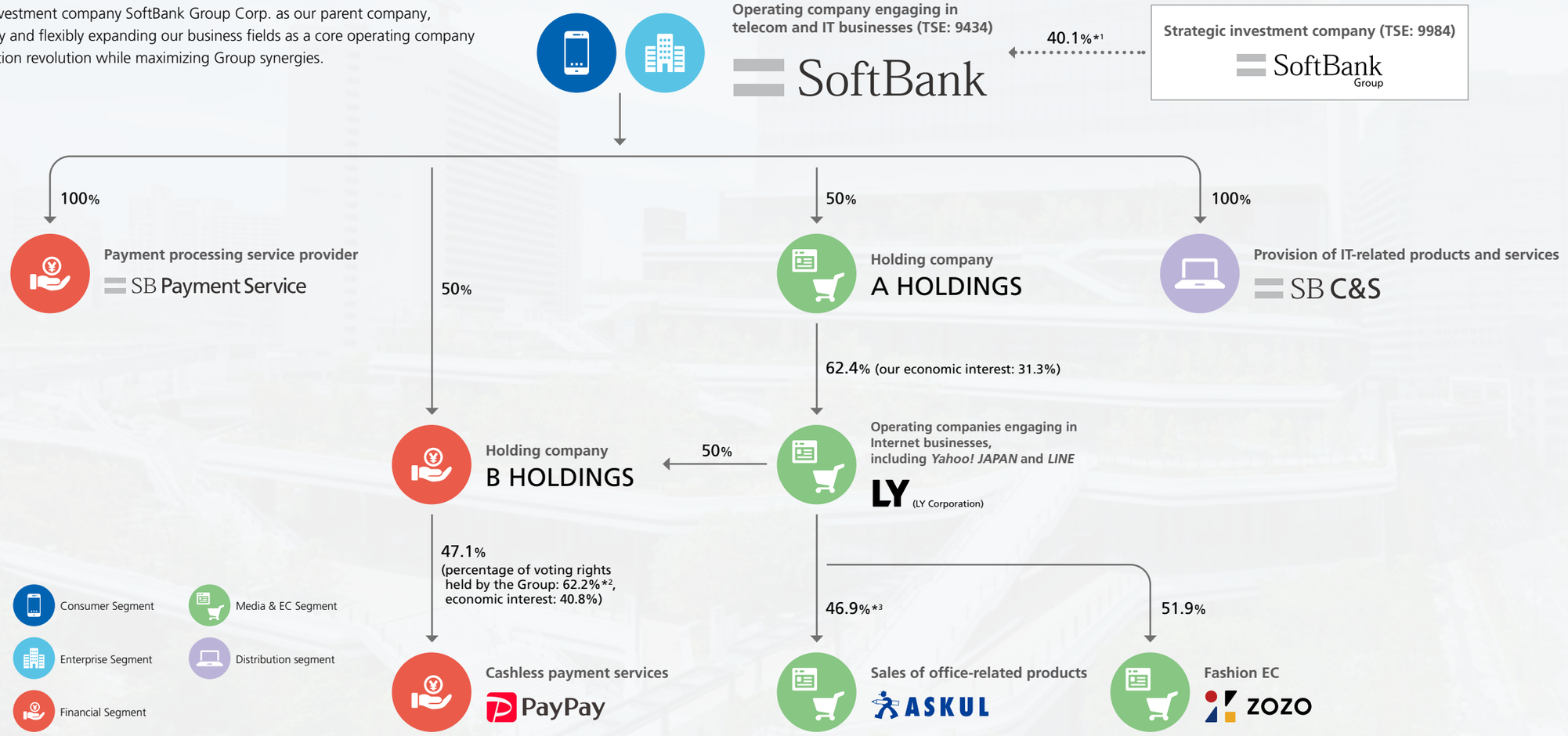


*1 Currently LY Corporation *2 SoftBank Mobile Corp., SoftBank BB Corp., SoftBank Telecom Corp., and Ymobile Corporation *3 Before retrospective adjustments associated with the consolidation of Z Holdings Corporation (currently LY Corporation) as a subsidiary

Group Structure to Maximize Synergies

We have Japan's top-class ICT service providers under our umbrella

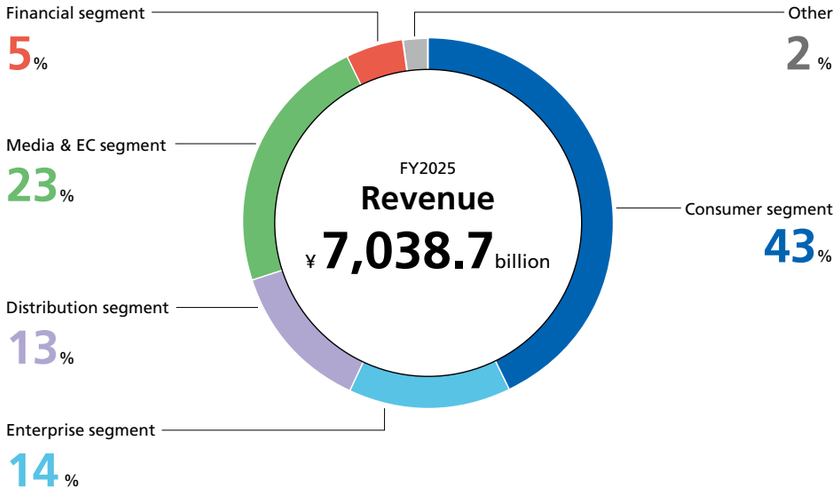
With the strategic investment company SoftBank Group Corp. as our parent company, we are independently and flexibly expanding our business fields as a core operating company tackling the information revolution while maximizing Group synergies.



(Note) This is a simplified representation of the Group's structure. Unless otherwise specified, the percentages of voting rights are as of March 31, 2026.
*1 The Company is directly owned by SoftBank Group Japan Corporation, a wholly owned subsidiary of SoftBank Group Corp. *2 With regard to the Group holdings of PayPay Corporation, in addition to the 47.1% held by B Holdings Corporation, the Company directly holds 7.5% and LY Corporation holds 7.5%. *3 As of May 20, 2026

SoftBank At a Glance

Revenue breakdown



We went public as an operating company with our core business in telecommunications centered on the Consumer segment. Today, we operate five business segments: Consumer, Enterprise, Distribution, Media & EC, and Financial. Segments other than the Consumer segment now account for over 50% of our revenue, reflecting the diversification of our revenue base.

Consumer segment
We provide mobile communications services, broadband services, and electricity services primarily to individuals in Japan. We also procure mobile devices and sell them to distributors operating SoftBank stores and other establishments, as well as to individuals.

Enterprise segment
For enterprise customers and local governments, we provide mobile and fixed-line telecommunications services, DX solutions, and cloud and AI solutions.

Distribution segment
For enterprise customers, we provide products that utilize advanced technology, including cloud services and AI. For individuals, we plan and provide a wide range of products including software, mobile accessories, and IoT products.

Media & EC segment
We offer services centered on media and commerce. In addition to providing advertising-related services on the comprehensive Internet service, Yahoo! JAPAN, and the communication app, LINE, we offer e-commerce services such as Yahoo! JAPAN Shopping and ZOZOTOWN.

Financial segment
For individuals, we provide cashless payment services such as payments via QR and barcode and credit card, online banking services, and smartphone-based securities services. For enterprise customers, we provide payment processing services offering one-stop payment solutions including credit cards, electronic money, and QR codes.

SoftBank in numbers (Unless otherwise specified, FY2025 results or as of the end of FY2025)

Year of establishment
1986

Number of employees (Consolidated basis)
Approx. 58,000

Number of Group companies
Approx. 340

Operating income
¥1,042.6 billion

Net income attributable to owners of the Company
¥550.8 billion

EPS[*1] (Earnings per share)
¥11.35

Consolidated adjusted ROE[*2]
21.3%

Primary free cash flow[*3]
¥633.6 billion

Dividends per common share
¥8.6

Ratio of independent external directors[*4]
53.8%

Ratio of renewable energy of electricity consumption by the Company[*5]
49%[*6] (66%)[*7]

Ratio of women in management positions[*8]
10.9%

*1 Calculated after deducting dividends related to Bond-Type Class Shares.
*2 Consolidated adjusted ROE = (net income attributable to owners of the Company – total dividends on Bond-Type Class Shares) / (equity attributable to owners of the Company – balance of Bond-Type Class Shares)
*3 Primary free cash flow is a measure calculated by adding back the amounts spent as long-term growth investments to adjusted free cash flow (excluding LY Group, PayPay, etc.). Adjusted free cash flow (excluding LY Group, PayPay, etc.) = free cash flow + (proceeds from the securitization of installment sales receivables – repayments thereof) + dividends received from A Holdings Corporation - investment in PayPay Corporation + proceeds from the sale of shares in PayPay Securities Corporation - free cash flow of the LY Group, PayPay, etc. "LY Group, PayPay, etc." refers to A Holdings Corporation, LY Corporation and its subsidiaries (LY Group), B Holdings Corporation, PayPay Corporation, PayPay Card Corporation, PayPay Bank Corporation, PayPay Securities Corporation, etc. Long-term growth investments include investments in AI computing infrastructure and AI data centers.
*4 As of the end of June 2026
*5 SoftBank Corp. on a consolidated basis
*6 Starting in FY2025, electricity supplied by building owners (consumed through the use of equipment at buildings not owned by the Company) will now be included in Scope 2 calculations, having previously been included in Scope 3 through FY2024.
*7 Electricity supplied by building owners is not included in the figures in parentheses.
*8 SoftBank Corp. on a standalone basis. As of April 1, 2026.

Segment Information

Consumer Segment

In the Consumer segment, we provide mobile services, broadband services, and electricity services such as *Ouchi Denki* primarily to individual customers in Japan. We also procure mobile devices from mobile device manufacturers and sell them to distributors operating *SoftBank* stores and other establishments, as well as to individuals.



Mobile

The Company offers mobile communications services under its three brands, *SoftBank*, *Y!mobile*, and *LINEMO*, to meet customers' diverse needs in terms of data usage, support, and other preferences.

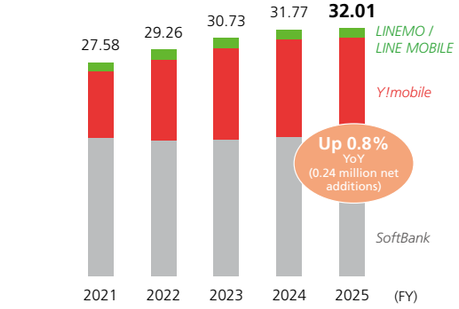
SoftBank ..... Unlimited and high volume data

Y!mobile ..... Low and medium volume data

LINEMO ..... Online exclusive

Cumulative number of smartphone subscribers*1

(Millions of subscribers)



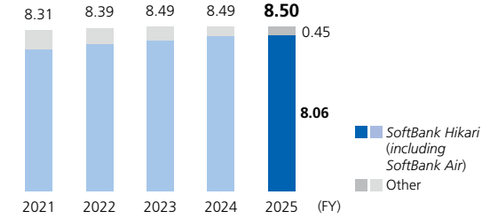
*1 Including enterprise subscribers

Broadband

In addition to *SoftBank Hikari*, a high-speed and large-capacity Internet communications service that uses an optical fiber network, the Company provides *SoftBank Air*, a home router service that requires no installation work. Through bundle discounts with *SoftBank* and *Y!mobile* smartphones, the Company aims to enhance convenience and expand and retain its customer base.

Cumulative number of broadband subscribers (in service)

(Millions of subscribers)



Electricity

Since April 2016, the Company has offered electricity trading and supply services, including *Ouchi Denki*, as well as brokerage services for electricity transactions. Bundle discounts with *SoftBank* and *Y!mobile* smartphones add value to the Company's telecommunications services and help reduce churn among smartphone subscribers.

おうちでんき

(*Ouchi Denki*)

Sales of goods and others

Mainly selling mobile devices to distributors and individual customers.

Market environments

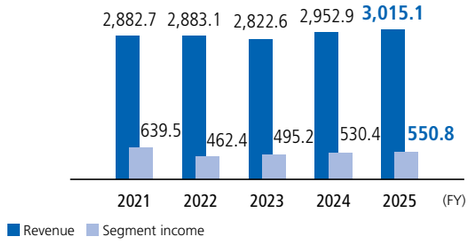
Smartphone penetration among households in Japan has exceeded 90%*2, indicating that the telecommunications market for individuals is maturing. Amid the continuing commoditization of telecommunications services, competition among operators has expanded beyond telecommunications charges and network quality to the overall customer experience, including financial services, content, and loyalty point services. Meanwhile, data traffic continues to increase due to the growing use of video streaming services, social media, and generative AI services. In this environment, providing added value that meets diverse customer needs is becoming increasingly important.

FY2025 performance

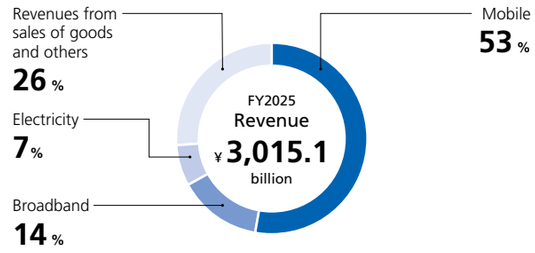
In FY2025, the Consumer segment recorded revenue of ¥3,015.1 billion (up 2.1% year on year) and segment income of ¥550.8 billion (up 3.8% year on year). This was mainly due to an increase in gross profit from mobile device sales and an increase in smartphone subscribers, particularly for the Y!mobile brand.

Revenue and segment income

(Billions of yen)



Revenue composition



*2 Source: Japan's Ministry of Internal Affairs and Communications, "Communication Usage Trend Survey" (Surveyed in 2025)

Segment Information / Consumer Segment

Value creation process

Inputs

(End of FY2025)

- Smartphone subscribers: **32.01** million
- Broadband subscribers: **8.50** million
- Electricity subscribers: **2.10** million
- Number of stores* **6,200**

Outputs

(Main services and products)

- Mobile services (*SoftBank*, *Y!mobile*, *LINEMO*)
- Broadband service (*SoftBank Hikari*, *SoftBank Air*)
- Electricity services (*Ouchi Denki*)

Outcomes

(FY2025 actual)
- Revenue: ¥ **3,015.1** billion, segment income: ¥ **550.8** billion

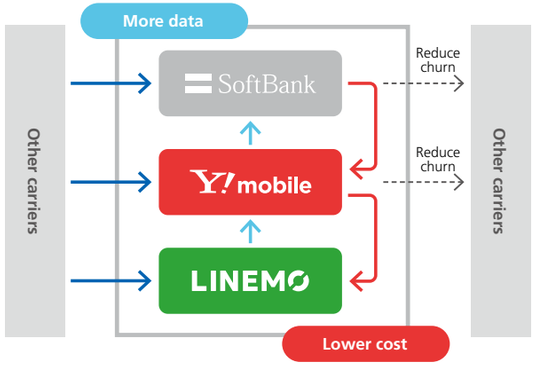
(Creation of social value)
- Provision of an environment in which everyone can access information

* Total of *SoftBank* and *Y!mobile* brands' directly-managed stores, agents, mass merchandisers and other retail channels

Competitive advantages

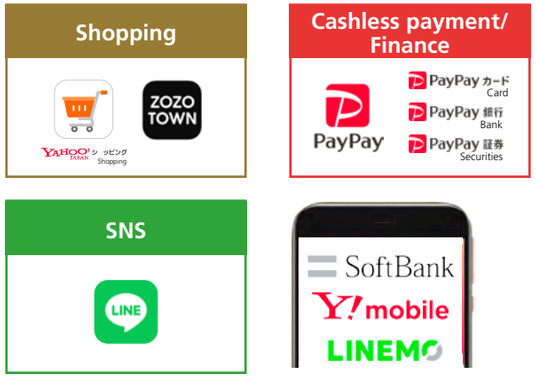
❶ Multi-brand offerings

The Company offers three distinct brands: *SoftBank*, which offers unlimited-data plans as well as a wide range of value-added services; *Y!mobile*, which has a strong customer base in the low- to mid-data usage segments; and *LINEMO*, an online exclusive brand that lets customers complete all procedures and receive support entirely online. By offering optimal price plans in response to changing user needs, the Company aims to expand acquisitions of new subscriptions, prevent users from moving outside the Group, and increase ARPU.



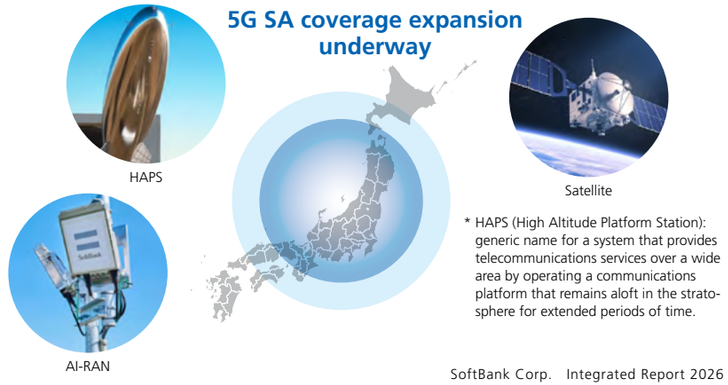
❷ Synergy with leading services offered by Group companies

The Group operates some of Japan's largest digital platforms, including *LINE*, *Yahoo! JAPAN*, and *PayPay*. By combining these Group services with our mobile communication service, we deliver unique added value. *SoftBank* and *Y!mobile* users can enjoy LYP Premium, which provides benefits from *LINE* and *Yahoo! JAPAN*, at no extra charge. In April 2026, we announced *Pay-Toku* 2 under the *SoftBank* brand, a price plan that increases the rate at which *PayPay* points are awarded for payments made with *PayPay* or *PayPay Card*. Leveraging these synergies differentiates us from competitors and drives growth by deepening engagement across the Group's ecosystem.



❸ High-quality and resilient communications networks

The Group provides high-quality telecommunications services that prioritize the user experience by improving service quality in specific areas to meet communication demand, rolling out 5G SA (standalone), and advancing network operations through the use of AI and big data. By effectively utilizing our spectrum holdings and advancing the nationwide rollout of 5G SA, we are building a communications infrastructure that fully leverages 5G's key features, such as low latency and massive-device connectivity, to achieve comprehensive improvements in connectivity, speed, and stability. We are also proactively working to expand our communication coverage into mountainous areas and out at sea through the use of satellite communication services, while also strengthening our preparedness to secure communications during disasters. Furthermore, we are advancing technology development and demonstrations with an eye toward utilizing HAPS* (flying base stations), striving to build a more resilient network.



* HAPS (High Altitude Platform Station): generic name for a system that provides telecommunications services over a wide area by operating a communications platform that remains aloft in the stratosphere for extended periods of time.

Enterprise Segment

For enterprise customers, we provide a diverse array of corporate services, including mobile services such as mobile lines and mobile device rentals, fixed-line services such as fixed-line telephones and data communications, as well as various solutions for enterprises such as data centers, cloud, security, global, AI, IoT, and digital marketing services.



Enterprise business model

In our Enterprise segment's solution-based business, digital professionals who have undergone consulting and other training programs uncover the individual issues faced by companies and local governments and propose solutions with a combination of cutting-edge digital products and services including cloud services, security, AI, and IoT along with operation know-how.



*1 As of March 31, 2026

Total solutions

SoftBank

Digital products and services

- Solutions
  - Digital marketing
  - AI
  - Cloud services
  - Security, etc.
- Mobile
- Fixed-line

Operation know-how

- Operation support
- Operational efficiency consulting
- Employee education support

User touchpoints

- Mobile/broadband: SoftBank
- Online media/shopping: YAHOO! JAPAN
- Communication app: LINE
- Cashless payment: PayPay

Market environments

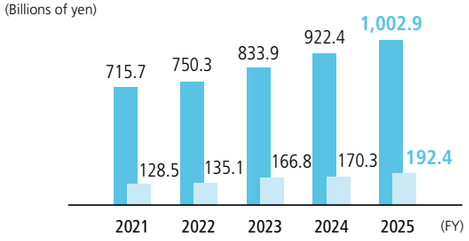
Against the backdrop of social issues such as labor shortages, many companies are promoting digitalization and DX. As a result, demand for solutions that utilize advanced technologies such as cloud services, security, AI, and IoT is rapidly expanding. In this environment, the source of our competitiveness is our ability to acquire and develop specialized professionals with knowledge of both industry and advanced technologies, and to propose end-to-end solutions to issues that enterprises face. In addition, while demand for telecommunication services for enterprise customers is expected to remain stable, factors such as the nationwide rollout of 5G Standalone (SA) are expected to drive more advanced use of digital technologies by enterprises and expand new use cases.

FY2025 performance

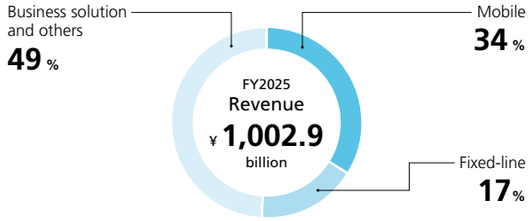
The Enterprise segment recorded revenue of ¥1,002.9 billion (8.7% increase year on year) and segment income of ¥192.4 billion (13.0% increase year on year) for FY2025. This was mainly due to an increase in subscriptions to telecommunications services, as well as an increase in revenue from solutions including cloud services and security, by capturing enterprise customers' demand for digitalization.

Revenue and segment income*2

(Billions of yen)



Revenue composition



*2 From the first quarter of FY2024, SB Technology Corp. and Cybertrust Japan Co., Ltd., etc., which were previously classified under "Other," have been transferred to the "Enterprise segment." As a result, the figures for FY2023 have been retrospectively adjusted. Figures for FY2022 and earlier have not been retrospectively adjusted to reflect the transfer of SB Technology Corp.

Segment Information / Enterprise Segment

Value creation process

Inputs	Outputs	Outcomes
(End of FY2025) ■ Sales personnel: **3,570** ■ Business with **92**% of large corporations*1	(Main services and products) ■ Mobile services ■ Fixed-line communications services ■ Cloud, security, AI, IoT, and other solution services	(FY2025 actual) ■ Revenue: ¥ **1,002.9** billion, segment income: ¥ **192.4** billion (Creation of social value) ■ Contribution to industry transformation and corporate growth through DX and AX, revitalization of local communities

*1 The percentage of listed companies in Japan with annual sales of ¥100 billion or more that conducted business with SoftBank Corp. in FY2025

Competitive advantages

❶ Comprehensive services centered on cloud and AI

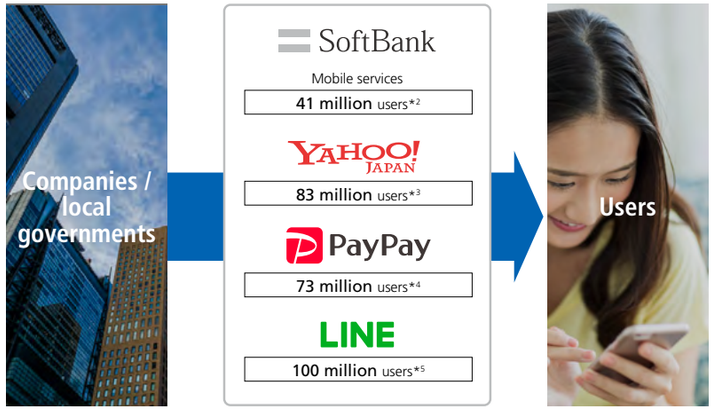
Against the backdrop of increasingly sophisticated DX demand among companies and local governments, as well as the rapid advancement of AI utilization, we provide a wide range of services centered on cloud and AI.

In the cloud field, we offer public clouds, private clouds, and sovereign cloud services. In the AI field, we provide multiple AI models and generative AI services tailored to specific use cases, supporting operational efficiency, advanced data utilization, and the creation of new value. Through this multi-cloud and multi-AI delivery framework, we are able to respond flexibly to the diverse challenges, security policies, cost considerations, and other implementation requirements of enterprises and local governments. Furthermore, we are advancing the development of one of Japan's top-level AI computing infrastructures and AI data centers, while also strengthening AI infrastructure to meet the growing demand for AI utilization expected in the future.



❷ One of Japan's largest groups of B2C platforms

The Company has one of the largest groups of B2C platforms in Japan, with tens of millions of users in diverse fields such as telecommunications, media, communications, and payments. By leveraging these B2C platforms, companies and local governments can create new business opportunities and services for residents that extend beyond conventional advertising and marketing. By organically linking these services, we support DX across industries and help address social issues as a partner to companies and local governments.



❸ One-stop delivery framework

The Company has an enterprise customer base of more than 400,000 companies and does business with 92% of large corporations*1. By maintaining a broad range of customer relationships, we are able to offer proposals that reflect a deep understanding of the management and operational challenges faced by different industries and types of businesses. Furthermore, leveraging the sales, engineering, and operational frameworks we have developed through the provision of telecommunications services, our strength lies in our ability to provide one-stop support, from identifying challenges through planning and design, implementation, operations, and support for ongoing use. Even when it is necessary to combine multiple services or external partners, our end-to-end support enables customers to efficiently navigate the complex evaluation and implementation processes associated with digital transformation and AI adoption. Furthermore, a key feature of our approach is that we utilize cutting-edge solutions internally and incorporate the insights and improvements gained from that experience into the solutions we provide to our customers. Based on the results of our own practical implementation, we support companies and local governments in streamlining their operations and creating new value.



*2 Cumulative number of mobile main subscribers (as of March 31, 2026) *3 Average monthly users from January to October 2025, based on Nielsen's "TOPS OF 2025: DIGITAL IN JAPAN, Top 10 by Total Digital Reach in Japan." Does not include overlap of smartphone and PC users.
*4 Number of users who have registered for a *PayPay* account (as of March 31, 2026) *5 Monthly active users in Japan (as of March 31, 2026)

Media & EC Segment



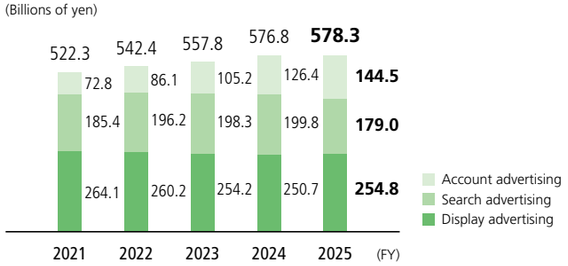
In the Media & EC segment, we offer services that center on media and commerce, covering online to offline services in a comprehensive manner. In the media field, we provide advertising-related services on the comprehensive Internet service *Yahoo! JAPAN* and communication app *LINE*. In the commerce field, we provide e-commerce services such as *Yahoo! JAPAN Shopping* and *ZOZOTOWN*, and reuse services such as *Yahoo! JAPAN Auction*. In the strategy field, we provide services centered on FinTech.

Media

In the media business, which handles Internet advertising, we aim to expand our advertising revenue by leveraging Group assets and strengthening our products.

In this area, the Company offers search advertising, account advertising, and display advertising, as well as digital content such as games and paid membership programs. Among these, account advertising is a unique product of LY with characteristics of a CRM (Customer Relationship Management) and sales promotion tool. As it is based on a recurring revenue business model that combines a flat-rate fee with pay-as-you-go charges, we expect it to continue to show strong growth.

Advertising revenue

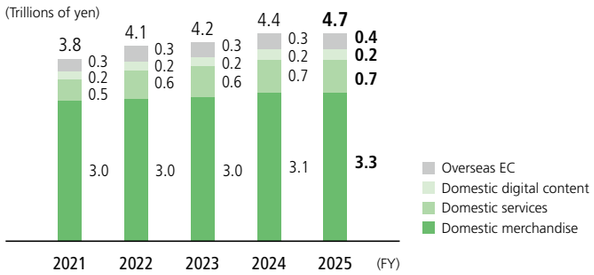


Commerce

In the commerce business, which handles online shopping, we aim for sustainable growth by working to expand e-commerce transaction value through the utilization of Group assets, while continuing to optimize costs and concentrating management resources on highly profitable services.

This area consists of the "shopping business," "reuse business," and "service e-commerce business," and includes services such as *Yahoo! JAPAN Shopping*, *Yahoo! JAPAN Auction*, *ZOZOTOWN*, and *Ikyu*.

EC transaction value



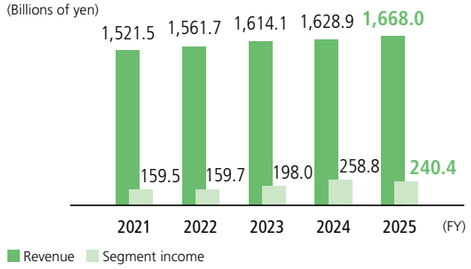
Market environments

According to a survey by Japan's Ministry of Economy, Trade and Industry, in Japan's B2C e-commerce market for merchandise in 2024, the market size was ¥15.2194 trillion (3.70% increase year on year), and the e-commerce rate reached 9.78% (0.40 percentage points increase year on year)*1. The internet advertising market continues to expand steadily against a backdrop of increasing digitalization in society. As advances in AI technology drive the automation and streamlining of advertising operations, platform operators that handle internet advertising are expected to provide new forms of added value. In addition, as generative AI becomes more widespread and social media use expands, the ways users search for and gather information are becoming more diverse, reshaping the competitive landscape for advertising media.

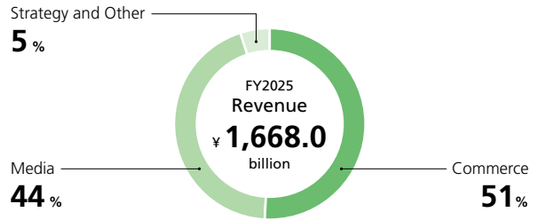
FY2025 performance

The Media & EC segment recorded revenue of ¥1,668.0 billion (2.4% increase year on year) and segment income of ¥240.4 billion (7.1% decrease year on year) for FY2025. The increase in revenue was mainly due to growth in commerce revenue excluding ASKUL Corporation, as well as in strategy revenue, despite the impact of a system outage at ASKUL Corporation. The decrease in segment income was mainly due to the impact of the system outage at ASKUL Corporation.

Revenue and segment income*2



Revenue composition



*1 Source: Japan's Ministry of Economy, Trade and Industry, "FY2024 E-Commerce Market Survey"
*2 From the first quarter of FY2025, PayPay Bank Corporation, which was previously classified under the "Media & EC segment," has been transferred to the "Financial segment." As a result, the figures for FY2024 have been retrospectively adjusted.

Segment Information / Media & EC Segment

Value creation process

Inputs

- Number of *Yahoo! JAPAN* monthly users
  83 million*1
- Number of *LINE* monthly active users
  100 million*2

Outputs

(Main services and products)

- Media-related services such as advertising, search, etc.
- E-commerce platforms (*Yahoo! JAPAN Shopping*, *ZOZOTOWN*)

Outcomes

(FY2025 actual)

- Revenue: ¥ **1,668.0** billion, segment income: ¥ **240.4** billion
- EC transaction value: ¥ **4.7** trillion*3
- Advertising revenue: ¥ **578.3** billion*4

(Creation of social value)

- Increased convenience due to the spread of online shopping, etc.

*1 Average monthly users from January to October 2025, based on Nielsen's "TOPS OF 2025: DIGITAL IN JAPAN, Top 10 by Total Digital Reach in Japan." Does not include overlap of smartphone and PC users. *2 Monthly active users in Japan (as of March 31, 2026)
*3 Total transaction values of domestic shopping business, reuse business, other merchandise, ASKUL's B2B business, domestic services, domestic digital content, and overseas e-commerce. *4 Sum of search advertising, account advertising, and display advertising

Competitive advantages

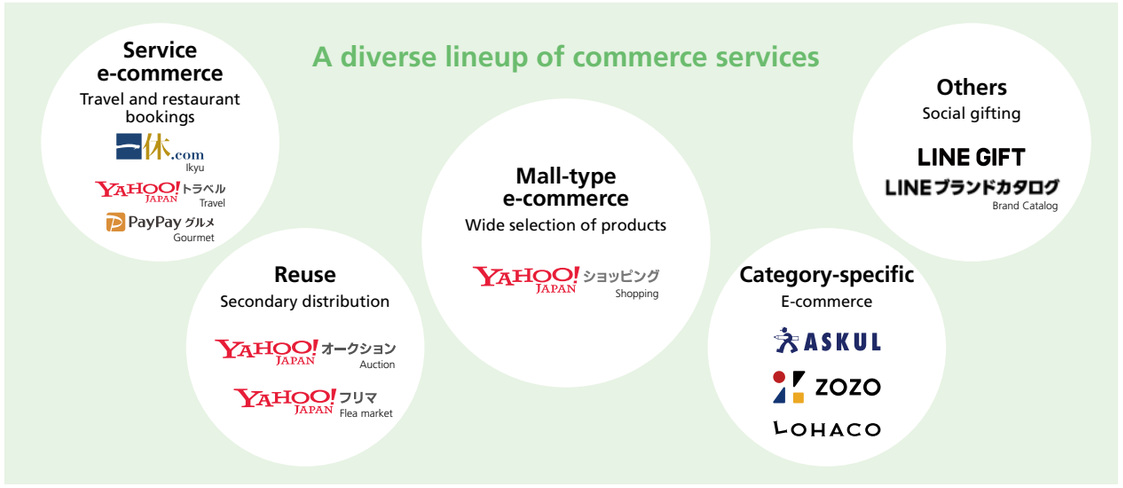
❶ Marketing solutions utilizing Group assets

LY, which operates Japan's top-class services in both communications and cashless payments, leverages these strengths to offer distinctive marketing solutions. By harnessing the wealth of first-party data, information gathered directly from its diverse touchpoints, LY enhances marketing analytics and, through its communication app, drives repeat purchases. This capability enables end-to-end marketing support, from acquiring new customers to encouraging ongoing use.



❷ Commerce services adapted to diversifying needs

As user needs diversify with the expanded use of online shopping, we leverage our diverse business portfolio to offer a variety of commerce experiences and capture a wide range of customers. We provide services like *Yahoo! JAPAN Shopping*, which contains many stores with different scales and formats, *ZOZOTOWN*, one of the biggest online fashion shopping sites in Japan, and also *Yahoo! JAPAN Auction* and *Yahoo! JAPAN Flea Market*, which serve the used goods market.



Financial Segment

We provide payment and financial services centered on *PayPay* to individual and enterprise customers. In addition to QR and barcode payments and credit cards, we have created an environment where users can seamlessly access a wide range of financial services, including banking and securities services. We also provide payment processing services for enterprise customers that support a variety of payment methods.



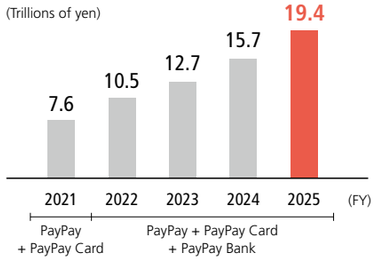
Cashless payment service

PayPay　PayPay カード Card

PayPay, provided by PayPay Corporation, is one of Japan's largest cashless payment services, with more than 73 million registered users*1. It has a high share of Japan's QR and barcode payment market and is used in a wide range of everyday situations. PayPay Card Corporation also provides a credit card service that is seamlessly integrated with *PayPay*, enhancing the payment experience and promoting wider use of credit services. PayPay Corporation was listed on the Nasdaq stock exchange on March 12, 2026, further enhancing its access to capital markets.

*1 Number of users who have registered for an account (as of March 31, 2026)
*2 Following PayPay Corporation's acquisition of PayPay Bank Corporation as a subsidiary in FY2025, the figures for FY2022 through FY2024 have been retrospectively adjusted.

PayPay consolidated (GMV)*2

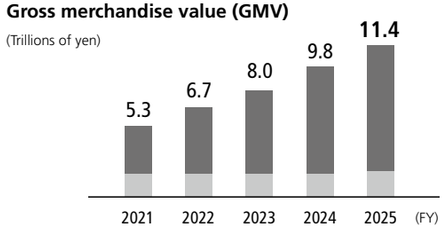


Payment processing services

SB Payment Service

SB Payment Service Corp. provides payment services to a wide range of e-commerce businesses, both inside and outside of the Group.

Gross merchandise value (GMV)



Securities and banking services

PayPay 銀行*3 Bank

PayPay Bank Corporation (formerly Japan Net Bank), founded as Japan's first Internet-only bank, is expanding its number of accounts and deposit balance through collaboration with *PayPay*. PayPay Bank's services are available on the *PayPay* app.

PayPay 証券 Securities

PayPay Securities Corporation offers investment services that allow users to purchase stocks, investment trusts, and ETFs in small amounts. In addition to the *PayPay Securities app*, users can easily start investing through *PayPay Invest* within the *PayPay* app.

*3 With the completion of PayPay Corporation's acquisition of PayPay Bank Corporation as a subsidiary in April 2025, PayPay Bank Corporation has been reclassified from the "Media & EC segment" to the "Financial segment," effective from FY2025.

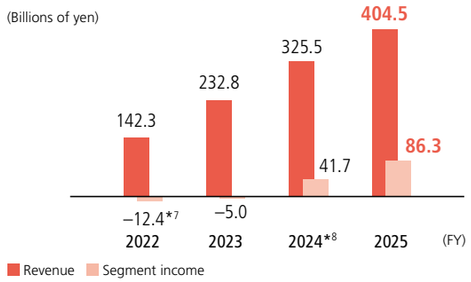
Market environments

According to Japan's Ministry of Economy, Trade and Industry*4, Japan's cashless payment ratio in 2025 reached 58.0% (¥162.7 trillion), indicating steady progress in the shift toward cashless payments. In particular, code payments continued to grow strongly, reaching ¥22.6 trillion*5 in transaction value. The introduction of the new Nippon Individual Savings Account (NISA) and other factors have also heightened individuals' interest in asset formation, contributing to an expanding investor base*6. Demand is growing not only for payment services such as QR and barcode payments and credit cards, but also for financial services including banking and securities. Accordingly, the digital finance market in which the Company operates is expected to continue expanding.

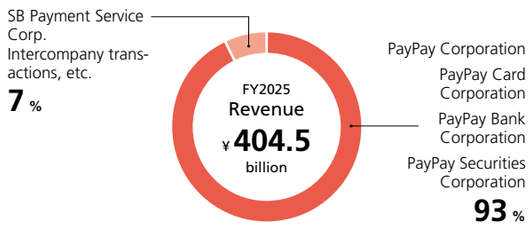
FY2025 performance

In FY2025, the Financial segment recorded revenue of ¥404.5 billion (up 24.3% year on year) and segment income of ¥86.3 billion (up 107.1% year on year). This was mainly driven by an increase in GMV from QR and barcode payments and credit cards offered by PayPay and PayPay Card Corporation, as well as growth in outstanding loans in the banking business. Notably, segment income more than doubled year on year.

Revenue and segment income



Revenue composition



*4 Source: Japan's Ministry of Economy, Trade and Industry News Release, "2025 Ratio of Cashless Payment Among the Total Amount Paid by Consumers Calculated" (March 31, 2026)
*5 Source: Payments Japan Association, "Survey on Code Payment Usage Trends" (published March 30, 2026; revised April 7, 2026)
*6 Source: Japan Securities Dealers Association, "The Shift from 'Savings to Investment' Is Underway: Looking Ahead" (March 18, 2026)
*7 Following the consolidation of PayPay Corporation as a subsidiary effective October 1, 2022, its financial results have been included from the third quarter of FY2022.
*8 From the first quarter of FY2025, PayPay Bank Corporation, which was previously classified under the "Media & EC segment," has been transferred to the "Financial segment." As a result, the FY2024 figures have been retrospectively adjusted.

Segment Information / Financial Segment

Value creation process

Inputs

(End of FY2025)

- *PayPay* registered users: **73.36** million*1
- Number of active *PayPay Cards* issued: **16.86** million

Outputs

(Main services and products)

- Cashless payment service (*PayPay*)
- Credit card (*PayPay Card*)
- Payment processing services
- Online banking service
- Online securities brokerage service for smartphones

Outcomes

(FY2025 actual)

- Revenue: ¥ **404.5** billion, segment income: ¥ **86.3** billion
- PayPay consolidated GMV: ¥ **19.4** trillion*2

(Creation of social value)

- Increased convenience through spread of cashless payments

*1 Number of users who have registered for a *PayPay* account *2 Payments via *PayPay Balance*, *PayPay Debit*, *PayPay Balance Card*, *PayPay Credit*, *PayPay Card* (physical card), *VISA Debit Card*, *Alipay*, *LINE Pay*, etc. are included. The use of the *Send/Receive* function of *PayPay Balance* between users and ATM withdrawals using the cash card function of the *VISA Debit Card* are not included. The figures represent the sum of GMVs of PayPay Corporation, PayPay Card Corporation, and PayPay Bank Corporation, with internal transactions eliminated.

Competitive advantages

❶ One of Japan's largest payment platforms

The number of transactions with *PayPay* reached 8.9 billion in 2025, accounting for 20% of the 43.5 billion total cashless payments in Japan*3, giving *PayPay* an overwhelming presence as one of Japan's leading payment platforms. The number of users who have completed identity verification (eKYC) has also exceeded 40 million, further strengthening its foundation for secure and reliable financial services. In addition, *Overseas Payment Mode* was launched in South Korea in September 2025 and in Taiwan in April 2026, providing a seamless payment experience overseas. This competitiveness is supported by an in-house development structure led by talented engineers from around the globe. In addition to responding rapidly to changing user needs and strengthening security, PayPay is expanding its use cases through a broad merchant network built with strong sales capabilities and through marketing initiatives.

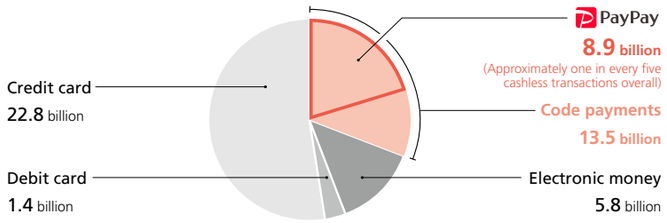
❷ An expanding digital financial ecosystem centered on payments

The Company's strength lies in its digital financial platform, with *PayPay* serving as a gateway from payments to a broader range of financial services. In FY2025, the number of active *PayPay Cards* issued increased by a net 3.05 million, representing one of the strongest levels of growth in Japan's credit card market. PayPay Bank Corporation and PayPay Securities Corporation are also expanding their account bases, driving greater use of financial services. By providing payments, financial services, and points in an integrated manner, the Company is enhancing the value of the ecosystem.

❸ Creating value by leveraging Group assets

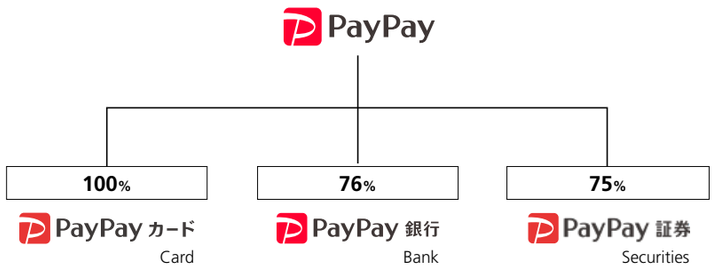
The Company has taken steps to strengthen the Group structure and accelerate growth in payment and financial services. Following PayPay's acquisition of PayPay Card Corporation as a wholly owned subsidiary in 2022, PayPay acquired PayPay Bank Corporation and PayPay Securities Corporation as subsidiaries in April 2025, creating an integrated structure spanning payments, banking, and investment. This has enhanced user convenience, expanded the use of financial services, and broadened the customer base. The Group also has one of Japan's largest collections of B2C platforms, with tens of millions of users in fields such as telecommunications and e-commerce. Through collaboration with these services, the Group is increasing customer referrals and transaction value while also creating synergies that improve user engagement across the Group.

Number of cashless payments in Japan (2025)*3

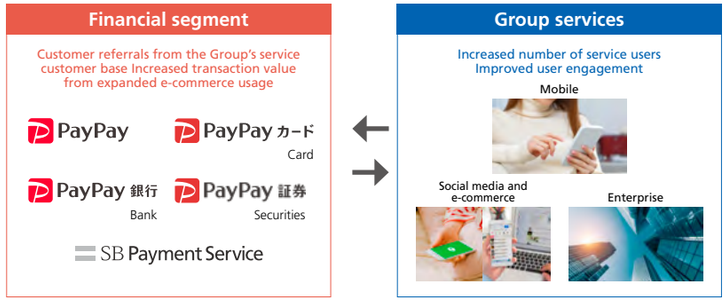


*3 Source: Japan's Ministry of Economy, Trade and Industry News Release, "2025 Ratio of Cashless Payment Among the Total Amount Paid by Consumers Calculated" (March 31, 2026). Figures are rounded.

PayPay Group capital structure (As of March 31, 2026)



Creating synergies with Group services



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Corporate Transformation

[Toward Realizing the Long-term Vision]

Looking ahead to a society that coexists with AI, the Company is accelerating its evolution from a communications infrastructure company into a company that provides Next-generation Social Infrastructure. In this section, the CEO and CFO explain in their own words the growth and financial strategies for achieving the Long-term Vision and enhancing corporate value.

Transformation





SoftBank will evolve from “communications infrastructure” that connects people to “Next-generation Social Infrastructure” essential for the development of a digital society. We will build distributed data centers powered by renewable energy and computing infrastructure, fundamentally redefining how infrastructure is designed and operated.

CEO Message



Junichi Miyakawa
Representative Director, President & CEO

1 How do you assess the previous Mid-term Plan?

Achieved the targets and exceeded initial forecasts for **three consecutive fiscal years**, while **bringing forward** preparations for growth (P21)

2 What is the direction of Group management under the new Mid-term Plan?

Under **"*Activate AI for Society*"**, take **growth and shareholder returns** to the next stage (P22)

3 What is the growth driver under the new Mid-term Plan?

The Enterprise segment's Cloud & AI field will drive growth (P22)

4 What is the strategy for domestic businesses such as the Consumer segment?

Combining **telecommunications with leading domestic services** to further enhance the **value** we provide to customers (P23)

5 What is the strategy for overseas expansion?

Gradually capture **U.S. AI demand** through the **neocloud business** (P25)

6 What is your approach to ESG?

Addressing **social issues in the AI era** to enhance **corporate value** (P25)

7 What is your approach to capital allocation?

Balancing **growth investment and shareholder returns** while maintaining and improving **financial soundness and capital efficiency** (P26)



AI enters the harvest phase. Linking the deployment of AI across society to enhanced corporate value

Results of the previous Mid-term Plan and the milestone reached at the halfway point of the 10-year plan

Delivering results above expectations and bringing forward preparations for growth

FY2025 marked a major milestone, bringing the first half of the 10-year plan (P36) I set when I became President & CEO to a close. Consolidated revenue was ¥7,038.7 billion (up 8% year on year), consolidated operating income was ¥1,042.6 billion (up 5% year on year), and net income attributable to owners of the Company reached a record high of ¥550.8 billion (up 5% year on year), with revenue exceeding ¥7 trillion for the first time. Primary free cash flow*1 also reached a record high of ¥633.6 billion, once again demonstrating our strong cash-generating capabilities.

What is particularly significant about these results is that, in addition to revenue increasing in every segment, both the Enterprise and Distribution segments exceeded ¥1 trillion in revenue for the first time. This means the Group now has four "trillion-yen-scale businesses": the Consumer, Enterprise, Distribution, and Media & EC segments. By steadily growing our non-telecommunications businesses on the foundation of stable cash flow generated by telecommunications, we have significantly strengthened the growth potential of the Group as a whole.

Under the previous Medium-term Management Plan (hereinafter "Mid-term Plan"), we achieved all of our financial and non-financial targets and exceeded our initial forecasts for three consecutive fiscal years. The path to these results was by no means smooth. During the first two and a half years after I became President & CEO, rebuilding the earnings foundation of the Consumer segment was an urgent priority because mobile service revenue declined substantially due to mobile service price reductions. While expanding our customer base, we reviewed our cost structure, improved the efficiency of network investments, and focused on accelerating growth in non-telecommunications businesses, particularly in the Enterprise segment.

As this recovery progressed and we gained confidence in a V-shaped recovery in Company-wide performance, we brought forward preparations for the next phase of growth. Despite major changes in the business environment, including mobile service price reductions, international conflicts, the depreciation of the yen, and rising prices, we overcame these challenges without undermining our business foundation and achieved record-high profit. This gave me great confidence.

The previous Mid-term Plan also progressed more strongly than expected, allowing us to bring forward preparations for the new Mid-term Plan. This was highly significant in laying the groundwork for the future. The Consumer segment will remain an important business that serves as the backbone of the Company, but we cannot achieve medium- to long-term growth in corporate value unless we build new growth areas on top of that foundation. Since becoming President & CEO, I have looked ahead toward a "Society that coexists with AI" and taken early action on initiatives that I expected would inevitably be needed in the future and would take time to build.

AI data centers, AI computing infrastructure, sovereign cloud, homegrown generative AI, *Infrinia AI Cloud OS (hereinafter Infrinia)*, and "AI-RAN"(P46) are not initiatives that produce results in a short period. However, if we believe that an era is coming in which AI will be used in earnest throughout society, we must prepare in advance or we will not be able to capture the demand. The headroom created by the results of the previous Mid-term Plan has enabled us to invest in the foundation for growth over the next five years and beyond, leading to the position we hold today.

The first half of the 10-year plan was a five-year period of recovery from difficult conditions and of "sowing seeds" for the deployment of AI across society to drive the next phase of growth. The second half will be a five-year "harvest phase" in which we reap those benefits and accelerate our evolution into a Next-generation Social Infrastructure company.

*1 Primary free cash flow is a measure calculated by adding back the amounts spent as long-term growth investments to adjusted free cash flow (excluding the LY Group, PayPay, etc.). Long-term growth investments include investments in AI computing infrastructure and AI data centers. Adjusted free cash flow (excluding the LY Group, PayPay, etc.) = free cash flow + (proceeds from the securitization of installment sales receivables – repayments thereof) + dividends received from A Holdings Corporation – investment in PayPay Corporation + proceeds from the sale of shares in PayPay Securities Corporation – free cash flow of the LY Group, PayPay, etc. "LY Group, PayPay, etc." refers to A Holdings Corporation, LY Corporation and its subsidiaries (the LY Group), B Holdings Corporation, PayPay Corporation, PayPay Card Corporation, PayPay Bank Corporation, PayPay Securities Corporation, etc.



New Mid-term Plan: Five years to link the deployment of AI across society to enhanced corporate value

Taking growth and shareholder returns to the next stage under "Activate AI for Society"

The theme of the new Mid-term Plan is "Activate AI for Society." The past five years were, so to speak, an era of "training," in which the world focused on building the brains of AI. What will matter over the next five years is putting that AI to practical use in corporate activities and people's daily lives, and deploying it broadly across society. The center of gravity in AI will shift from "training" to "inference," ushering in an era in which autonomous vehicles, robots, AI agents, and other technologies operate in everyday life by continuously making inferences.

For the Company, the new Mid-term Plan is a period for turning this change into revenue opportunities. Every business across the Group, including the Consumer, Enterprise, Media & EC, and Financial segments and our green transformation (hereinafter GX) initiatives, will evolve through integration with AI. What matters is not keeping AI confined to the realm of technical research and development, but mobilizing the full capabilities of the Group for the deployment of AI across society, thereby "activating" the potential of AI and linking the results to increased corporate value.

To this end, we are advancing initiatives while further clarifying the roles of each Group company. The Company will develop AI infrastructure such as AI data centers and AI computing infrastructure and implement Cloud & AI services in the operations of enterprise customers and in social infrastructure. LY will leverage one of Japan's largest customer bases to provide an environment where people can naturally use AI within the services they use every day. As AI is deployed more broadly across society and commercial and financial transactions become increasingly tailored to individual companies and users, PayPay will connect these transactions with its payment and financial services.

Under the new Mid-term Plan (P37), we aim to achieve consolidated revenue of ¥9 trillion, consolidated operating income of ¥1.7 trillion, and net income attributable to owners of the Company of ¥700.0 billion in FY2030. We plan to grow operating income at a compound annual growth rate (CAGR) of 10% and continue setting new record highs. The ¥700.0 billion net income target may appear conservative, but we have presented it as the minimum level we intend to achieve over the next five years. My own sights, of course, are set even higher.

The principal Cloud & AI initiatives incorporated into the new Mid-term Plan are those with a relatively high degree of certainty regarding monetization, including providing the AI computing infrastructure we have built ahead of competitors and commencing operations at the Osaka Sakai AI Data Center (140 megawatts*2) and Hokkaido Tomakomai AI Data Center (50-megawatt scale*3). By steadily bringing these initiatives online, we will first ensure growth in the Cloud & AI field. Meanwhile, the neocloud business in the United States and GX businesses such as innovative batteries, which I discuss later, are initiatives we will pursue as further upside opportunities. While reliably delivering the growth incorporated into the plan, we will also expand our options for increasing future corporate value.

We will also steadily reflect the benefits of growth in shareholder returns. We will increase dividends per common share to ¥8.8 in FY2026 and aim for continuous dividend increases in line with profit growth. As a guide, we envision dividends of ¥9 when net income attributable to owners of the Company reaches ¥600.0 billion and ¥10 when it reaches ¥700.0 billion. If profit exceeds our expectations, we will also consider additional shareholder returns.

At the same time, we will steadily execute investments with medium- to long-term growth in mind. I will explain our approach to capital allocation (P40) later, but while continuing to be mindful of financial soundness and capital efficiency, we will make the investments necessary to capture growth opportunities in the AI era, reinvest the resulting benefits in further growth, and strengthen shareholder returns. By continuing this cycle, we aim to become a company that shareholders and investors value not only as a high-dividend stock, but also as a growth stock for the AI era.

*2 Power-receiving capacity expected to be required for the AI computing infrastructure with computing capacity of 110 ExaFLOPS that the Company aims to build
*3 Maximum power-receiving capacity of the data hall building planned for construction

Growth driver: growth of the Enterprise segment's "Cloud & AI" field

Further strengthening our consultative capabilities through AX to enhance customers' competitiveness

The Enterprise segment will be the growth driver under the new Mid-term Plan. To date, the Enterprise segment has grown significantly by supporting digital transformation (DX) for enterprise customers. What we have emphasized is making proposals that help customers increase revenue and improve cost efficiency, thereby contributing to stronger customer competitiveness through the results achieved. As our customers' businesses grow, they are more likely to turn to us for help with their next set of challenges. This virtuous cycle has supported the growth of the Enterprise segment.

Going forward, AI will be added to this equation, and DX will evolve into AX, or AI transformation. AI creates new proposal opportunities for every enterprise customer. We are entering an era in which virtually every company will adopt AI. That is precisely why we will further strengthen through AX the proposal capabilities we have cultivated through DX and support the business transformation and enhanced competitiveness of our enterprise customers.

Under the new Mid-term Plan, we have integrated into the Enterprise segment the AI data centers and AI computing infrastructure being commercialized, which were previously included in "Other," positioning them within the "Cloud & AI" subsegment (P38). This is intended to make our future growth drivers clearer to shareholders and investors. As the certainty of monetizing AI computing infrastructure and AI data centers has increased substantially, we have presented an outlook to grow revenue in the "Cloud & AI" field at a CAGR of approximately 30%, from ¥255.8 billion in FY2025 to ¥430.0 billion in FY2027. The AI-related

investments for which we have been sowing seeds are now entering the payback phase.

We organize our Cloud & AI field into three layers. The first is "AI infrastructure," including AI data centers and AI computing infrastructure. The second is "AI platforms," including *Infrinia*, sovereign cloud, and the homegrown generative AI *Sarashina*. The third is "AI applications," including *Crystal intelligence*. Our strength lies in our ability to combine these layers according to enterprise customers' needs and the confidentiality of their data, rather than offering them separately, and provide them as an end-to-end offering (P41).

In AI infrastructure, in addition to one of Japan's largest AI computing infrastructure platforms that we have already built, we will sequentially develop AI data centers (P45) in Sakai City, Osaka Prefecture, and Tomakomai City, Hokkaido Prefecture. For companies to make full-scale use of AI, they need sufficient computing resources for AI to support training and inference. We expect demand for domestic AI computing infrastructure to increase further as AI agents and physical AI become more widespread. In anticipation of this demand, the Hokkaido Tomakomai AI Data Center will initially start at a 50-megawatt scale, with the aim of expanding to a gigawatt-scale AI data center in the future. We will develop AI computing infrastructure to meet this demand and provide it to enterprise customers.

One AI platform for which we have particularly high expectations is *Infrinia* (P47), which we have developed in-house. Traditionally, when companies use AI computing infrastructure, they must secure bare-metal servers (physical servers on which no software, such as an operating system or applications, is installed) and perform complex initial configuration of the hardware and software. As a result, it can take several weeks to several months before the environment is operational. *Infrinia* solves this issue by making computing resources for AI immediately available in a manner similar to a cloud service. Engineers at customer companies can use AI training and inference environments with the same ease as conventional cloud services.

In an era when the focus of AI shifts from training to inference, competitiveness will depend on software that enables computing resources for AI to be used efficiently and operated at high utilization rates. Combining *Infrinia*, which we developed with this future in mind, with our AI computing infrastructure, we are preparing for the full-scale domestic rollout of *AI Data Center GPU Cloud*. By using this service as a foothold for our neocloud business, we will drive growth in the Cloud & AI field.

Sovereign cloud (P47) and our homegrown generative AI *Sarashina* are also important AI platforms for the Company. Going forward, AI will become one of the most important technologies directly linked to national competitiveness. Japanese companies, particularly manufacturers, possess on-site know-how accumulated over long histories. If that know-how is too readily used to train overseas general-purpose models, it could become common knowledge worldwide overnight, creating the risk of eroding their competitiveness. An environment is needed in which knowledge that Japanese companies must protect can be used safely while remaining contained within each company. Anticipating this demand, we are working on homegrown generative AI and sovereign cloud.

We position *Sarashina* as a homegrown generative AI platform that supports AI utilization tailored to individual companies and industries. By training *Sarashina*, which has strengths in Japanese-language capabilities, on industry-specific and company-specific data, we will enable AI utilization suited to the challenges of each company.

For AI applications, we will roll out *Crystal intelligence*. This is an initiative we are pursuing jointly with OpenAI to link AI agents within companies and optimize management across the entire enterprise. Preparations are steadily progressing toward service launch.



By providing AI infrastructure, AI platforms, and AI applications end-to-end, we will support enterprise customers all the way through to actually using AI and achieving results. We have built long-standing relationships with many customers, including more than 3,000 enterprise customers across Japan's 15 critical infrastructure sectors. Our ability to comprehensively understand telecommunications, cloud, AI, and security and make proposals tailored to customers' operational challenges is a major competitive strength. Rather than focusing solely on creating AI, we aim to become the company that uses AI most effectively and translates it into results for enterprise customers. This is our growth strategy for the Enterprise segment.

Strengthening the growth foundation of our domestic businesses

Combining telecommunications with leading domestic services to further enhance the value we provide to customers

In our domestic businesses, we aim for sustainable growth by using telecommunications services that are essential to daily life as the foundation and combining them with LY's unparalleled customer touchpoints in media and e-commerce and PayPay's payment and financial functions, thereby further enhancing the value we provide to customers.

Consumer segment:
enhancing added value and cost efficiency in customer acquisition to establish a medium- to long-term growth foundation

Our policy of continuously increasing mobile service revenue and aiming for profit growth in the Consumer segment (P39) remains unchanged. However, we are shifting the emphasis of our business operations toward maintaining and

expanding a strong customer base while prioritizing cost efficiency in customer acquisition and enhancing the added value of our services. Until now, we grew through a model in which increases in subscriber numbers offset declines in ARPU and expanded mobile service revenue. However, as more users across the industry began switching carriers over short periods, customer acquisition cost efficiency declined, increasing the need to rebalance profitability. If continuing to compete for short-term acquisitions causes customer acquisition costs to swell and affects business profitability or our ability to maintain service quality, that model is not sustainable over the medium to long term. We therefore determined that the Consumer segment needs to shift the emphasis of its operations in order to remain a business that continues to grow into the future.

We also discussed the revision of mobile service prices carefully until the very end. In particular, asking existing customers to shoulder an additional burden is a weighty decision. Naturally, we were also concerned that customers might leave. Even so, inflation has broadly increased the costs required to support high-quality and resilient telecommunications services, including personnel expenses and network maintenance costs. Looking ahead to a "Society that coexists with AI," we will also need to invest not only to maintain reliable network quality, but also to further advance the network. We decided that reviewing our pricing structure was unavoidable if we are to sustainably develop telecommunications infrastructure as a foundation of society and continue providing reliable, high-quality services that customers can use with confidence.

Of course, customers will not understand a price revision if that is all we do. If we ask existing customers to shoulder an additional burden, we must provide clear added value commensurate with the price. Accordingly, the price revision included expanded service offerings and stronger linkage with Group services so that customers can experience the added value. Services following the price revision have been accepted by customers to date, and we believe we are deepening relationships with customers who will stay with us over the long term and establishing a foundation for medium- to long-term growth.

Media & EC segment: evolving the customer experience with AI agents to drive business growth

LY, the core company of the Media & EC segment, has one of Japan's largest user bases and provides online services used in many aspects of daily life, including search, news, messaging, and commerce. In particular, *LINE* has more than 100 million monthly active users in Japan*4, making it one of the customer touchpoints closest to consumers.

We believe this customer base of more than 100 million people will be a major strength for the Group as AI agents become more widespread. For many people to experience the convenience of AI agents, it is important that they are naturally embedded in services used every day, rather than being used only within specialized applications. With its many services used daily by large numbers of customers, LY is well positioned to translate an AI-agent-driven evolution in the customer experience into business growth.

The AI agent service *Agent i* (P39) announced in April 2026 is designed to support users' decision-making more naturally across activities such as gathering information, comparing options, making purchases, and booking reservations. If users can reach the information and services they need more naturally and smoothly, the convenience of the service will improve, which should also increase frequency of use and time spent. As a result, we expect growth opportunities in advertising and commerce to expand as well.

For the Company as well, it is important that LY evolves the customer experience. By using AI agents to enhance the appeal of LY's services and organically connecting those touchpoints with Group services such as telecommunications, payments, and finance, we will further accelerate growth across the Group's domestic businesses.

*4 As of the end of March 2026

Financial segment: expanding revenue opportunities further, from payments into financial services

Centered on PayPay, the Financial segment is growing significantly. PayPay Bank Corporation, PayPay Securities Corporation, and other companies have been consolidated under PayPay, establishing a structure that can provide financial services in an integrated manner. In March 2026, PayPay was listed on the Nasdaq stock market, making its corporate value more visible, while also beginning to explore opportunities for global growth. In June 2026, it also announced plans to acquire T&D Financial Life Insurance Company as a subsidiary, with the aim of providing comprehensive financial services tailored to users' life stages.



PayPay is responsible for the Group's payment and financial services field. Connecting the telecommunications business customer base, LY's media and e-commerce services, and PayPay's payment platform expands opportunities for everyday consumption, online transactions, and the use of financial services. As the number and value of payment transactions grow, opportunities to provide financial services such as credit, banking, securities, insurance, and lending will also expand.

Going forward, we will further expand revenue opportunities from payments into finance through growth in online and credit-card payments and financial services such as lending to small and medium-sized enterprises centered on PayPay Bank Corporation. We will also take on the challenge of expanding the model refined in Japan globally, including consideration of overseas expansion leveraging our strategic partnership with Visa (P39).

Telecommunications infrastructure: evolving into AI network infrastructure optimized for the AI era and carrying "tokens"

Our telecommunications network is both the foundation supporting the competitiveness of the Consumer and Enterprise segments and critical infrastructure that determines the quality of service experiences in the AI era.

Previously, networks carried voice calls. With the spread of the Internet, they evolved into infrastructure for carrying data, or bits. In a "Society that coexists with AI," telecommunications will evolve further. What networks will need to carry next are "tokens," which AI uses to understand, infer, and respond. As queries to AI, images and video, sensor data, and control information for robots and autonomous vehicles increasingly flow through telecommunications networks, uplink communications will also become more important. We are preparing proactively with these changes in mind.



For a "Society that coexists with AI," networks and AI computing infrastructure must not be considered separately. We need to design the overall architecture as a single infrastructure. "AI-RAN" is an initiative developed with this future in mind. We see it as our responsibility as a Next-generation Social Infrastructure company to develop a communications environment in which AI can be used seamlessly and securely.

Laying the groundwork for "Beyond Japan" overseas expansion with SB Neo

Capturing U.S. AI demand in stages while maintaining financial soundness

I have no intention of limiting the Company's growth to Japan. Demand for computing resources for AI is expanding rapidly worldwide. In the United States in particular, demand for AI training and inference is extremely strong, and I see the neocloud business as a market with substantial growth potential.

In July 2026, we announced the establishment of SB Neo, Inc. (hereinafter SB Neo), an operating company that will develop a neocloud business in the United States. The Company will hold 51% and SoftBank Group Corp. 49%, making SB Neo a consolidated subsidiary of the Company. SB Neo aims to provide hyperscalers and other large U.S. enterprises with the computing resources needed for training and inference of large-scale AI models, based on energy and AI infrastructure being developed by SoftBank Group. The company plans to launch services in FY2027.

In developing business in the United States, a key strength will be our ability to leverage a range of resources, including the foundation and talent associated with the large-scale AI infrastructure projects that SoftBank Group is already pursuing there. At the same time, the Company will leverage the know-how and expertise it has gained from GPU cloud services, utilizing *Infrinia* to advance the neocloud business in the United States.

Because the neocloud business is expected to require substantial capital expenditures, it is important to develop it while maintaining financial soundness. We envision providing capacity in stages as we confirm offtaker demand. For each project, we will consider using a special purpose company (SPC) and financing through non-recourse loans, enabling us to capture growth opportunities while appropriately controlling risk.

The center of gravity in AI infrastructure is currently shifting rapidly, with the United States at its core. SB Neo is a strategic step that enables the Company to participate as a business operator in this major center of demand and pursue new revenue opportunities while also leveraging the strengths of SoftBank Group. By accumulating business experience and operational expertise in the United States and bringing them back into our domestic AI data center operations and the enhancement of our Cloud & AI services, we aim to strengthen the competitiveness of the Group as a whole.

ESG supporting sustainable growth

Addressing social issues in the AI era and linking our response to increased corporate value

As a company working to deploy AI broadly across society, we must not only expand the convenience and growth opportunities AI creates, but also take responsibility for the social issues that arise alongside it. The electricity supply challenges associated with expanding AI data centers, increasingly sophisticated cybersecurity risks, and the need to advance governance as a listed corporate group are all important management issues inseparable from our growth, and we will address them sincerely.

Environment initiatives: turning the power challenges of AI data centers into GX growth opportunities

The expansion of AI data centers brings major challenges in the form of electricity consumption and environmental impact. Under the new Mid-term Plan, we have retained the achievement of carbon neutrality in FY2030 as a non-financial target (P61), even as we expand AI data centers and other infrastructure. As a company deploying AI across society, we have a responsibility to directly address the environmental impact generated by AI.

We have already been working to use renewable energy and reduce power consumption at base stations. Going forward, as the number of AI data centers increases, stable power supply, peak shifting, and energy management will become even more important. This will increase costs, but it also represents a new business opportunity for the Company.

The development of innovative battery cells (P49) is an initiative designed in response to the power challenges of AI data centers. We will deploy these battery cells at our own AI data centers and mobile base stations to improve the stability of power supply and our cost competitiveness. Furthermore, by combining energy storage systems with AI-based energy management systems, we aim to create a world in which data centers and buildings can autonomously control their electricity use. We will also sell these solutions through channels in the Consumer and Enterprise segments, contributing to the optimization of electricity consumption across society. After building a track record in Japan, we will pursue overseas expansion, with the aim of growing this into a business on the scale of ¥100.0 billion by FY2030. We view efforts to solve the power challenges of the AI era not only as a way to contribute to a sustainable society, but also as a growth opportunity for our GX business.

Social initiatives: fulfilling our responsibility to protect Japan's critical infrastructure and linking it to business growth

As the deployment of AI across society advances, the importance of cybersecurity in social infrastructure will increase dramatically. AI raises productivity, but it can also make attack methods more sophisticated. As a company responsible for telecommunications infrastructure that has worked with customers in critical infrastructure sectors for many years, strengthening cybersecurity is a social responsibility inherent in our role as an operator.

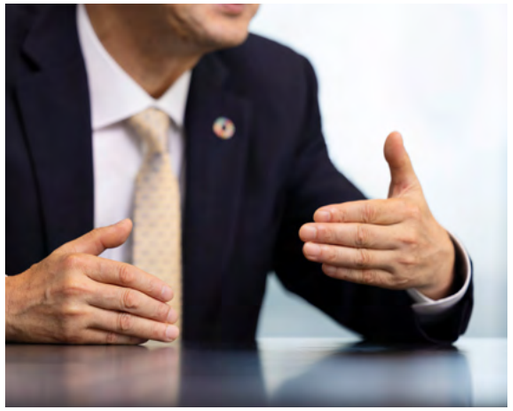
As a company responsible for telecommunications networks that constitute social infrastructure, we ourselves have implemented a wide range of measures against cyberattacks, including vulnerability management, authentication and identity management, firewall deployment, DDoS countermeasures, and monitoring 24 hours a day, 365 days a year. In addition, as OpenAI's first customer in Japan, we conducted vulnerability assessments using an AI model specialized in cybersecurity. In a short period, it identified numerous potential attack paths that human analysis alone had been unable to fully uncover, allowing us to implement the necessary countermeasures at an early stage. This gave us first-hand experience of the effectiveness of AI-based security measures and convinced us that cybersecurity in the AI era is a new management challenge that cannot be addressed simply by extending conventional approaches.

Together with OpenAI, we are providing *Patching as a Service*. This service uses the AI model described above to diagnose vulnerabilities in enterprise systems and apply remedial programs known as patches. If a cyberattack stops a company's systems, revenue can disappear in an instant and social infrastructure can be disrupted. This is an issue that directly affects corporate sustainability. We are moving at full speed to strongly support cybersecurity measures at Japanese companies and safeguard critical infrastructure. For companies responsible for critical infrastructure or handling highly confidential data, AI utilization and security are inseparable. By providing telecommunications, cloud, AI, and security solutions in an integrated manner, we will fulfill our social responsibilities while helping enterprise customers solve their challenges and translating that support into business growth.

Governance initiatives: a Group structure that leverages autonomy and market discipline

The Company is both a listed subsidiary of SoftBank Group Corp. and a parent company with listed subsidiaries such as LY Corporation and PayPay Corporation. Regarding parent-subsidiary listings, investors have shared views and concerns about the risk of conflicts of interest and the appropriateness of the current Group structure. I would like to clearly state my thinking on this point.

First, let me address the Company's position as a listed subsidiary of SoftBank Group Corp. When conducting transactions with SoftBank Group Corp., what matters most to us is whether the initiative will contribute to increasing our corporate value and create revenue opportunities for the Company. As a rule, if a business can be fully executed by the Company alone, we do not undertake it jointly. On the other hand, initiatives such as the rollout of SB Neo and our collaboration with OpenAI can create opportunities to develop businesses at a speed we could not achieve alone by leveraging SoftBank Group Corp.'s global network and relationships with its portfolio companies.



Completely severing capital ties might increase formal independence. However, it would reduce opportunities to leverage SoftBank Group Corp.'s global information resources, network, and relationships with portfolio companies. Conversely, if the Company were to be made a wholly owned subsidiary, we would lose the market discipline that comes from being a listed company directly evaluated by minority shareholders. The current structure offers both advantages: we can leverage the knowledge of our parent company while, as a listed company ourselves, we listen directly to the market and make decisions with autonomy and speed.

Of course, addressing conflicts of interest is essential. A majority of our Board of Directors is composed of independent external directors (P80). Furthermore, for important transactions with SoftBank Group Corp. that exceed a certain threshold, an "Independent External Directors' Meeting," composed solely of independent external directors, conducts a preliminary review. The important balance is to capture necessary synergies while maintaining mechanisms that prevent decisions that disadvantage minority shareholders.

Next, let me address our position as a parent company with listed subsidiaries such as LY and PayPay. Making these companies wholly owned subsidiaries would strengthen Group control. However, it would reduce the benefits of each company being directly evaluated by the market as a listed company, managing autonomously with speed, and growing while attracting top talent. Conversely, completely severing capital ties would increase the independence of each company, but would also reduce the benefits they gain from our ecosystem.

The current structure is designed to preserve the autonomy and market discipline of each company while sharing an overall direction across the Group, avoiding duplicative investment, and allowing each company to focus on the areas where it is strongest and able to grow. To strengthen this coordination further, the CEOs of LY and PayPay joined the Company's Board of Directors in June 2026. I also serve as a Board Director of PayPay and as a Board Director of A Holdings Corporation, the parent company of LY. By continuously aligning direction among top management and exercising effective governance, we will accelerate the creation of synergies across the Group.

Parent-subsidiary listings should not be evaluated on form alone. What matters is whether the structure contributes to increasing the corporate value of each company, whether mechanisms are in place to protect minority shareholders' interests, and whether the Group as a whole can maximize the value it provides to society. We will continuously examine the current structure from these perspectives and sincerely address investors' questions and concerns.

Capital allocation: growth investment and financial discipline

Balancing growth investment and shareholder returns while maintaining and improving financial soundness and capital efficiency

Under the new Mid-term Plan, we have clarified our approach to capital allocation (P40). While aiming for continuous dividend increases, it is essential that we execute the growth investments necessary to capture opportunities in the AI era while remaining mindful of financial soundness and capital efficiency.

Over the three years from FY2026 through FY2028*5, we plan to generate cumulative operating cash flow*6 of ¥3.4 trillion, primarily from the Consumer and Enterprise segments. In addition to stable and recurring cash generation from telecommunications charges and other sources, this will include earnings from Japan's largest-scale AI computing infrastructure and AI data centers. This operating cash flow will be sufficient to cover the telecommunications-related capital expenditures discussed below as well as increased shareholder returns.

On the cash outflow side, against the backdrop of growth in mobile service revenue, we plan cumulative capital expenditures of ¥1.5 trillion over the three years, mainly related to telecommunications, to build high-quality and resilient networks and maintain competitiveness. We also expect ¥0.4 trillion in payments of lease liabilities*7 for land and buildings used to install base stations and ¥1.3 trillion in shareholder returns. In addition, we have secured a strategic allocation of ¥1.0 trillion for uses such as additional AI-related capital expenditures, M&A, and share buybacks.

Of this ¥1.0 trillion strategic allocation, ¥0.3 trillion has already been allocated to specific uses. These include construction of the Osaka Sakai AI Data Center (140 megawatts) and the Hokkaido Tomakomai AI Data Center (50-megawatt scale), as well as innovative battery cell manufacturing. For the remaining ¥0.7 trillion, we will make decisions on our next moves to increase corporate value while assessing the size and certainty of returns, the cost of capital, and the impact on financial soundness.

In line with decisions regarding the ¥1.0 trillion strategic allocation described above, we assume total financing of ¥0.8 trillion cumulatively over the three years. We will pursue both financial soundness and capital efficiency, targeting an adjusted net leverage ratio*8 in the mid-2x range and target range for consolidated adjusted ROE*9 of around 20%. If the adjusted net leverage ratio exceeds the mid-2x range, we will make investment decisions with greater caution, more carefully assessing the likelihood of recouping the investment.

Based on this approach to capital allocation, we will aim to maximize corporate value by balancing growth investments, shareholder returns, and financial soundness.

*5 Capital allocation is managed excluding the LY Group, PayPay, etc.
*6 Includes the impact of securitization of installment sales receivables
*7 Payments of lease liabilities related to leases of telecommunications equipment, real estate and space for base stations and related structures, real estate for telecommunications networks, offices, warehouses, etc.
*8 Adjusted net leverage ratio = net interest-bearing debt / adjusted EBITDA (last 12 months through the relevant quarter)
*9 Consolidated adjusted ROE = (net income attributable to owners of the Company – total dividends on Bond-Type Class Shares) / (equity attributable to owners of the Company – balance of Bond-Type Class Shares)

Message to shareholders and investors

Creating the future as an active participant in a "Society that coexists with AI"



I do not make management decisions by looking only five or ten years ahead. The Company is an infrastructure company and will continue to play an important role in society 20 and 30 years from now. That is why I try to make decisions by asking, "What should SoftBank be doing now for the SoftBank of 30 years from now?" I do not want to manage the Company in a way that defers burdens to the future simply to generate short-term profit during my tenure as President & CEO. From a medium- to long-term perspective, I want to do work that people will later look back on and say, "That move we made back then paid off."

AI can make the world more convenient, but it also has the potential to fundamentally change the way people, companies, and society operate. Does greater convenience truly lead to human happiness? Will AI guide companies and society in a better direction? In answering those questions, I want the Company to not be a "bystander," but an "active participant." Because we are involved through vertical integration across the full stack, from AI data centers, networks, cloud, security, and AI services to consumer touchpoints, rather than taking responsibility for only one part, we can become an active participant in guiding an AI society in a better direction.

Over the next five years, we will monetize the AI infrastructure and AI services in which we have invested and, first and foremost, steadily achieve the targets of the new Mid-term Plan presented to shareholders. At the same time, through SB Neo's neocloud business in the United States, *Patching as a Service*, innovative batteries, next-generation memory, HAPS*10, "AI-RAN," sovereign AI, and other initiatives, we will pursue upside while increasing the certainty of monetization. Some will contribute to profit in the short term, while for others the full-scale harvest may not come until the subsequent Mid-term Plan. However, when we think about SoftBank 20 or 30 years from now, all of these are seeds we need to sow today.

For shareholders and investors to value the Company as a growth company in the AI era, we ourselves must demonstrate results in numbers and continue explaining our progress clearly. We will steadily monetize the AI investments whose seeds we have sown, achieve the targets of the new Mid-term Plan, and pursue further upside. We will also translate the benefits of growth into shareholder returns and share them with our shareholders. By executing each of these steps and continuing our dialogue with the market, SoftBank will accelerate its evolution into a Next-generation Social Infrastructure company. We hope you will continue to look forward to our medium- to long-term growth and support our efforts.

*10 HAPS (High Altitude Platform Station): Generic term for systems that provide telecommunications services over wide areas by operating communications platforms that remain in the stratosphere for extended periods.

CFO Message

Building on our DNA of embracing change, balancing the pursuit of growth with shareholder returns



Osamu Akiyama
Board Director
Senior Vice President & CFO

The foundations of my approach as CFO

My formative experience in SoftBank-style finance

I began my career at JAPAN TELECOM CO., LTD. (hereinafter "JAPAN TELECOM") at a time when fixed-line telephones were still the mainstream and mobile phones were only just beginning to become widespread. In 2004, the company was acquired by SoftBank, an event that became a major turning point in my career and, indeed, in my life.

SoftBank acquired JAPAN TELECOM with the aim of launching the *Otoku Line* direct-connect fixed-line telephone service. Immediately after the acquisition, capital expenditures commenced on a scale far beyond anything that had previously been considered normal at JAPAN TELECOM. At the time, I was responsible for fixed asset management in the accounting department, and I found myself in the midst of an extremely intense period. Even under challenging circumstances, the entire Company worked as one and moved things forward at an extraordinary speed. That overwhelming energy directed toward growth is, in my view, the essence of SoftBank, and it became the foundation of the "DNA of embracing change" that is deeply rooted in me today.

I later transferred to the finance department, where I experienced an even greater degree of SoftBank-style dynamism. After making large-scale investments in *Otoku Line*, we faced a situation in which liquidity became tight. Management gave us a clear mission: "Monetize as much of the assets on our balance sheet as possible through leasing and other means." We accelerated the cycle of financing and business expansion. That sense of speed and way of thinking continue to shape the way I manage the Company's finances today as CFO.

Among the projects I have led in recent years, the one that stands out most is Japan's first listing of Bond-Type Class Shares. To address the seemingly conflicting challenge of "balancing growth investments with a high level of shareholder returns," we created a new scheme for raising equity-like funds without diluting equity ownership for existing shareholders. It was not easy to gain understanding of the scheme's fundamental value among capital market participants and other stakeholders. However, through careful dialogue, I believe we succeeded in gaining market acceptance, and an increasing number of other companies are now issuing Bond-Type Class Shares as well. I also believe that we were able to contribute to the development of Japan's capital markets, which gave me a strong sense of accomplishment.

What I learned from this experience is that, rather than simply providing a technical explanation of a financing scheme, it is important in dialogue with the market to share a single coherent story explaining "why the scheme is necessary and what our underlying strategy is." I also believe it is important to clearly communicate what we are discussing internally and the background to our decision-making. Now that I am CFO, I intend to explain the assumptions and thinking behind our growth strategy and capital allocation as clearly as possible and to further deepen trust with capital market participants through constructive dialogue.

CFO Message

Carrying forward the previous CFO's legacy and defining my own vision as CFO

Taking on the challenge of maximizing corporate value as a "balancer between offense and defense"

My predecessor, Kazuhiko Fujihara, led SoftBank's finance function for more than 20 years and built the robust financial foundation we have today. With a view to succeeding him in this position, we began a carefully planned transition process one year in advance. Working alongside Fujihara and seeing firsthand how a CFO carries out the role and makes decisions was an extremely valuable experience. During this preparation period, I also had significantly more opportunities to interact with CEO Junichi Miyakawa. Being able to gain advance insight into discussions among the management team and the decision-making process has provided a solid foundation for me in my current role.



I believe the most important role of a CFO is to proactively allocate management resources and act as a "balancer between offense and defense" to enhance corporate value. I have been deeply involved in formulating capital policies, raising funds, and building relationships with financial institutions and investors. Through these experiences, I have developed a sense for balancing three elements: taking on challenges for growth, enhancing shareholder returns, and maintaining financial soundness. While maintaining financial discipline, I will seek to seize growth opportunities and appropriately allocate the necessary management resources, with the aim of maximizing corporate value.

Review of the previous Mid-term Plan (FY2023-FY2025)

Building a foundation for our next leap forward by balancing growth investments with financial soundness

The three years through FY2025 under the previous Mid-term Plan were a period in which we rebuilt the business foundation affected by mobile service price reductions while making preparations to build "Next-generation Social Infrastructure." As a result, we achieved a turnaround in mobile service revenue one year earlier than originally planned. Supported also by PayPay's growth, we exceeded our initial forecasts for consolidated revenue, operating income, and net income in each fiscal year.

These achievements enabled us to proactively make upfront investments for the future. We invested approximately ¥200 billion in capital expenditures for AI data centers and AI computing infrastructure. For these investments, we also utilized funds raised through Bond-Type Class Shares and allocated capital while taking financial soundness into consideration. I believe that steadily executing growth investments while maintaining financial discipline was one of the major achievements of the previous Mid-term Plan.

At the same time, I believe we need to further strengthen the shift of human resources toward AI-related businesses and develop the necessary organizational structure. Under the previous Mid-term Plan, we advanced technological development and preparations for commercialization. However, to transform these technologies into full-fledged businesses, we need a robust organization involving not only the technology divisions but also the sales and finance divisions. We are steadily developing the Group-wide organizational structure so that we can accelerate AI-related businesses as a growth driver under the new Mid-term Plan. (P51)

Our intent for the new Mid-term Plan (FY2026-FY2030)

A five-year plan for pursuing challenges with a long-term perspective and an AI growth strategy

In formulating the new Mid-term Plan, there were three issues that required particularly extensive consideration. The first was whether the plan period should be three years or five years. A five-year plan is consistent with our previously announced Long-term Vision (P35) and is easier to communicate to the market. At the same time, in an era of rapid change in technologies such as AI and in the macroeconomic environment, publishing targets five years into the future inevitably involves uncertainty. SoftBank has historically operated on a three-year cycle and has steadily achieved the targets it has set. After extensive discussions, however, we deliberately chose a five-year plan. Precisely because we are living in an era of rapid change, we believe SoftBank should set ambitious targets with a long-term vision in mind and boldly take on the challenge of achieving them.

The second issue, about which we had also received many questions from investors, was how to demonstrate the clear path to monetization of our AI businesses. Under the new Mid-term Plan, we have clearly positioned AI-related businesses as a growth driver for the Enterprise segment and presented a revenue growth rate for the "Cloud & AI" domain (P38). At the time we announced the Mid-term Plan, there were constraints on what we could disclose about specific initiatives, and some investors commented that "the target is ambitious, but it is unclear how you will achieve it." Subsequently, reflecting progress in collaborations and orders received, in August 2026 we announced a more specific growth target of a 30% CAGR in revenue for the "Cloud & AI" domain over FY2026 to FY2027. Going forward, we will continue to disclose actual results in a timely manner and work to give investors greater confidence in the growth prospects of the "Cloud & AI" domain.

The third issue was how to explain how we would achieve a higher-level balance between growth investments in areas such as AI and continuous dividend increases while maintaining financial soundness. To address this issue, we clearly presented our approach to capital allocation (P40). Capital expenditures for the telecommunications business and continuous dividend increases will be funded by operating cash flow from the stable telecommunications business and AI-related businesses expected to generate earnings. On this basis, growth investments in AI-related and other areas will be executed while pursuing both financial soundness, with an adjusted net leverage ratio*1 in the mid-2x range, and capital efficiency, with target

range for consolidated adjusted ROE*2 of around 20%. By sharing these decision-making criteria both internally and externally, I believe we have created a plan anchored by a clear and consistent set of principles.

*1 Excludes net interest-bearing debt and adjusted EBITDA of A Holdings Corporation, LY Group, B Holdings Corporation, PayPay Corporation, PayPay Card Corporation, PayPay Bank Corporation, PayPay Securities Corporation, etc., as well as interest-bearing debt of securitization of installment sales receivables and cash reserve for securitization of sales receivables. Net leverage ratio = net interest-bearing debt / adjusted EBITDA (last 12 months for the relevant quarter)
*2 (Net income attributable to owners of the Company – total dividends on Bond-Type Class Shares) ÷ (equity attributable to owners of the Company – outstanding balance of Bond-Type Class Shares)

Investment and portfolio management with a focus on the cost of capital

Pursuing capital efficiency and reallocating management resources to growth areas

We place strong emphasis on the cost of capital when making investment decisions. The Company makes effective use of debt to reduce its weighted average cost of capital (WACC). The WACC for the entire Company, which is primarily a telecommunications business, is around 5%. On the other hand, M&A and new AI-related businesses have risk characteristics that differ significantly from those of our existing telecommunications business. Accordingly, we prioritize projects expected to generate an IRR that sufficiently exceeds the cost of capital. In making investment decisions, we will comprehensively examine the risk characteristics, strategic significance, expected returns, and other factors of each project based on disciplined criteria that take the cost of capital into account.

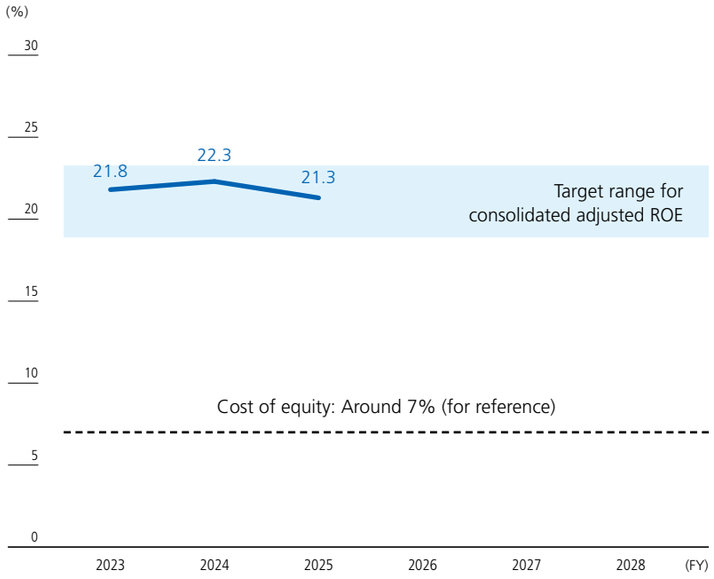
SoftBank currently receives many proposals for partnerships and collaborations from other companies. We are very grateful for this, but our management resources are limited. If the synergies originally anticipated do not materialize or the business environment changes, I believe it is important for me as CFO to adjust course quickly. The Corporate Planning Division, which is under my supervision, regularly monitors portfolio companies and has established a framework for identifying at an early stage subsidiaries and investees that could potentially become financial risks in the future. We review factors such as profit and loss, deviations from business plans, and declines in net assets, and implement corrective measures as necessary. If no improvement is seen, we reassess the rationale for continued ownership, including expected synergies, and may consider a sale or exit.

As new investment opportunities increase, we need to assess priorities across our entire portfolio, including existing businesses and investees, more rigorously than ever. This does not mean rejecting businesses we have pursued to date. Rather, I believe it is important to further clarify the areas on which the Company should focus and shift management resources toward businesses with higher expected profitability and toward growth areas such as AI, including through portfolio reshaping. I see SoftBank's ability to flexibly reshape itself without fear of change as one of our key strengths.

We recognize the Company's cost of equity to be around 7%. By contrast, our Consolidated adjusted ROE*2 has remained above 20%, and we will continue to aim to maintain it at around 20%. By thoroughly implementing portfolio management and continuing our efforts to improve capital efficiency, we will achieve ROE well above the cost of equity and secure an adequate equity spread*3, thereby contributing to the sustainable enhancement of shareholder value.

*3 ROE - cost of equity

Capital efficiency:
Maintain target range for consolidated adjusted ROE of around 20%



Disciplined financing

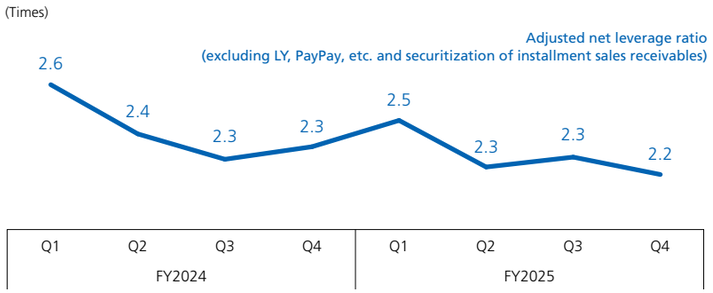
Maintaining strong credit ratings and building a robust financial foundation to support growth

As the interest rate environment changes, appropriate control of debt is an extremely important financial issue. We manage our finances from the perspectives of "diversifying financing options," "diversifying debt maturities," and "balancing fixed and floating interest rates." The foreign currency-denominated senior notes that the Company issued for the first time in July 2025 provided a means of securing stable, large-scale, long-term funding while taking into account interest rate and foreign exchange trends in Japan and overseas.

The Company has also obtained strong long-term credit ratings from rating agencies in Japan and overseas. In Japan, we have ratings of "A+" from Rating and Investment Information, Inc. (R&I) and "AA–" from Japan Credit Rating Agency, Ltd. (JCR). Overseas, we have ratings of "BBB"*4 from S&P and "BBB+" from Fitch. As a measure of financial discipline for maintaining these ratings, we have set a benchmark for the adjusted net leverage ratio*1 in the mid-2x range. To capture growth opportunities without delay, there may be times when leverage temporarily increases as we execute investments. However, we intend to return the adjusted net leverage ratio*1 to the mid-2x range over the medium term. We will continue to conduct appropriate financial management while carefully explaining such scenarios to the market.

*4 S&P's stand-alone credit profile (credit profile of the Company on a stand-alone basis) is bbb+.

Net leverage ratio*1



CFO Message

Synergies with SoftBank Group Corp. and ensuring independence

Strengthening governance to protect minority shareholders' interests while leveraging Group strengths

Our relationship with SoftBank Group Corp. is a major strength in accelerating the Company's growth. SoftBank Group Corp. operates globally and has a network of the world's leading technology companies. As a member of the SoftBank Group, the Company benefits from many growth opportunities. At the same time, we must never allow our independence to be compromised or the interests of minority shareholders to be harmed. This is something that I and the other members of management responsible for business execution remain acutely aware of. A majority of our Board of Directors consists of independent external directors. Going a step further, as a voluntary initiative to further strengthen governance, we have established the "Independent External Directors' Meeting." For important transactions with the controlling shareholder or other related parties that exceed certain thresholds, an "Independent External Directors' Meeting," composed solely of independent external directors, is held prior to the Board of Directors meeting to conduct a preliminary review from the perspective of protecting the interests of minority shareholders. (P80)

In the AI domain in particular, there may be transactions involving SoftBank Group Corp. or its related companies. Precisely because such transactions can raise potential concerns about conflicts of interest, it is essential that the Company rigorously ask itself, "Will this truly enhance SoftBank's own corporate value?" and "Will this benefit our minority shareholders?" Our external directors provide opinions that go beyond the specific terms and appropriateness of individual transactions. They raise more fundamental and broader questions, such as "What do we ultimately seek to achieve through this transaction?" and "What value will this transaction bring to the Company over the medium- to long-term?" I believe these discussions are extremely important in making our decision-making and governance more robust.

Message to the capital markets

Continuing to take on challenges without fear of change and achieving sustainable enhancement of corporate value

The Company has announced a new Mid-term Plan, renewed its growth strategy, and introduced a younger executive officer team. There may still be areas that need refining, but I believe we now have an organization capable of leveraging the agility and flexibility of a younger generation of leaders to pursue forward-looking challenges with even greater speed. For my part, I will work with various divisions across the Company to maintain the balance between offense and defense, drive the achievement of our targets, and serve as a bridge between the Company and the capital markets. Ultimately, I believe the most important thing is to achieve the targets we have set and deliver the results.

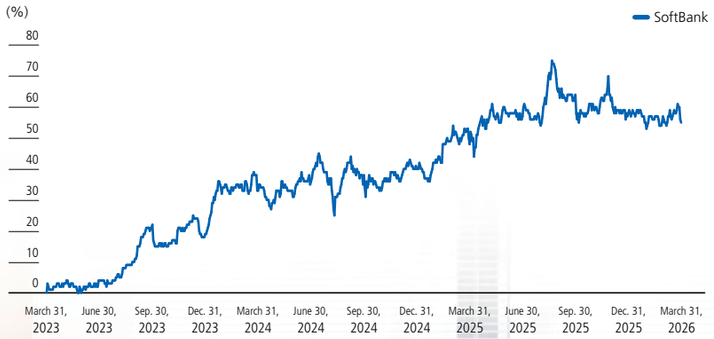
I also want the organizations under the CFO to become pioneers in the use of AI. We will utilize AI to improve operational efficiency in finance and accounting and enhance management processes. By broadly sharing the use cases we establish, we aim to become a valuable resource for CFOs and business leaders throughout Japan. I believe this will also contribute to improving the competitiveness of Japanese companies as a whole.

SoftBank has consistently taken on challenges without fear of change. Going forward, we will continue to devote ourselves to enhancing corporate value while balancing our pursuit of medium- to long-term growth, enhanced shareholder returns, and financial soundness, as we aim to become "the corporate group needed most by people around the world".

(FY)	2018	2019	2020	2021	2022	2023	2024	2025
Fiscal year-end stock price*5 (Yen)	124.7	137.5	143.9	142.8	152.9	195.1	208.4	211.1
PER (Times)	12.9	13.8	13.9	13.0	13.6	18.9	18.9	18.6
PBR (Times)	4.0	6.5	4.4	3.4	3.3	4.1	4.1	3.8

*5 The Company has conducted a stock split at a ratio of 10 shares per common share, with the effective date being October 1, 2024. The stock prices prior to October 1, 2024 have been adjusted to reflect this stock split.

Total Shareholder Return
(TSR, calculated with March 31, 2023 set at 0%; FY2022–FY2025)



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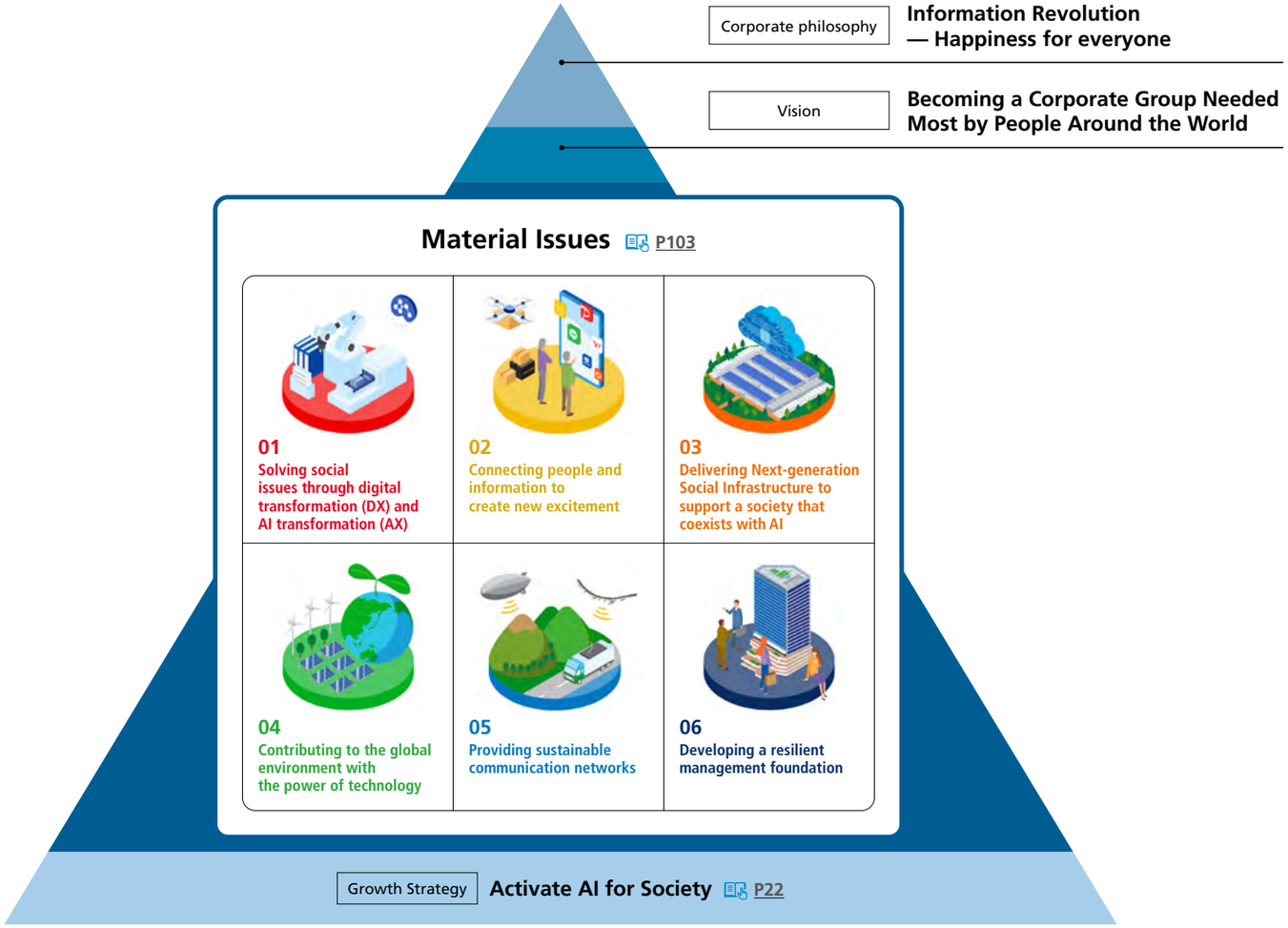
Direction of Transformation

[Direction of Growth Strategy]

Under the growth strategy "Activate AI for Society" set out in the Medium-term Management Plan, the Company seeks to maximize corporate value by activating the potential of AI across all businesses and driving its implementation in society. This section outlines the Long-term Vision and the Medium-term Management Plan, and explains the technology and sustainability strategies for achieving them, clarifying the direction of the growth strategy.

Sustainability Strategy

Based on the Group's corporate philosophy of "Information Revolution—Happiness for everyone," the Group has been making contributions to humanity and society through the information revolution ever since its establishment. The Group engages in a wide range of businesses in the information and technology fields, with the vision of becoming "a corporate group needed most by people around the world" and strives to maximize its corporate value. The Company has identified six material issues that link its corporate philosophy and vision to its growth strategy, Activate AI for Society. These are priority issues to be tackled by the Company to achieve both the enhancement of corporate value of the Company and the realization of a sustainable society.



Sustainability Strategy

To integrate and promote our growth strategy and sustainability, we have established the "Sustainability Basic Policy." The Board of Directors oversees the progress of our sustainability initiatives and deliberates and resolves important related matters. Furthermore, to strengthen our management oversight functions, we have established the ESG Promotion Committee as an advisory body to the Board of Directors.

Sustainability Basic Policy

At SoftBank, we will work to resolve various social issues through our corporate and business activities to realize a sustainable society in which all things, information and minds are connected.

- We will provide wonder, peace of mind, and delight through a customer-oriented business approach.
- To meet shareholder expectations, we will continue to pursue growth and provide transparent and fair disclosure.
- Employee satisfaction, pride, uniqueness, and diversity will be encouraged and valued.
- Mutual trust and fair trade with our suppliers will be a priority (to prevent corruption and bribery, etc.).
- To create a better future for everyone, we will continue to drive an information-based society, support education for the next generation, respond to the needs of a diverse society, protect the environment and manage resources in a sustainable manner, conserve biodiversity, and provide disaster response and relief.

Sustainability oversight structure

To further advance sustainability-driven management, the Board of Directors deliberates and resolves key sustainability matters and oversees the progress of its initiatives.

Annual agenda of ESG Promotion Committee

[FY2025]

Date	Agenda
1st meeting Apr. 22	• Progress on ISSB/SSBJ compliance • FY2025 material issues • FY2024 performance review / FY2025 KPIs • Revisions to various rules and regulations related to ESG initiatives
2nd meeting Jul. 29	• Dialogue with experts: Sustainability and latest trends • Progress on SSBJ compliance
3rd meeting Oct. 21	• Progress of KPIs for the first half of FY2025 • Governance trends and developments • Progress on SSBJ compliance
4th meeting Jan. 20	• ESG promotion-related (external evaluations, etc.) • Direction for new material issues • Progress on SSBJ compliance

[FY2024]

Date	Agenda
1st meeting Apr. 16	• ESG trends and developments • FY2023 performance review • Results of material issues review • FY2024 KPIs
2nd meeting Jul. 23	• Dialogue with experts: Report on the importance and trends of ESG from an investor's perspective • Company-wide promotion of ISSB/SSBJ standards • ESG initiatives for the supply chain • ESG promotion-related (ESG briefing session for investors)
3rd meeting Oct. 22	• ESG trends and developments • Progress of KPIs for the first half of FY2024 • Progress on ISSB/SSBJ compliance
4th meeting Jan. 28	• Progress on ISSB/SSBJ compliance • Internal carbon pricing-related • ESG promotion-related (SDGs Action Award)

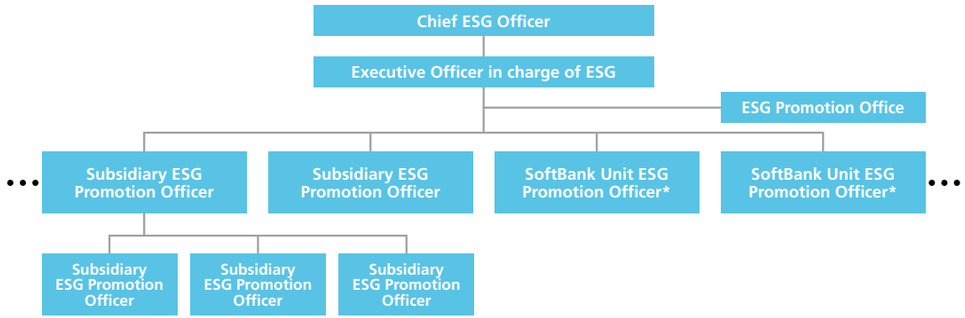
Furthermore, to reinforce governance oversight in the sustainability area, the Company has established the ESG Promotion Committee (chaired by Junichi Miyakawa, President & CEO) as an advisory body to the Board. The Committee convenes, in principle, quarterly (four times a year) and on an ad hoc basis when important issues arise, to monitor the progress of the Group's sustainability activities and make recommendations to the Board. In its decision-making, the Board gives full consideration to these recommendations, ensuring that sustainability perspectives are properly integrated into the Company's management.

Sustainability execution structure

The President & CEO, as the Chief ESG Officer, is responsible for the Group's overall sustainability initiatives, and the Senior Vice President & CHRO serves as the executive officer in charge of ESG promotion.

In addition to establishing the ESG Promotion Office to promote the Group's sustainability activities, we have appointed an ESG promotion officer in each of our divisions and subsidiaries. These officers carry out various activities tailored to their business operations and work in coordination with the ESG Promotion Office to enhance the effectiveness of these efforts as a unified group. Furthermore, we respond swiftly to sustainability issues by collaborating with the Risk Management Committee, the Environment Committee, and the Committee for the Promotion of Women in the Workforce, among others.

Sustainability promotion structure (as of June 23, 2026)



*For divisions not under a unit, a Division ESG Promotion Officer is appointed.

Long-term Vision

Challenges in realizing a "society that coexists with AI"

Since the release of the interactive AI-powered *ChatGPT* in November 2022, generative AI has rapidly gained adoption. We predict the arrival of a "society that coexists with AI" in which AI will be incorporated into various products and services, enabling people to enjoy convenient and comfortable lifestyles.

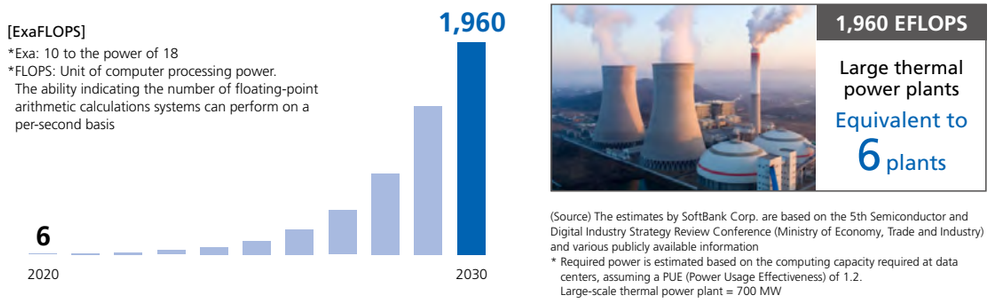
Meanwhile, the use of AI requires significant data processing and power consumption at data centers. The graph on the right shows the outlook for data processing demand in Japan. Against the backdrop of the spread of generative AI, we expect that by 2030, there will be more than 300 times as much data processing as in 2020, with a corresponding enormous demand for power. To create a society that both coexists with AI and is sustainable, this demand for power must be met by renewable energy sources that do not emit greenhouse gases. In addition, data centers that process the vast amount of data pertaining to the use of AI are currently concentrated in Tokyo and Osaka. If the number of data centers continues to increase as the use of AI expands in the future, the demand for power will be strained, which could lead to large-scale power outages.

Providing solutions through building "Next-generation Social Infrastructure"

To address these issues, in May 2023, we announced our Long-term Vision of becoming "a company that provides Next-generation Social Infrastructure essential for the development of a digital society." This Long-term Vision includes the construction of sustainable, distributed AI data centers where renewable energy generated in each region will be consumed in each regional data center. Through these efforts, we aim to become an essential part of a "society that coexists with AI," thereby realizing a sustainable society and enhancing our corporate value.

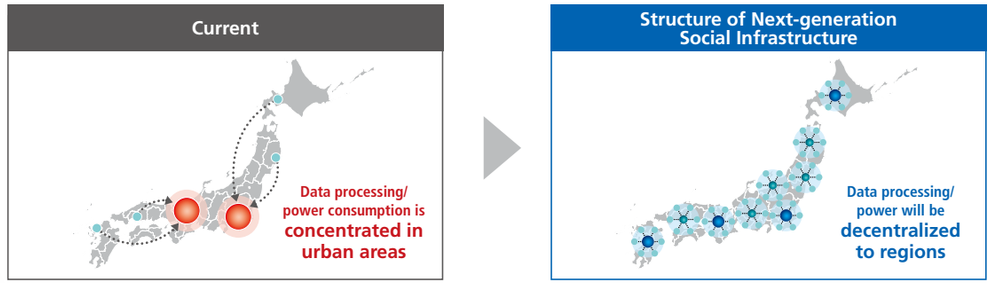
(Please refer to P44 for an overview of "Next-generation Social Infrastructure" and our technology strategy for its realization.)

Demand for data processing and power requirements in Japan

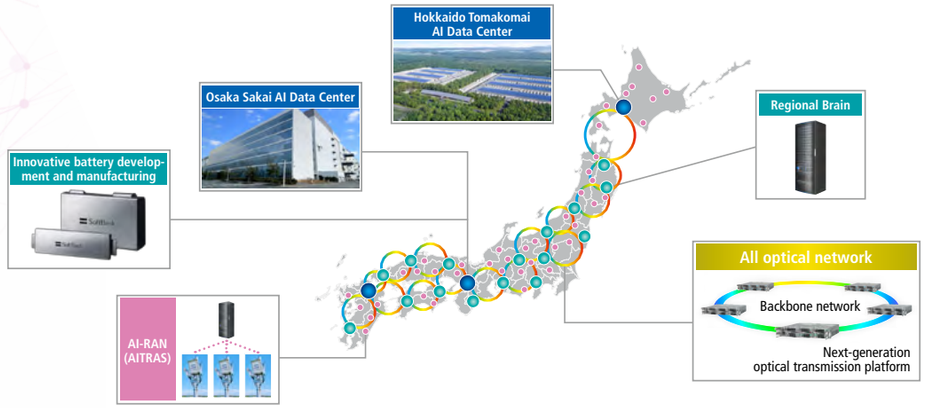


(Source) The estimates by SoftBank Corp. are based on the 5th Semiconductor and Digital Industry Strategy Review Conference (Ministry of Economy, Trade and Industry) and various publicly available information
* Required power is estimated based on the computing capacity required at data centers, assuming a PUE (Power Usage Effectiveness) of 1.2.
Large-scale thermal power plant = 700 MW

Issues in the current infrastructure



"Next-generation Social Infrastructure" that we aim to build



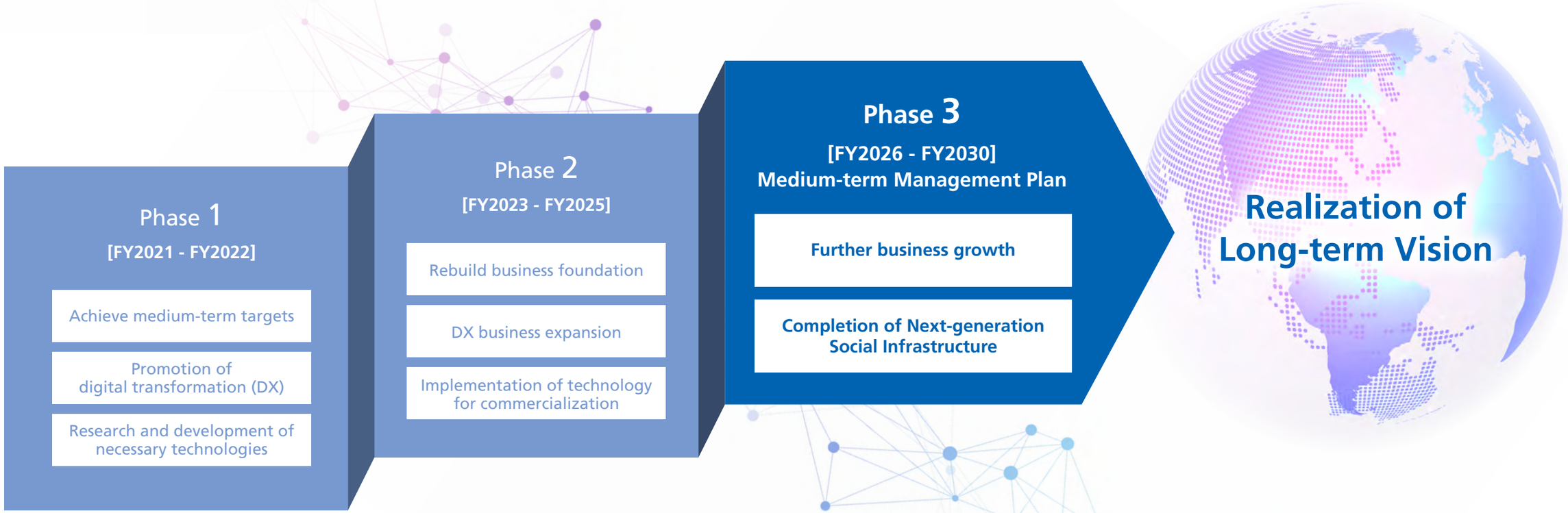
Roadmap to realizing the Long-term Vision

To achieve this Long-term Vision, we are promoting initiatives by dividing the 10-year period into three phases as shown in the figure below.

In the first phase, we worked on various technological developments in parallel with our initiatives to achieve our medium-term management targets and to promote our DX business. During this period, we identified the fundamental technologies needed for Next-generation Social Infrastructure and strengthened our structure by establishing a new advanced technology research laboratory.

We positioned the second phase as the period for focusing on the Mid-term Plan. During this phase we rebuilt the business foundation affected by the mobile service price reductions, while expanding the DX business and implementing technologies aimed at developing the Next-generation Social Infrastructure into a business.

Finally, in the third phase, we will further grow our business and complete the Next-generation Social Infrastructure in order to achieve our Long-term Vision and sustainable growth.



Medium-term Management Plan

Financial targets

Aim to continue achieving record-high operating income and net income attributable to owners of the Company

Operating income: Aim for ¥1.7 trillion in FY2030　Net income*1: Aim for ¥700.0 billion in FY2030

Non-financial targets

Maintain the FY2030 carbon neutrality target even as AI data centers and other facilities are expanded

Shareholder returns

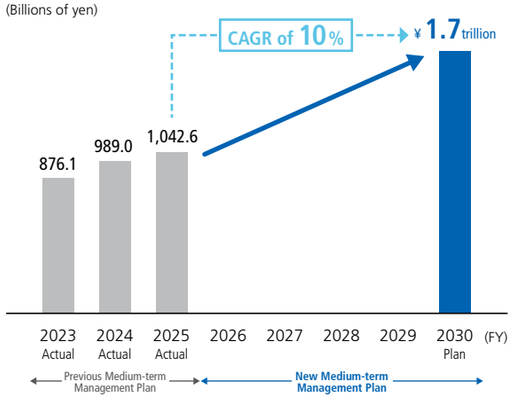
Aim for **continuous dividend increases***2 (Dividend of ¥8.8 per common share forecasted for FY2026)

The Company has formulated a new Medium-term Management Plan through FY2030. As its growth strategy, the Company has set forth *Activate AI for Society* (P22), under which it aims to activate the potential of AI across all businesses and drive its implementation in society. Under the new Medium-term Management Plan, the Company aims to achieve operating income of ¥1.7 trillion and net income attributable to owners of the Company of ¥700.0 billion in FY2030.

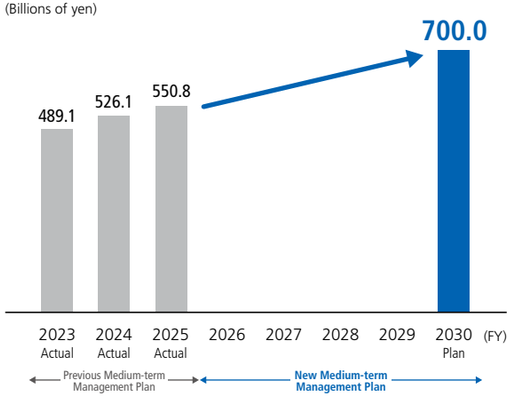
As a non-financial target, the Company will maintain its target of achieving carbon neutrality by FY2030 even as it expands AI data centers and other facilities.

Regarding shareholder returns, the Company forecasts an increase in the dividend per common share to ¥8.8 in FY2026. Over the course of this Medium-term Management Plan, the Company aims for continuous dividend increases*2 in line with profit growth.

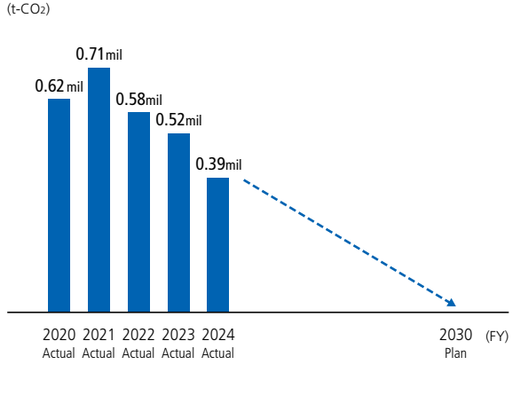
Operating income*3



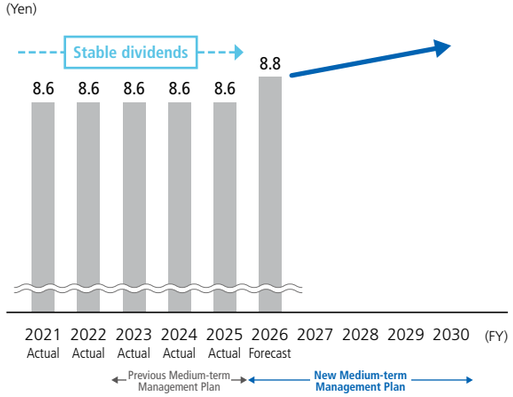
Net income attributable to owners of the Company*4



GHG emissions (Scope 1, 2)



Dividends per common share*2



*1 Net income attributable to owners of the Company
*2 Dividends per common share. The Company has conducted a 10-for-1 stock split effective October 1, 2024; the dividends per common share before October 1, 2024 have been adjusted to reflect this stock split. The decision will be made based on a comprehensive assessment of our business performance, financial condition, and cash flow, with a focus on maintaining stability and continuity.
*3 Operating income including one-time factors. One-time factors: gain on loss of control of IPX Corporation (formerly LINE Friends Corporation), LINE NEXT Corporation, and ValueCommerce Co., Ltd. in FY2024; remeasurement gain associated with business combinations that resulted in LINE MAN CORPORATION PTE. LTD. and LINE Bank Taiwan Limited becoming subsidiaries in FY2025
*4 Net income including one-time factors. One-time factors: gain on loss of control of IPX Corporation (formerly LINE Friends Corporation), LINE NEXT Corporation, and ValueCommerce Co., Ltd., and tax implications of organizational restructuring, etc. in FY2024; remeasurement gain associated with business combinations that resulted in LINE MAN CORPORATION PTE. LTD. and LINE Bank Taiwan Limited becoming subsidiaries, tax effects related to PayPay Corporation, and tax implications of organizational restructuring, etc. in FY2025

Growth strategies by business domain

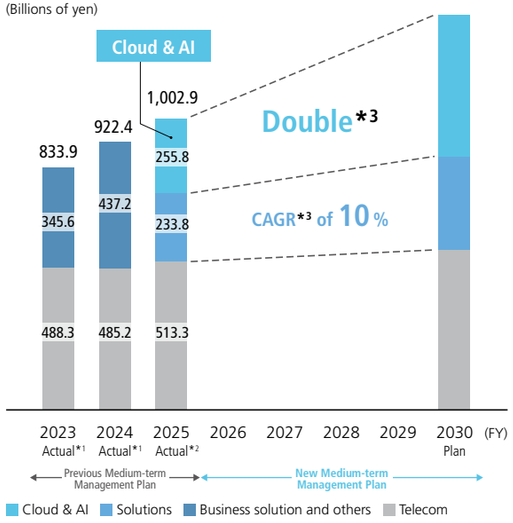
Enterprise Segment

Medium-term Management Plan targets

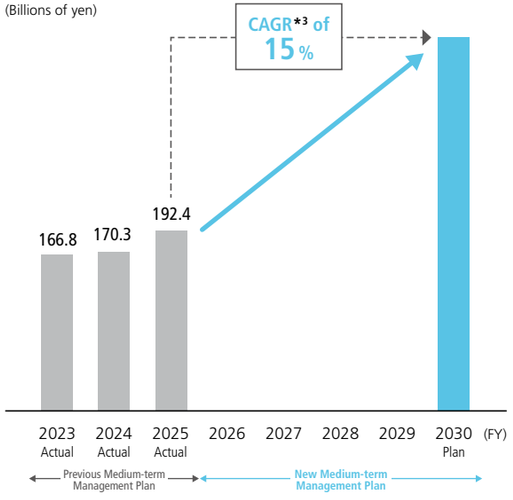
- Cloud & AI revenue: **Double by FY2030** (vs. FY2025)
- Segment income: **Double by FY2030** (vs. FY2025)

In the Enterprise segment, we aim to double both revenue in the "Cloud & AI" field and segment income by FY2030 compared with FY2025. Under the new Medium-term Management Plan, businesses such as AI computing infrastructure and AI data centers, previously classified under "Other," have been integrated into the Enterprise segment and grouped under a new focus area, "Cloud & AI." Building on stable growth in the telecommunications business, we will accelerate business growth through the expansion of the solutions field and growth in "Cloud & AI."

Revenue



Segment income*4

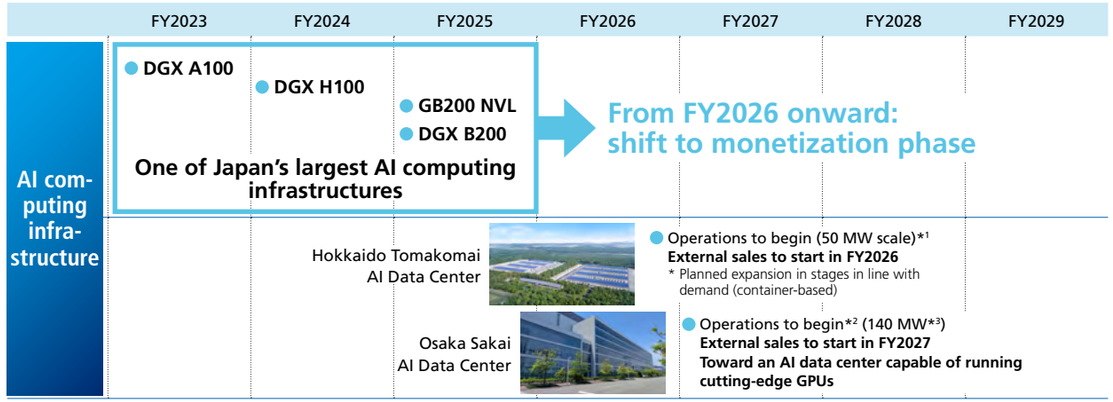


*1 Revenue from SB Technology Corp. and Cybertrust Japan Co., Ltd., etc., which were transferred to the "Enterprise segment" from the first quarter of FY2024, is included in "Business solution and others." Also, in the first quarter of FY2024, the Company revised its business management categories and transferred certain products from "Mobile" and "Fixed-line" to "Business solution and others." As a result, the breakdown of all service categories in the "Enterprise segment" revenue for FY2023 has been retrospectively adjusted.
*2 In the first quarter of FY2026, the Company revised the business management categories for the revenue breakdown of the "Enterprise segment," changing the previous categories of "Mobile," "Fixed-line," and "Business solution and others" to "Telecom," "Solutions," and "Cloud & AI." As a result, the breakdown of all service categories for FY2025 has been retrospectively adjusted based on the revised business management categories.
*3 Calculated using FY2025 as the starting point and FY2030 as the ending point.

In the "Cloud & AI" field, we will expand offerings such as GPU Cloud and sovereign cloud, underpinned by one of Japan's largest AI computing infrastructures and AI data centers being developed in Tomakomai City (Hokkaido Prefecture) and Sakai City (Osaka Prefecture). The AI computing infrastructure in which we have made upfront investments will enter a full-scale commercialization and monetization phase from FY2026 onward.

The Hokkaido Tomakomai AI Data Center is scheduled to begin external sales in FY2026, while the Osaka Sakai AI Data Center is scheduled to do so in FY2027. Both are planned to be expanded in stages as demand grows (P45).

Growth strategy: AI computing infrastructure & AI data centers



*1 Maximum power receiving capacity of the data hall building planned for construction
*2 The AI data center is scheduled to commence operations in the first half of FY2027.
*3 Estimated power receiving capacity required for the AI computing infrastructure the Company aims to build, with a targeted computing capacity of 110 exaFLOPS.

For our homegrown generative AI model *Sarashina*, we aim to monetize it by providing industry-specific and company-specific models that leverage industry data and proprietary corporate data in fields such as finance, electric power, automotive, and government and public administration. Furthermore, with *Crystal intelligence*, scheduled to launch in 2026, we will support the transformation of corporate management by enabling AI systems to work together and achieve overall optimization of operations.

The Company will address increasingly diverse and sophisticated enterprise needs for DX and AI utilization by optimally combining sovereign cloud, multi-AI, multi-cloud, AI agent services, and other offerings according to company size and confidentiality level, and providing them end-to-end (P41).

*4 From the first quarter of FY2024, SB Technology Corp. and Cybertrust Japan Co., Ltd., etc., which were previously classified under "Other," have been transferred to the "Enterprise segment." As a result, the figures for FY2023 have been retrospectively adjusted.

Growth strategies by business domain

Consumer Segment

Medium-term Management Plan targets

- Mobile service revenue — **Continuous revenue growth**
- Segment income — **Continuous profit growth**

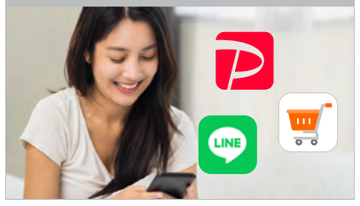
In the Consumer segment, we aim for continuous growth in both mobile service revenue and segment income. In addition to the penetration of new pricing plans, we will pursue stable business growth by leveraging the Group ecosystem, including PayPay and LY, and through initiatives to acquire and retain long-term users.

Initiatives for sustainable growth

Penetration of new pricing plans



Leverage the Group ecosystem

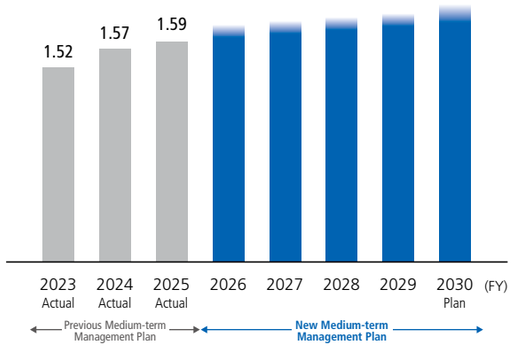


Focus on long-term users



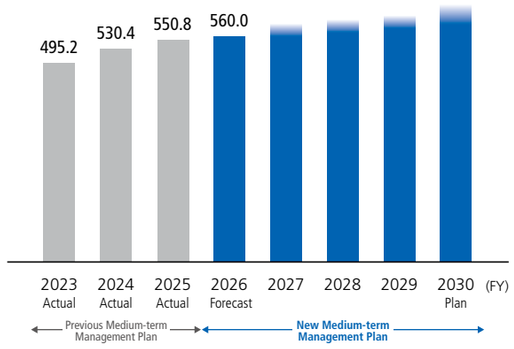
Mobile service revenue

(Trillions of yen)



Segment income

(Billions of yen)



* From the first quarter of FY2024, certain subsidiaries that were previously classified under the "Consumer segment" have been transferred to "Other." As a result, the figures for FY2023 have been retrospectively adjusted.

Media & EC Segment

Medium-term Management Plan targets

Aim to evolve the customer experience and drive business growth through AI agents

In the Media & EC segment, we aim for business growth by evolving the customer experience through AI agents and creating new revenue opportunities. In April 2026, LY announced the AI agent service *Agent i*. Leveraging its user base of more than 100 million and more than 1 million business accounts, LY will promote the rollout of AI services for both users and enterprises. AI-driven monetization models by field are as follows.

[For users] Through *Agent i*, LY will provide AI experiences closely integrated with everyday life across search, shopping, finance, lifestyle services, and other areas. By using AI to support information gathering and purchasing activities, LY will improve convenience while expanding paid AI offerings for consumers based on *LYP Premium*.

[Advertising] During FY2026, LY will launch agent-based advertising on *Agent i* to expand advertising revenue.

[Commerce] LY will use AI-assisted purchasing to drive performance-based monetization (conversion-based fees).

[For enterprises and stores] Through *Agent i for Business*, which automates and enhances customer service, operations, and analysis, LY will add AI functions to mini apps and official accounts. This will expand revenue opportunities for enterprise AI services.

Financial Segment

Medium-term Management Plan targets

- **Continuous growth of existing businesses** (payments and financial services)
- **Pursue opportunities in Japan and overseas following the U.S. listing**

In the Financial segment, we aim for continued growth in the payments and financial services fields. In payments, we will grow interest income by strengthening online payments and expanding credit card transactions. In financial services, we will expand services centered on SME loans (loans for small and medium-sized enterprises). We will also expand business opportunities by strengthening Group collaboration, including *Pay-Toku* 2 and the joint rollout of payment terminals. In addition, leveraging the strategic partnership centered on payments that we entered into with Visa Inc. in February 2026, we will strengthen collaboration in our domestic business and promote global expansion.

Furthermore, following PayPay's Nasdaq listing, we will create new business opportunities in Japan and overseas and roll out new services to drive further growth.

Capital allocation

Under its policy of emphasizing both medium- to long-term growth and shareholder returns, the Company manages its finances in accordance with its capital allocation policy for the three-year period from FY2026 through FY2028 (excluding LY, PayPay, etc.). Specifically, stable operating cash flows generated primarily from the telecommunications business will fund telecommunications-related capital expenditures*1 and total dividends, while the monetization of AI-related businesses will provide additional capacity for investment and financial improvement. While maintaining a balance between financial soundness and capital efficiency, the Company will make strategic investments, including in AI-related fields, with the aim of enhancing corporate value over the medium to long term.

Basic policy

① Generate operating cash flow exceeding telecom-related CAPEX and enhanced shareholder returns

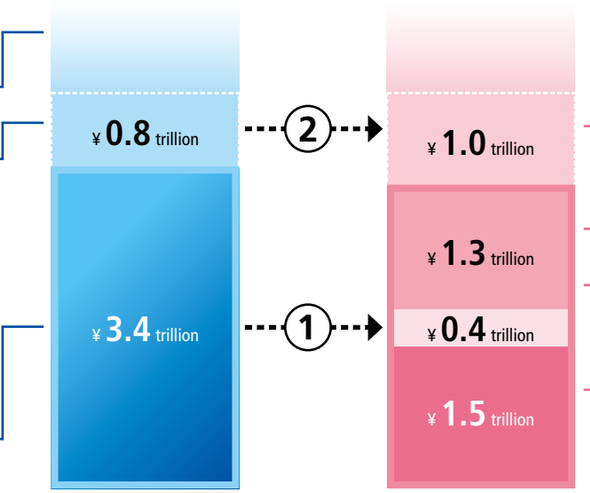
② Execute strategic investments while balancing financial soundness and capital efficiency

(2) Borrowings, etc.

- Pursue a **balance between financial soundness and capital efficiency**
  [Financial soundness] Adjusted NLR*2 in the mid-2x range
  [Capital efficiency] Target range for consolidated adjusted ROE*3 of around 20%
- The strategic investments on the right (¥1.0 trillion) represent funding capacity assuming an adjusted NLR*2 in the mid-2x range
- If the adjusted NLR*2 exceeds mid-2x, additional investments will be considered after assessing the likelihood of recovering the investment

(1) Operating cash flow*4 from Consumer and Enterprise segments

- **Stable and continuous cash flow generation** from telecom service revenue, etc.
- **Monetization** of one of Japan's largest AI computing infrastructures, as well as AI data centers



FY2026–FY2028 3-year total (excluding LY Group, PayPay, etc.)

(6) Strategic investments (additional AI-related CAPEX, M&A, share buybacks, etc.)

- AI-related capital expenditures currently committed: ¥0.3 trillion
  - Construction of Osaka Sakai AI Data Center (140 MW)*5
  - Construction of Hokkaido Tomakomai AI Data Center (50 MW scale)*6
  - Innovative battery manufacturing

(5) Shareholder returns

- Aim for continuous dividend increases*7 in line with profit growth

(4) Lease payments (impact of IFRS 16*8)

- Lease payments for land and buildings associated with base station deployment

(3) Primarily telecom network CAPEX

- Driven by growth in mobile service revenue, build a high-quality and resilient network to maintain competitiveness.
  [Breakdown (acceptance basis)]
  - Consumer/Enterprise: approx. ¥410.0 billion/year
  - Subsidiaries: approx. ¥70.0 billion/year

*1 Includes lease payments for land and buildings used to install base stations.
*2 Excluding net interest-bearing debt and adjusted EBITDA of A Holdings Corporation, LY Corporation and its subsidiaries (LY Group), B Holdings Corporation, PayPay Corporation, PayPay Card Corporation, PayPay Bank Corporation, PayPay Securities Corporation, etc., interest-bearing debt related to the securitization of installment sales receivables, and cash reserve for securitization of sales receivables.
Net leverage ratio = net interest-bearing debt / adjusted EBITDA (last 12 months for the relevant quarter)
*3 Consolidated adjusted ROE = (net income attributable to owners of the Company - total dividends on Bond-Type Class Shares) / (equity attributable to owners of the Company - balance of Bond-Type Class Shares)
*4 Includes the impact of securitization of installment sales receivables.
*5 Estimated power receiving capacity required for the AI computing infrastructure the Company aims to build, with a targeted computing capacity of 110 exaFLOPS.
*6 Maximum power receiving capacity of the data hall building planned for construction.
*7 The decision will be made based on a comprehensive assessment of our business performance, financial condition, and cash flow, with a focus on maintaining stability and continuity.
*8 Payments of lease liabilities related to leases of telecommunications equipment, real estate and structural space for base stations, real estate for telecommunications networks, offices, warehouses, etc.



Executive Message

Bringing AI to the core of enterprise systems Enabling enterprise AI implementation with sovereign cloud and sovereign AI

Hironobu Tamba
Senior Vice President

The next stage: integrating AI into enterprise systems

To date, enterprise use of AI has focused largely on supporting administrative work, such as drafting and summarizing text or responding to inquiries through chat-based tools. While these applications alone can deliver significant productivity gains, for companies to turn AI into a source of competitive advantage, they need to integrate AI into their enterprise systems and enable its ongoing use.

As AI takes on important roles in data utilization and operations within corporate activities and moves toward creating value in coordination with enterprise systems, companies inevitably face the question of how to handle the data they possess. AI handles not only public information and general documents, but also data directly tied to a company's competitiveness, including customer information, contract information, business workflows, internal know-how, R&D data, and insights from manufacturing sites.

Where should that data reside? Which AI models or services can it safely be shared with? If these questions remain unresolved, it will be difficult to make AI a core part of enterprise systems. Rather than choosing AI based on performance alone, companies need an environment that protects enterprise data while connecting the optimal AI for each use case to their systems. This is where sovereign cloud / sovereign AI becomes important.

Why sovereign cloud and sovereign AI matter

Sovereign cloud / sovereign AI refers to cloud environments and AI that are provided and operated in accordance with domestic laws and regulations, with sovereignty over data, technology, and operations retained within Japan. In practical terms, this allows companies to clearly manage where their critical data is stored, who operates the environment, which underlying technologies it relies on, and which laws and regulations apply.

For companies, their data itself is a source of competitiveness. For example, when customer information, manufacturing know-how, or R&D data is fed into AI for use, companies need to ensure that the data is handled in line with their own data management policies. If concerns remain that the data could unintentionally be used as external training data or otherwise be handled in ways beyond the company's control, it becomes difficult to make the decision to integrate AI deeply into mission-critical operations. The more seriously companies seek to use AI, the greater the importance they place on where their data resides, who has access to it, who operates it, security, and the origin and management of the AI.

Many general-purpose AI services developed overseas are highly capable and offer significant value for improving operational efficiency and organizing information. At the same time, greater care is required when handling confidential corporate

information or data related to social infrastructure. Rather than relying on a single general-purpose AI for everything, it is important to use different AI systems depending on the use case and the sensitivity of the data. Overseas cloud and AI services can be used for work involving general information or less sensitive data, while sovereign cloud and sovereign AI can be used for core corporate data and highly confidential operations. Having these options is a prerequisite for taking enterprise use of AI to the next stage.

Customer needs are already evident

When I speak with corporate executives, I hear a clear sense of urgency about the need to use AI in enterprise systems to strengthen competitiveness. At the same time, they are careful in their assessment of which kind of AI to use, for which operations, and in what environment. In areas involving data that is a source of competitive advantage, highly sensitive social infrastructure, or compliance with Japanese laws and regulations, it can be difficult to use overseas cloud services or general-purpose AI. I have heard comments such as, "There were areas where we really wanted to use AI, but we had no choice but to put the implementation on hold." Precisely because companies are serious about using AI, I strongly sense growing demand from those saying, "If sovereign cloud / sovereign AI is available, we definitely want to use it."

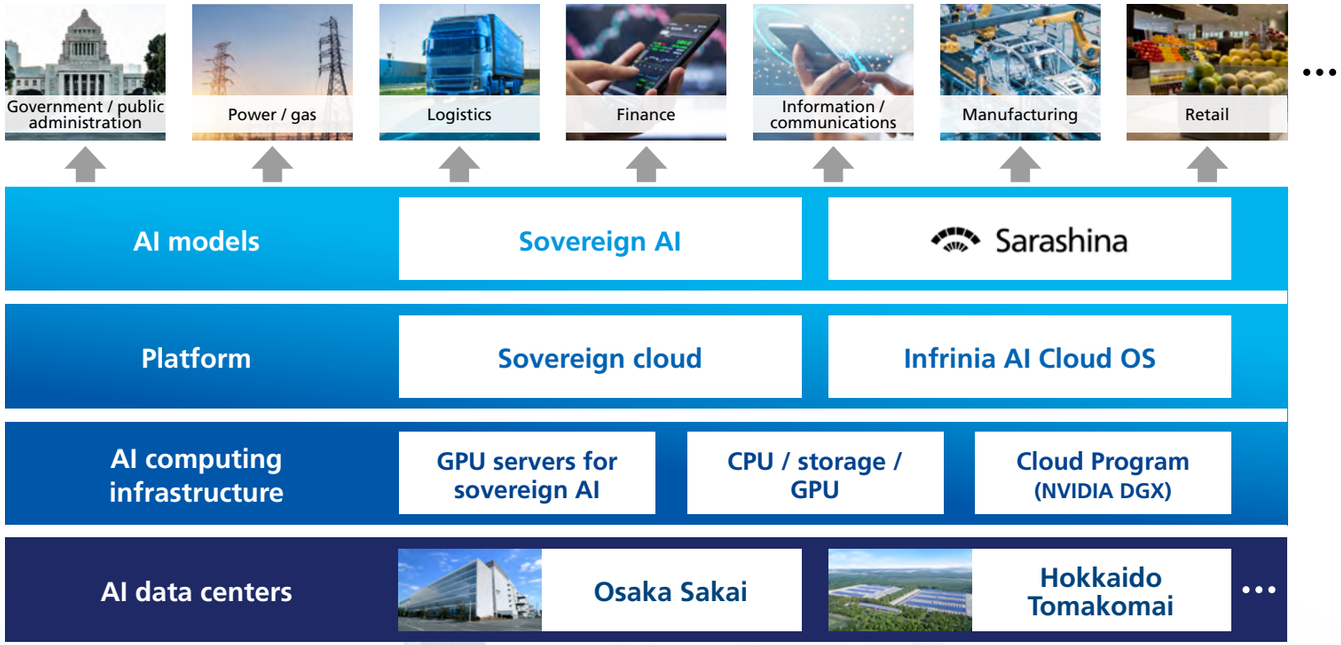
SoftBank: Becoming a provider of digital infrastructure for the AI era

The Company has long provided networks to companies and individuals as a telecommunications carrier. In the coming era, as AI is integrated into enterprise systems and mission-critical operations, the Company's role will extend beyond that of a telecommunications carrier. By combining communications services with data centers, AI computing infrastructure, and sovereign cloud / sovereign AI, we will evolve into a "provider of digital infrastructure for the AI era," enabling companies to use digital technologies while protecting their data.

In an era when AI is embedded in enterprise systems, having computing resources alone will not be enough to meet the needs of enterprise customers. What is needed is AI computing infrastructure with sufficient processing capacity, a sovereign cloud environment for data storage, networks connecting enterprise systems, security that protects enterprise data, and an operational framework. In addition, implementation capabilities are required to connect AI to enterprise systems and make it function within business processes.

Our strength lies in our ability to combine technological foundations such as AI computing infrastructure, sovereign cloud, networks, and security according to customer needs and provide them seamlessly as an end-to-end offering. We have also accumulated extensive knowledge of our customers' challenges and system environments through many years of supporting digital transformation (DX) for enterprise customers. Our ability to propose ways of using AI that deliver tangible results in real-world operations will be a major competitive advantage for the Company.

Provision of digital infrastructure for the AI era



Manufactured / Intellectual Capital: Message from the Senior Vice President in Charge of Product & AI



Driving Enterprise segment growth through enterprise AI implementation

Sovereign cloud / sovereign AI is a key initiative that will drive growth in the Company's Enterprise segment. First, customer use of sovereign cloud / sovereign AI environments will create revenue opportunities in the Cloud & AI area of our Enterprise segment. This will be complemented by efforts to modernize customers' existing systems, prepare their data in formats that AI can use, and design interfaces with AI. Furthermore, by supporting solution development, system integration, and subsequent operations using this environment, our business opportunities will continue to expand as customers make greater use of AI.

To increase the benefits of AI implementation, it is important not only to replace parts of existing operations with AI, but also to rethink the workflows themselves. Even processes that people have traditionally handled in sequence may become more efficient if AI is used to rethink the order of tasks and the division of roles. Redesigning business processes so that AI can work more effectively is key to full-scale AI implementation.

As the use of AI becomes more advanced, its scope will expand into the physical world. This includes multimodal AI that makes decisions by combining images, video, audio, sensor data, and other inputs, as well as physical AI, which links AI to the movement of robots and machinery. It will be important to apply these forms of AI in business and industrial settings to create added value, such as greater operational efficiency, improved quality, and new services. I believe the key to success in our Enterprise segment is to leverage the data and operational know-how that customers have accumulated and help turn AI implementation into tangible outcomes in the field.

Collaboration with partners that know customers' existing systems in depth is also important in this process. Many enterprise systems have been built and operated over many years. Drawing on our understanding of customer operations and challenges cultivated through communications services and our proposal and support activities for enterprise customers, the Company will begin implementing AI in areas where it can be readily applied and, where necessary, work closely with partners to support corporate transformation.

To do this, we also need people who can understand not only AI technology but also customer operations, existing systems, cloud services, and security across domains, and who can move implementation forward through dialogue with operational teams. While developing talent internally, we will also recruit externally in certain areas and strengthen our implementation capabilities, helping turn AI into tangible business outcomes for our customers.

Cloud & AI infrastructure is not something that is rebuilt every year. Once adopted, it is used continuously. As the data used, target operations, inference volume, and scope of operations gradually expand, use of cloud services and AI computing infrastructure will grow, along with solutions and operational services. I believe this cumulative growth will drive the sustained growth of the Enterprise segment and, ultimately, the enhancement of corporate value over the medium- to long-term.

Beyond "developing" AI: deploying it as enterprise services

To date, much of the attention around AI has focused on investments in developing AI, including model development and training, as well as the AI computing infrastructure that supports them. Going forward, it will become increasingly important to deploy AI in enterprise systems and operations and use it to create value on an ongoing basis. Doing so requires not only the ability to develop AI itself, but also the infrastructure to run it, cloud environments that protect enterprise data, implementation capabilities to connect AI with enterprise systems, and operational capabilities to continuously improve it.

In addition to the AI development expertise it has cultivated through its work on homegrown generative AI *Sarashina*, the Company will strengthen its capabilities to deploy AI in the form of services for enterprise customers. Leveraging data centers, AI computing infrastructure, sovereign cloud / sovereign AI, "Infrinia AI Cloud OS," a software stack for AI data centers, and the deep understanding of business operations developed through many years in our Enterprise business, we will support companies in deploying AI in their own systems and business processes. By helping companies use AI while safeguarding their data, we will support the business transformation and enhanced competitiveness of enterprise customers. Through these efforts, we will further strengthen the business foundation that supports the deployment of AI across society, while driving sustained growth in the Enterprise segment and enhancing the Company's corporate value over the medium to long term.

Manufactured / Intellectual Capital: Technology Strategy for Realizing “Next-generation Social Infrastructure”

Advancing full-scale social implementation to realize the “Next-generation Social Infrastructure” supporting a “society that coexists with AI”

We anticipate the arrival of a society that coexists with AI in which AI will be incorporated into various products and services, enabling people to enjoy convenient and comfortable lifestyles. Meanwhile, the use of AI requires significant data processing and power consumption. This section presents an overview of the technology strategy we are pursuing and its progress toward realizing the “Next-generation Social Infrastructure” that will address these issues and enhance our corporate value.

Until now, AI has focused primarily on “training,” which improves the performance of AI models. Going forward, the focus will shift to “inference,” in which AI-equipped robots and autonomous driving vehicles recognize their surroundings in real time and make instantaneous decisions.

As “inference” becomes widespread across society, infrastructure that can securely process vast amounts of diverse data in real time will become essential. In addition, for companies and government agencies responsible for social infrastructure, “sovereignty,” which enables highly confidential data to be managed and operated domestically, will also become an important requirement. To build this infrastructure, the Company is advancing initiatives on both the hardware side, including AI computing infrastructure and AI data centers (P45), and the software side, including cloud environments (P47).

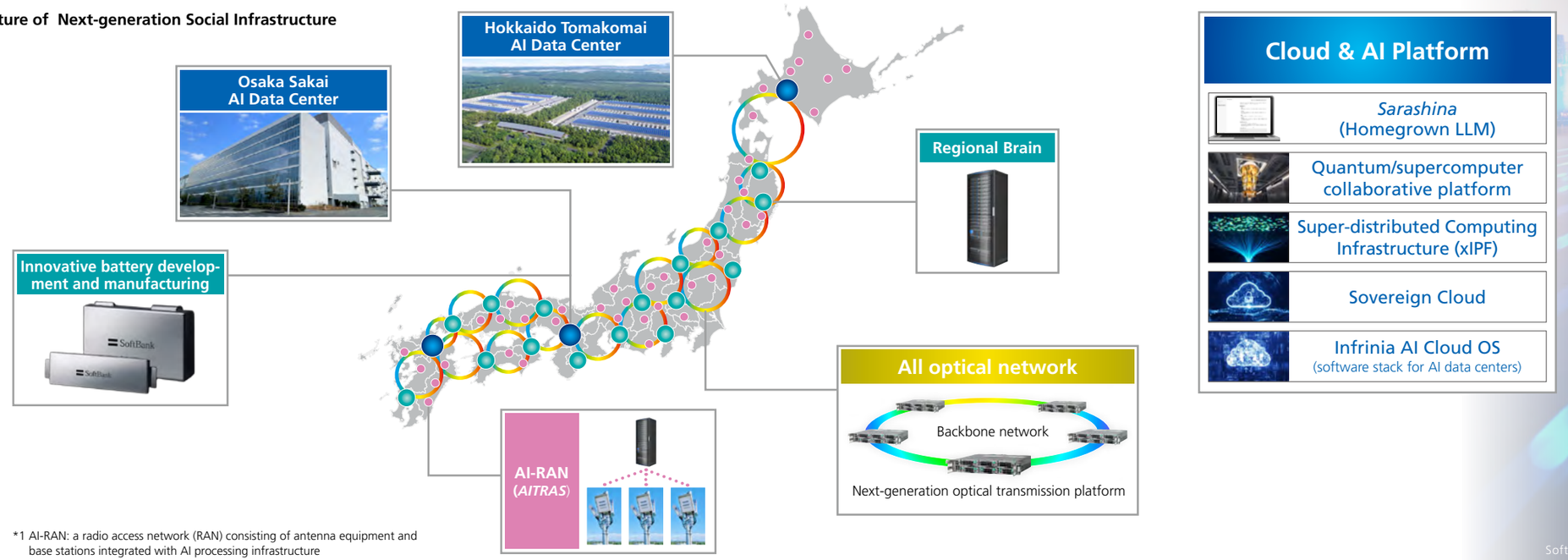
On the hardware side, we are deploying large-scale AI computing infrastructure at AI data centers (“Brain DataCenter” facilities) in Sakai City (Osaka Prefecture), Tomakomai City (Hokkaido Prefecture), and other locations. We are also developing “Regional Brain” to support regional data processing and “AI-RAN*1” to perform AI processing near base stations. These initiatives will distribute data processing across regions and reduce latency by bringing computing closer to users and devices, while enabling us to meet growing demand for AI inference.

On the software side, we are developing the AI data center software stack “Infrinia AI Cloud OS,” a sovereign cloud, and the homegrown generative AI model *Sarashina*. We are also deploying the “all optical network,” a power-efficient, low-latency, high-capacity network that connects distributed data centers.

Over the next five years, we will move these initiatives into full-scale deployment across society, with the aim of completing our “Next-generation Social Infrastructure.”

Drawing on our expertise in data centers and telecommunications networks, our talent with experience in generative AI development, and the security know-how we have accumulated through operating telecommunications infrastructure, we will work to make this infrastructure a reality. By deploying “Next-generation Social Infrastructure” across society, we aim to accelerate AI-driven business growth and enhance corporate value over the medium to long term.

Overall picture of Next-generation Social Infrastructure



*1 AI-RAN: a radio access network (RAN) consisting of antenna equipment and base stations integrated with AI processing infrastructure

Manufactured / Intellectual Capital: Technology Strategy for Realizing "Next-generation Social Infrastructure"

Construction of "Osaka Sakai AI Data Center"

The "Osaka Sakai AI Data Center" will serve as a core hub for the "Next-generation Social Infrastructure." We plan to construct an AI data center with a power-receiving capacity of approximately 140 megawatts*2, equipped with AI computing infrastructure capable of 110 ExaFLOPS*1 (equivalent to approximately 100,000 NVIDIA H200 GPUs).

In March 2025, we acquired from Sharp Corporation the land, buildings, and other facilities related to its LCD panel plant in Sakai City (Osaka Prefecture) to construct a large-scale AI data center. The site covers approximately 450,000 square meters, equivalent to about 10 Tokyo Domes. By utilizing existing plant-related facilities, including electric power supply facilities and cooling systems, we can expedite construction of the data center. Construction is underway with completion targeted for FY2027. In the future, we plan to expand the capacity to over 250 megawatts.

The Company has already built AI computing infrastructure on one of the largest scales in Japan at its existing AI data centers nationwide, with a combined computing capacity of approximately 17 ExaFLOPS. It is currently used mainly to provide computing resources to external customers and for R&D within the Group. By constructing the new "Osaka Sakai AI Data Center," the Company will further expand AI computing capacity in Japan and meet the diverse AI usage needs of universities, research institutions, companies, and other organizations.



Construction of "Hokkaido Tomakomai AI Data Center"

As AI becomes more widespread, massive data processing and the associated demand for electricity are expected to surge, while data centers in Japan are concentrated in urban areas such as the Tokyo and Osaka metropolitan areas. To address challenges such as strengthening resilience and distributing power loads, the Company is constructing the "Hokkaido Tomakomai AI Data Center" in Tomakomai City, Hokkaido, as one of the "Brain DataCenter" facilities, equipped with large-scale computing infrastructure and other systems.

The Company announced plans for the data center in November 2023 and began construction in April 2025. We are aiming to complete the first phase of construction of the data center and commence operations in FY2026, with an expected scale of 50 megawatts*3 at the time of opening. The total project cost is expected to be approximately ¥65 billion, with up to ¥30 billion to be covered by subsidies from Japan's Ministry of Economy, Trade and Industry.

Together with the "Osaka Sakai AI Data Center," this facility will support the Company's AI development and AI-related businesses and serve as infrastructure to meet growing demand for AI computing.



*1 Computing capacity is calculated by multiplying the FP16 performance per GPU (based on NVIDIA's official website) by the number of units procured.
*2 Power-receiving capacity is estimated based on the power consumption per GPU (based on NVIDIA's official website), assuming a PUE (Power Usage Effectiveness) of 1.5.
*3 Maximum power-receiving capacity of the data hall building planned for construction.

Manufactured / Intellectual Capital: Technology Strategy for Realizing "Next-generation Social Infrastructure"

"AI-RAN": Evolving mobile networks into AI networks

"AI-RAN" is a technical concept for integrating a radio access network (RAN), which consists of antenna equipment and base stations, with AI on the same hardware infrastructure (see the figure on the right).

Conventional RANs have traditionally run on expensive, dedicated telecommunications hardware. The basic idea of "AI-RAN" is to implement its functions in software using GPUs, which excel at parallel processing of complex calculations, and to also utilize these GPUs for providing AI applications such as inference. By running RAN functions on general-purpose servers, cost benefits and network scalability can be achieved. Furthermore, we also aim to improve capital expenditure efficiency by generating revenue from providing AI applications. The Company has been working in close collaboration with NVIDIA since 2019 to make this a reality.

Social implementation of "AI-RAN" requires collaboration across the entire industry, including telecommunications carriers, companies, universities, and research institutions. Accordingly, in 2024 the Company took the lead in establishing the AI-RAN Alliance and is promoting the formation of an "AI-RAN" ecosystem through research and development and discussions on operating models for its social implementation. The alliance has expanded into an international initiative with 140 participating companies and organizations*1.

Key feature (1): Enhancing the competitiveness of mobile services

In RANs that are not equipped with AI, communication areas are adjusted for each base station. This can create imbalances in the use of radio waves and electricity when traffic surges within a communication area. As a result, there are issues such as localized degradation of communication quality and inefficient electricity consumption. With "AI-RAN," AI at adjacent base stations coordinates autonomously, leading to the efficient use of radio waves and enabling the provision of an optimal communication environment according to the situation.

Key feature (2): Realizing distributed AI data centers

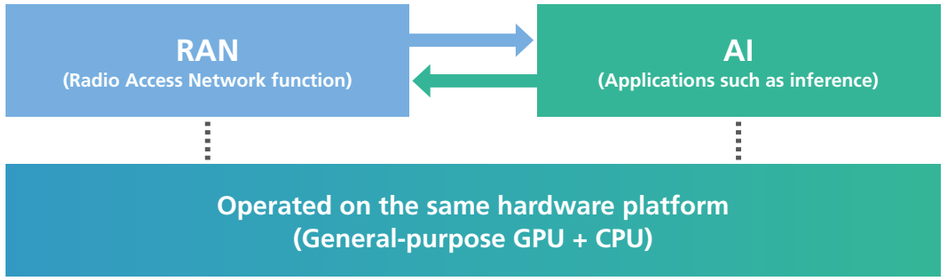
By installing GPUs near mobile base stations, we will evolve the mobile network into a distributed AI data center. Currently, AI computation is mainly performed in the cloud via the Internet, but this results in response times of several hundred milliseconds. However, if GPUs are installed near mobile base stations and AI computation is performed closer to the user, the response time can be significantly reduced to several tens of milliseconds. This will make it possible, for example, to analyze road conditions in real time based on camera footage from autonomous driving vehicles and make instantaneous decisions. Another advantage is that high security can be ensured because data is handled within a closed network.

*1 As of the end of July 2026

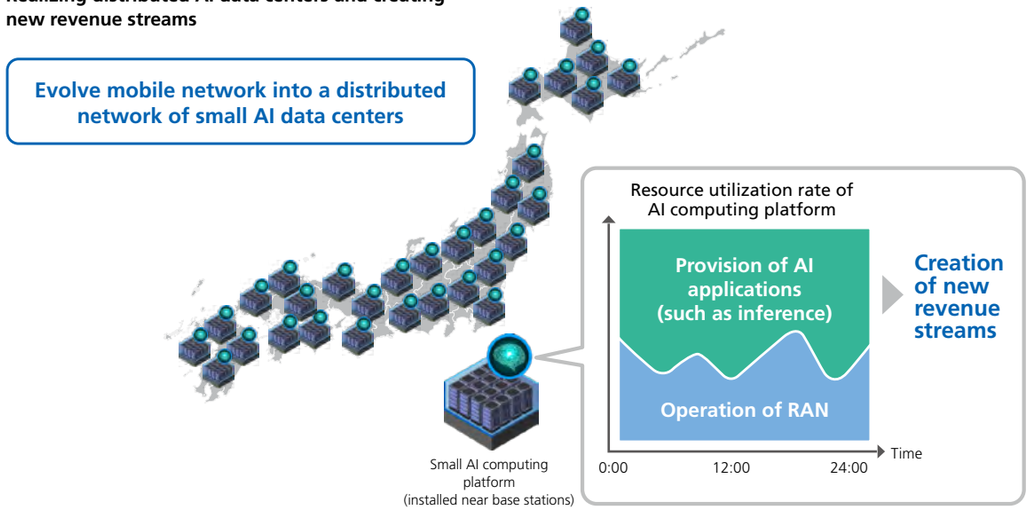
Key feature (3): Creating new revenue streams

By integrating RAN and AI on the same hardware infrastructure, it is possible to sell surplus computing resources when they are not allocated to RAN operations. Computing resources are provisioned to accommodate peak mobile traffic, leaving spare capacity during much of the day (see the figure below). By making these computing resources available for AI applications such as inference, we will create new revenue streams.

"AI-RAN": Integrating RAN and AI on the same hardware infrastructure



Realizing distributed AI data centers and creating new revenue streams



Manufactured / Intellectual Capital: Technology Strategy for Realizing "Next-generation Social Infrastructure"

Development and deployment of the AI data center software stack "Infrinia AI Cloud OS"

"Infrinia AI Cloud OS" is software that enables GPUs installed in AI data centers to be flexibly offered as a cloud service.

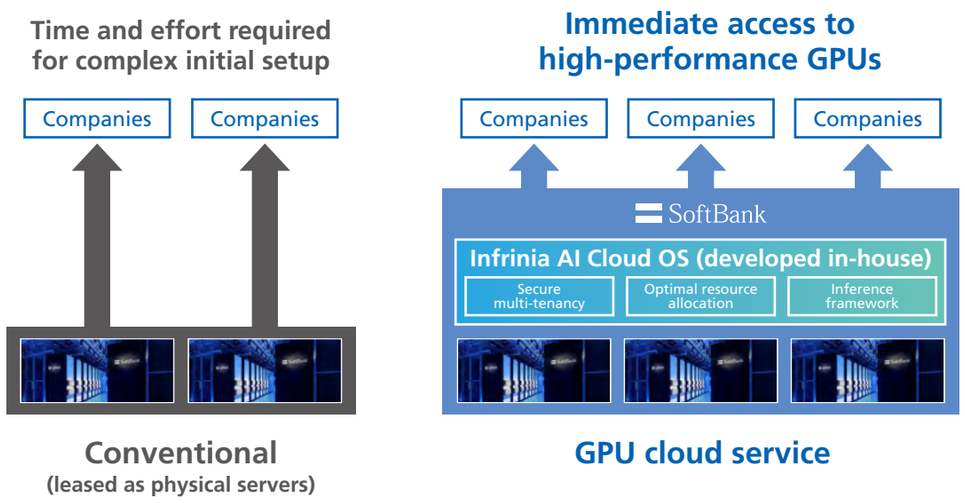
Traditionally, GPU servers have generally been used on a dedicated physical basis, creating the challenge that initial configuration and environment setup for each use case require enormous time and effort as well as advanced expertise.

To address this challenge, the Company developed "Infrinia AI Cloud OS" as software that enables the rapid and efficient construction and operation of the advanced GPU cloud environments required by AI data centers while maximizing GPU performance. This enables users to flexibly access the computing resources they need in a cloud-service model and use them for a wide range of purposes, including AI model development and data processing.

Another feature of "Infrinia AI Cloud OS" is that all computing facilities built in a distributed manner, from "Brain DataCenter" AI data centers equipped with large-scale AI computing infrastructure to "Regional Brain," which supports regional computing, and "AI-RAN," which is deployed near base stations, can be integrated and operated using a single common software platform.

It also enables flexible, optimized resource allocation nationwide to meet growing "inference" demand accompanying the spread of AI agents and physical AI. Looking ahead, the Company aims to expand overseas by leveraging the know-how in building and operating GPU clouds cultivated in Japan.

Key features of "Infrinia AI Cloud OS"



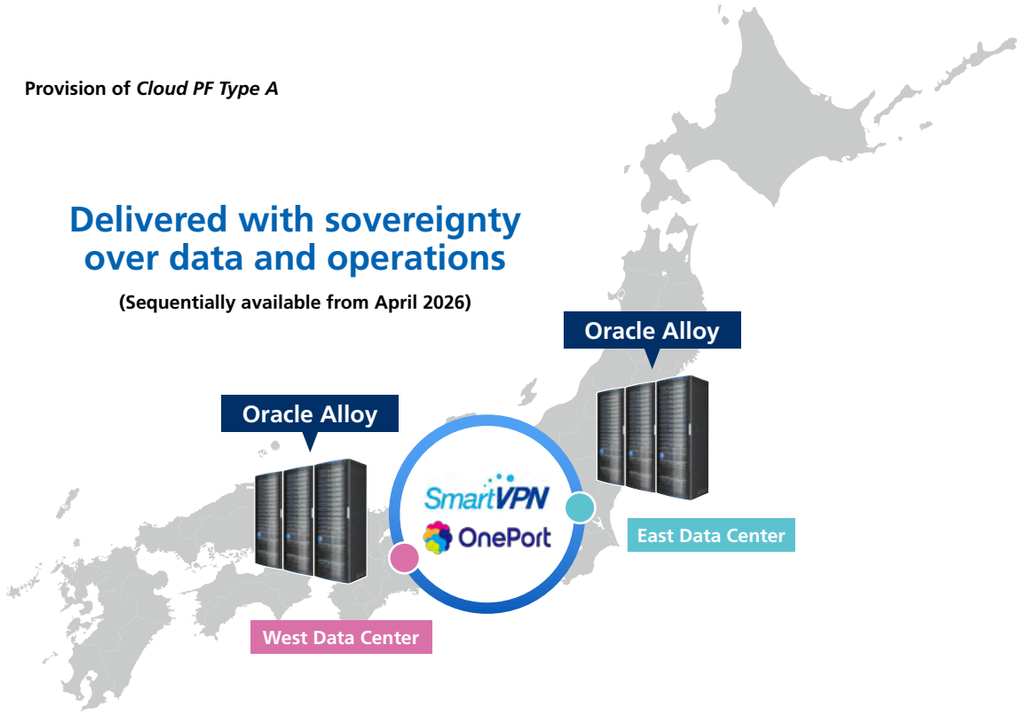
Providing a sovereign cloud service through collaboration with Oracle

Through collaboration with Oracle Corporation (hereinafter "Oracle"), the Company has begun rolling out the sovereign cloud service *Cloud PF Type A* in phases from April 1, 2026.

This is a cloud service in which cloud infrastructure leveraging "Oracle Alloy," provided by Oracle, is deployed in the Company's data centers in Japan and managed and operated by the Company. By keeping the location, management, and operation of data entirely within Japan, the service ensures data sovereignty and operational sovereignty, providing an environment in which government agencies and companies can use the service with confidence even for critical systems.

As AI becomes more widespread, the importance of cloud infrastructure that can securely support advanced computing, including GPU use, is increasing. Through *Cloud PF Type A*, the Company will establish a sovereign cloud environment while building cloud infrastructure capable of supporting high-speed computing and a wide range of generative AI use cases.

Provision of *Cloud PF Type A*



Natural capital: building green AI infrastructure

Aiming to reduce pressure on natural capital by building green AI infrastructure

As demand for AI expands, electricity demand at data centers and networks is expected to increase further. Increased electricity demand could place greater pressure on natural capital, including through higher greenhouse gas emissions from power generation.

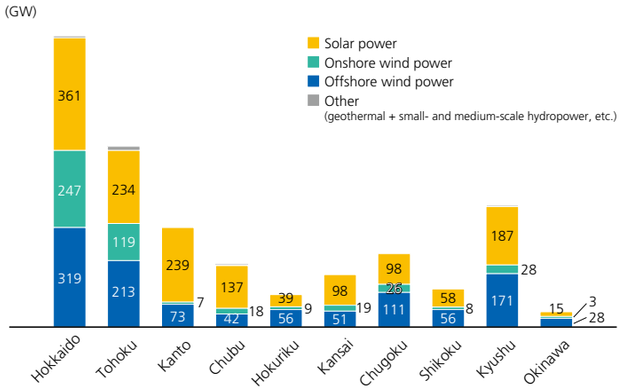
As the Company advances its AI infrastructure, the Hokkaido Tomakomai AI Data Center will utilize renewable energy and leverage Hokkaido's cool climate to reduce air-conditioning loads. In addition, by combining reductions in network power consumption with optimization of electricity use through energy storage systems, the Company is working to reduce pressure on natural capital.

AI data center leveraging Hokkaido's regional characteristics

The Company is proceeding with the construction of the "Hokkaido Tomakomai AI Data Center," which will be one of the "Brain DataCenter" facilities. Hokkaido Prefecture is one of the regions in Japan with high potential for renewable energy deployment. At the data center, the Company plans to maximize the use of abundant renewable energy from within Hokkaido to curb greenhouse gas emissions associated with electricity use. The Company also aims to make it a model case of a green data center based on "local energy production and consumption," where clean electricity generated in the region is consumed locally.

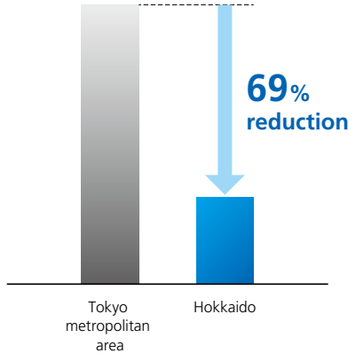
Furthermore, by taking advantage of Hokkaido's cool climate, the Company will improve the efficiency of air conditioning and cooling, which consume large amounts of electricity in AI data center operations. Hokkaido's low temperatures make efficient cooling with outside air possible. Compared with a data center located in the Tokyo metropolitan area, this approach is expected to reduce electricity consumption for air conditioning and significantly lower electricity costs. By combining the use of renewable energy with lower air-conditioning loads, the Company aims to reduce pressure on natural capital associated with AI data center operations.

Renewable energy deployment potential by region



(Source) Prepared by the Company based on REPOS of Japan's Ministry of the Environment
* Estimates are expressed in terms of installed capacity and do not represent the Company's planned installation capacity.

Estimated reduction in electricity consumption for air conditioning using Hokkaido's cool climate



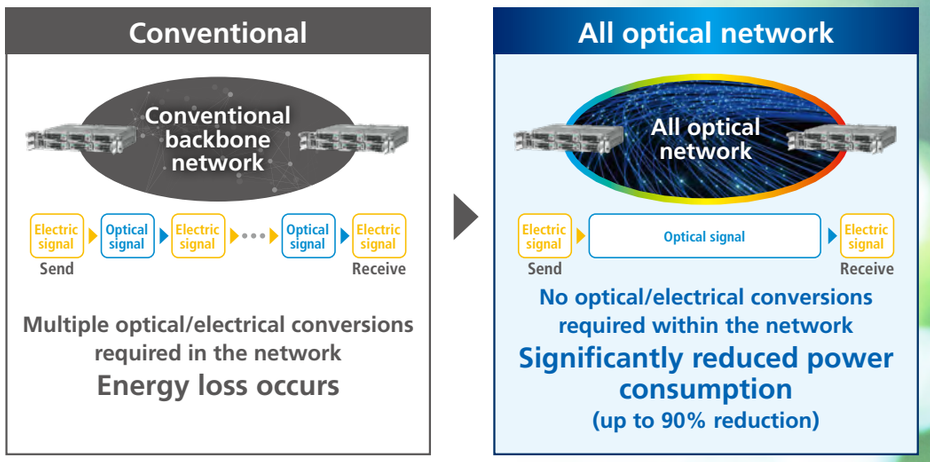
(Source) Prepared by the Company based on estimates by the Hokkaido GEDC Study Group
* This is an estimate and does not indicate the reduction rate targeted by the Company.

"All optical network" that significantly reduces network power consumption

To reduce power consumption in telecommunications networks, the Company is deploying an "all optical network," which transmits optical signals without converting them into electrical signals. Conventional networks require conversion between optical and electrical signals along the communications path. By reducing these conversion processes, the all optical network can significantly reduce the power consumption of network equipment.

The Company has already deployed the all optical network in core areas of its nationwide transmission network, significantly increasing capacity while reducing power consumption by up to 90% compared with conventional networks. Deployment is now being expanded to metro networks. While meeting the growing demand for data communications expected from "Beyond 5G/6G" and AI infrastructure, the Company is working to reduce pressure on natural capital by improving network power efficiency.

Features of the all optical network



Natural capital: building green AI infrastructure

Promoting a domestic battery business with a view to building next-generation power infrastructure

As AI data centers expand, electricity demand is expected to increase further. At the same time, electricity generation from renewable energy sources such as solar and wind varies depending on weather conditions and the time of day. Efficiently storing and utilizing electricity is therefore essential to ensure a stable supply that meets demand. To address these challenges, the Company is promoting a domestic battery business toward the development of next-generation power infrastructure that will support the AI era.

Development and manufacture of highly safe, highly efficient innovative battery cells

The Company is advancing the development and manufacturing of innovative battery cells in Japan. The innovative battery cell is the world's first*1 to integrate technologies from two types of next-generation batteries. By using a halide for the cathode and zinc for the anode, it offers charge-discharge characteristics with low energy loss and achieves excellent energy efficiency equal to or better than that of lithium-ion batteries.

Because it does not use a flammable organic electrolyte and instead uses pure water as the electrolyte, it has a structure in which the risk of ignition does not arise in principle, achieving a high level of safety. In addition, key raw materials such as halides and zinc can be sourced domestically in Japan, helping to strengthen the resilience of the supply chain supporting next-generation power infrastructure.

Advantages of the innovative battery*2





	Lithium iron phosphate (LFP) battery	Zinc-halogen battery
Safety	Risk of ignition (safety measures required)	**No risk of ignition in principle**
Energy efficiency	2027 model	**1.1x**

Building energy storage systems using advanced technologies

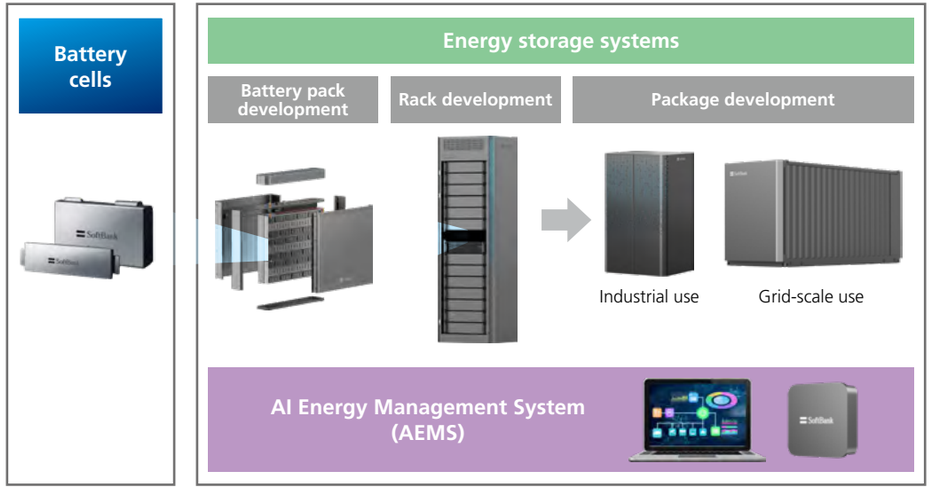
The Company is advancing the development and manufacturing of energy storage systems centered on the battery cells described above. These energy storage systems serve as an energy platform for power supply and supply-demand optimization and constitute important infrastructure for the stable use of renewable energy.

The energy storage systems being developed and manufactured by the Company incorporate world-leading technologies. Standard containerized energy storage systems using lithium-ion batteries have already achieved extremely high storage capacity. The Company also aims to achieve equal or greater storage capacity in energy storage systems using innovative battery cells.

In addition, by incorporating an energy management system equipped with an AI-based electricity demand forecasting function developed in-house, the Company can optimally control charging and discharging, enabling efficient and stable operation in line with electricity demand and renewable energy generation conditions.

In addition to deploying these domestically produced batteries at the Company's AI data centers, the Company plans to gradually provide them for grid-scale use in Japan, industrial applications such as factories, and household use, with a view to expanding into global markets over the medium term. Through these initiatives, the Company will support the stable use of renewable energy and optimize electricity use, contributing to reduced pressure on natural capital.

Advancing end-to-end development and manufacturing in Japan



*1 This is the world's first product among commercially deployed aqueous zinc-halogen battery cells to achieve an energy density comparable to that of lithium-ion batteries (as of May 11, 2026; based on the Company's research).
*2 Figures for zinc-halogen batteries are projected values at the development stage. Figures for lithium iron phosphate (LFP) batteries are Company estimates based on publicly available information and other sources. All figures are approximate and may vary depending on conditions and other factors.

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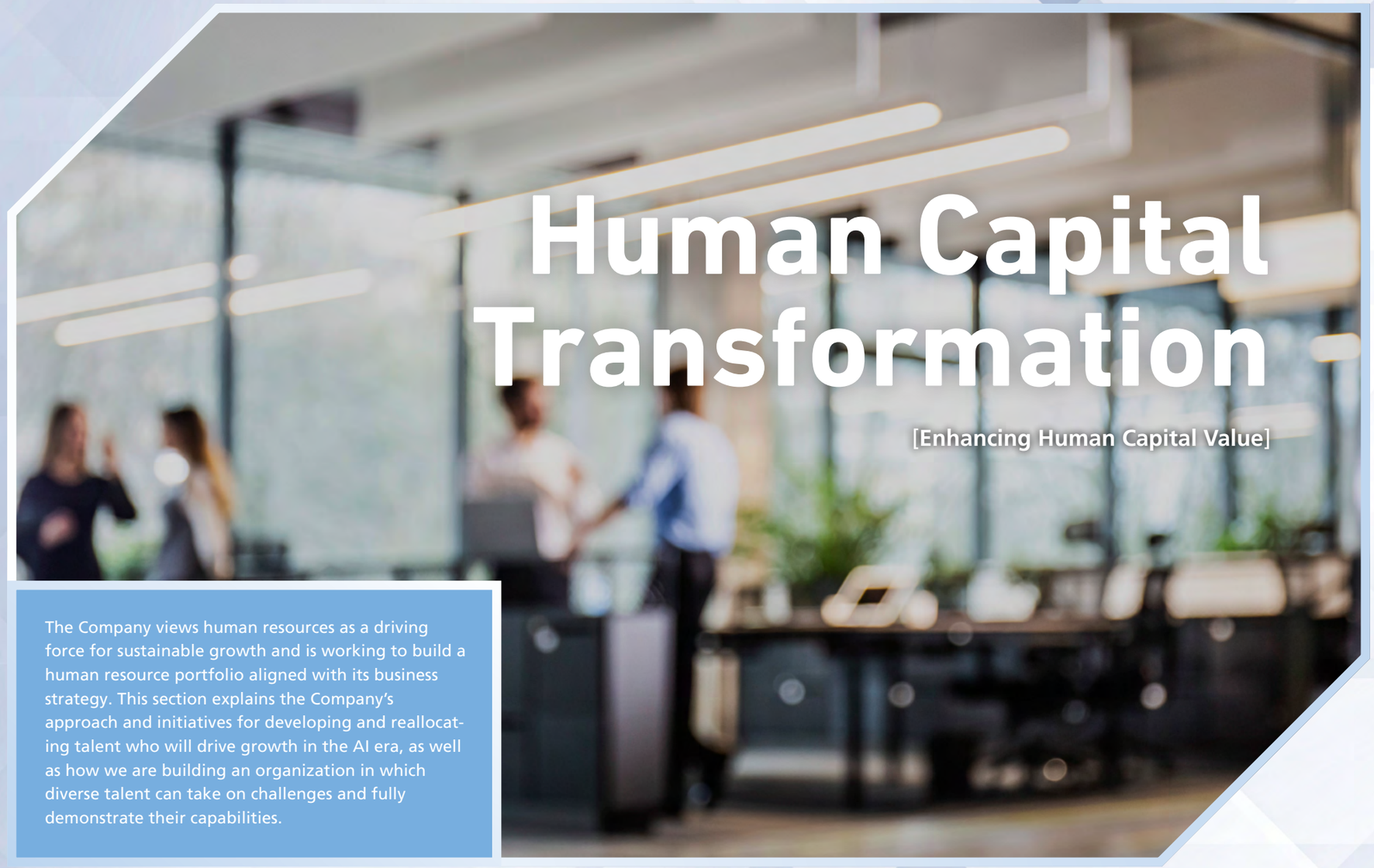


Human Capital Transformation

[Enhancing Human Capital Value]

The Company views human resources as a driving force for sustainable growth and is working to build a human resource portfolio aligned with its business strategy. This section explains the Company's approach and initiatives for developing and reallocating talent who will drive growth in the AI era, as well as how we are building an organization in which diverse talent can take on challenges and fully demonstrate their capabilities.

Human Resource Strategy

SoftBank's HR strategy: Information Revolution — Happiness for everyone

Based on our belief that talent is the key that drives business growth, we position our human resource strategy as a core element of our management strategy. Our human resources mission is to connect "people" and "business" to achieve growth for both. We believe that creating opportunities for diverse talent to fully demonstrate their individuality and capabilities and fostering a supportive work environment are essential for enhancing corporate value over the medium- to long-term.

Under our Long-term Vision of becoming "a company that provides Next-generation Social Infrastructure essential for the development of a digital society," we are advancing our growth strategy, Activate AI for Society. In support of this strategy, our human resource strategy focuses on building an optimal HR portfolio by improving efficiency in existing areas and shifting personnel to new areas such as cloud computing and AI.

Specifically, we position AI as an important technology that supports business expansion and corporate transformation and are promoting its use throughout the Company. In existing areas in particular, we are working to improve productivity through the automation of business processes and faster decision-making, thereby freeing up personnel for reallocation to new areas. Going beyond simply utilizing AI tools, we are also fostering a culture in which each employee creates and co-creates AI agents (mechanisms where AI makes autonomous decisions and executes tasks), driving transformation into a more efficient and agile organization.

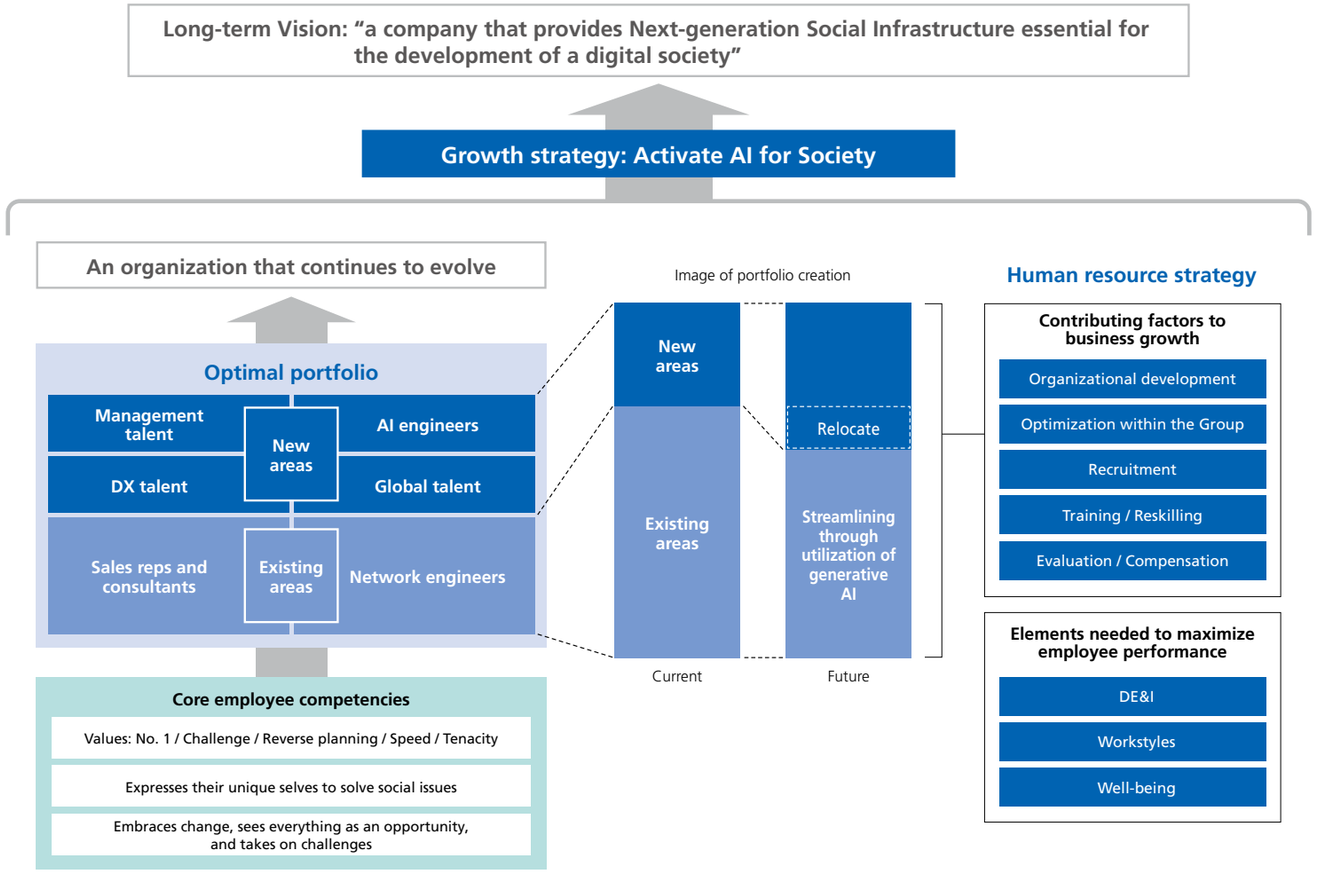
In new areas, rather than relying on external recruitment, we emphasize maximizing the use of our internal human capital. We provide employees with opportunities to take on challenges in growth areas of their own volition and are promoting the reallocation of human resources in line with our business strategy. At the same time, we are strengthening the development and recruitment of high-value talent such as "AI engineers," "DX talent," "global talent," and "management talent." For specialized talent whose market value is rising, we have introduced programs that offer individually competitive compensation packages, enabling agile talent acquisition.

Supporting this organizational transformation and autonomous growth are SoftBank's "Values." "No. 1" and "Challenge" foster a culture in which employees set ambitious goals and proactively chart their own career paths. "Reverse planning," "Speed," and "Tenacity" help drive results even in uncertain environments. Under these values, we believe that talent who enjoy change and continuously take on new challenges are a vital driving force for our sustainable growth.

Looking ahead to a society that coexists with AI, we are fostering a corporate culture where every employee not only masters AI but also creates new value through co-creation with AI. At the same time, we are promoting DE&I that embraces individual diversity and well-being, creating an environment where diverse talent can thrive and find their work rewarding.

We believe that closely integrating our business strategy with our human resource portfolio is crucial for advancing our Long-term Vision. We will continue to promote our human resource strategy to create a positive cycle of employee and Company growth, aiming to be a corporate group that constantly evolves.

HR strategy overview



Building an Optimal Human Resource Portfolio

Business transformation through extensive AI utilization across all areas

Under Activate AI for Society, we are promoting extensive use of AI throughout the Company. As we work to build an optimal portfolio, our first priority is to improve productivity in existing areas. By transforming business processes and improving organizational efficiency through extensive AI utilization, we aim to free up human resources for reallocation to new areas.

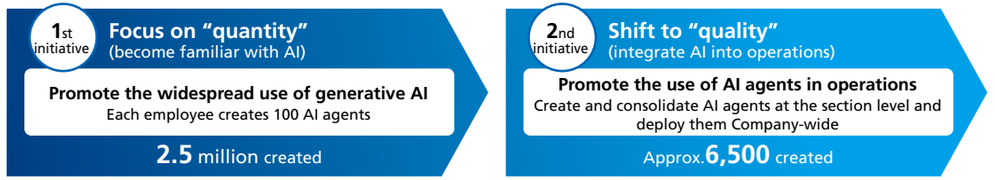
Company-wide AI utilization aimed at becoming "the leading company in Japan for generative AI utilization"

We position AI as one of the most important technologies supporting future business expansion and corporate transformation. Our goal goes beyond simply improving operational efficiency. We want employees to use AI to fundamentally rethink the way they work and connect this transformation to the creation of new value. To achieve this, we are promoting AI utilization throughout the Company with the aim of becoming "the leading company in Japan for generative AI utilization."

In May 2023, we provided all employees with the in-house tool SmartAI-Chat for the use of generative AI in their work. Since then, we have promoted AI utilization across a wide range of tasks, including minute-taking, translation, programming support, and internal information searches, improving operational efficiency and accumulating expertise. In May 2025, we provided all employees with ChatGPT Enterprise IDs, establishing a foundation for full-scale generative AI utilization at the operational level. This initiative goes beyond merely providing a tool; it aims to empower each employee to review and improve their own work through collaboration with AI and develop the ability to create new work styles. Going forward, through the development and utilization of AI agents, we aim to enable employees themselves to drive business transformation.

As the first initiative toward this goal, we called on approximately 20,000 employees to each create 100 AI agents. In just two and a half months, they created 2.5 million AI agents, far exceeding the target. As the second initiative, employees worked to create AI agents tailored to the specific operations of each organization, resulting in approximately 6,500 AI agents that are increasingly being used on the frontline. These achievements in such a short period demonstrate that our Values of "Challenge" and "Speed" are deeply rooted in our frontline organizations. Survey results also show that employees have responded positively. This Company-wide initiative has established "AI agents" as a common language across the Company, accelerating frontline-driven adoption.

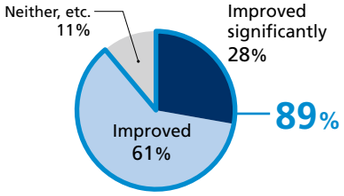
Through these generative AI initiatives, we will improve efficiency in existing areas and reallocate the human resources freed up through these efforts to new areas, thereby accelerating the transformation of our business structure. We will foster a corporate culture where employees master AI and co-create value with it, strengthening our human resource foundation to support Next-generation Social Infrastructure.



1st initiative: Survey results on creating 100 AI agents per employee

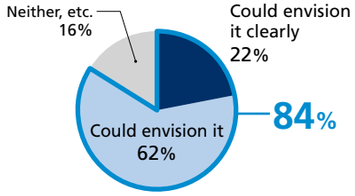
Understanding of generative AI

About 90% improved their understanding



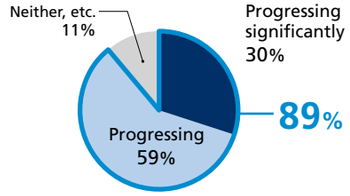
Ability to envision using generative AI

About 80% were better able to envision using generative AI



Progress in generative AI adoption

About 90% felt that generative AI adoption was progressing



2nd initiative: Number of AI agents created by category

Category	Number	Percentage
Learning / Research support	**2,088**	**32%**
Document creation / Summarization	**909**	**14%**
Programming / Technology	**891**	**14%**
Sales / Marketing support	732	11%
Customer / Inquiry Support	562	9%
Data analysis / Reporting	445	7%
HR / Evaluation / Development	356	5%
Accounting / Budgeting / Internal Approvals	220	3%
Operational improvement / Rule management	187	3%
Planning / Idea generation	146	2%
Total	6,536	100%

Shifting talent to new areas and strengthening our human resource foundation

To strategically shift human resources freed up through greater efficiency in existing areas to new areas such as cloud computing and AI, systems that support reskilling and autonomous career development are essential. To expand the human resource foundation that will support Next-generation Social Infrastructure, we are strengthening the reallocation, development, and recruitment of talent capable of contributing in new areas.

Promoting autonomous careers and talent reallocation

We implement a variety of measures to support each employee's autonomous career development and growth, creating an environment where employees can proactively acquire new knowledge and experience while broadening their expertise and perspectives. These initiatives promote both employee and business growth and provide a foundation for flexible talent allocation in response to changes in the business environment and strategy.

To support employees' career development, we operate a Group-wide job posting system that invites applications for roles in new businesses and companies, as well as a free-agent system that allows employees to transfer to their desired departments or Group companies. In particular, our "reskilling-based job posting" program strongly supports the reallocation of personnel to new areas. Even if employees do not yet possess all the necessary skills at the time of transfer, the program enables them to acquire the specialized skills required in new areas through a period of intensive training after their transfer. Through this integrated system for talent allocation and development, which is designed to "maximize the use of internal human capital," more than 1,400 employees have already shifted to areas such as AI and DX, steadily expanding the pool of talent that will support Next-generation Social Infrastructure.

As part of this effort, we offer learning opportunities through "SoftBank University (SBU)" to cultivate talent who can contribute to achieving our corporate philosophy. SBU has a system that allows employees to proactively select training programs tailored to their career goals, enabling practical and effective learning as in-house certified instructors share their expertise.

SoftBank University	SoftBank Academia	SoftBank InnoVenture
Established in September 2010	Opened in July 2010	Launched in August 2011
Training program for all employees	Successor development	In-house entrepreneurship program

Through "SoftBank Academia," our program for identifying and developing successors, we have created a community of diverse individuals, including external executives, lawyers, and students, in addition to our employees. By providing opportunities for interaction with highly motivated members and practical learning, we are fostering the next generation of leaders with broad perspectives.

To support new business creation, we run the "SoftBank InnoVenture" in-house entrepreneurship program, which enables employees to propose businesses based on their own ideas. We also offer the "Innoventure Lab," where employees can systematically learn about new businesses, thereby actively encouraging their spirit of challenge.

Employee interview

— Career change to a new area through the job posting system

After joining SoftBank Corp., I wanted to gain experience in the Consumer segment, which is the cornerstone of our business, and built a career in sales over approximately seven years. During that time, I achieved results including ranking No. 1 in broadband sales. As the Company's business strategy subsequently expanded into AI-centered growth areas, I decided that I wanted to take on a challenge at the very heart of that growth. I used the job posting system to make a career change into a technology field in which I had no prior experience.

I started with no experience in the cloud field, but I was able to overcome the challenges of reskilling through two months of intensive training, learning content provided by my assigned department, and exchanging information with colleagues who had also used the job posting system. Generative AI tools widely used within the Company also supported my career change by enabling me to immediately ask questions whenever there was something I did not understand.

Since my transfer, I have leveraged the negotiation skills and ability to bring people together and drive initiatives forward that I developed during my sales career to advance collaborative projects with Oracle and the development of the necessary structures. I now also oversee organizational management as a line manager.

As AI becomes more advanced, specific technical skills themselves will increasingly be replaced by AI. That is precisely why I believe a distinctly human strength will be the ability to communicate from the other person's perspective, asking "who can I contribute to, how can I contribute, and what value can I deliver using this technology?" Alongside AI utilization, I want our organization to cultivate these capabilities. SoftBank has an environment and systems that encourage employees to take on challenges, and I have experienced firsthand how new possibilities can open up when you make the decision to take that first step.



Technology Unit, Unified Cloud & Platform Division, Private Cloud Development Division, Cloud Technology Department, Cloud Technology Section 2
Acting Manager

Mikito Seino

Human Resource Strategy

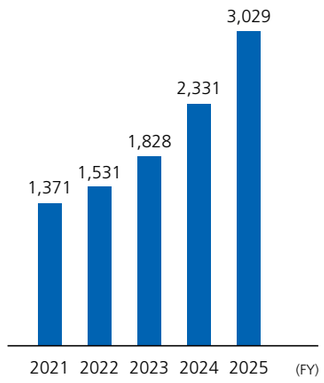
Expanding AI and DX talent

As we promote Company-wide AI utilization, we are actively supporting employees in acquiring AI-related skills and certifications. By developing the internal environment and providing learning opportunities, we are encouraging employees to learn proactively. As of March 2026, approximately 3,030 employees had passed the JDLA Deep Learning for GENERAL examination and approximately 170 had passed the JDLA Deep Learning for ENGINEER examination. Approximately 17% of all employees now hold AI-related certifications, advancing the overall AI literacy of the Company.

As a measure to support Company-wide AI utilization, we also offer "AI Campus," an in-house training program specializing in AI, which allows employees to learn everything from basic knowledge to practical skills according to their interests and job responsibilities. In addition, the "Generative AI Utilization Contest," held across the SoftBank Group since May 2023, has solicited ideas from employees, receiving over 280,000 submissions to date. Winning proposals are being considered for commercialization by the AI Project Promotion Office.

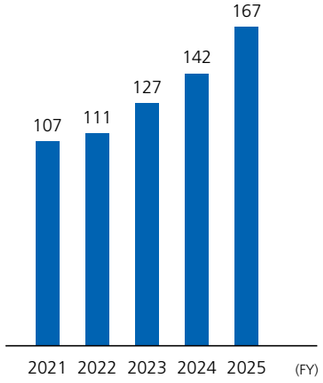
Furthermore, *Axross Recipe*, an AI and DX talent development service, was commercialized through the "SoftBank InnoVenture" program, based on practical technologies developed while accelerating in-house AI utilization. This service offers educational materials based on the know-how of active SoftBank engineers, including case studies and programming from real-world business applications of AI. In this way, we provide practical learning content applicable to on-the-ground operations for both internal and external audiences.

JDLA Deep Learning for GENERAL holders (cumulative)



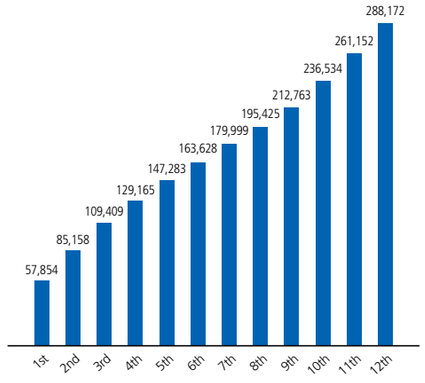
* SoftBank Corp. on a standalone basis

JDLA Deep Learning for ENGINEER holders (cumulative)



* SoftBank Corp. on a standalone basis

Generative AI Utilization Contest submissions (cumulative)



* SoftBank Corp. on a consolidated basis

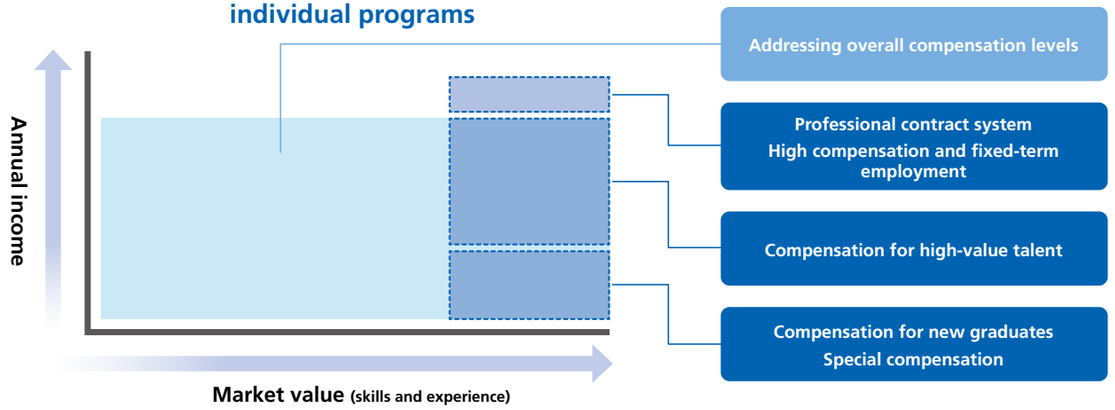
Securing high-value talent

We have adopted a mission-grade system whereby each employee's scope and grade are based on their mission and work style, rather than personal factors such as age or gender. Grades and compensation are comprehensively evaluated based on three aspects: the mission they undertake, their daily work performance (process), and their achievements and contributions to the organization.

Meanwhile, for specific roles that are essential to achieving our Long-term Vision and whose market value is rapidly increasing, such as AI engineers, security engineers, business development, and investment planning, we set individually competitive compensation packages, even for new graduates. This allows us to proactively acquire high-value talent in line with our human resource portfolio.

We have also introduced a professional contract system so that we can offer a high level of compensation on fixed-term contracts for projects requiring advanced skills and experience. By flexibly utilizing talent who can make an immediate impact, we can acquire personnel in an agile manner that meets our business needs.

Compensation for high-value talent is covered by individual programs



Promotion of DE&I, Well-being and Engagement

We aim to create an organization where employees are united in their commitment to realizing our corporate philosophy, leverage each other's strengths, freely exchange ideas, and generate innovation. To enable diverse individuals to fully demonstrate their capabilities, we are promoting DE&I and working to enhance well-being and engagement.

Initiatives for the empowerment of women

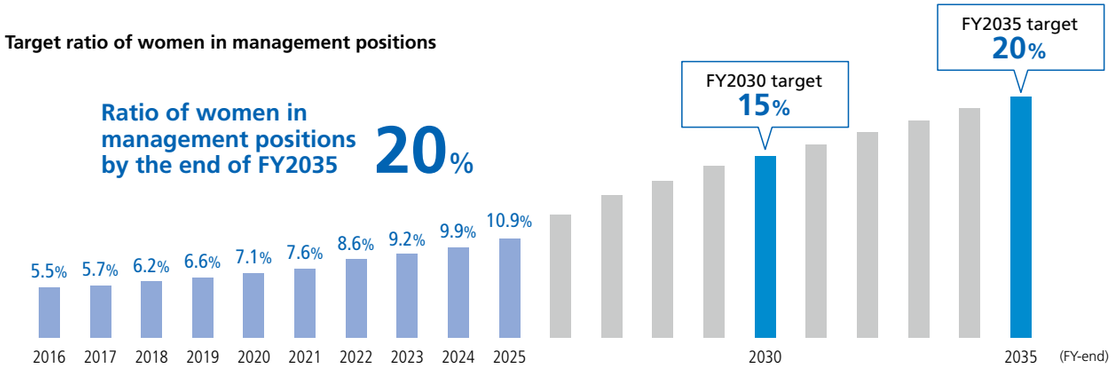
We embrace individual diversity, regardless of age, gender, sexual orientation, gender identity, gender expression, nationality, or disability, and aim to promote diversity, equity, and inclusion (DE&I) so all employees can fully harness their abilities. As a first step, we are particularly focused on promoting the active participation of women. To that end, we have set a target of 20% or more for the ratio of women in management positions by the end of FY2035.

To achieve this goal, we have established the "Committee for the Promotion of Women in the Workforce," chaired by the President & CEO and with external directors Naomi Koshi and Hiroko Sasaki, together with external experts, serving as advisors. This committee deliberates on Company-wide policies for promoting women's advancement. We are continuously taking measures from multiple perspectives to empower women in the workplace, and the progress of each initiative is monitored in meetings spearheaded by those on the frontline. Successful cases from each department are also shared during these meetings.

For example, a Company-wide survey revealed that the percentage of women who aspire to hold a management position is lower than that of men. We are therefore running workshops to encourage women to take on the challenge of a managerial role, as well as a mentor program that provides opportunities for female employees to consult with role models. As a result, interest among female employees in pursuing management positions has gradually increased.

In addition, to eliminate unconscious bias in evaluations and assignments, we conduct training for managers on the topics of nurturing female subordinates and addressing unconscious bias. Also, during our annual promotion assessment, we have a process in place to check for any disparities in promotion rates between men and women in an effort to ensure that unconscious bias does not hinder growth opportunities for women. As a result of these initiatives, while our initial simulation suggested that the percentage of women in management positions would be around 15% by the end of FY2035, the degree of women's advancement is rising annually, making the 20% target increasingly attainable.

Target ratio of women in management positions

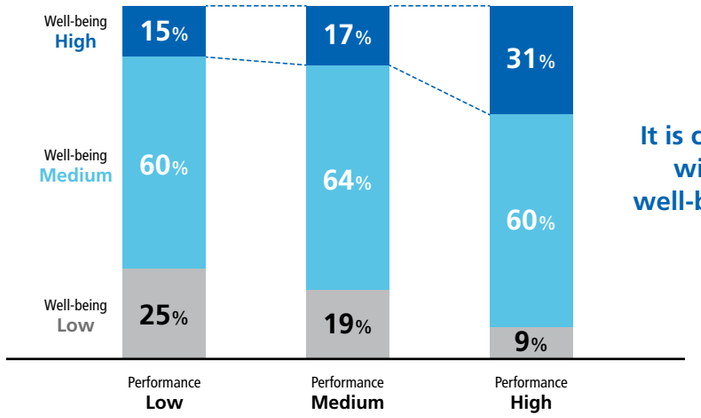


Relationship between well-being and performance

We conducted an internal analysis of the relationship between employee well-being and performance using data from our Engagement Survey. The Engagement Survey, conducted monthly and annually, assesses employee engagement across various items, including company vision, job satisfaction, work environment, interpersonal relationships, and fulfillment. It is generally said that employees with a high level of well-being, or in other words, a high level of fulfillment, not only exhibit higher levels of creativity, productivity, and sales, but also have lower turnover rates and fewer workplace accidents. Our analysis revealed that for SoftBank employees as well, employees with higher levels of fulfillment also demonstrated higher performance. Specifically, among the "high" performance group, 30.8% reported "high" fulfillment, a significantly higher proportion compared to the "low" and "medium" performance groups.

Based on this analysis, we have positioned "well-being" as a key element in maximizing individual performance and driving the Company's sustainable growth, and are working to foster a more vibrant organization.

Relationship between performance and well-being



It is clear that employees with a high level of well-being perform better

Human Resource Strategy

Engagement Survey results and areas for improvement

In the FY2025 Engagement Survey (response rate: 96.8%), the overall score was 66, maintaining the same level as the previous year. The company, work, supervisor, and workplace scores that make up the overall score all remained solid, indicating employees' positive perception of the Company. We believe this is attributable to our external communication about the Company's initiatives, regular messages from management at all-hands morning assemblies, and ongoing internal communication efforts such as Employee Town Hall meetings.

Furthermore, a new Company-wide survey introduced this year to measure the level of AI utilization within each employee's organization produced a high average score of 69. In particular, organizations with higher levels of AI utilization tended to have employees with a stronger sense of personal growth.

Based on the results of the Engagement Survey, each department identifies organization-specific issues and monitors individual employee conditions, linking these insights to prompt improvement actions.

Overall score*		
66 (±0)	65 (±0) Company	62 (+1) Work
	70 (±0) Supervisor	69 (+1) Workplace

* Overall score: aggregate of results related to company, work, supervisor, and workplace
Company: items related to the Company, such as internal systems like "evaluation and compensation" and "corporate culture," as well as benefits
Work: items related to work, such as satisfaction with "fulfillment," "autonomy," and "workload appropriateness," as well as purpose and stress
Supervisor: items related to supervisors, such as management aspects like "understanding of abilities" and "appropriate assignments"
Workplace: items related to the workplace environment, such as "open communication" and "interpersonal relationships"
Scored on a 100-point scale (up to 49: Low, 50–64: Normal, 65–74: High, 75+: Very high)
Figures in parentheses indicate the difference from the previous year's score

Examples of initiatives that contributed to score improvement

Continuous internal and external communication

- Proactive communication on business policies and progress, such as Next-generation Social Infrastructure and generative AI
- Communication of various information through internal channels such as Employee Town Hall meetings and all-hands morning assemblies

Promotion of AI utilization

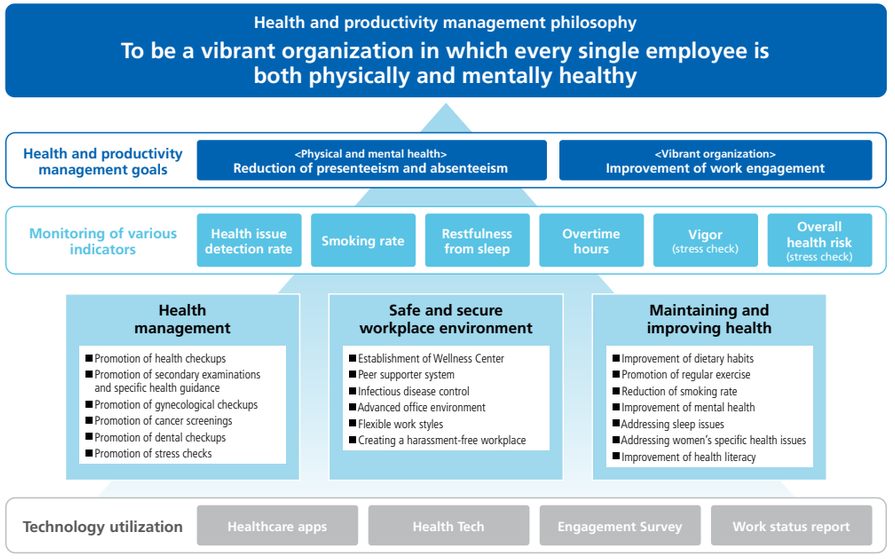
- Enhancing the environment for generative AI use and providing learning content
- Fostering a culture of utilization through the Generative AI Utilization Contest
- Accelerating frontline utilization through the "100 AI agents per employee" initiative

Health and productivity management initiatives

Our health and productivity management philosophy is to be a "vibrant organization in which every single employee is both physically and mentally healthy." To realize this philosophy, we promote health and productivity management under the supervision of the officer in charge of the Corporate Unit, with the Well-being Promotion Office established directly under the CHRO (Chief Human Resources Officer).

Specifically, we support the maintenance and improvement of employee health by monitoring health management indicators with the following three approaches: (1) "health management," (2) "safe and secure workplace environments," and (3) "maintaining and improving health." From a "health management" perspective, we encourage employees to undergo annual health checkups and stress checks to ensure the early detection and prevention of illnesses and other health issues. In terms of "safe and secure workplace environment," we have established a Wellness Center, developed a healthy office environment, and implemented a peer supporter system and on-site influenza vaccinations. To "maintain and improve health," we support our employees by promoting initiatives aimed at improving diet, encouraging regular exercise, reducing smoking rates, enhancing mental health, addressing sleep issues, addressing women-specific health issues, and raising health literacy.

In recognition of these proactive initiatives from a business perspective, we have been recognized for the eighth consecutive year in the "White 500 in the large enterprise category" of the "Certified Health & Productivity Management Outstanding Organizations Recognition Program," a joint initiative by Japan's Ministry of Economy, Trade and Industry (METI) and the Nippon Kenko Kaigi. Furthermore, our health initiatives have been ranked the highest in the "DBJ Employees' Health Management Rated Loan Program" of the Development Bank of Japan.



SoftBank's Human Resource Initiatives

In addition to achieving sustained business growth and success, we aim to build a work environment conducive to employee growth and personal fulfillment. To this end, we have established HR policies that we value as a company and promote various personnel initiatives.

Recruiting a diverse workforce

- JOB-MATCH internship program
- TURE-TECH, our regional development internship program
- JOB-MATCH screening
- No.1 Recruitment
- AI utilization in interview screening
- Interviewer training
- Direct recruiting
- Recruiting by referrals from our employees

Promoting diversity

- Committee for the Promotion of Women in the Workforce
- LGBTQ-related consultation desk
- LGBTQ training for newly appointed managers
- LGBTQ e-learning training
- Cooperation and support for Tokyo Pride
- Unconscious bias e-learning training
- Diversity management training
- SoftBank DE&I Award

Promoting health and productivity management

- Health management promotion system
- Wellness Center
- "Peer supporter" system
- Stress checks
- Healthcare app *HELPO*, online medical consultations, etc.
- Prohibition on smoking during working hours
- Designation of days on which employees are encouraged to take annual paid leave
- Work-interval system
- Harassment consultation hotline
- Regular health examinations

Information Revolution — Happiness for everyone



Utilizing cutting-edge technologies

Promoting smart workstyle

- Super flextime system
- Satellite offices
- Remote work
- Secondary jobs and side businesses
- SoftBank-style internal secondary job system
- Premium Friday
- No overtime days

Career development and opportunities to shape employees' career capabilities

- SoftBank University
- SoftBank University Tech
- AI Campus from SBU Tech
- SoftBank Academia
- SoftBank InnoVenture
- Job posting system (Business-specific internal recruiting system)
- Free-agent system (Department-specific internal recruiting system)
- Assessment in various fields (statistics, IT, English)
- Certification support program
- Self reporting system
- Mission grade system
- Engagement surveys
- SoftBank career dock
- People analytics
- Management Survey

Supporting a balance between work and childcare/nursing care

- Leave for hospital visits and cancer treatment (can also be used for fertility treatment)
- Maternity leave for outpatient medical care
- Maternity care leave
- Maternity leave
- Paternity leave
- Childcare leave/childcare leave at birth
- Care leave
- Kids' leave
- Shorter and flexible working hours during pregnancy
- Shorter and flexible working hours for childcare
- Long-term nursing care leave
- Nursing care leave
- Shorter and flexible working hours for nursing care
- Shinkansen or limited express train commuting for long-term caregivers
- Consultation meetings prior to maternity leave
- Orientation during childcare leave/return to work orientation
- Subsidies for babysitter services (Children and Families Agency discount coupons)
- Seminars on balancing work and nursing care
- Nursing care community (internal SNS)
- Nursing care roundtables
- Consultation service with nursing care experts

List of Achievements

By executing HR initiatives unique to SoftBank, we aim to be a company in which employees who implement the *Activate AI for Society* strategy can continue to play active roles.

Recruiting a diverse workforce

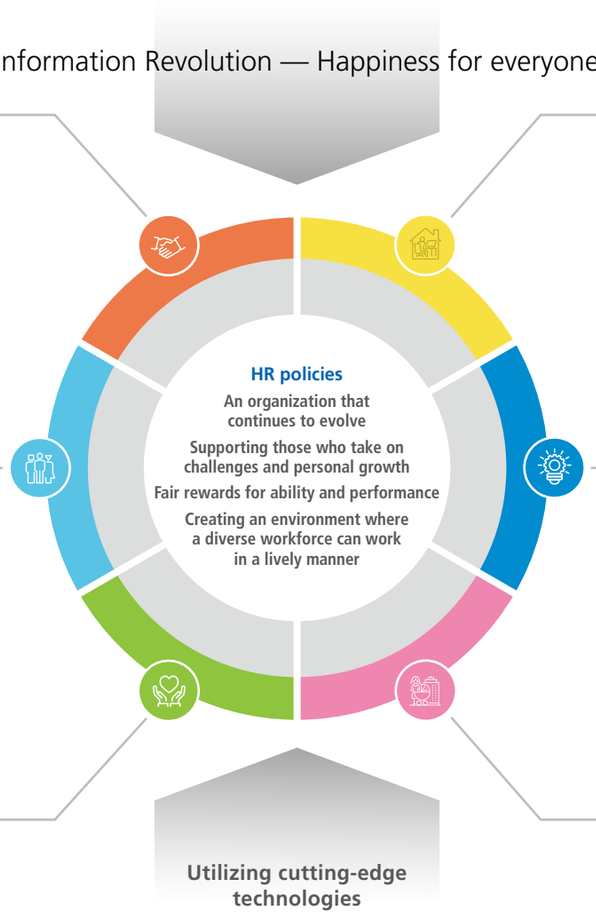
- Number of newly hired graduates: **482** (men: **296**, women: **186**)
- Number of newly hired mid-career workers: **361** (men: **274**, women: **87**)

Promoting diversity

- Ratio of women in management positions: **10.9%** (as of April 1, 2026)
- Average number of consecutive years served:
  men: **14.8**, women: **14.8**
- Ratio of employees with disabilities: **3.17%** (as of June 1, 2026)

Promoting health and productivity management

- Ratio of employees undertaking regular health examinations: **100.0%**
- Ratio of positive findings in regular health examinations: **58.4%**
- Completion rate for specific health guidance: **55.5%**
- Ratio of employees who smoke: **24.0%**
- Ratio of annual paid leave taken: **77.0%**



Promoting smart workstyle

- Number of employees with a secondary job: **2,088**
- Remote work implementation rate: **95.1%**
  (ratio of employees who worked remotely at least once a month)

Career development and opportunities to shape employees' career capabilities

SoftBank University

- Number of annual participants: **42,907**
- Number of Internally Certified Instructors: about **100**

SoftBank Academia

- Number of enrollments:
  about **300** (external enrollments included)

SoftBank InnoVenture

- Cumulative number of applications:
  8,327 (as of April 1, 2026)
- Cumulative number of businesses commercialized: **28** (as of April 1, 2026)

Job posting system / Free-agent system

- Cumulative number of employees transferred: **3,367** (as of April 1, 2026)

Supporting a balance between work and childcare/nursing care

- Ratio of employees taking childcare leave: men: **81%**, women: **100%**
- Ratio of employees returning to work from childcare leave (women): **100%**

(Note) Figures are as of March 31, 2026 or for FY2025 unless otherwise indicated; except for "Career development and opportunities to shape employees' career capabilities," figures are for SoftBank Corp. on a standalone basis

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Green Transformation

[Contributing to a Sustainable Global Environment]

The Company is working across the Group to reduce its environmental impact as it seeks carbon neutrality in FY2030 and Net Zero in FY2050. This section explains its initiatives to address climate change and natural capital, as well as to advance the promotion of a circular economy.

Environmental Initiatives

The Company regards addressing global environmental issues, including climate change and the conservation of natural capital, as a key management issue and has identified "Contributing to the global environment with the power of technology" as one of its material issues. In particular, the Company has designated "climate change" and "natural capital" as key themes and is strengthening initiatives in these areas.

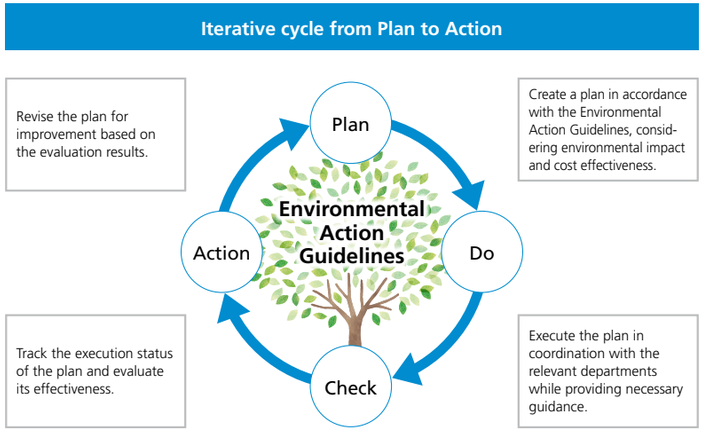
Environmental management system

To address environmental issues such as climate change and the conservation of natural capital, the Company has established Environmental Action Guidelines that set out its basic approach to environmental management and has built an administrative framework for its environmental management system. The Company seeks to conduct business activities with greater consideration for the environment, placing particular emphasis on preventing global warming, promoting the recycling of used mobile phones, and conserving resources.

As public awareness of environmental issues grows, the roles expected of corporations are becoming increasingly diverse, including providing environmentally friendly products and services, complying with various environmental protection regulations, and making business activities smarter through energy and resource conservation. To respond swiftly to these trends and demands, SoftBank operates a PDCA (plan, do, check, action) cycle for its environmental management system and pursues continuous improvement.

To advance its environmental management system, the Company has obtained ISO 14001 certification, the international standard for environmental management systems, for a total of 18 sites, including its headquarters building, network centers, and data centers, that have been designated as Type 1 or Type 2 energy management factories.

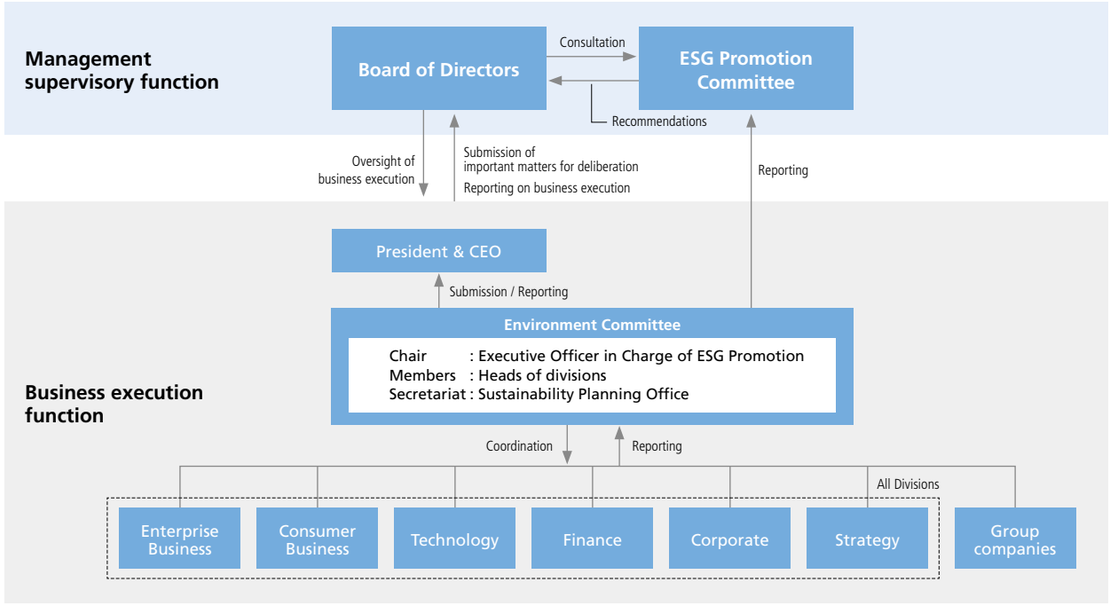
PDCA cycle of environmental management system



Environmental management structure

To address environmental issues such as climate change and the conservation of natural capital, the Company has established the Environment Committee as one of its sustainability-related committees. The Committee serves as a cross-functional body that reviews and promotes environmental matters across the Group.

The Committee is chaired by the Executive Officer in Charge of ESG Promotion and is composed of organizational heads from relevant divisions and subsidiaries. It meets three times a year to assess material risks and opportunities related to environmental issues and to formulate, implement, and monitor measures to address them. The Company also convenes issue-specific working groups to enhance the effectiveness of these initiatives. Matters deliberated and reviewed by the Environment Committee are reported regularly to the ESG Promotion Committee, thereby supporting oversight and decision-making by the Board of Directors.



Group-wide Net Zero Initiatives

The Company supports the Paris Agreement and is working to reduce greenhouse gas (GHG) emissions from its own operations and across the value chain. It regards the physical and transition risks associated with climate change as important issues affecting business continuity and growth, appropriately assesses their impacts, and reflects them in management and business plans. The Company also strives to disclose information that supports the decision-making of investors and other stakeholders. In addition, it will leverage telecommunications and digital technologies to turn its contribution to society-wide decarbonization into business opportunities.

For the Group, advancing decarbonization while addressing increasing electricity demand associated with the growth of its telecommunications and AI businesses is a key management issue that supports business continuity and sustainable growth. The Group has set "Carbon Neutral 2030," under which it aims to reduce Scope 1 and 2* GHG emissions to net zero by FY2030, and "Net Zero," under which it aims to reduce Scope 1, 2 and 3 emissions across its entire supply chain to net zero by FY2050.

* Scope 1: Direct greenhouse gas emissions by the Company itself; Scope 2: Indirect emissions from the use of electricity, heat, and steam supplied by other companies; Scope 3: Indirect emissions other than Scope 1 and Scope 2, occurring in the value chain associated with the Company's business activities.

Transition plan to Net Zero by FY2050

To achieve "Carbon Neutral 2030" and "Net Zero," the Group is reducing emissions through initiatives tailored to the emissions characteristics of each scope, taking into account actual GHG emissions and business plans.

Scope 1

The Company is working to reduce direct emissions from company vehicles used for employee travel, one of its main sources of Scope 1 emissions. Taking into account vehicle usage and replacement timing, the Company is progressively switching from gasoline-powered vehicles to hybrid vehicles (HVs), electric vehicles (EVs), and other lower-emission vehicles.

Scope 2

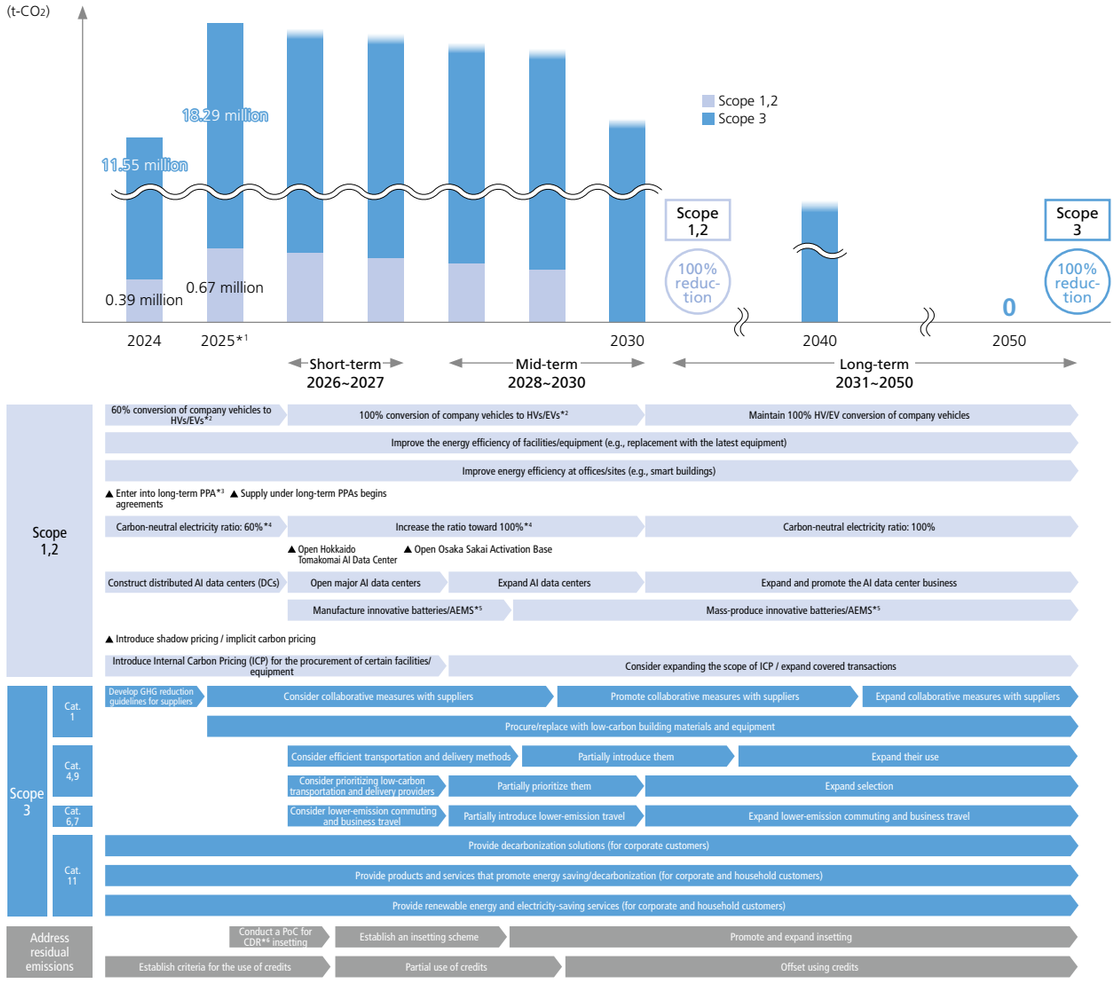
In addition to promoting energy-saving measures through cutting-edge technology, the Company is expanding the use of carbon-neutral electricity, including renewable energy, by entering into long-term Power Purchase Agreements (PPAs) for renewable energy and installing solar panels at AI data center sites, base stations, and other facilities. To address increasing electricity demand associated with the wider adoption of AI, the Company will also improve electricity-use efficiency and promote load leveling through geographically distributed AI data centers, innovative batteries, and AI Energy Management Systems (AEMS).

Scope 3

Through co-creation with business partners and the consideration of more efficient transportation and delivery methods, the Group will progressively reduce emissions across the entire value chain toward achieving net zero by FY2050.

*1 Increase due to expansion of the calculation scope and improved calculation accuracy in preparation for SSBJ disclosures.
*2 Excludes special-purpose vehicles such as mobile base station vehicles.
*3 Power Purchase Agreement (PPA): a long-term agreement for procuring renewable energy.
*4 Electricity with an emission factor of zero.
*5 AI Energy Management System: a system equipped with AI-based electricity demand forecasting that optimally controls charging and discharging.
*6 Carbon Dioxide Removal: initiatives to remove and store CO_2 from the atmosphere.

GHG emissions



Response to Climate Change

Governance

In line with the Sustainability Basic Policy, the Group has established a governance system to integrate its growth strategy, "Activate AI for Society," with sustainability and promote them in an integrated manner. The Board of Directors deliberates and resolves on important matters related to sustainability, including climate change and natural capital, and supervises the status of sustainability initiatives.

To further strengthen the management oversight function, the Company has established the ESG Promotion Committee (Chair: Representative Director, President & CEO) as an advisory body to the Board of Directors. The Committee convenes on a quarterly basis (four times per year, with extraordinary meetings held as necessary) to monitor the progress of the Group's sustainability activities, including targets and KPIs, and regularly makes recommendations and reports to the Board of Directors at least once every six months.

In addition to respecting recommendations from the ESG Promotion Committee and making appropriate decisions, the Board of Directors has designated sustainability, including climate change, as one of the skills required of directors and Audit & Supervisory Board Members, thereby working to reflect a sustainability perspective in the Group's management. Certain targets and KPIs are linked to executive compensation.

Risk management

The Company periodically conducts Company-wide environmental assessments to identify risks and opportunities by evaluating both the impacts of environmental issues on the Company and the impacts of the Company's business activities on the environment. For environmental issues such as climate change, the Company uses multiple scenarios and works with its divisions and subsidiaries to assess materiality, including financial impacts. The results are reviewed and deliberated by the Environment Committee and reported to management. Based on these results, the Company identifies material environment-related risks and opportunities and reflects them in Company-wide strategy, metrics and targets, response measures, and progress management. Where action is required, the Company works with the relevant departments to consider and formulate response measures.

Strategy

The Company recognizes that, as a telecommunications operator consuming significant amounts of electricity, particularly through base station equipment, it may be significantly affected by climate change. The Company identifies the risks and opportunities that climate change presents to its business and examines strategies to achieve sustainable growth.

Scenario analyses

We conducted two scenario analyses during this fiscal year to consider strategies for adapting to potential future events caused by climate change: a 1.5°C scenario, in which a rapid transition to a decarbonized society takes place, and a 3–4°C scenario, in which climate change measures remain insufficient and global warming continues. We confirmed the financial impacts on our business, including both upstream and downstream of the value chain.

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

Estimated temperature rise	Scenarios applied	Future outlook	Time horizon
1.5°C	• IEA WEO 2025*1 (Net Zero Emissions by 2050 Scenario: NZE / Stated Policies Scenario: STEPS) • IPCC*2 (SSP1-1.9)	Decarbonization efforts accelerate, with the introduction of carbon taxes progressing in many countries toward the realization of net zero. In Japan, the temperature rises by 0.5°C compared with FY2020, and the number of extremely hot days tends to increase. As a result, electricity consumption for air conditioning in offices, shops, and data centers increases.	Short-term: Within several years Mid-term: Around 3–5 years*3 Long-term: Around 10–30 years
3–4°C	• IEA WEO 2025 (Stated Policies Scenario: STEPS) • IPCC (SSP5-8.5)	The introduction of carbon taxes does not progress, and prices remain low. In Japan, the temperature rises by 1.6°C compared with FY2020, and the number of extremely hot days increases by about 6.9 days. Consequently, demand for air conditioning rises further, leading to higher electricity consumption in offices, shops, and data centers.	

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

Response to Climate Change

Financial impact of climate-related risks

We recognize potential risks such as increased costs for disaster preparedness and restoration of telecommunications facilities, including base stations, due to the increasing frequency and severity of natural disasters as global warming progresses, as well as impacts on procurement caused by disruptions to the value chain.

Our analysis of potential future financial impacts indicates that, because numerous telecommunications facilities such as base stations are deployed nationwide, disaster preparedness and restoration costs may increase as natural disasters become more frequent and severe. In the event of a large-scale disaster, the provision of telecommunications services could be disrupted, potentially affecting the Group's business, financial position, and results of operations.

In FY2025, as an adaptation measure against flood damage that is becoming more likely, we invested approximately ¥1.4 billion in natural-disaster countermeasures, including additional portable base stations and portable generators, battery replacements, and reinforcement of network center facilities, with the aim of reducing equipment damage risk and ensuring service continuity during wide-area power outages.



Portable mobile base station



Mobile power supply vehicle

Climate change-related risks and opportunities

Risks/opportunities			Main anticipated risks and opportunities	Main responses
Physical risks	Acute	Worsening damage due to intensified natural disasters	Increased risk of damage to base station equipment and other facilities due to more severe natural disasters such as flooding and landslides, as well as impacts on recovery costs and assets	■ Strengthen power supplies, expand deployment of generators, and increase battery capacity
				■ Improve the wind-pressure resistance of antenna support structures
				■ Add redundancy to backbone networks
			Cost impacts of strengthening facility resilience in anticipation of rising temperatures and increasingly severe typhoons and heavy rainfall	■ Promote the Next-generation Social Infrastructure initiative to distribute data centers across Japan
				■ Build high-altitude telecommunications networks in the stratosphere
	Chronic	Rising temperatures and expansion of water-stressed areas	Increase in air-conditioning costs	■ Switch to energy-efficient equipment
				■ Improve electricity-use efficiency through AI and IoT
Transition risks	Policy and Legal	Increased costs due to tighter regulations such as the introduction of carbon taxes and enhanced reporting obligations	Increased costs due to tax measures such as carbon taxes	■ Achieve Carbon Neutral FY2030 (Scopes 1 and 2): •promote the use of carbon-neutral electricity •enter into long-term renewable energy procurement agreements ■ Achieve Net Zero FY2050 (Scopes 1, 2 and 3)
			Higher electricity procurement costs from shifting to carbon-neutral electricity to comply with tighter regulations	
	Technology	Advances in energy-saving, AI, IoT, and other technologies that contribute to decarbonization	Business impacts from delays in introducing energy-saving technologies and from the transition	■ Technology investment and R&D
				■ Build strategic alliances and joint-development partnerships
				■ Thoroughly improve energy efficiency
	Market	Expansion of low-carbon and decarbonization markets, shifts in customer behavior, and changes in preferences	Increase in procurement costs for renewable energy and other sources in the electricity sales business	■ Invest in energy-related businesses and development
	Reputation	Growing stakeholder preference for low-carbon solutions and decarbonization	Declines in revenue and share price resulting from reputational damage when our decarbonization efforts are deemed insufficient	■ Proactively disclose information on initiatives toward achieving net zero
Opportunities	Mitigation	Expansion of low-carbon and decarbonization markets, shifts in customer behavior, and changes in preferences	Revenue growth from increased opportunities to provide carbon-neutral electricity	■ Promote the provision of carbon-neutral electricity, including renewable energy
			Revenue growth from the expansion of e-commerce and sharing-economy-related businesses driven by greater environmental awareness	■ Provide green products such as office supplies
				■ Provide mobility service platforms
	Adaptation	New business opportunities arising from greater demand for risk management as extreme weather and disasters increase, and from the need to address unstable energy supply and rising temperatures	Expansion of remote services and e-commerce markets that mitigate the impacts of disasters, heat waves, and other events	■ Expand e-commerce and digital financial services
				■ Provide mobile solutions for telework
			Expansion of the market for energy-efficient solutions	■ Provide energy-saving and energy-optimization solutions using AI and IoT

Response to Climate Change

Indicators and targets

To manage the risks and opportunities that climate change poses to the Group, we manage environmental impact data, including greenhouse gas emissions (Scopes 1, 2, and 3). GHG emissions are calculated and disclosed for each scope in accordance with the "Greenhouse Gas Protocol (GHG Protocol)," an internationally recognized standard for GHG accounting.

The Group has set a target to achieve net zero Scope 1 and 2 GHG emissions by FY2030 as part of its efforts to reduce GHG emissions and realize a decarbonized society. To achieve this target, we have set KPIs to increase the ratio of carbon-neutral electricity to 60% in FY2026 and 100% in FY2030. We have also set a target to achieve net zero GHG emissions across the entire supply chain, including Scope 3, by FY2050.

Indicator		Boundary	Coverage	Unit	FY2025		
					Results	Target	Reduction compared to the Base Year (FY2022) (%)
GHG emissions	GHG Scope 1★*1	Consolidated basis	FY2025: 100.0%	t-CO_2	9,470	11,000	32.3
	GHG Scope 2 ★*2,*3 (market-based)				664,619 (340,086)	374,000	–17.4 (39.9)
	GHG Scope 2 ★*2,*3 (location-based)				1,260,751 (936,219)	1,106,000	—
	GHG Scope 3 ★*4		FY2025: 99.6%		18,285,009*5	9,050,000	–95.2
	Sum of Scope 1 and 2*2,*3 (market-based)		FY2025: 100.0%		674,089 (349,556)	385,000	–16.2 (39.7)
	Sum of Scope 1,2 and 3*2,*3,*4 (market-based)		FY2025: 99.6%		18,959,098 (18,634,565)	9,435,000	–90.6 (–87.3)
GHG emissions (Scope 1, 2)	Carbon Dioxide (CO_2) from Energy Sources	Consolidated basis	FY2025: 100.0%	t	673,429	—	—
	Carbon Dioxide (CO_2) from Non-Energy Sources			t	0	—	—
	Methane (CH_4) ★			t-CO_2	60	—	—
	Dinitrogen Monoxide (N_2O) ★			t-CO_2	12.55	—	—
	Hydrofluorocarbons (HFCs) ★			t-CO_2	436	—	—
	Perfluorocarbons (PFCs) ★			t-CO_2	0	—	—
	Sulfur hexafluoride (SF_6) ★			t-CO_2	151	—	—
	Nitrogen trifluoride (NF_3) ★			t-CO_2	0	—	—
	GHG emissions intensity (emissions per communication volume in Scope 1, 2)*6	Standalone basis	—	t-CO_2 / Gbps	77	90	—

★: Verified by a third party
(Note) The greenhouse gas emissions (Scopes 1, 2 and 3) for FY2025 were subject to third-party verification by the Japan Quality Assurance Organization (limited assurance in accordance with ISO 14064-3 and ISAE 3000).
*1 Starting in FY2025, emissions from rental car use are included in Scope 1, having previously been included in Scope 3 (Category 6: Business Travel) through FY2024.
*2 Starting in FY2025, electricity supplied by building owners (consumed through the use of equipment at buildings not owned by the Company) has been included in Scope 2 calculations, having previously been included in Scope 3 through FY2024.
*3 Figures in parentheses exclude electricity supplied by building owners.
*4 The calculation definition was revised in FY2025 as part of refinements made in preparation for adopting the SSBJ Standards.
*5 Emissions increased due to more companies being included in calculations in FY2025 after a refinement to the calculation process made in preparation for adopting the SSBJ Standards.
*6 Greenhouse gas emissions per 1 Gbps communication volume (the method of calculating communication volume was changed from FY2024).

Response to Natural Capital

In providing services such as telecommunications and AI, the Company believes that its activities depend on and impact natural capital (including land, water, and rare minerals) through the development and operation of facilities such as base stations and data centers, product procurement, and other activities.

The Company supports the global goal of achieving a nature-positive society. By understanding its dependencies and impacts on nature, reducing its impacts on natural capital, and creating business opportunities that contribute to the realization of a nature positive society, the Company aims to sustainably enhance corporate value.

(Note) Please refer to "Disclosure Based on TNFD Recommendations" on our website for details.

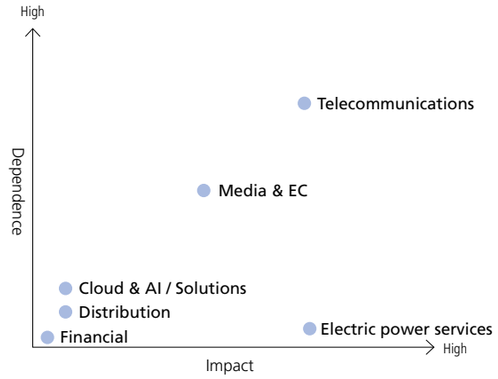
Strategy

Based on the LEAP approach proposed by the TNFD, the Company identifies its dependencies and impacts on natural capital across its business and value chain, evaluates and identifies risks and opportunities, and considers and implements responses. We also refer to the draft TNFD Technology and Communications Sector Guidance (ICT Guidance) published in January 2026 and use TNFD-recommended tools such as ENCORE, Aqueduct, and IBAT to analyze and visualize our impacts. The ICT Guidance identifies value-chain analysis as an important theme. In FY2025, the Company and Mizuho Financial Group, Inc. conducted a "joint research project on natural capital related to data centers*," systematically identifying dependencies, impacts, risks, and opportunities related to natural capital at data centers, an important business for the Company, and enhancing value-chain analysis and evaluation.

With respect to our current and future businesses, we recognize the following as material: land use associated with base station facilities, the mining and depletion of scarce minerals and disposal of end-of-life equipment associated with products and services, and the use of water in data center operations.

Based on these analyses, we identify businesses with high dependencies and impacts on natural capital as priorities, identify priority locations for action, and assess nature-related risks and opportunities. We also set and continuously manage metrics and targets suited to the characteristics of each business and take actions to avoid and minimize impacts on nature.

Dependence/impact considering the scale of operations of each business



* Please refer to the Company website announcement "Publication of Report on Joint Research Project to Model Natural Capital Impacts Related to Data Centers" (only in Japanese) for details.

Main dependencies and impacts on natural capital

Land development: Telecommunications facilities

Telecommunications facilities such as base stations installed nationwide are supported by ecosystem services provided by forests, including landslide prevention, soil conservation, and mitigation of floods and storms. At the same time, land alteration and tree cutting associated with the construction of new facilities may impact terrestrial ecosystems. In fulfilling our responsibility as a telecommunications operator to provide stable telecommunications services, we make it a basic principle to avoid and minimize land development in areas of biodiversity importance. Where development in such areas is unavoidable because telecommunications infrastructure serves as an essential lifeline, we conduct forest conservation, tree planting, and other activities covering an area at least twice the area developed in such locations.

Water use: Data centers

Data centers depend on water resources for cooling in order to operate servers and other equipment reliably. Water withdrawal for cooling may affect local water resources and watershed ecosystems such as rivers and wetlands. In addition, water shortages and increasing water stress can affect the stability of facility operations. We assess water stress and relationships with watershed ecosystems at our data centers while working to reduce water consumption and use water efficiently. No Company data centers in Japan were identified as being located in water-stressed regions.

Resource use and disposal: Products and services

Mobile phones, telecommunications equipment, and data center equipment use mineral resources such as copper, gold, silver, cobalt, and tantalum. Mining these mineral resources may affect the natural environment through deforestation, changes in land use, water use, water pollution, and other impacts, while end-of-life equipment can also generate electronic waste. To curb new extraction of mineral resources and waste generation, we promote the collection, reuse, and recycling of used mobile phones and the recycling of decommissioned base station telecommunications equipment, thereby reducing impacts on the natural environment through resource circulation.

Promotion of a Recycling-oriented Society

The Company positions the promotion of resource circulation as one of its key management issues. By promoting the effective use of limited resources while reducing waste generation and enhancing recycling, the Company aims to reduce environmental impact, enhance corporate credibility and competitiveness, and sustainably enhance corporate value. Through waste reduction (Reduce), reuse, and recycling, the Company contributes to the realization of a recycling-oriented society.

Initiatives for promoting a circular economy in business operations

Reduce

We strive to reduce paper use in the sale of mobile phones by making individual packaging boxes smaller, digitizing instruction manuals and other bundled documents into applications, and using iPads in stores. We also provide an "online charges guide," which allows customers to view electronic billing statements via the Internet from a SoftBank mobile phone, PC, or other device, instead of receiving conventional paper invoices.

Reuse

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

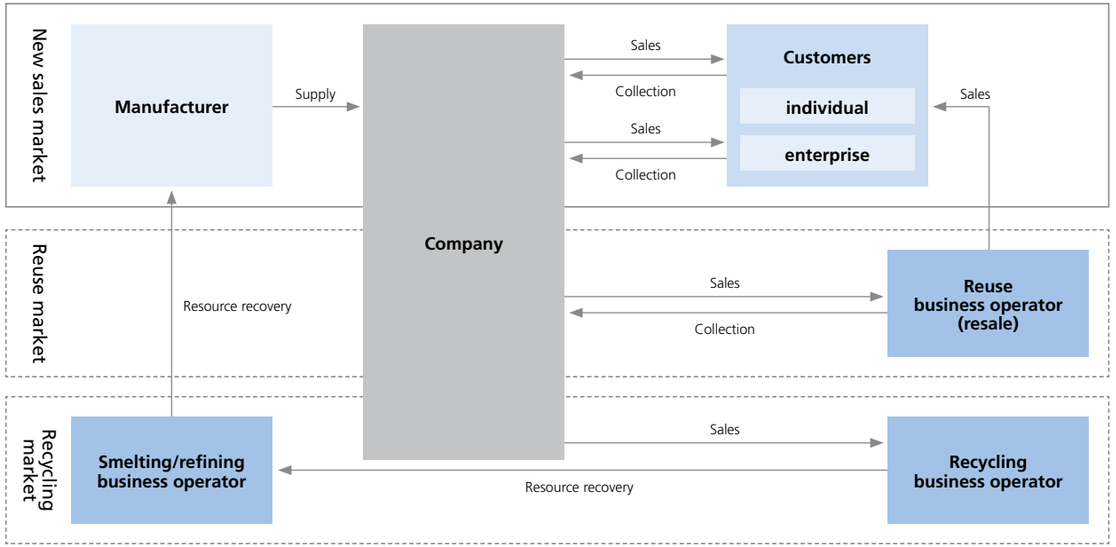
Recycle

As a member of the Mobile Recycle Network (MRN), which engages in mobile phone and PHS recycling activities, we collect not only mobile phones sold by our Company but also those sold by other companies. In FY2025, we collected 2.83 million used mobile phones (500 tons), all of which were properly processed through recycling or reuse. Having achieved our initial cumulative target of 14 million units for FY2020–FY2025, we will aim to further expand collection.

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

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

Resource circulation initiatives in mobile phone services



Initiatives	Reducing the environmental impact of products	From ownership to use	Repair support services	Sales of reused products / Recycling
	Work with manufacturers to reduce the environmental impact of manufacturing processes and improve the durability and energy efficiency of products such as smartphones.	<General consumers> Make it easier to purchase new models through "New Tokusuru Support*". <Corporate customers> Reduce operating costs by providing rental mobile devices.	Promote continued device use by reducing repair costs through mobile device warranty services.	<Reuse> Refurbish collected products and sell them as reused products. <Recycling> Sell collected devices to recycling operators so that precious metals can be recovered.

* A device purchase program under which the remaining device payments are waived when conditions such as device collection and appraisal are met.

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Governance Transformation

[Establishing an Effective Governance System]

Through disciplined management based on transparency and fairness, the Company aims to sustainably enhance corporate value. This section explains the framework for ensuring the effectiveness of the Board of Directors, perspectives from External Directors, and the Company's approach to Group governance, as well as its initiatives in risk management, information security, AI governance, human rights, and intellectual property.

Diverse perspectives for supporting bold management and sustainable enhancement of corporate value

How do external directors oversee management to enhance SoftBank's corporate value over the long term? Hiroko Sasaki, who has expertise in management transformation and the promotion of diversity, and Hideaki Karaki, who has many years of experience in auditing and quality control as a certified public accountant, discuss the role of external directors, parent-subsidiary listings and the protection of minority shareholders' interests, the new Mid-term Plan, governance and risk management, and the independence and effectiveness of the Nominating Committee and Remuneration Committee.

Role of external directors and management supervision

Different perspectives and an inquiring mind to uncover overlooked risks

Sasaki: I believe the role expected of external directors is to offer views from different perspectives on matters that could potentially be blind spots for the executive team. By saying, for example, "I think we need to be careful here," we can contribute to reducing risk and enhancing corporate value over the medium to long term. The areas where I can contribute most are management transformation and the promotion of diversity. SoftBank has a culture of proactively driving its business forward. At the same time, we need to consider whether increasing homogeneity could cause us to overlook risks and whether sufficient safeguards are in place.

One particularly important theme is management succession to the next generation. Developing the next generation of management talent and ensuring that management is passed on to the next generation is an extremely important issue for the Company. In particular, it is difficult to systematically develop CEOs who can take on such a broad range of responsibilities on their own. Going forward, I believe we may also need a model in which diverse talent manages the Company as a team.

One specific challenge in developing the next generation of management talent is expanding the pool of female management candidates. Development initiatives are beginning to make progress, but at present, men still predominate in appointments to key positions such as division heads and the roles immediately below them, as well as in front-line roles where employees are entrusted with key accounts. We need to review biases in talent deployment and even the way positions themselves are defined. I believe this will require structural transformation.

Karaki: I have been engaged in auditing for about 40 years. What I learned through this experience is that, beyond putting accounting and auditing standards and frameworks in place, it is essential to identify early signs of misconduct or other problems and address them before they develop into serious issues. In auditing, the attitude of not taking things at face value but questioning and verifying them is called "professional skepticism." In the role of an external director, I see this as an "inquiring mind."



Hideaki Karaki
External Director

As a certified public accountant, Karaki has been engaged in corporate accounting and auditing at audit firms in Japan and overseas for many years. He also has experience in quality control, as Chief Inspector for CPA audits at the Certified Public Accountants and Auditing Oversight Board of the Financial Services Agency, and on the Contract Monitoring Committee of the Japan International Cooperation Agency (JICA). An expert in accounting, auditing, and governance, he supports the Company's sustainable enhancement of corporate value by drawing on his extensive knowledge of financial reporting, internal control, and risk management.

Hiroko Sasaki
External Director

Sasaki founded her own company with a vision to transform companies and has extensive management experience, including assisting hundreds of companies with organizational transformation, the development of management talent, and support for employees balancing work and caregiving. She has also served as a member of expert committees on the promotion of diversity at several large companies. Drawing on her extensive management experience and knowledge of human capital and organizational transformation, she contributes to the Company's growth and enhancement of corporate governance.

Dialogue with External Directors

With a deep understanding of the Company, its management, and its businesses, it is important to maintain an inquiring mind, consider where business risks and potential issues may lie, and speak up at Board of Directors meetings.

For that reason, whenever I think, "Something seems off," I make a point of saying so. As someone from outside the Company, I cannot always say things that are correct from the standpoint of the business. However, if I hesitate to speak, there is a risk that a genuine warning sign could be missed. When one person voices a sense of discomfort, others may also say, "Perhaps something really is wrong," and that can create dialogue. I believe creating an environment where everyone can discuss, "Could this be dangerous?" or "Is this really all right?" contributes to sound management.

When I worked at an audit firm, I often told people at client companies, "I aim to bat .300." What I meant by that was to be right three times out of ten. Whenever I noticed something, I would speak up even if I was not certain. If I was mistaken, having someone explain it to me on the spot would deepen my understanding and move the dialogue forward. In this way, I believe that speaking up rather than leaving a sense of discomfort unaddressed is an important role of an external director.

Parent-subsidiary listings and protection of minority shareholders

Group-wide strategic collaboration while preserving independence

Sasaki: Working together with SoftBank Group Corp. creates many business opportunities and also accelerates business expansion. I believe this is highly meaningful for enhancing SoftBank's corporate value. At the same time, given the structure of parent-subsidiary listings, it is important to monitor for potential conflicts of interest.

In transactions within the Group and projects in which both companies invest, I look at whether the price is fair, how the respective ownership stakes were determined, and whether there were situations where the Company felt compelled to follow the parent company's wishes. Another point I emphasize is whether the project has strategic significance for SoftBank itself and whether it aligns with the Company's strategy for enhancing corporate value (P79).

These matters undergo substantial review before being submitted to the Board of Directors, but I believe we need to further refine the process so that we can clearly explain externally how the review was conducted and why the judgment was appropriate.

Karaki: The Company is the parent company of LY and PayPay. SoftBank's main businesses are telecommunications and enterprise services, LY's are advertising and communications, and PayPay's are payment and financial services. Because the business domains of the companies are clearly differentiated in this way and revenue from intra-Group transactions is also limited, I recognize that cases in which material conflict-of-interest risks become apparent are rare at this stage. Rather, what is crucial is to create synergies by combining the diverse strengths held across the Group and connect them to the sustainable growth and enhancement of value of each company.

On the other hand, if business domains overlap in the future, I believe we will need to ensure that transaction terms and pricing processes are fair, appropriate, and transparent, and establish a framework that inspires confidence among external stakeholders, in order to demonstrate accountability.

Sasaki: I do not see LY and PayPay simply as separate businesses. Rather, I see LY, PayPay, and SoftBank as collectively forming essential infrastructure that supports people's lives and businesses. By each company playing its respective role in telecommunications, communications, and payments, we have built a strong business portfolio. Idezawa*1 and Nakayama*2 also joined the Board of Directors in June 2026. Because they lead their respective subsidiaries while also serving as Board Directors of SoftBank, we can hear their views on the same issues from both perspectives. I believe it is very positive that we now have a foundation for discussing how the Group as a whole should move forward while preserving the independence of each company.



Assessment and expectations for the new Mid-term Plan

Continued telecom investment as the foundation for new growth driven by next-generation businesses and talent

Karaki: I understand SoftBank's strength is its ability to unite the entire Company behind business expansion and execute faster than other companies. Precisely because of that, the most important thing is the management's "conviction". It is important that they can clearly articulate "why we want to pursue this business" and "what we want to become."

Under the new Mid-term Plan, the key point is how much additional investment we can make in growth while ensuring the necessary telecommunications-related capital expenditures and shareholder returns. The Company is a telecommunications operator, and I do not think its other businesses can flourish unless it invests properly in telecommunications. New businesses, including AI, also require a stable telecommunications foundation.

With growth investment as well, management has the prudence to proceed in stages rather than committing large amounts of capital from the outset. From outside, the Company may at times be viewed as having high financial leverage, but I understand that management makes decisions with investment discipline, assessing the expected returns and financial impact of each individual project.

There is no guarantee that the current plan can continue unchanged for five years. During the Mid-term Plan period, technology and the competitive environment may change significantly. SoftBank is a company that has reshaped its business by boldly capturing new growth opportunities rather than simply extending its existing businesses. Precisely for that reason, I would like to see it evolve the plan in response to changes in the environment and create new growth that excites us even more.

Dialogue with External Directors

Sasaki: SoftBank has strong execution capabilities that enable it to achieve its plans, while always having something else up its sleeve. It is almost as if the Company is saying, "Actually, we have this as well." In this way, it has continued to transform its business portfolio. I believe that having such new growth led by people different from those who have led the Company thus far, as well as by the next generation, will also help strengthen management succession. Generational transition is not something to prepare for only when it becomes necessary. We need to manage the Company on the assumption that leadership will eventually pass to a new generation, entrust important roles and businesses to a wide range of talent, including younger people, and give them opportunities to build experience. Creating an environment in which the next generation can say, "We will create the new growth ourselves," is an important challenge going forward.

Governance and risk management

A culture that welcomes dissent supports bold management



Karaki: At a time when governance problems are becoming apparent at many companies, I believe one reason the Company has been able to expand its business while controlling risk lies in the way management discussions are conducted. At Board of Directors meetings, officers speak candidly about their own views even to Son, our Board Director and Founder. I feel that Son did not grow the Company by himself; rather, people with a wide range of capabilities came together and grew it collectively.

At Board meetings, discussions cut across business division boundaries, and if people are not convinced, they may ask for a matter to be reconsidered. Everyone puts forward their views, reaches a shared understanding, and then moves forward at once. The person in charge then sees the decision through to the end. I believe having both this kind of discussion and this kind of execution plays a major role in controlling risk. In addition, rather than merely checking business progress quantitatively, we also have mechanisms under which Audit & Supervisory Board Members and the Internal Audit Department visit the front lines to confirm whether what has been reported to the Board matches the actual situation.

Sasaki: As Karaki said, I believe one of SoftBank's major strengths is that people who voice dissent in decision-making forums are appointed to important roles and valued. At the same time, one potential risk is that, as new businesses are launched one after another at high speed, the defensive side can be neglected. Precisely because the Company has such strong execution capabilities, we need to continue monitoring whether appropriate governance checks are being conducted for those businesses and whether the risk management framework is sufficient.

Another important point is to bring people with different values and different experiences of success into the senior decision-making group. If everyone simply moves together within a fixed set of values, what we believe is right may drift out of alignment with changes in society. That is why I believe building a new management model with diverse people is also important from the perspectives of governance and risk management.

Independence and effectiveness of the Nominating Committee and Remuneration Committee

Objective discussions based on sufficient information ensure committee effectiveness

Sasaki: Above all, it is important that the Nominating Committee and the Remuneration Committee (P82) (hereinafter the Nominating and Remuneration Committees) make fair judgments. The appointment and remuneration of senior management can affect corporate value through their motivation and behavior, so we must discuss whether those judgments are truly in the best interests of shareholders.

From the perspective of independence, I understand the view that the Nominating and Remuneration Committees should consist solely of external directors. At the Company, however, President & CEO Miyakawa participates as a committee member. This is because Miyakawa has access to the most comprehensive information about the motivation of the people being discussed for nomination and remuneration, the leadership they are demonstrating, and their contributions to the business. I believe it is important for external directors to receive those explanations and then make objective judgments.

Karaki: Over the past year, I have also attended meetings of the Nominating and Remuneration Committees as an observer, and I have come to feel that it is extremely important for external directors to be able to discuss matters based on sufficient information. Having external directors alone discuss matters does not necessarily enhance effectiveness. Without sufficient information, discussions may remain formalistic. By receiving explanations from President Miyakawa about what kind of person each candidate is and why he evaluates that candidate highly, external directors can make well-informed judgments and can also probe further by asking, "Are there no other candidates?" I believe that objective judgments by external directors based on this information lead to the effectiveness of the committees.

Sasaki: At present, SoftBank has a structure in which a broad range of management information and decision-making is relatively concentrated in the hands of the President & CEO. There are advantages in terms of speed and efficiency to being able to integrate a range of factors, including technology, systems, external networks, and coordination with Group companies, and decide what should be prioritized. On the other hand, as business complexity increases, there are limits to having one person continue to carry all of these responsibilities. As part of succession planning, how to share this information and distribute decision-making across a team is also an important issue. We need to build a structure in which information is centrally consolidated while multiple executives can share these responsibilities. I believe the next several years will be a critical period in determining whether the management team can build a track record of success and establish this kind of structure.

*1 Takeshi Idezawa: President and Representative Director, CEO (Chief Executive Officer), LY Corporation; Board Director of the Company since June 2026
*2 Ichiro Nakayama: President & Representative Director, CEO, Corporate Officer, PayPay Corporation; Board Director of the Company since June 2026

Board Directors and Audit & Supervisory Board Members (As of June 23, 2026)

○ Nominating Committee Member
● Chair of Nominating Committee
△ Remuneration Committee Member
▲ Chair of Remuneration Committee

Jun Shimba

Director & Chairman



Mr. Shimba joined SOFTBANK Corp. (currently SoftBank Group Corp.) in April 1985 and was appointed as Managing Executive Officer of Vodafone K.K. (currently the Company) in April 2006. He has held a number of important roles in the Company, mainly overseeing businesses in the Consumer segment field. He was appointed as Representative Director & COO of the Company in April 2017 and has contributed to the Company's growth. He has supervised the entire Group as the Company's Director & Chairman since April 2026.

Junichi Miyakawa

**President & CEO,
Representative Director,
Chair of the Board of Directors**

○△



Mr. Miyakawa became Representative Director & President of KK Momotaro Internet in December 1991 and has served as president and representative director of several telecommunications companies, including Nagoya Metallic Communications Corp. (currently the Company) in June 2000. He has extensive knowledge of cutting-edge technologies, and has contributed to the growth of the Company primarily as the head of the technology unit since taking office as Director & Executive Vice President (CTO) of Vodafone K.K. (currently the Company) in April 2006. Before joining the Group, he established and managed his own telecommunications company, and more recently, has served as President of multiple Group companies, accumulating a proven track record in management. From April 2021, he assumed a leadership role as President & CEO of the Company, directing management and business operations with the aim of further growing the Company's core telecommunications business while expanding into areas outside of telecommunications.

Osamu Akiyama

**Board Director,
Senior Vice President & CFO**

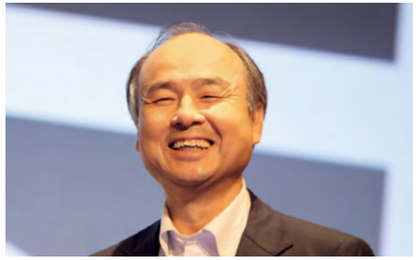
Newly appointed Officer



Mr. Akiyama joined JAPAN TELECOM CO., LTD. (currently the Company) in April 1995 and was appointed as Executive Officer of the Company in July 2023. Since joining the Company, he has worked in finance after gaining experience in business planning and human resources. He was appointed as Senior Vice President & CFO of the Company in April 2026 and as Board Director in June 2026.

Masayoshi Son

Board Director, Founder



Mr. Son founded SOFTBANK Corp. (currently SoftBank Group Corp.) in September 1981. He became Chairman of the Board, President & CEO of Vodafone K.K. (currently the Company) in April 2006 and has been serving as Board Director, Founder of the Company since April 2021. As the founder of SoftBank Group Corp., Mr. Son has extensive knowledge and experience in corporate management, business strategy, M&A, etc.

Takeshi Idezawa

Board Director

Newly appointed Officer



Mr. Idezawa became Representative Director & President of livedoor Co., Ltd. (currently NHN Techorus Corp.) in April 2007. In addition to his track record of successfully rebuilding the company, he has extensive knowledge and experience in management, having overseen the overall management of the LINE Group and realized the business integration between Z Holdings Corporation (currently LY Corporation) and LINE Corporation. He was appointed as Board Director of the Company in June 2026.

Ichiro Nakayama

Board Director

Newly appointed Officer



Mr. Nakayama became Representative Director of IDC Frontier Inc. in April 2013. Since the establishment of PayPay Corporation in June 2018, he has led the growth of the PayPay Group as President & CEO, Representative Director. Through these roles, he has accumulated extensive knowledge and experience in corporate management. He was appointed as Board Director of the Company in June 2026.

Board Directors and Audit & Supervisory Board Members

○ Nominating Committee Member
● Chair of Nominating Committee
△ Remuneration Committee Member
▲ Chair of Remuneration Committee

Atsushi Horiba ●▲

Lead Independent External Director

Independent Officer



Having served as Representative Director of HORIBA, Ltd. for 34 years since 1992, Mr. Horiba has been leading the growth of the HORIBA group and therefore has a wealth of management experience. The Company expects him to supervise the Company's management based on his knowledge and experience and give advice on the overall management of the Company.

Naomi Koshi ○△

External Director

Independent Officer



In addition to her extensive knowledge and experience as a lawyer in Japan and overseas, Ms. Koshi engages in a broad range of activities including municipal government initiatives and support measures for the promotion of women's career advancement. The Company expects her to supervise the Company's management based on her knowledge and experience and give advice on the overall management and risk management of the Company.

Maki Sakamoto ○△

External Director

Independent Officer



Ms. Sakamoto specializes in informatics as a professor at the University of Electro-Communications and has extensive knowledge and experience in AI and other technologies. The Company expects her to supervise the Company's management based on her knowledge and experience and give advice on the overall management of the Company.

Hiroko Sasaki ○△

External Director

Independent Officer



Ms. Sasaki founded her own company with a vision to transform companies and has extensive management experience, including assisting hundreds of companies with organizational transformation, the development of management talent, and support for employees balancing work and caregiving. She has also served as a member of expert committees on the promotion of diversity at several large companies, and the Company expects her to give advice on the overall management of the Company.

Hideaki Karaki ○△

External Director

Independent Officer



Mr. Karaki has extensive knowledge and experience in corporate accounting, cultivated over many years as a certified public accountant. The Company expects him to supervise the Company's management with his knowledge and experience, and give guidance on the Company's overall management.

Yukihiko Onishi

External Director

Newly appointed Officer Independent Officer



Mr. Onishi has extensive management experience, including experience in the financial industry and in corporate management amid the rapid expansion of cashless payments in Japan. The Company expects him to supervise the Company's management based on his knowledge and experience and give advice on the overall management of the Company.

Hidehiko Yuzaki

External Director

Newly appointed Officer Independent Officer



Mr. Yuzaki has extensive experience, including serving four terms totaling 16 years as a prefectural governor, as well as consulting and advisory work in corporate planning, financial strategy, organizational development, and venture management. The Company expects him to supervise the Company's management based on his knowledge and experience and give advice on the overall management of the Company.

Shuji Kojima

Full-time Audit & Supervisory Board Member (External) Independent Officer



Mr. Kojima has extensive knowledge and experience relating to human resources, compliance, and risk management at financial institutions, as well as considerable expertise in finance and accounting. The Company expects him to conduct audits based on his professional knowledge and experience, as well as from a more independent standpoint.

Takashi Naito

Full-time Audit & Supervisory Board Member

Newly appointed Officer



Mr. Naito served as Vice President and Head of Finance & Accounting Division, Finance Unit of the Company until March 2024 and also served as an Audit & Supervisory Board Member of Group companies. He is well versed in the Company's businesses and has extensive knowledge and experience in finance, accounting, and governance. The Company expects him to conduct audits based on his professional knowledge and experience.

Kazuko Kimiwada

Audit & Supervisory Board Member



Ms. Kimiwada has extensive knowledge and experience as a certified public accountant, and serves as Executive Corporate Officer, Head of Accounting Unit at SoftBank Group Corp. The Company expects her to conduct audits based on her professional knowledge and experience.

Yoko Kudo

External Audit & Supervisory Board Member

Independent Officer



Ms. Kudo has extensive knowledge and experience in finance and accounting as a certified public accountant in the State of California. The Company expects her to conduct audits based on her professional knowledge and experience, as well as to ensure audits are performed from a more independent standpoint.

Skill Matrix of Board Directors and Audit & Supervisory Board Members (As of June 23, 2026)

As the guiding force of the Company's management, the Board of Directors makes decisions on important matters and supervises the status of business operations by each Board Director by grasping issues and risks associated with the execution of strategies from multiple perspectives. The Audit & Supervisory Board confirms the appropriateness of the status of Board Directors' execution of their duties. Based on such functions, the Company appoints the Board Directors and Audit & Supervisory Board Members with a high level of specialized knowledge, experience, and insight, bearing in mind the balance of knowledge, experience, and abilities as well as diversity.

◎ Primary Skills ○ Supplementary Skills

Name	Title / Position at the Company	Major Career Major Career / Credentials of External Officers	Gender Male : M Female: F	Management Corporate Management	Finance Finance / Accounting / Banking / Investment	Legal / Risk Legal / Risk / Labor- management / Compliance	AI / Digital / Technology AI / Information & Communications Technology / High-tech	Sales / Marketing Business Strategy / Marketing / Sales	Global Global Business	Sustainability Sustainability / ESG
Jun Shimba	Director & Chairman		M	◎			○	○	○	
Junichi Miyakawa	President & CEO, Representative Director, Chair of the Board of Directors		M	◎		○	○		○	○
Osamu Akiyama	Board Director, Senior Vice President & CFO		M	○	◎					○
Masayoshi Son	Board Director, Founder		M	◎	○		○	○	○	
Takeshi Idezawa	Board Director		M	◎			○	○	○	○
Ichiro Nakayama	Board Director		M	◎			○	○	○	
Atsushi Horiba	External Director	Chairman, HORIBA, Ltd.	M	◎			○		○	○
Naomi Koshi	External Director	Lawyer, Mayor (2 terms)	F			◎			○	○
Maki Sakamoto	External Director	Vice president, The University of Electro-Communications	F				◎			
Hiroko Sasaki	External Director	Founder, ChangeWAVE Inc.	F	○						◎
Hideaki Karaki	External Director	Certified Public Accountant	M		◎				○	
Yukihiko Onishi	External Director	Representative Director, President & CEO, Sumitomo Mitsui Card Company, Limited*	M	◎	○					
Hidehiko Yuzaki	External Director	Visiting Professor, Hiroshima University; Governor (4 terms); Corporate Executive	M	○	○	○			○	◎
Shuji Kojima	Full-time Audit & Supervisory Board Member (External)	President, Mizuho Dream Partner, Ltd.	M		○	◎				
Takashi Naito	Full-time Audit & Supervisory Board Member		M		◎	○				
Kazuko Kimiwada	Audit & Supervisory Board Member		F		◎				○	○
Yoko Kudo	Audit & Supervisory Board Member (External)	Certified Public Accountant in the State of California	F		◎				○	

(Note) This table does not show all of the skills possessed by each Board Director/Audit & Supervisory Board Member.
* Appointed Representative Director and Chairman of the company effective June 30, 2026.

Skill Matrix (Skill Definitions) / CEO Succession Plan

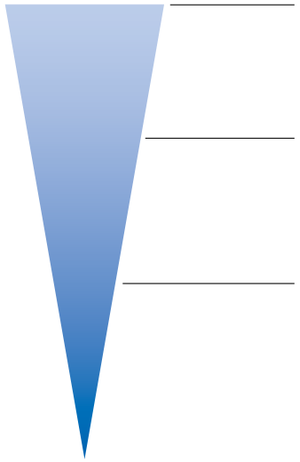
Skill Matrix (Skill Definitions)

To achieve long-term corporate value enhancement, we have defined the skills required of Board Directors and Audit & Supervisory Board Members as follows. The aim is to structure the Board of Directors and Audit & Supervisory Board to ensure a balance of knowledge, experience, and abilities, as well as diversity in the areas of management, finance, legal/risk, AI/digital/technology, sales/marketing, global, and sustainability.

Item	Sub-item	Description
Management	Corporate Management	Based on the Group's shared corporate philosophy of "Information Revolution – Happiness for everyone," extensive and deep knowledge and experience in corporate management are required to formulate and implement management strategies and plans over the medium- and long-term, and to supervise the effectiveness of such strategies and plans.
Finance	Finance / Accounting / Banking / Investment	Extensive and deep knowledge and experience in finance, accounting, banking, investment, etc. are required to achieve the financial targets set forth in the Group's Mid-term Plan, to formulate and implement strategies for achieving both growth and high shareholder returns, and to supervise these strategies appropriately.
Legal / Risk	Legal / Risk / Labor-management / Compliance	Extensive and deep knowledge and experience in legal affairs, risk management, labor-management, compliance, etc. are required to implement and supervise appropriate risk management, including compliance with domestic and foreign laws and regulations related to the management and business of the Group.
AI / Digital / Technology	AI / Information & Communications technology / High-tech	Extensive and deep knowledge and experience in advanced technologies in the information technology field, including AI, as well as in information and communications technology, a core area of the business, are required to realize the Group's vision of becoming "the corporate group needed most by people around the world," and a corporation that provides Next-generation Social Infrastructure essential for the development of a digital society, as well as to promote the growth strategy "Activate AI for Society" and maximize corporate value.
Sales / Marketing	Business Strategy / Marketing / Sales	Extensive and deep knowledge and experience in business strategy, marketing and sales are required to plan and accurately implement the Group's various businesses both in Japan and overseas, and to improve profit.
Global	Global Business	Extensive and deep knowledge and experience in overseas business management and the business environment are required to plan and accurately implement the Group's global business.
Sustainability	Sustainability / ESG	Extensive and deep knowledge and experience in sustainability management that supports corporate sustainability, including environment (including climate change), society, and governance, are required to contribute to the creation of a sustainable society and to formulate, integrate, and promote strategies for the Group to continue to grow sustainably, as well as to supervise these strategies appropriately.

CEO Succession Plan

Candidates to succeed the CEO are appointed as Board Directors and Executive Officers, whereby future successors are developed and their suitability is overseen. For CEO succession, after discussing the qualifications and abilities required of the next CEO, such as the ability to form a vision and knowledge of technology and finance, the Nominating Committee defines candidate requirements based on strategy and selects several internal candidates. While allowing candidates to gain specific experience through actual company management and business operations, the Nominating Committee regularly monitors and, if necessary, reviews the requirements, processes and candidates, also taking into consideration 360-degree evaluations and various internal and external communications. Through this protocol, it is ensured that the most appropriate successor can be nominated for the business environment at that time.



(1) Board Director and Executive Officer Candidates

(2) Board Director and Executive Officer

- Discuss the qualifications and abilities required for the next CEO
- Define candidate requirements

(3) Internal CEO candidates (several)

- Gain specific experience in company management and business operations
- Regular monitoring by the Nominating Committee
- Review requirements, processes, and candidates if necessary

(4) New CEO



Discussed at the
Nominating Committee

Messages from New External Directors



Yukihiko Onishi

Independent External Director

I have spent my career in banking, payments, and financial services. At Sumitomo Mitsui Banking Corporation, I was primarily involved in strategy formulation and the development of medium-term management plans in the corporate planning function, and later oversaw the retail business as Head of the Retail Business Unit. I subsequently held senior leadership positions at Sumitomo Mitsui Card Company, Limited, including Representative Director and President & CEO, and currently serve as Representative Director and Chairman. At Sumitomo Mitsui Card, amid major changes in the cashless payments market, I worked to create new customer experiences centered on payments through the development of innovative services such as Olive, helping to drive the adoption of cashless payments in Japan and the advancement of financial services. Going forward, I hope to contribute to people's lives and the development of society by creating new value through the integration of finance, data, and technology. Drawing on this experience and knowledge, I will contribute to SoftBank's sustainable growth and the enhancement of its corporate value.

SoftBank's Long-term Vision and Medium-term Management Plan set out an AI-centered growth strategy integrating telecommunications, AI, and payments. I have high expectations for the initiatives under the growth strategy "Activate AI for Society," which seeks to connect investment in AI infrastructure to the deployment of AI across society and ultimately to the creation of new forms of added value through AI. I believe there is significant potential to create unprecedented customer experiences and new revenue opportunities by combining the customer base and data developed through the telecommunications business with payment and financial services. I will leverage my own expertise to contribute to the realization of this growth strategy.

Even before my appointment, I viewed SoftBank as a company that puts customers at the center of its business while continuing to take on challenges with agility. In addition to its ability to accurately read changes in the business environment and translate them into decisive action, I believe its ability to steadily translate initiatives in new fields into business results is a fundamental competitive strength. Since joining the Board, I have seen that this mindset permeates not only the management team but every employee. To further build on this strength, I will participate in constructive discussions from an objective and practical perspective as an external director and support the enhancement of SoftBank's corporate value.



Hidehiko Yuzaki

Independent External Director

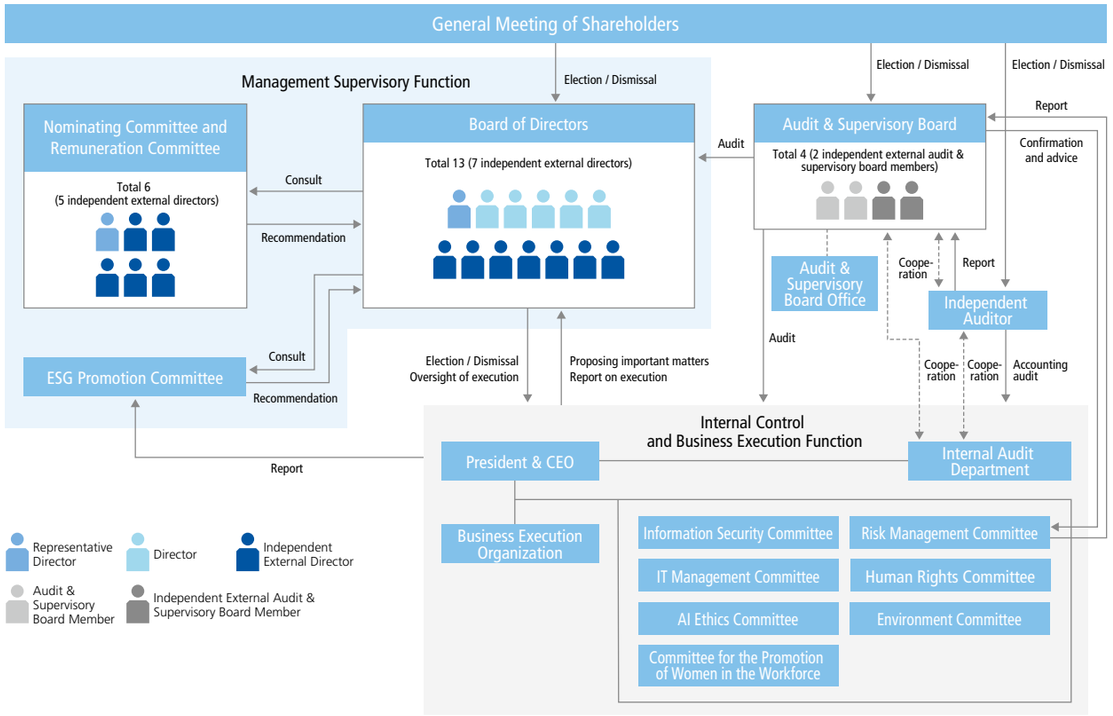
I began my career working on venture policy and other areas at the Ministry of International Trade and Industry (currently the Ministry of Economy, Trade and Industry). After being seconded to a venture capital firm in Silicon Valley, I founded a broadband telecommunications company. I stepped down after the company was listed and went on to serve as Governor of Hiroshima Prefecture for 16 years over four terms. Over a quarter century in top leadership roles in both business and government, I gained a wide range of experience in areas such as formulating visions, executing strategies, and managing crises, encompassing both successes and failures. Drawing on these experiences, I hope to contribute to the long-term enhancement of the Company's corporate value by helping establish governance that enables it to continue pursuing challenges while taking appropriate risks.

In the coming era, I believe the physical layer, including telecommunications networks and AI computing infrastructure, will become integrated with the application and service layers built on top of it, with AI playing a central role in system-wide optimization and the enhancement of services. Under the growth strategy "Activate AI for Society," the Company is advancing the development of AI data centers while also offering a broad range of services that support people's daily lives and business activities, including LINE, Yahoo! JAPAN, and PayPay. I see this as a major strength. Going forward, by integrating these technologies and services and further strengthening value creation that starts from the "customer perspective," I expect the Company to achieve sustainable growth as a multi-layered platform provider essential to next-generation society.

SoftBank was a competitor when I was involved in managing a telecommunications company. Today, I see it as a rare example of a large corporation that has retained the same sense of speed it had then while integrating diverse corporate cultures and maintaining a strong sense of unity. Since joining the Board, I have also come to appreciate that the Company takes compliance, ESG, and other aspects of social value seriously, and that a strong management discipline that supports the Company's continued pursuit of new challenges is firmly embedded throughout the organization. While valuing this corporate culture, I will fulfill my responsibilities as an external director by engaging in frank and constructive discussions from an independent position so that the Company earns society's trust and achieves sustainable enhancement of corporate value.

Overview of Corporate Governance System

Corporate governance system (As of June 23, 2026)



(Note) The Special Committee was abolished on June 20, 2024, after independent external directors came to constitute a majority of the Board of Directors.

Nominating Committee and Remuneration Committee

Number of meetings in FY2025
Nominating Committee **3** / Remuneration Committee **2**

Each committee is composed of a total of six members, including the President & CEO and independent external directors, and chaired by an independent external director to ensure its independence. The Nominating Committee deliberates on matters concerning proposals for the election and dismissal of Board Directors to be submitted to the General Meeting of Shareholders, as well as the nomination of Representative Directors, while the Remuneration Committee deliberates on matters concerning remuneration for Board Directors. Each committee then determines the content of recommendations to be made to the Board of Directors.

P82

ESG Promotion Committee

Number of meetings in FY2025 **4**

Chaired by the President & CEO, the committee is composed of independent external directors and other members appointed by the chairperson from among Board Directors and executive officers. It monitors the progress of the Group's ESG activities (such as KPIs on material issues) and makes recommendations to the Board of Directors.

P34

Board of Directors

Number of meetings in FY2025 **11**

The Board of Directors consists of 13 Board Directors, seven of whom are independent external directors, with a majority of the Board Directors consisting of independent external directors. It decides on matters required by law or the Articles of Incorporation as well as on important matters related to business execution by the Company in accordance with the Board of Directors Rules. In addition, the Board of Directors supervises each Board Director's business execution.

P78

Audit & Supervisory Board

Number of meetings in FY2025 **16**

The Audit & Supervisory Board establishes an audit policy and plan as well as priority audit items for each fiscal year and meets once a month in principle. To review the status of the execution of duties by Board Directors based on the priority audit items, it receives regular reports from departments related to the internal control system and verifies the appropriateness of business execution. In addition, it receives quarterly reports from the Independent Auditor on the progress and results of audits and exchanges information and opinions. It also receives explanations from Board Directors and others on individual matters as necessary.

P84

Internal Audit Department

Number of audits in FY2025 **17**

Established as an independent organization directly under the President & CEO, the Internal Audit Department conducts internal audits of the overall duties of the Company as well as company-wide internal control audits of Group companies (mainly consolidated subsidiaries), by formulating a risk-based annual audit plan.

P84

Risk Management Committee

Number of meetings in FY2025 **2**

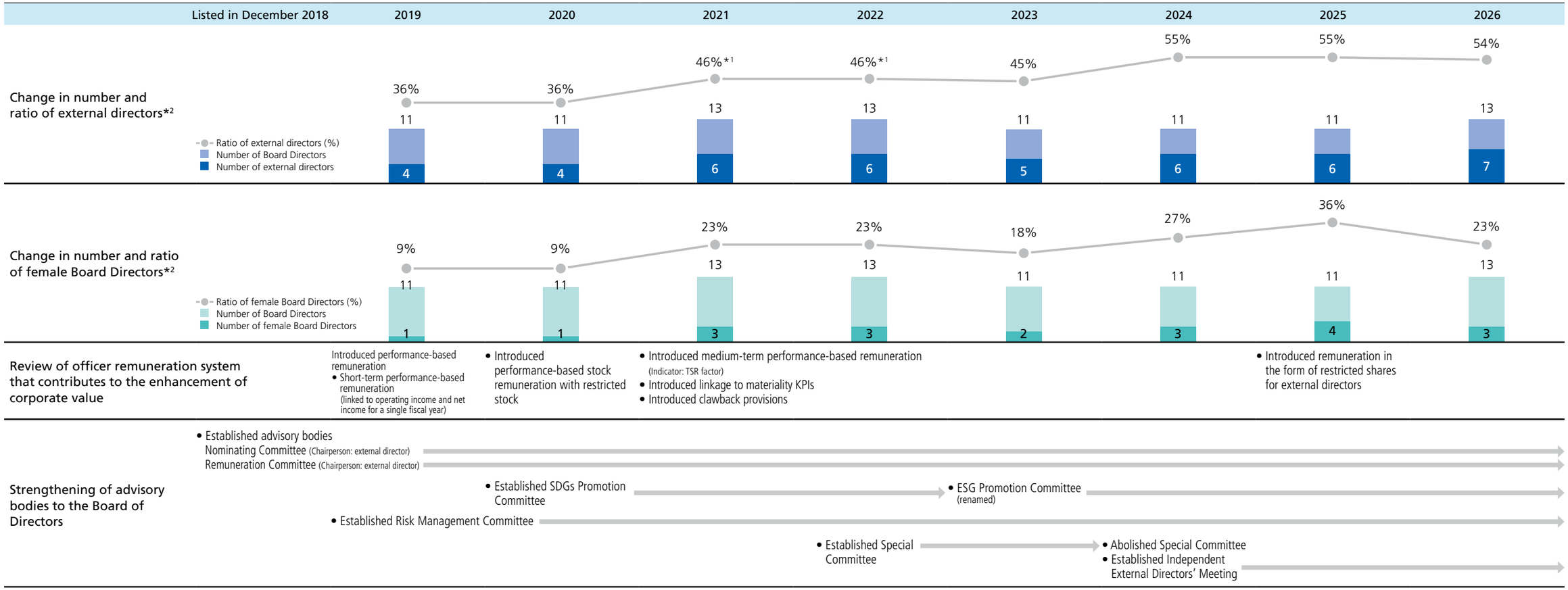
The Risk Management Committee meets semiannually and consists of members including the President & CEO, Deputy Presidents, the CFO, and others. Audit & Supervisory Board Members and relevant division heads also attend its meetings. The committee determines the severity of risks and who should take responsibility (risk owners), issues instructions for what measures are to be taken, and reports on the progress thereof to the Board of Directors.

P86

Evolution of Corporate Governance System

Since being listed in December 2018, the Company has been constantly working to strengthen its corporate governance. In 2020, we introduced a system to grant restricted stock as a form of performance-based remuneration for some Board Directors and executive officers as an incentive to work toward the sustainable enhancement of the Company's corporate value and to promote further sharing of value with investors and shareholders. Furthermore, in 2021, we adopted total shareholder return (TSR) as an indicator to determine medium-term performance-based remuneration and additionally incorporated materiality targets (targets adopted from the six material issues identified for the Company's sustainable growth (P103)) into our index for determining short-term performance-based remuneration. In addition, in order to promote the integration of our growth strategy and sustainability, we established the ESG Promotion Committee (formerly SDGs Promotion Committee) in 2020, chaired by the President & CEO. As an advisory body to the Board of Directors, the committee makes recommendations on sustainability activities to the Board of Directors, and also reports on its activities four times a year as well as on an ad hoc basis when necessary.

The Company has maintained a majority of independent external directors on its Board of Directors since June 2024 in order to ensure fairness and transparency in management, enhance corporate value, and make prompt and accurate decisions. In 2026, we appointed seven of the 13 Board Directors, including three women, as independent external directors.



*1 Five members were independent external directors, ratio of independent external directors was 38%.
*2 The changes in the number and ratio of external directors and female directors are as of the end of June of each year.

Board of Directors

The Company's Board of Directors is a decision-making body for important matters and an oversight body for the status of business execution. It also plays a role in steering management to improve long-term corporate value. The Company's Articles of Incorporation stipulate that the number of Board Directors must be 15 or less. Their terms of office last until the conclusion of the Annual General Meeting of Shareholders held with respect to the final fiscal year ending within one year after election. The Board of Directors elects, as candidates for Board Director, those who are considered the most suitable for the position in consideration of their nationality, ethnicity, gender, and age, based on discussions by the Nominating Committee.

As of June 2026, the Board of Directors consists of 13 Board Directors, including seven independent external directors, who engage in constructive and lively discussions from diverse perspectives, including outside perspectives. Furthermore, the Company has introduced an executive officer system to clarify the management supervisory function of the Board of Directors, strengthen the business execution function, and expedite management.

Evaluation of effectiveness of Board of Directors

In order to ensure its further effectiveness and to improve its functions, an analysis and evaluation of the effectiveness of the Board of Directors is carried out each year by the Board.

Evaluation process

[Subjects of evaluation]

Five internal directors, six external directors, and four Audit & Supervisory Board Members

[Method of evaluation]

Method of evaluation: Questionnaire-based survey (in a signed form) and/or interview

Evaluation period: December 2025 to June 2026

[Question Items]

1. Strategies and implementation thereof
2. Risk and crisis management
3. Corporate ethics
4. Business restructuring (mergers, acquisitions, divestitures or business alliances)
5. Group governance
6. Management evaluation, remuneration, and succession planning
7. Dialogue with stakeholders
8. Structure and operation of the Board of Directors

Status of the response to issues in FY2024

Issue	Initiatives and results
Medium- to long-term strategies	▪ In preparation for formulating the next Medium-term Management Plan, the Board continuously discussed the Group-wide growth strategy centered on its AI strategy. These discussions culminated in the formulation and announcement of the next Medium-term Management Plan. In the course of advancing the strategy, the Board also continued to consider business restructuring from the perspective of optimizing the Group's business portfolio. ▪ The following opinions were expressed in FY2025 interviews: • Discussions on strategy have deepened with a view to growth five and ten years ahead, and initiatives from a medium- to long-term perspective are progressing across the Group.
Next-generation human resources strategy	▪ To achieve sustainable enhancement of corporate value, the Board deepened discussions on developing management personnel and generational succession, and advanced concrete measures to steadily transition to successor talent. It also discussed optimizing the Group-wide workforce composition to secure specialized talent in line with discussions on the next Medium-term Management Plan. In addition, the Board reviewed the progress and issues of human resource development in each business and worked to improve the effectiveness of initiatives to develop next-generation talent. ▪ The following opinions were expressed in FY2025 interviews: • The succession plan for next-generation talent is becoming more concrete and making steady progress. • Ongoing discussions on human capital are contributing to the development of talent pipelines and human resource development in each business. • The Group is working to secure specialized talent needed to execute its strategy, with resource allocation progressing particularly in the AI field.
Group governance and risk management	▪ With regard to Group governance and risk management, the Board continuously discussed responses to risks in light of changes in the external environment and the nature of Group-wide collaboration in response to the increasing risk of cyberattacks, with a view to improving effectiveness. The Board also timely confirmed the shared recognition of material risks and the status of responses to them. ▪ The following opinions were expressed in FY2025 interviews: • Discussions on initial responses, explanations, and recurrence prevention measures in the event of incidents are being conducted appropriately. • Discussions on multifaceted risks in light of changes in the external environment, including from the perspective of economic security, are deepening.

Overview of the results of the FY2025 evaluation of the effectiveness of the Board of Directors

It was confirmed that the Company's Board of Directors has been making improvements every year toward the vision of corporate governance envisaged by the Company, and that a high level of effectiveness has been ensured overall. In addition, in the course of the FY2025 evaluation of the effectiveness of the Board of Directors, the status of responses to the issues identified in the FY2024 effectiveness evaluation and priority issues to be addressed going forward were confirmed. Details of the priority issues and initiatives, based on opinions expressed in interviews and elsewhere, to further ensure effectiveness and strengthen the functions of the Board of Directors are as follows:

Priority issues

Issue	Action plan
Medium- to long-term strategies	▪ (FY2025 opinion) To realize the Medium-term Management Plan and become a leading company in the AI field, the Group needs to further deepen its overall blueprint and engage in more concrete discussions. ▪ (Action) Continue discussions on Group-wide strategies and milestones based on the Medium-term Management Plan, and deepen discussions on the overall AI strategy and business implementation in each business.
Risk management	▪ (FY2025 opinion) It is necessary to strengthen multifaceted risk management in response to changes in the external environment, including expansion of business domains, increasingly sophisticated cyberattacks, and geopolitical risks. ▪ (Action) Based on reports on individual events, continue discussions on strengthening multifaceted risk management.
Human resources strategy	▪ (FY2025 opinion) It is necessary to advance the CEO succession plan and expand AI and other highly skilled talent essential to realizing the Medium-term Management Plan. ▪ (Action) Continue discussions on the progress of the CEO succession plan and human resources strategies to expand AI and other highly skilled talent.

Overview of Principal Deliberations by the Board of Directors

The Company's Board of Directors meets in principle once a month and continuously deliberates on key issues such as management strategy, earnings and finance, corporate governance, human resources and ESG, risk management, internal control and compliance, and governance of affiliated companies. Following Board meetings, strategic discussions and roundtable meetings are also held to provide opportunities for Board Directors and Audit & Supervisory Board Members to deepen their understanding of and discuss medium- to long-term management issues and future directions.

When setting agenda items, the Company selects themes that should be deliberated on or confirmed by the Board of Directors, taking into consideration their relevance to medium- to long-term corporate value enhancement, their impact on financial discipline and capital efficiency, and their importance to Group-wide governance and risk management. In FY2025, the Board focused its discussions on investments to build social infrastructure for the AI era, medium- to long-term strategies for major businesses and Group companies, shareholder return policies, considerations regarding the independence of listed subsidiaries, cybersecurity, and AI data governance.

In addition, prior to each Board of Directors meeting, preliminary briefings are held for external directors and Audit & Supervisory Board Members. The relevant divisions explain the background, key issues, and risks associated with agenda items and conduct Q&A sessions to promote understanding. Opinions and issues raised during the preliminary briefings are addressed as necessary before the matters are submitted to the Board, thereby improving the effectiveness of deliberations.

Overview of deliberations by agenda at the Board of Directors, strategic discussions, and roundtable meetings



Case study: Deliberations on the establishment of SB OAI Japan GK

SB OAI Japan GK is a joint venture established in November 2025 by the Company, SoftBank Group Corp., and OpenAI to deploy Crystal intelligence, an AI solution designed to improve corporate productivity and maximize management efficiency. As part of its growth investments toward building social infrastructure for the AI era, the Company repeatedly discussed the development, introduction, and deployment of Crystal intelligence through SB OAI Japan GK.

In advancing this initiative, the Board of Directors and strategic discussions considered the matter in stages over six meetings, from progress reviews following the basic agreement through concrete examinations toward commercialization. At each meeting, the Board confirmed the potential for commercialization based on early introduction and verification within the Group, as well as governance considerations for future expansion.

Key discussion points

- Assessment of market potential and external sales model
- Division of roles among OpenAI, SoftBank Group Corp., and the Company
- Creation of use cases through early internal adoption
- Data governance, domestic service requirements, and responsible use of AI
- Business viability and governance in light of investment returns, usage fees, and transaction terms

Principal deliberations at the Board of Directors, strategic discussions, and roundtable meetings (FY2025)

April	**Management strategy** Resolved on A Holdings' submission of tender in LY Corporation's tender offer for treasury shares and deliberated on the capital policy of a listed subsidiary from the perspectives of enhancing the corporate value of the Group as a whole and protecting the interests of minority shareholders.
May	**Management strategy** Discussed AI business development through collaboration with OpenAI, including business opportunities, monetization, and potential use within the Group.
June	**Corporate governance** Deliberated on disclosures under the Corporate Governance Code, revisions to the Corporate Governance Report, the executive structure, selection of members of the Nominating and Remuneration Committees, and evaluation of the effectiveness of the Board of Directors.
July	**Management strategy** Discussed the medium- to long-term strategies for the telecommunications and IT businesses, including maintaining profitability of the existing telecommunications infrastructure and business transformation toward social infrastructure for the AI era.
September	**Management strategy** Discussed the Consumer business pricing strategy and medium- to long-term strategy for the Enterprise business, focusing on strengthening the earnings base of major businesses and transitioning to growth areas.
October	**Management strategy / Risk management, internal control and compliance** Discussed OpenAI-related businesses, AI security, and sovereign AI from multiple perspectives, including business opportunities, security, data sovereignty, and conflicts of interest associated with advancing the AI business.
November	**Management strategy** Resolved on Group restructuring, including the absorption-type merger of SB Technology Corp., and deliberated on integrated use of management resources within the Group and improvement of business operating efficiency.
December	**Management strategy** Resolved on the absorption-type company split with IDC Frontier Inc. and discussed the development of a domestically produced general-purpose foundation model, the strengthening of the competitiveness of AI data center and cloud businesses and the potential use of domestically produced AI models.
January	**Management strategy** Discussed the framework of the next Medium-term Management Plan, the medium-term policies of LY Corporation and PayPay Corporation, and the shareholder return policy, including the balance among growth investments, strategies for major subsidiaries, and shareholder returns.
March	**Management strategy** Deliberated on and resolved the FY2026 budget and medium-term plan and the financing policy, and discussed how to balance growth strategies, including AI-related investments, with financial discipline and shareholder returns.

System to Ensure Independence from the Parent Company

Guidelines on transactions with the controlling shareholder

When conducting transactions with related parties, including transactions with the parent company group, the Company pays particular attention, in accordance with the Related Party Regulations and the Related Party Transactions Management Manual, to whether such transactions are rational from the perspective of the Group's management and whether the transaction terms are appropriate compared with those of other external transactions.

Based on the attributes of the related party and the monetary significance of the transaction amount, outstanding balance, and other factors, the Company follows the review and approval procedures stipulated in its internal rules. Related party transactions subject to Board approval are approved by the Board of Directors on each occasion.

Furthermore, among these related party transactions, those that may involve a conflict of interest between the controlling shareholder and minority shareholders and are deemed to require prior review by independent external directors with respect to the necessity and rationale of the transaction and the appropriateness and fairness of its terms are reviewed in advance by the Independent External Directors' Meeting, which consists solely of independent external directors, from the perspective of protecting the interests of minority shareholders. No such meeting was held during the fiscal year. In addition, for related party transactions that do not constitute important transactions, the Finance and Accounting Division monitors the aggregate amount and details of such transactions once a year in principle.

In addition, competitive transactions and conflict-of-interest transactions involving Board Directors are designated as matters for resolution under the Board of Directors Rules. Such transactions are conducted with Board approval on a case-by-case basis, and the results are reported to the Board of Directors.

Parent-subsidiary listings

The Company listed its shares on the First Section of the Tokyo Stock Exchange (now the Prime Market) in December 2018. Prior to that, the Company operated as a core operating company in Japan's telecommunications business as a subsidiary of SoftBank Group Corp. There are two main reasons why the Company became publicly listed.

1. Clarifying roles and providing optimal investment opportunities

The first is to clearly distinguish the roles and value of SoftBank Group Corp., a strategic investment company that conducts global investment activities including the SoftBank Vision Fund and aims to maximize the corporate value of the SoftBank Group as a whole, from those of the Company's Group, which operates businesses in Japan. SoftBank Group Corp. focuses on the impact of AI in creating new industries and invests in companies around the world with outstanding AI business models and services, while the Company operates various businesses built on a relatively stable telecommunications business, mainly in Japan. Because the nature of the two businesses differs, the expected investment outcomes from investing in each company also differ. By listing independently, the Company believes it can offer an investment opportunity that combines stable, high-level shareholder returns with growth as an operating company that also leverages its position as a member of the SoftBank Group.

2. Enhancing corporate value through autonomous management

The second is that, because the nature of the businesses of SoftBank Group Corp. and the Company differs, the management resources required and the key points for management decisions also differ. As a public company, the Company believes it can accelerate decision-making and aim to maximize corporate value by pursuing autonomous and highly transparent management while receiving direct evaluation from the market.

Meanwhile, as of the end of FY2025, the Company had 271 subsidiaries, including several listed subsidiaries. The Group values the independence of its subsidiaries and believes that each listed subsidiary's pursuit of business while being evaluated in the stock market, together with autonomous management that takes into consideration the interests of minority shareholders, contributes to the growth of each company. While ensuring the independence of its listed subsidiaries, the Group aims to create synergies and continue to evolve and grow together, thereby maximizing the corporate value of the Group as a whole. The Company has established the Subsidiaries and Affiliates Management Regulations for purposes including the management of investees, and requires prior approval by or reporting to the Company for important decisions at subsidiaries and other investees. With respect to listed subsidiaries, from the perspective of ensuring their independence, the Company limits matters requiring such prior approval to the execution of contracts containing provisions binding SoftBank Group Corp. and its subsidiaries and other entities that are not parties to the contract, so that the Company does not unfairly constrain the decision-making of each listed subsidiary.

Policy on Governance of Listed Subsidiaries

The Group is engaged in a variety of businesses in the information and technology fields under the shared corporate philosophy of "Information Revolution — Happiness for everyone." While valuing the autonomy of its subsidiaries and ensuring their independence, the Group aims to create synergies and continue to evolve and grow together with them, thereby maximizing the corporate value of the Group as a whole. At the same time, the Company determines its holding policy for each listed subsidiary on a case-by-case basis in light of the subsidiary's strategic positioning within the Group; SB Technology Corp. became a wholly owned subsidiary in September 2024.

From the perspective of independence, the Company respects each listed subsidiary's own management judgment and its autonomous consideration and determination of business strategies and various measures. As part of its Group management framework, the Company has established the Subsidiaries and Affiliates Management Regulations for purposes including investee management, and requires prior approval by or reporting to the Company for important decisions at subsidiaries. For listed subsidiaries, however, the Company keeps such approval and reporting requirements to the minimum necessary and limits matters requiring prior approval to the execution of contracts containing provisions, including non-compete provisions, that bind SoftBank Group Corp. and its subsidiaries and affiliates that are not parties to the contract, thereby ensuring that the Company does not unfairly constrain the decision-making of each listed subsidiary.

The Company believes that each listed subsidiary's growth is supported by conducting its business under market scrutiny while pursuing autonomous management that takes the interests of minority shareholders into consideration. At present, the Company considers it desirable for each listed subsidiary to maintain its listing.

Listed subsidiaries

Company name	Significance of ownership	Ratio of independent external directors (as of the end of June 2026)
LY Corporation	LY Corporation provides Yahoo! JAPAN, one of Japan's largest comprehensive Internet services, the LINE communication app, and other services. In June 2019, the Company made Z Holdings Corporation (formerly Yahoo Japan Corporation), the predecessor of LY Corporation, a subsidiary. Through intra-group restructuring, LY Corporation is accelerating the creation of synergies, pursuing improvements in product development capabilities and profitability, and aiming to create new value. The principal reasons for the Company's ownership of LY Corporation as a listed subsidiary are as follows: • By maintaining its independence and neutrality as a listed company, LY Corporation, which operates a highly neutral Internet media business and has a broad customer base extending beyond the Company's users, can expand its business relationships and achieve autonomous growth and enhanced corporate value. • Through strategic collaboration leveraging LY Corporation's strengths and the Group's business foundations, the Group can advance its "Activate AI for Society" strategy and accelerate new value creation and growth in non-telecommunications businesses. • By achieving both autonomous growth at LY Corporation and the creation of Group synergies, the Group can achieve sustainable enhancement of its corporate value as a whole.	 **66.7** % (4 out of 6 members)
PayPay Corporation	PayPay Corporation provides PayPay, one of Japan's largest cashless payment services. Building on QR and barcode payments, the company is developing a highly convenient digital financial platform by deepening collaboration with financial services such as credit cards, banking, and securities. In March 2026, PayPay Corporation was listed on the Nasdaq Stock Market in the United States. The principal reasons for the Company's ownership of PayPay Corporation as a listed subsidiary are as follows: • Through highly transparent management as a listed company and autonomous management that takes into consideration the interests of minority shareholders, PayPay Corporation can pursue business opportunities in Japan and overseas and achieve sustainable growth and enhanced corporate value. • By leveraging the Group's customer base, sales platform, and technologies and promoting collaboration centered on payment and financial services, PayPay Corporation can accelerate growth. • By achieving both autonomous growth at PayPay Corporation and the creation of synergies with Group companies, the Group can achieve sustainable enhancement of its corporate value as a whole.	 **44.4** % (4 out of 9 members)
Cybertrust Japan Co., Ltd.	Cybertrust Japan Co., Ltd. specializes in providing Trust Services centered on electronic authentication and security and was listed in April 2021. Trust Services are highly public infrastructure services in the digital society and are required to be provided from a neutral standpoint. The Company believes that Cybertrust Japan Co., Ltd.'s autonomous management, while maintaining a high level of transparency, fairness, and neutrality as a listed company and taking into consideration the interests of minority shareholders, will contribute to the company's sustainable growth and the enhancement of the corporate value of the Group as a whole.	 **42.9** % (3 out of 7 members)
ITmedia Inc.	ITmedia Inc. specializes in operating media that provide IT-related information on the Internet. The Company made it a subsidiary in April 2018 to pursue business synergies and expand into a broad range of domains. The Company believes that, while maintaining ITmedia Inc.'s independence and autonomy as a listed company and media company, collaboration with other Group companies as a member of the Group will contribute to enhancing the corporate value of the Group as a whole.	 **55.6** % (5 out of 9 members)
eMnet Japan co. ltd.	eMnet Japan co. ltd. is primarily engaged in the Internet advertising business and became a subsidiary of the Company in June 2021 for the purpose of collaboration and synergy creation in that business. In contrast to the Company's customer base, which mainly comprises large enterprises, eMnet Japan co. ltd. has a broad regional customer base centered on small and medium-sized enterprises. The Company believes that, while maintaining the company's independence and autonomy as a listed company, collaboration with other Group companies through personnel exchanges and the mutual use of knowledge and technologies in the digital domain will contribute to enhancing the corporate value of the Group as a whole.	 **42.9** % (3 out of 7 members)

Nominating Committee and Remuneration Committee / Remuneration for Board Directors

Nominating Committee and Remuneration Committee

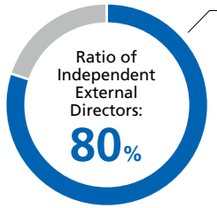
The Company has voluntarily established the Nominating Committee and the Remuneration Committee as advisory bodies to the Board of Directors. As of the end of June 2026, each committee is composed of a total of six members, including the Representative Director, President & CEO and five independent external directors, and is chaired by an independent external director to ensure its independence. The Nominating Committee deliberates on matters concerning proposals for the election and dismissal of Board Directors to be submitted to the General Meeting of Shareholders, as well as the nomination of Representative Directors, while the Remuneration Committee deliberates on matters concerning remuneration for Board Directors. Each committee then determines the content of recommendations to be made to the Board of Directors.

Main topics discussed at the Nominating Committee and the Remuneration Committee (June 2025 to May 2026)

[Nominating Committee]
Structure of the Board of Directors, election of Board Directors, nomination of Representative Directors, Board Director expertise in relation to the skill matrix, etc.

[Remuneration Committee]
Remuneration by position, performance-linked indicators, disclosure documents, individual remuneration amounts

Composition of the Nominating and Remuneration Committees (FY2025)



4 Independent External Directors
Atsushi Horiba (Chair)
Naomi Koshi
Maki Sakamoto
Hiroko Sasaki

1 Internal Director
Junichi Miyakawa
(President & CEO, Representative Director)

Number of meetings held in FY2025

Nominating Committee	Remuneration Committee
3	2

Determination process of remuneration and others

Meeting body	Remuneration Committee	Board of Directors
Date	April 30, 2026	May 28, 2026
Agenda items	Confirmation of short-term performance-based indicators Approval and determination of individual remuneration amounts for each officer Confirmation of disclosure documents Confirmation and determination of recommendations of the Remuneration Committee	Confirmation of recommendations of the Remuneration Committee

Remuneration for Board Directors (as of June 19, 2026, the filing date of the Annual Securities Report)

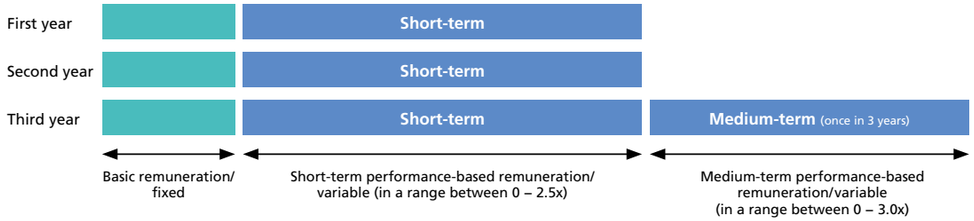
Outline of the policy and the method for determining the remuneration of Officers

The Company's policy for the remuneration of Board Directors and Audit & Supervisory Board Members is to set remuneration at a competitive level compared with that of corporate executives in Japan and overseas whose businesses are of a generally similar or larger scale, based on a survey of remuneration of corporate executives in Japan conducted by a third-party organization. The policy for Board Director remuneration is designed to motivate officers to contribute to improving business performance not only in the short term but also over the medium to long term, while restraining excessive risk-taking, with the aim of enabling sustainable growth and medium- to long-term enhancement of corporate value through steady earnings growth, stable cash flow generation, and good relationships with stakeholders.

The process for determining Board Director remuneration begins with the Human Resources & General Affairs Division formulating the remuneration policy, followed by consultation with the Remuneration Committee and approval by the Board of Directors. After the General Meeting of Shareholders resolves the maximum aggregate amount of remuneration, the President & CEO, Representative Director determines the individual remuneration amounts while respecting the recommendations of the Remuneration Committee and the resolutions of the Board of Directors. In line with the executive remuneration policy, the Remuneration Committee reviews the total amount of remuneration and individual remuneration amounts and makes recommendations to the Board of Directors. The Company has a policy of paying only fixed remuneration to Audit & Supervisory Board Members, including external members, who audit the execution of duties by Board Directors. From FY2025, however, the Company changed its policy to grant share-based remuneration to external directors, who are independent of business execution. Under the Group's payment policy, remuneration for Board Directors who concurrently serve as officers of Group companies is paid by their principal company, and Board Director Masayoshi Son is therefore excluded from remuneration payments.

Structure of the remuneration of Board Directors

Remuneration for Board Directors (excluding external directors) consists of fixed basic remuneration and short-term and medium-term performance-based remuneration to provide incentives for improving the Company's short-term performance and enhancing medium- to long-term corporate value.



Nominating Committee and Remuneration Committee / Remuneration for Board Directors

Basic remuneration (Cash remuneration)

The basic remuneration shall be based on the annual amount as determined by position, and paid in cash on a monthly basis.

Short-term performance-based remuneration (Share-based remuneration)

Short-term performance-based remuneration is paid annually at a certain time after the end of each fiscal year to eligible Board Directors in the form of restricted shares that are subject to transfer restrictions until their retirement. Under the Company's basic policy, the composition ratio between basic remuneration and short-term performance-based remuneration is, in principle, 1:1.9 to 1:3.2, taking into account the duties and performance of each Board Director, and the amount varies within a range of 0 to 2.5 times the base amount determined by position.

Net income attributable to owners of the Company and operating income (both on a consolidated basis), as well as materiality targets, are used as performance-linked indicators for the achievement of short-term performance targets.

Amount of short-term performance-based remuneration = **Base amount by position** × **Short-term performance target achievement factor (0 – 2.5 times)** (Net income factor × 50% + Operating income factor × 50%) + Materiality factor +0 to +5%

Performance targets and results (FY2025)

Indicators	Target (Millions of yen)	Result (Millions of yen)
Net income attributable to owners of the Company	540,000	550,759
Operating income	1,000,000	1,042,576

Materiality targets and results (FY2025)

Materiality	Indicators	Target	Result
Contributing to the global environment with the power of technology	Renewable energy ratio*1	65% or more	65%*2
Building high-quality social infrastructure	Expansion of 5G standalone (SA) coverage: Smartphone SA coverage in key areas of all prefectures	Number of prefectures: 46	Number of prefectures: 47
	Number of major network accidents	0	0
	Number of major security incidents	0	0
Building society and industry through digital transformation (DX)	Business solution and others revenue: CAGR (compound annual growth rate)	10% or more	13%
Developing a resilient management foundation	Inclusion in DJBIC World	included	included

*1 Measure to achieve carbon neutrality by FY2030.
*2 In calculating the amount to be paid, the Company uses the figure determined as of the Company's predetermined record date.

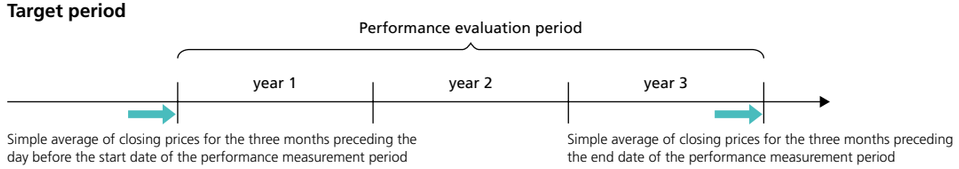
Medium-term performance-based remuneration (Share-based remuneration)

Medium-term performance-based remuneration is paid once every three years at a certain time after the end of the fiscal year to eligible Board Directors in the form of restricted shares that are subject to transfer restrictions until their retirement. Under the Company's basic policy, the composition ratio between basic remuneration and medium-term performance-based remuneration is, in principle, 1:1.1 to 1:2.1, taking into account the duties and performance of each Board Director, and the amount varies within a range of 0 to 3.0 times the base amount determined by position. To further promote value sharing with stakeholders and raise awareness among Board Directors of medium- to long-term share price appreciation, the TSR factor, calculated based on the Company's TSR (total shareholder return*3) and relative TSR*4, is used as the performance-linked indicator for medium-term performance target achievement. The amount of medium-term performance-based remuneration is calculated by multiplying the base amount determined by position by a TSR factor (0 to 3.0 times) based on the Company's TSR and relative TSR over the past three years.

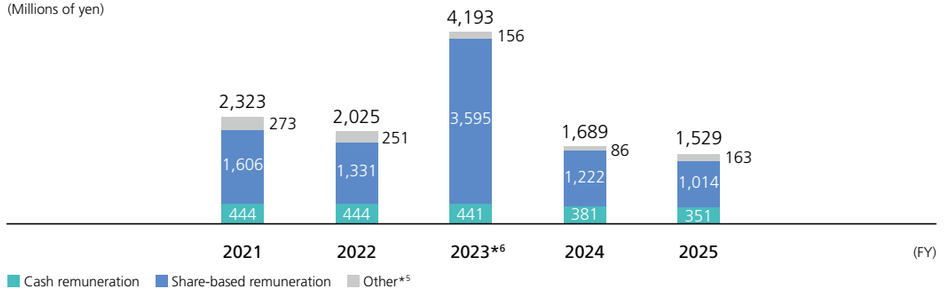
Amount of medium-term performance-based remuneration = **Base amount by position** × **TSR factor (0 – 3.0 times)** Calculated based on relative TSR

*3 Total shareholder return = (Simple average of the closing prices of the Company's common stock on the Tokyo Stock Exchange for the three months preceding the end date of the performance measurement period + cumulative amount of dividends of surplus per share paid by the Company during the performance measurement period) / Simple average of the closing prices of the Company's common stock on the Tokyo Stock Exchange for the three months preceding the day before the start date of the performance measurement period × 100
*4 Relative TSR = the Company's TSR divided by the growth rate of the TOPIX Total Return Index

Target period



Total amount of remuneration for Board Directors (excluding external directors)



*5 Amount of expenses related to stock options
*6 The total remuneration for FY2023 includes the amount paid in accordance with medium-term performance-based remuneration, which is paid once every three years.

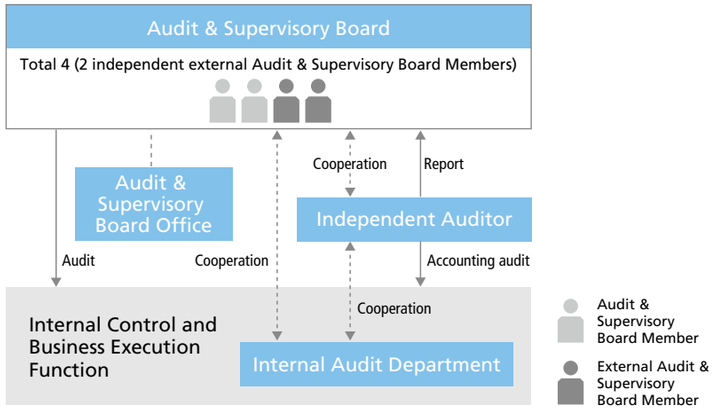
Status of Audits

Management of the Audit & Supervisory Board

The Company has established an Audit & Supervisory Board to conduct efficient and effective audits regarding the status of execution of duties by Board Directors. It consists of four Audit & Supervisory Board Members with specialized and extensive knowledge and experience, including two external Audit & Supervisory Board Members. The Audit & Supervisory Board examines risks and issues in five areas—the Board of Directors, business execution, subsidiaries, internal audits, and accounting audits—and formulates an annual activity plan. Meetings are held once a month in principle, and, particularly for the "Audit of Group Management," the scope of auditees has been expanded and opportunities for interviews have been increased.

Matters identified through audit activities are communicated to Board Directors and executive departments in the form of requests and recommendations. The Audit & Supervisory Board Office has been established to support the work of all Audit & Supervisory Board Members, and four dedicated staff members collect information and conduct investigations under their direction. In addition, external directors and the Audit & Supervisory Board and its Members coordinate with one another through active discussions and exchanges of opinions as necessary at Board of Directors meetings. In FY2025, the Audit & Supervisory Board met 16 times, with each meeting taking an average of approximately two hours.

Structure and cooperation framework of auditing



Overview of internal audit activities

Established as an independent organization directly under the President & CEO, the Internal Audit Department conducts internal audits of the Company's overall operations as well as company-wide internal control audits of Group companies (mainly consolidated subsidiaries), by formulating a risk-based annual audit plan based on the philosophy of "audits that contribute to management."

The annual audit plan is submitted to the Board of Directors for resolution each year. The process of formulating the plan incorporates not only the perspective of company-wide risks recognized by the Representative Director and 60 members of management (Board Directors, external directors, unit heads, executive officers, division heads, etc.), but also the opinions of the Audit & Supervisory Board Members and Independent Auditor (Deloitte Touche Tohmatsu LLC). In addition, at the end of the first half of the fiscal year, management interviews are conducted again to review the annual audit plan on a rolling basis, thereby enhancing internal audits in line with changes in the management and business environment and risks surrounding the Company.

In FY2025, to confirm the effectiveness of responses to the Company's key risks, the Company conducted company-wide audits on topics such as the "appropriateness of AI governance (framework development)," as well as a total of 17 internal audits across individual businesses and areas from the perspectives of legal compliance and operational effectiveness.

In addition, to maintain governance at Group companies, the Company has introduced a system that accumulates approval request and expense settlement data and automatically detects anomalies or suspicious items for each company based on monthly trends, and conducts data monitoring for a total of 13 companies (including one company using a tool-provision model).

Structure, independence, and audit quality of the internal audit system

The Internal Audit Department specializes in conducting internal audits (the Internal Control Division and Compliance Department are responsible for evaluating the internal control reporting system and conducting compliance investigations, respectively). It has a total of 25 personnel (as of the end of March 2026), all of whom are dedicated to internal audit work. Of the 25 personnel, 15 are female auditors, including three managers, reflecting the Company's efforts to promote diversity, one of its important management strategies.

In conducting internal audits, the Department complies with the International Professional Practices Framework (IPPF) established by The Institute of Internal Auditors, based on the Internal Audit Regulations approved by the Board of Directors.

Ensuring the independence of internal audits is also included as an item in the internal quality evaluation conducted annually to determine compliance with the IPPF standards within the organization, and the results are reported to the Board of Directors. In addition, in accordance with IPPF standards, the Company has undergone external quality assessments once every five years since 2013, for a total of three assessments, and has received a "Generally Conforms" rating for all of them. In the most recent assessment, conducted in FY2024, no issues were identified in any of the items reviewed.

Cooperation among Audit & Supervisory Board Members, the Independent Auditor (IA), and the Internal Audit Department

Audit & Supervisory Board Members receive explanations of audit policies and plans from the Independent Auditor and exchange opinions. They also receive reports on the progress or results of audits conducted during and at the end of the fiscal year (including quarterly reviews). Full-time Audit & Supervisory Board Members maintain coordination with the Independent Auditor by exchanging information and opinions monthly, as well as accompanying the Independent Auditor on on-site audits and attending audits. Audit & Supervisory Board Members also regularly exchange information with the Internal Audit Department and Internal Control Division and coordinate organically with them, including requesting investigations as necessary.

The Independent Auditor receives explanations of audit plans from the Internal Audit Department, while the Internal Audit Department receives regular explanations of audit results and other information from the Independent Auditor.

Activities of External Directors and External Audit & Supervisory Board Members

The activities of each external director and external Audit & Supervisory Board Member for FY2025 are as follows.

Name	Position in the Company	Attendance at Board of Directors meetings*1*2	Attendance at Nominating & Remuneration Committee meetings	Number of Company shares held*3	Major activities and overview of duties relating to expected roles
Atsushi Horiba Independent Officer	Lead Independent External Director Chair of Nominating and Remuneration Committees	81.8% (9/11)	Nominating Committee 100% (3/3) Remuneration Committee 100% (2/2)	75,400 shares	Makes necessary remarks based on his deep knowledge and experience in overall management as the manager of one of the world's leading analytical equipment manufacturers and also expresses his opinions from a minority shareholders' standpoint, to fully perform his role of management supervision. In addition, he attends the Remuneration Committee and Nominating Committee by serving as Chair of the committees, and makes comments as appropriate.
Naomi Koshi Independent Officer	External Director Nominating and Remuneration Committee Member	100% (11/11)	Nominating Committee 100% (3/3) Remuneration Committee 100% (2/2)	15,700 shares	Makes necessary remarks from a professional perspective as a lawyer, as well as her extensive knowledge and experience in areas such as municipal government and promotion of women's career advancement, and also expresses her opinions from a minority shareholders' standpoint, to fully perform her role of management supervision. In addition, she attends the Remuneration Committee and Nominating Committee as a member of the committees, and makes comments as appropriate.
Maki Sakamoto Independent Officer	External Director Nominating and Remuneration Committee Member	100% (11/11)	Nominating Committee 100% (3/3) Remuneration Committee 100% (1/1)	13,900 shares	Makes necessary remarks based on her extensive knowledge and experience as a university professor specializing in informatics, and also expresses her opinions from a minority shareholders' standpoint, to fully perform her role of management supervision. In addition, she attends the Remuneration Committee and Nominating Committee as a member of the committees, and makes comments as appropriate.
Hiroko Sasaki Independent Officer	External Director Nominating and Remuneration Committee Member	100% (11/11)	Nominating Committee 100% (3/3) Remuneration Committee 100% (1/1)	24,700 shares	Makes necessary remarks based on her deep knowledge and experience in overall management as the manager of a company promoting organizational change and DE&I, and also expresses her opinions from a minority shareholders' standpoint, to fully perform her role of management supervision. In addition, she attends the Remuneration Committee and Nominating Committee as a member of the committees, and makes comments as appropriate.
Hideaki Karaki Independent Officer	External Director	100% (9/9)	—	15,700 shares	Makes necessary remarks based on his extensive knowledge and experience in corporate accounting cultivated over many years as a certified public accountant, and also expresses his opinions from a minority shareholders' standpoint, to fully perform his role of management supervision.
Akiko Nakajo*4 Independent Officer	External Director	100% (9/9)	—	13,900 shares	Makes necessary remarks based on her deep knowledge and experience in overall management as a corporate executive who has been involved in the management of numerous companies, including global IT companies, and also expresses her opinions from a minority shareholders' standpoint, to fully perform her role of management supervision.

Name	Position in the Company	Attendance at Board of Directors meetings	Attendance at Audit & Supervisory Board meetings	Number of Company shares held*3	Expected role and main activities
Shuji Kojima Independent Officer	External Audit & Supervisory Board Member	100% (11/11)	100% (16/16)	38,800 shares	Makes necessary remarks to ensure the appropriateness of decision making from an expert perspective based on extensive knowledge and experience related to human resources, compliance, risk management, and finance and accounting.
Yoko Kudo Independent Officer	External Audit & Supervisory Board Member	100% (11/11)	100% (16/16)	77,700 shares	Makes necessary remarks to ensure the appropriateness of decision-making from an expert perspective based on extensive knowledge and experience concerning finance and accounting.

*1 Board resolutions in writing are excluded from the number of Board meetings.
*2 For Hideaki Karaki and Akiko Nakajo, the information shown covers the period after their appointment on June 26, 2025.
*3 As of June 19, 2026
*4 External Director Akiko Nakajo retired as of June 23, 2026.

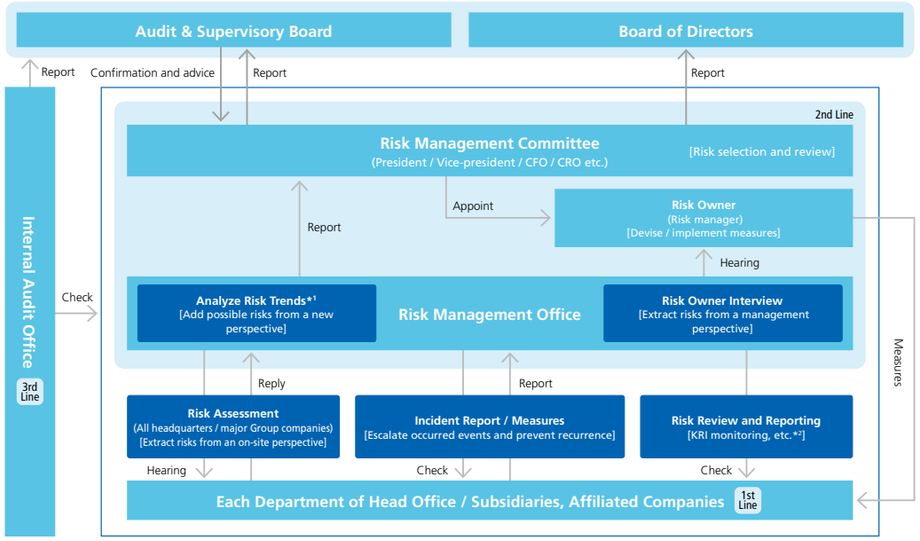
Risk Management

At SoftBank, we work to mitigate and prevent risks by building an organizational structure to identify risks throughout the Company, implementing preventive measures, and executing periodical risk management cycles.

Risk management structure

In order to identify Company-wide risks from various angles and prevent the materialization of risks, we have established a management system based on the concept of a "three-line model." The first line is where each department in the head office conducts reviews that include risks when devising various measures and policies on the ground, while also carrying out risk management in their own departments. The second line is where the Risk Management Office, an organization independent from business departments, under the "Chief Risk Officer (CRO)" who has ultimate responsibility for risk management, conducts Company-wide and comprehensive identification of risks and confirmation of the status of measures taken (conducted twice a year), and the Risk Management Committee, which includes the President & CEO, COO, CFO, CRO, etc. as members and in which the Audit & Supervisory Board members and heads of the relevant departments also participate, determines the level of importance and the risk manager (risk owner) for each risk, gives instructions to take measures, etc. based on reports from the Risk Management Office and through the CRO, reports the status to the Board of Directors. The committee also supervises risks that may have a significant impact on the Group (including telecommunications service risk, information security risk, and information systems risk) with a Director experienced in information security (President & CEO Junichi Miyakawa) playing a central role. As the third line, the Internal Audit Department independently audits the entire risk management system and its status from a position independent from the first and second lines. The CRO reports the content of reviews by the Risk Management Committee, including the risk identification process, to external (non-executive) directors who supervise the execution of company operations. In addition, the CRO reports to the Audit & Supervisory Board and reflects the feedback and advice on risk management methods and areas for improvement received from external (non-executive) directors and the Audit & Supervisory Board members in our risk management measures. In addition, we establish a reporting system for subsidiaries and affiliated companies, and conduct periodic checks of business-related risks identified by each subsidiary and affiliated company, and countermeasure status, from the standpoint of risk management for the Group overall.

We strive to prevent any incidents, but in the unlikely event that one does occur, the department where the incident occurred acts as the first line in identifying the details and impact of the incident and reporting to the Risk Management Office in accordance with the reporting standards stipulated by the incident impact determination criteria. The Risk Management Office evaluates the impact of each incident and promptly reports any incidents that may have a significant impact on the management of the Group to management, external directors (non-executive), and the Audit & Supervisory Board members, etc. Furthermore, in terms of considering and implementing measures to reduce the impact of incidents and prevent recurrence, the departments in the head office, as well as subsidiaries and affiliated companies, serve as the first line and proactively review and implement specific measures, while the Risk Management Office has established a system as the second line to verify and evaluate the content of these measures and the status of their implementation, and provide advice and guidance as necessary. While promoting highly effective response measures by the first line that are suited to the actual situation on the ground, the second line provides appropriate supervision based on the risk management framework and rules, working to prevent the recurrence of incidents and minimize their impact.

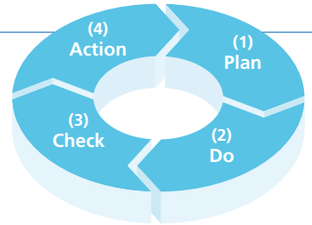


*1 Risk trend analysis: A technique where the latest news and public information is analyzed to provide material for identifying risks from new perspectives.
*2 KRI: Key risk indicators
* The CRO and the head of the Internal Audit Office independently report on risk management and audits to the Board of Directors based on their respective capacities.
*We are working to further improve our risk management system through outside evaluation of risk management through an internal control reporting system as stipulated by the Financial Instruments and Exchange Act and evaluation of internal controls (conducted once a year) that complies with SSAE18.

Risk Management

Risk management methods

When devising various policies and measures, not only are we reviewing potential risks in conjunction with business opportunities, we are also implementing a PDCA cycle, as illustrated below, on a regular basis to identify, select, and assess a wide range of risks for the Group, through which we are working to uncover, mitigate, and prevent increasingly complex and diverse risks before they occur.



PDCA cycle

(1) Plan	The Risk Management Office conducts risk assessments using a risk classification table (compiled from risk scenarios relevant to SoftBank and its subsidiaries and associates), interviews with the heads of each division in the Company and the management of our principal subsidiaries and affiliates, interviews with each risk owner for the fiscal year, and the Risk Management Committee selects risks that have a significant impact on the Company from among the risks identified based on perspectives from both the field and management, and appoints risk owners. We do this to conduct a more multifaceted risk analysis aimed at identifying risks from various viewpoints by collecting information by means of providing information beforehand, such as external environment reports that include risks and opportunities, and raising questions that include short-term and medium- to long-term viewpoints.
(2) Do	Risk owners review and implement measures, etc. based on risks selected by the Risk Management Committee as having a significant impact on the Company.
(3) Check	The Risk Management Office monitors the status of measures by risk owners on a monthly basis, and reports to management and the Risk Management Committee, and based on these reports, the Risk Management Committee checks the implementation status, etc. of measures, reviews risks, and checks the necessity, etc. of additional measures.
(4) Action	Risk owners examine and implement improvements and additional measures, etc. for any additional measures that are determined to be necessary by the Risk Management Committee.

Yearly schedule

P Plan D Do C Check A Action

FY	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Disclosure			★ Securities Report									
Board of Directors*3							Reporting on status of measures C			Input on measure status reporting, risk-related information through training, etc. C		
Risk Management Committee							Around October C Risk Management Committee (interim report)				Around February P Risk Management Committee (risk selection and review)	
Risk Owner	D Devise and implement measures to address risks							A Devise/implement additional measures to address prioritized risk P Risk owner interview				
Risk Management Office					C Checks on the status of measures (first half)			C Checks on the status of measures (second half)				
	C KRI monitoring (monthly)											
Department of Head Office / Subsidiaries, Affiliated Companies			P Risk assessment									

*3 Includes advance briefings for External Directors and Audit & Supervisory Board Members.

We have implemented a system to broadly identify risks and opportunities, assess their significance and priority, and incorporate them into countermeasures and various initiatives. During risk assessments and interviews, we not only consider traditional risks but also include opportunities. Additionally, we evaluate their impact by establishing time horizons: short-term (within a few years), medium-term (approximately 3 to 5 years), and long-term (approximately 10 to 30 years), aiming for a more accurate analysis. Consolidated risks are addressed through countermeasures led by the Risk Management Committee. Meanwhile, information on opportunities is shared across departments and utilized in the development of sustainability strategies and the establishment of materiality.

Addressing Risks That Have Significant Impact on the Company

Based on the likelihood of occurrence and the magnitude of potential effect, we assess and identify risks that have a significant impact on our Company by classifying them into four levels in the matrix on the right. Furthermore, from the identified risks, we comprehensively evaluate and prioritize the risks that require immediate attention and take appropriate countermeasures to reduce risks and prevent issues before they occur.

Impact

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

Probability

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

Risk related to management strategy

Risk items	Typical risk examples	Risk reduction measures
a. Changes to economic conditions, regulatory or market environments, and competition with other companies		
▪ Domestic political conditions ▪ Competitors' situations ▪ Customer expectations ▪ Amendments to laws ▪ Economic fluctuations ▪ Demographic changes ▪ Product/ service defects	▪ Risk of increased competition in the telecommunications industry due to new entrants from other industries and the rapid spread of services from startups competing with the Group's services ▪ Risk of providing products or services with major defects that cause damage to customers	▪ Adopt services, products, and sales methods that suit consumer orientation ▪ Thorough quality control during manufacturing and development stages
b. Adapting to technology and business models		
▪ Technological innovation	▪ Risk of the Group being unable to respond appropriately or in a timely manner to changes in the market such as the emergence of new technologies (including generative AI and AI agents) or business models	▪ Research the newest technology and market trends, conduct verification testing to introduce technically superior services, consider alliances with other companies, etc.
c. Leakage or inappropriate use of information (including personal information) and inappropriate use of products and services provided by the Group		
▪ Leakage or loss of information due to cyber attacks ▪ Inappropriate use of information assets ▪ Inappropriate use of products/services	▪ Risk of information leakage, loss, etc. due to intentional or negligent actions of the Group or unauthorized access such as cyber attacks by a third party ▪ Risk of losing society's confidence and trust in the Group due to an error arising from inadequate management and utilization of our information assets resulting in social criticism ▪ Risk of lowered confidence and trust due to misuse (crimes such as fraud, etc.) of apps or payment services provided by the Group	▪ Limit work areas related to confidential information and establish access control rules; monitor and prevent unauthorized access due to cyber attacks from outside the company; separate and isolate access and networks according to information security levels ▪ Establish guidelines and conduct training ▪ Periodic monitoring of unauthorized use
d. Destabilization of the international situation		
▪ Procurement of equipment, facilities, etc.	▪ Risk of delays in transportation of telecommunications business equipment and facilities due to regulations and restrictions imposed on aircraft, ships, and so forth by countries in conflict or other countries involved	▪ Monitoring, information gathering, decentralization and diversification of suppliers
e. Stable provision of network services		
(a) Telecommunication network failures	▪ Risk of being unable to maintain telecommunications service quality due to increased network traffic or an inability to secure necessary frequency bands	▪ Bolster the telecommunication network based on predictions of future traffic
(b) Unpredictable circumstances such as natural disasters	▪ Risk of a natural disaster, pandemic, etc. preventing normal operation of telecommunication networks or information systems	▪ Introduce network redundancy, establish an emergency recovery system, and implement countermeasures for power outages at network centers and base stations

(Note) Please refer to "Addressing risks that have significant impact on the company" on our website for details.

Risk Management

Risk related to management strategy

Risk items	Typical risk examples	Risk reduction measures
f. Corporate acquisition, business alliances, establishment of joint ventures, organizational restructuring within the Group		
▪ Investment and loans	▪ Risk of the Group's investee companies being unable to achieve the expected performance	▪ Conduct sufficient due diligence when considering each investment to make investment decisions in accordance with the prescribed approval process
g. Dependence on other companies' management resources		
(a) Outsourcing ▪ Inappropriate management of information by outsourced companies	▪ Risk of outsourced companies being unable to perform work as expected ▪ Risk of infringing on customers' human rights as a result of an outsourced company fraudulently acquiring Group and customer information or using it for other purposes	▪ Conduct periodic audits of outsourced companies' work ▪ Evaluate and select the supplier in accordance with our purchasing rules
(b) Use of other companies' facilities ▪ Other companies' management resources	▪ Risk of becoming unable to continue using communication line facilities owned by other operators	▪ Use multiple operators' communication line facilities
(c) Procurement of various equipment ▪ Supply disruptions ▪ Delivery delays	▪ Risk of supply disruptions, delivery delays, etc. in the procurement of telecommunication equipment, etc.	▪ Build networks by procuring equipment from multiple suppliers
h. Use of the *SoftBank* brand		
▪ Brand use	▪ Risk that our actions negatively impact the trust or interests of SoftBank Group Corp. and we become unable to use the *SoftBank* brand	▪ Bolster the system for checking prior to using the brand, release materials related to brand use, and conduct training
i. Service interruption or degradation due to related system failure		
▪ System failures	▪ Risk of becoming unable to continuously provide service for customer-facing systems, the *PayPay* cashless payment service etc. due to human error, equipment/system problems, cyber attack by a third party, hacking, or other unauthorized access	▪ Add redundancy to the network and clarify recovery procedures in case of failure or other accidents
j. Training and securing human resources		
▪ Human resources (hiring, training) ▪ Labor management (overwork, etc.) ▪ Human rights ▪ Diversity	▪ Risk of being unable to secure engineers or other human resources necessary for business operation as planned ▪ Risk of reducing society's trust and confidence in SoftBank due to being unable to meet social demands for consideration for basic human rights ▪ Risk of reducing society's trust and confidence in SoftBank due to being unable to meet social demands for respecting diversity and demonstrating their full potential	▪ Adopt a remuneration system that considers the expertise of human resources with high market value ▪ Establish a human rights policy and human rights due diligence process; conduct risk assessments ▪ Ensure Company-wide awareness of efforts related to diversity; conduct training
k. Climate change		
▪ Increasing damage from natural disasters ▪ Biodiversity	▪ Risk of higher restoration and maintenance costs due to an increase in disaster-affected facilities and worsening of damage ▪ Risk of financial losses due to impacts on supply chains from the loss of biodiversity	▪ Promote redundancy of core networks and secure communications in the event of a disaster, etc. ▪ Conduct risk assessment on the impacts that business has on biodiversity

(Note) Please refer to "Addressing risks that have significant impact on the company" on our website for details.

Information Security

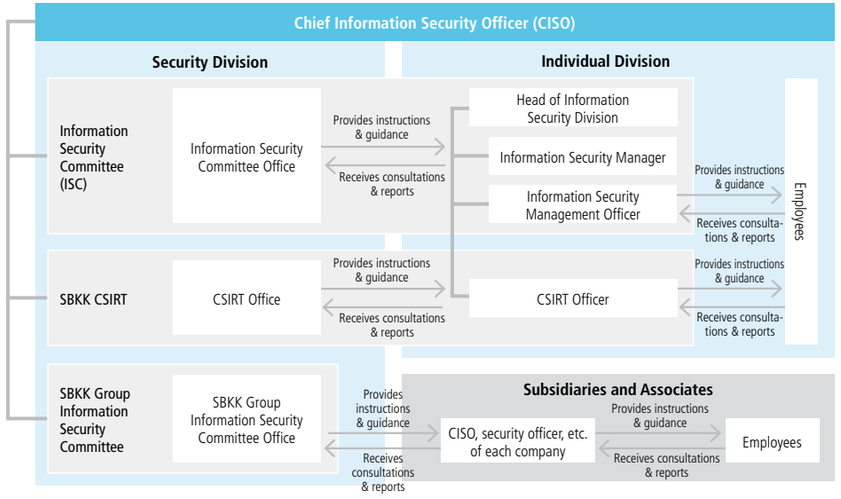
Information security

Policy

We have formulated and continue to adhere to our "Information Security Policy" so that we can keep the trust of our customers and the wider community by implementing sweeping and advanced solutions to counter the risk of information leaks. In addition, we take the utmost care in handling the personal data of our customers, in accordance with our "Privacy Policy," and give due consideration to the rights of our customers. Furthermore, we have taken the initiative in protecting privacy by ensuring compliance with various laws and regulations, guidelines set by the government, and other standards, as well as by joining a certified personal information protection organization as a designated business operator.

Meanwhile, security risks have become increasingly diversified and advanced, highlighted by the sophistication of cyber attacks, the increase in persistent attacks by international hacker groups, attacks targeting teleworking environments, and cases of internal fraud. We constantly monitor and study these kinds of threats, but at the same time, we proactively employ cutting-edge technology to develop advanced security environments, while also working to further enhance our 24 hours a day, 365 days a year security surveillance and rapid response framework. Furthermore, we run training sessions to instill a heightened level of security awareness among all employees, while constantly keeping our security policies and rules up to date in step with the times.

Information security governance



We have established the Information Security Committee (ISC), chaired by the Chief Information Security Officer (CISO) and comprising managers of information security from each department, to promote information security measures across the entire Company. Moreover, through the creation of the SoftBank Computer Security Incident Response Team (SoftBank CSIRT), we are making every effort to prevent the occurrence of security incidents and to minimize damage by swiftly responding to incidents. We have also created the SBKK Group Security Committee, which is chaired by the CISO and comprised of the information security managers at affiliate companies in an effort to collaborate closely on the implementation of policies and various measures at each affiliated company.

Security measures

To protect customer information and the facilities that provide telecommunications services, and to ensure the safe use of our products and services, we have established five levels of security areas in our facility environment and strictly manage them at each level. In addition, security analysts monitor security 24 hours a day, 365 days a year at the Security Operation Center (SOC). Furthermore, we are constantly advancing our information security measures by collaborating internally and with other organizations, and by reviewing our measures using the National Institute of Standards and Technology's (NIST) Cybersecurity Framework (CSF) and the Center for Internet Security's (CIS) CIS Controls.

(Note) Please refer to "Information Security" on our website for details.

Continuous security enhancement

In response to the spread of digital devices, advances in AI and increasingly sophisticated cyberattacks, we strive to continuously strengthen security by adopting the latest technologies, improve the security mindset of our employees through education, and train specialists in the field of security.

[Technological measures]

(1) Monitoring technology

While the early detection of incidents is becoming increasingly difficult due to the growing complexity of attack techniques in recent years, the number of detected incidents is on the rise each day. SoftBank strives to improve the quality of monitoring by continuously upgrading detection methods, implementing analysis and solutions by referring to threat intelligence (information useful to detecting and blocking attacks), and automating response operations so that no signs of attack are missed.

Risk Management

(2) Monitoring of threats and attacks

By monitoring communication log data collected from digital devices, such as PCs and smartphones and machines such as servers, we anticipate and determine threats from multiple angles: suspicious communications inside or outside of our organization, potential malware infections, and others. We have built information sharing processes with security organizations we belong to and with security vendors to ensure we are aware of the latest trends by reviewing incidents at other companies and reports on vulnerabilities and attacks.

We aim to detect sophisticated and complex attacks as early as possible by implementing Security Information and Event Management (SIEM), a tool to detect the latest attacks, whereby various data logs can be collected and correlation analysis be performed.

(3) Security monitoring of telecommunications networks

Since telecommunications networks serve as social infrastructure, expectations for their reliability and quality are higher than ever before. SoftBank, as a telecommunications provider, performs different kinds of monitoring to provide a stable telecommunications network. Monitoring security is one part of this effort.

What 5G networks can bring include not only higher speeds but also ultra-low latency and massive device connectivity. It is expected that 5G will enable a variety of use cases like remote operations and autonomous driving. SoftBank is building an even more stringent security monitoring system to respond to changes in data traffic caused by DDoS attacks and to counter cyberattackers' attempts to access 5G equipment.

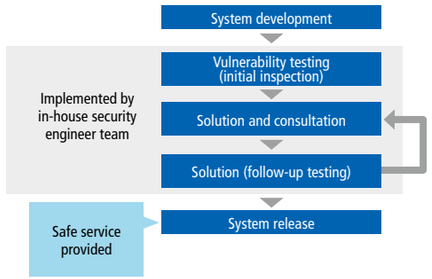
Use cases of 5G network features

Ultra-low latency	Remotely-controlled robots, autonomous driving, telemedicine - all previously considered difficult due to latency.
Massive device connectivity	Accelerated power of IoT that will revolutionize industries and society, with more things and sensors connected to networks.

(4) Security testing

If SoftBank launches services with system misconfigurations or unresolved vulnerabilities our network and system could be subject to attacks, potentially resulting in harm to customers. Our security engineer team carries out complete vulnerability testing and issues instructions to address any vulnerabilities detected so that we can provide safe services.

Since new vulnerabilities can emerge even after the release of a service we continue vulnerability testing and follow-ups to minimize security risks.



(5) Enhancement of internal security environment

We are responding to sophisticated attacks by utilizing various security solutions including MDM (Mobile Device Management) and EDR (Endpoint Detection and Response). Additionally, we carry out simulation exercises on targeted attack e-mails, to help strengthen our internal network security.

Some of the technologies and measures that we have implemented internally and whose effectiveness we have verified are offered to enterprise customers as security services.

[People-led enhancements]

(1) Employee training

In order to ensure appropriate handling of information at the workplace as well as to raise awareness of information and cyber security, we provide classroom training, e-learning programs, security drills to executives and employees while constantly updating security rules.

At our internal training, we place particular importance on the "protection of personal information" and "secrecy of communications," and we continue to work on improving our employees' knowledge and ethics.

Useful materials and educational videos on information security are available on the company intranet portal for employees to access at any time.

(2) Training of security experts

Our security experts work hard not only to collect and share information on threats and solutions but also to improve their technical skills and knowledge so that they can guard against ever-changing security threats. SoftBank encourages them to obtain security qualifications to build their expertise.

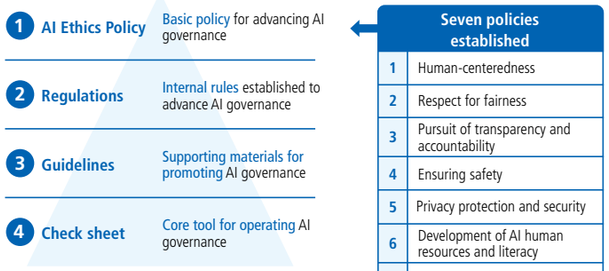
Qualifications held by our security experts	CISSP, Certified Information Systems Auditor (CISA), Certified Information Security Manager (CISM), Registered Information Security Specialist (RISS), GIAC qualifications, CEH, AWS Certified Security - Specialty, among others.

AI Governance

As the use of AI rapidly advances across various fields in Japan and overseas, companies are responsible for handling AI appropriately to provide safe and reliable services. We are actively building our AI governance through discussions in the "AI Ethics Committee," an advisory board for appropriate AI development and operations, to advance the practice of responsible AI.

Basic policy

With careful consideration of the ethical risks and social impacts associated with the use of AI, the Company has formulated the "SoftBank AI Ethics Policy" as a set of basic guidelines aimed at realizing a world in which AI is used appropriately to make people happier. As practical measures, we have also established related documents, including regulations, guidelines, and check sheets. Through Company-wide implementation, we seek to realize trustworthy AI by giving due consideration to human-centeredness, fairness, transparency, accountability, and other principles, while ensuring the appropriate use of technology in harmony with society.



Seven policies established	
1	Human-centeredness
2	Respect for fairness
3	Pursuit of transparency and accountability
4	Ensuring safety
5	Privacy protection and security
6	Development of AI human resources and literacy
7	Promotion of innovation

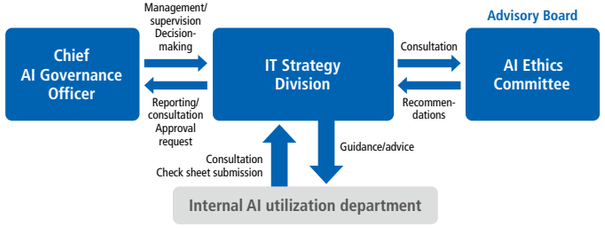
(As of July 2026)

Governance structure

The Company complies with laws, regulations, guidelines, and social norms related to AI development and utilization, and aims to realize a world in which AI is appropriately used to make people happier. To this end, the IT Strategy Division, which is responsible for governance across digital domains including AI, leads the governance of internal AI utilization.

The Chief AI Governance Officer, who is responsible for the Company's AI governance, oversees decision-making, management, and supervision related to AI governance, while also overseeing the implementation status of AI governance in each division. In addition, through measures such as appointing AI governance managers responsible for risk management and driving improvements, we are working to ensure the effectiveness of AI governance across the Company.

In addition, the "AI Ethics Committee," composed of members from both inside and outside the Company, provides advice as an advisory board.



AI Ethics Committee

To address ethical issues in AI and practice "responsible AI*," we have operated the AI Ethics Committee since 2024 as an advisory board on overall AI ethics. The committee is chaired by the Head of the Digital Governance Division in the IT Strategy Division, which is responsible for governance across digital domains including AI, and consists of seven external experts with a wide range of expertise in areas such as AI ethics, technology, data governance, finance, law, and ESG, along with five internal executive officers and employees.

The committee met twice in FY2025 to exchange information on a wide range of topics, including the status of AI utilization at SoftBank, our AI governance initiatives, AI regulatory trends in Japan and overseas, and ethical issues related to AI agents. As AI technology rapidly evolves and its associated challenges become more complex on a global scale, we will continue to incorporate the diverse perspectives and insights of external experts to achieve objective and highly effective AI governance from a user-oriented perspective.

AI Ethics Committee FY2025 external expert members

Name	Position
Naoto Ikegai	Professor, Graduate School of Law, Hitotsubashi University
Yuko Itatsu	Professor, Interfaculty Initiative in Information Studies / Graduate School of Interdisciplinary Information Studies, The University of Tokyo
Jun Sakuma	Professor, School of Computing, Institute of Science Tokyo
Kenji Fuma	Specially Appointed Professor, Sustainable Society Co-Creation Organization, Shinshu University
Shinichi Yamaguchi	Professor, Center for Global Communications, International University of Japan
Tatsuhiko Yamamoto	Professor, Keio University Law School
Kyoko Yoshinaga	Project Associate Professor, Graduate School of Media and Governance, Keio University

AI Ethics Committee FY2025 agenda

Meeting month	Agenda
September 2025	▪ "Emotional support" through generative AI and mental health issues ▪ Issues related to AI agents
March 2026	▪ Summary of past discussions and status of the Company's initiatives ▪ Information risks and social design in the generative AI era: issues involving misinformation, AI-generated videos, and ethics ▪ Issues surrounding AI legislation in Japan and overseas

* Enterprises and organizations responsibly address issues and potential risks such as ethics, privacy, and security related to AI, and develop and provide reliable and fair AI services.

Comments from external expert members of the AI Ethics Committee

Kenji Fuma, committee member	▪ I highly value the fact that management receives the latest information on what responsible AI should look like from experts across a wide range of fields. ▪ I also believe that the Company's executive team maintains a relatively high standard in its implementation of AI ethics.
Kyoko Yoshinaga, committee member	▪ SoftBank Corp.'s AI Ethics Committee brings together heads of multiple business divisions and external committee members with diverse expertise under a structure that includes senior management, and conducts ongoing discussions informed by the latest AI-related debates and trends in Japan and overseas. ▪ Its promotion of responsible AI development and utilization with a focus on securing social trust can be regarded as one of the more advanced initiatives among Japanese companies.

Risk Management

Major initiatives

Establishing AI governance operations to support business implementation

We have established processes to be followed at each stage of AI-related business: "conceptualization/planning," "development/procurement," and "operation." During conceptualization/planning, we assess the severity and impact of risks using a risk-based approach with our own assessment criteria based on references such as the EU AI Act. We also conduct discussions based on a predefined check sheet to identify potential risks such as unethical information, copyright infringement, and data bias. For high-risk projects in particular, we hold review meetings that include executive officers. After development, we use the check sheet again to confirm the status of responses to potential risks and ensure safety, transparency, and accountability, and also hold council meetings with departments involved in AI risk and governance. After the start of operations, we continuously monitor for issues such as deterioration in prediction accuracy, trends in laws and regulations, and the need for system policy revisions, and prepare for unexpected risks by providing appropriate information to users. Through this risk-based approach, we achieve effective risk reduction while reducing the workload of the AI governance function by approximately 35%. In addition, for low-risk projects, we have reduced the workload of business divisions by approximately 50%, enabling projects to move forward more quickly. Through this consistent process, we achieve a balance between innovation and governance.

Risk level	Measures	Criteria	Process
Prohibited	▪ Consult with legal counsel and seek their opinion ▪ Provide feedback to the requester to reconsider the project	Cases that violate laws and regulations Prohibited practices under the EU AI Act	No action required because the project is prohibited
High	▪ Hold risk review meetings and feedback meetings ▪ Submit check sheet ▪ Hold regular monitoring meetings	Assess based on two axes: Impact × scale **Impact** ▪ EU AI Act ▪ High-risk areas identified by the government ▪ Assess based on past consultation cases **Scale** ▪ Assess using information such as number of users and revenue scale	Project intake/review: Initial risk assessment by the user department; Review materials, conduct interviews, etc. Risk assessment: Risk assessment by department head Review meeting: Division Head + Head of Digital Governance Division*: Consider corrective measures Feedback: Request corrective action Check sheet review
Medium	▪ Submit check sheet ▪ Regular review		Risk assessment: Risk assessment by section manager Check sheet review
Low	▪ Submit simplified check sheet		Check sheet review (simplified version)

*Head of Digital Governance Division

Promotion of AI ethics and governance education

In our AI governance promotion strategy, we position "AI ethics and governance education" as a top-priority measure. We conduct ongoing awareness-raising activities for all employees, including executive officers, through annual e-learning training, biannual study sessions, and monthly email newsletters. The training focuses on key themes such as AI incident case studies from Japan and overseas, points to consider when using generative AI (such as bias, information leakage, copyright infringement, and hallucinations), and social trends surrounding AI ethics, aiming to improve the AI literacy and ethical awareness of all employees. In addition, based on employee feedback, we continuously improve the educational content to make it easier to understand, evolving it from text-based materials to manga and videos.

Various initiatives

e-learning

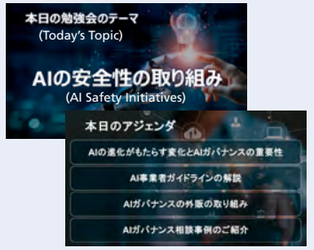


Choice of video or slide format

—Once a year, for all employees—

E-learning on AI ethics and governance is provided

Study sessions



—Twice a year, for all employees; participation optional—

Study sessions on themes related to AI ethics and governance are held

Email newsletter delivery



—Distributed monthly to all employees—

Distributed on themes related to AI ethics and governance

Participation in the "Hiroshima AI Process Reporting Framework" to achieve responsible AI

The "Hiroshima AI Process" is a G7-led framework for international rule-making on generative AI. In this process, "International Guiding Principles" for all AI stakeholders and an "International Code of Conduct" for organizations developing advanced AI systems were established. Furthermore, a "Reporting Framework" (hereinafter, "the Framework") has been created for AI development companies and others to self-assess and report on their level of compliance with this Code of Conduct. This has established a system to promote responsible AI development throughout the international community. We have endorsed the purpose of this international consensus-building and announced our participation in the Framework. Going forward, we will utilize the Framework to self-assess and report on our governance status, including risk management and ensuring transparency based on our AI Ethics Policy. By doing so, we will fulfill our accountability to society and promote responsible AI development as a member of the international community.

Intellectual Property Strategy to Support Long-term Growth

Basic policy

In the "SoftBank Code of Conduct," which all executives, employees, and Group companies must observe, SoftBank declares its commitment to "recognizing the importance of intellectual property rights, respecting the intellectual property rights of others, and promoting the proper protection and use of our own intellectual property rights." While respecting the intellectual property of others, we have established and are promoting an "Intellectual Property Strategy" based on the fundamental policy of enhancing corporate value and contributing to the industrial development of society as a whole by striving to actively create, protect, and utilize intellectual property.

We believe that our intellectual property strategy forms the foundation of our business, technology (R&D), and sales strategies. By continuously vitalizing this strategy, we enhance the competitiveness of our services, contribute to customer retention and expansion, and secure an advantage over competitors. Based on this intellectual property strategy, we are addressing social issues by practicing a digital shift that maximizes the use of cutting-edge technologies such as AI and IoT, and by leading the promotion of DX in society and all industries.

Organization

In addition to our core telecommunications business, actively expanding new businesses that leverage cutting-edge technologies and business models requires an even stronger, comprehensive commitment to ethics and responsibility to ensure compliance, including with respect to intellectual property.

The Intellectual Property Division, which manages intellectual property rights, promotes the intellectual property strategy by strengthening collaboration with divisions responsible for business, technology (R&D), and sales strategies. From the perspective of enhancing corporate governance and ensuring its effectiveness, we have also established a multi-faceted internal collaboration system to strategically and efficiently support business execution, in addition to a risk control function for intellectual property.

Major initiatives

Strengthening the Group's IP governance and fostering IP human resources

To promote the establishment of a Group-wide intellectual property governance system, we have formulated intellectual property governance standards and conduct regular assessments for target subsidiaries and affiliated companies tailored to their corporate phase. We also co-host "Intellectual Property Practice Workshops" with SoftBank Group Corp. to deepen and broaden the intellectual property strategy for the Group by sharing expertise in intellectual property practice while maintaining the independence of each Group company. Furthermore, to promote intellectual property awareness primarily among university and graduate students, we have been giving lectures on our intellectual property strategy since 2019, entitled "Practical Challenges and Responses by SoftBank Legal," in the Advanced Business Law Program at the University of Tokyo.

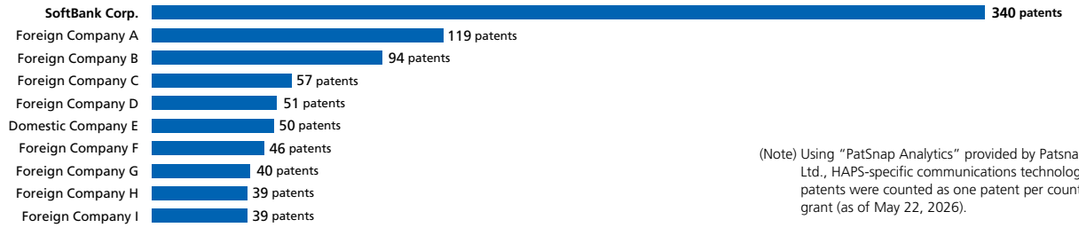
Furthermore, when establishing an operating company with the aim of early implementation of new business models using cutting-edge technologies from around the world, we work to expand opportunities related to intellectual property through measures ranging from pre-establishment intellectual property due diligence to post-establishment development of intellectual property-related regulations, human resource training, and promotion of right acquisition.

Patent strategy in advanced technology fields

We hold approximately 2,200 patents in Japan and overseas. In recent years, building on the mobile communication technology we have cultivated, we have been actively pursuing R&D and acquiring patent rights for advanced technologies that support Next-generation Social Infrastructure.

In the HAPS*1 field in particular, we have consistently pursued strategic efforts to secure patent rights since the project was launched in 2017. Because we have been securing patent rights ahead of other companies, as of June 2026, with the development of HAPS-related technologies accelerating worldwide, we have one of the world's leading patent portfolios in this field. This helps prevent patent rights from being granted on subsequent patent applications by other companies, thereby contributing to securing our competitive advantage in the HAPS business.

Number of HAPS communications patents held globally (Note)



(Note) Using "PatSnap Analytics" provided by Patsnap Pte. Ltd., HAPS-specific communications technology patents were counted as one patent per country of grant (as of May 22, 2026).

In the AI-RAN*2 field, we also filed approximately 300 international patent applications over the three years from FY2023. Looking ahead to the global social implementation of AI-RAN, we will continue to actively file patent applications and secure patent rights to further strengthen our position as a global leader from an intellectual property perspective.

Toward the realization of a society that coexists with AI, the Group will focus on securing patent rights alongside the social implementation of AI-related technologies, including the homegrown LLM "Sarashina" and "Infrinia AI Cloud OS," a software stack for AI data centers.

*1 HAPS (High Altitude Platform Station): generic name for a system that provides telecommunication services over wide areas by operating a telecommunications platform that remains aloft in the stratosphere for extended periods of time
*2 AI-RAN: a radio access network (RAN) consisting of antenna equipment and base stations integrated with AI processing infrastructure

"SoftBank Patent Award" to recognize outstanding employee inventions

As an initiative to foster a corporate culture that generates highly original and outstanding inventions throughout the Company and to promote the utilization of intellectual property, we established the "SoftBank Patent Award" (hereinafter "Patent Award") in FY2022.

The Patent Award is a program in which the President & CEO personally recognizes employees who have made outstanding inventions. In the screening process, a key criterion is the degree to which an invention contributes to the Company's business. Inventions that are not only technologically superior but also valuable and closely linked to business strategy are evaluated.

Through the Patent Award and other various measures, we will further strengthen our corporate culture that values intellectual property and strive to establish a competitive advantage and achieve sustainable enhancement of corporate value.



FY2025 Award Ceremony

Human Rights

We have established the "SoftBank Human Rights Policy" and follow international human rights principles such as the "Universal Declaration of Human Rights" and the United Nations' "Guiding Principles on Business and Human Rights." We also value the diversity of the people we work with and prohibit discrimination and human rights violations in all of our services, products, and business activities. Furthermore, we require our suppliers, subcontractors, and business partners to respect and refrain from violating human rights in accordance with these principles.

Promotion system

Under the concept of the "SoftBank Human Rights Policy" approved by the Board of Directors, SoftBank's human rights promotion activities are centered on the "Human Rights Committee," which is chaired by the President & CEO, and whose members include directors in charge of each division.

Since FY2020, the "Human Rights Committee" has held annual meetings to promote our human rights activities through daily operations such as managing human rights due diligence*, investigating and addressing potential human rights violations, and enhancing internal awareness of human rights through the planning and implementation of human rights-related training programs. Matters deliberated by the "Human Rights Committee" are discussed and reported at the Board of Directors meetings.

* Human rights due diligence refers to appropriate and ongoing efforts undertaken by a company with respect to human rights.

Human rights due diligence

In accordance with the United Nations' "Guiding Principles on Business and Human Rights," the Company has established a human rights due diligence process to ensure respect for the human rights of all stakeholders affected by its business activities. The Company also regularly monitors and reviews the operational status of its human rights due diligence process, as well as related policies and initiatives, taking into account changes in the business environment and trends in human rights issues.

Human rights due diligence process

Commitment	**Commitment to address human rights for stakeholders** • Establishment of the SoftBank Human Rights Policy • Enforcement of the SoftBank Human Rights Policy among SoftBank employees • Deployment of the SoftBank Human Rights Policy to Group companies and the value chain	Stakeholder engagement
Assessment	**Identification and assessment of human rights risks** • Conducting assessment to identify human rights risks • Conducting research on specific themes where business-related human rights risks are anticipated • Mapping human rights risks	
Action	**Initiatives to prevent and mitigate human rights risks** • Implementation of measures to prevent and mitigate human rights risks • Development of prevention and mitigation plans, and monitoring of their implementation and effectiveness • Implementation of human rights awareness-raising activities for employees, including those of Group companies	
Communication	**Reporting and disclosure of information to stakeholders** • Engagement with stakeholders, establishment of consultation channels • Disclosure of information on our website and Sustainability Report • Dialogue with experts	

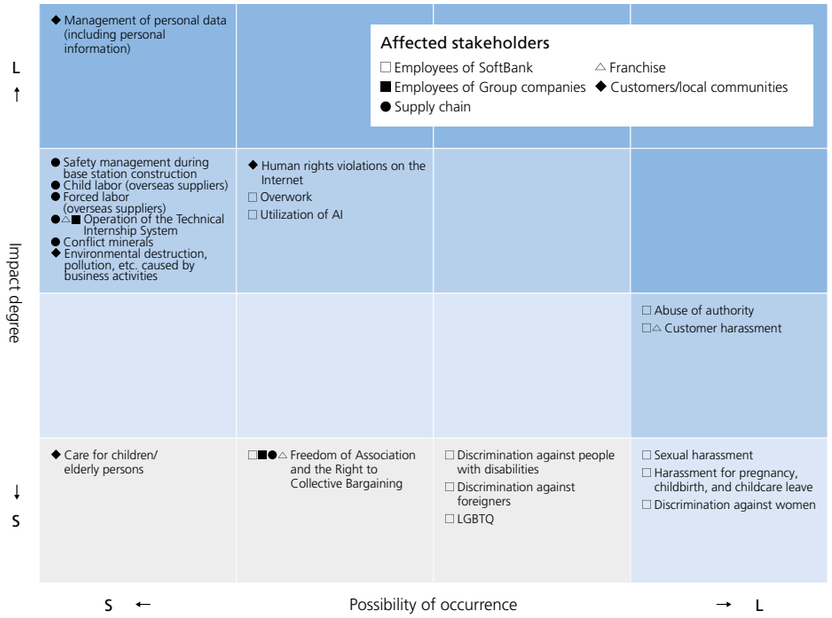
Mapping human rights risks

We have mapped human rights issues that are at risk of negative impacts due to our business activities. We consider the following items to be human rights risks that should be prioritized by the Company and, in accordance with our human rights due diligence process, identify and assess the actual or potential human rights impacts associated with these risks.

For human rights risks that are actually occurring, we will work to resolve the problems by removing negative impacts and, if necessary, implement appropriate remedies for victims. We will also implement appropriate measures to mitigate potential risks.

The mapping is conducted by evaluating the residual risk values after various countermeasures have been implemented for each risk item. Moreover, the mapping items will be reviewed on an ongoing basis.

Human rights risks mapping



Human Rights

Identification and assessment of negative human rights impacts

As part of our human rights due diligence, we have been conducting assessments to identify human rights risks in key segments since FY2020. In FY2025, we assessed the overall status of human rights risks and reviewed negative impacts on human rights, as well as management systems and the status of initiatives for respecting human rights. The key themes, targeted segments, and assessment results for the FY2025 assessment are as follows.

Key themes in assessment

1. Basic approach and principal initiatives regarding human rights
2. Prohibition of forced labor, human trafficking, and child labor (Avoidance of complicity in human rights violations)
3. Prohibition of harassment and discrimination
4. Reduction in working hours
5. Appropriate wages and allowances
6. Employees' freedom of association and right to organize
7. Other human rights and social responsibility issues

(Note) Please refer to "Self-assessment Checklist for Human Rights" for details.

Targeted segments

1. Value chain
   (1) Key suppliers
   (2) Sales agents operating *SoftBank* stores and *Y!mobile* stores
2. Our Group companies: Own business (the Group), joint ventures (associates, etc.)
3. Investment targets at the time of considering investment
4. Employees of the Company

(Note) Please refer to "List of assessment results" for details.

Human rights assessment by segment

Human rights assessment for the value chain

Since FY2020, as part of our value chain initiatives, we have been conducting ongoing self-assessments of our key suppliers and sales agents who operate SoftBank stores and Y!mobile stores, which are our main sales channels and points of contact with customers etc., regarding their human rights initiatives and whether they are complicit in human rights abuses. In cases where human rights risks are identified in this assessment, efforts are being made to resolve and correct the problem. The assessment will be conducted regularly, and we will continue to monitor and propose improvements in order to further reduce risks.

(Note) Please refer to "Human rights assessment for the value chain" on our website for details.

Human rights assessment for Group companies

We conducted a human rights self-assessment covering the Company, 88 domestic and overseas subsidiaries, and 21 affiliated companies. In FY2025, we added items related to customer harassment and heatstroke prevention measures to the existing questionnaire and reviewed the status of initiatives at each company. As a result of the assessment, no actual human rights violations were identified. However, based on the overall assessment, 20 companies (including two affiliated companies) were determined to require improvement support. For these companies, we not only issued requests for improvement but also provided practical support, including manuals aimed at reducing risks, necessary survey forms, and educational materials for employees at each company. For key assessment items identified as requiring improvement, we also provided support tailored to each specific item. We will continue our efforts to reduce human rights risks and enhance Group-wide awareness through ongoing monitoring and improvement proposals.

Human rights assessment for investment targets at the time of considering investment

In addition to conducting human rights assessments for existing business activities, we also conduct human rights assessments from the perspective of respecting human rights when launching new businesses. The assessment items cover important issues related to human rights, such as prohibition of forced labor, prohibition of discrimination, prohibition of harassment, respect for the right to organize, and prohibition of child labor, and passing the assessment has become one of our investment criteria.

(Note) Please refer to "Investment targets at the time of considering investment" on our website for details.

Human rights assessment for our employees

As part of our human rights due diligence, we conduct personnel interview measures and surveys with employees and take direct or indirect remedial measures when problems are found.

Conduct HR interviews/ roundtable discussions with employees	The HR Division conducted HR interviews with employees from FY2015 to FY2021 to understand the condition of employees (cumulative total of 26,100 employees). If any risks related to human rights were identified, we promptly took remedial action in cooperation with the relevant divisions. Furthermore, since FY2022, we have been holding roundtable discussions between the Head of the HR and General Affairs Division and employees at nine major offices nationwide. In FY2025, to facilitate more in-depth dialogue, we focused the sessions on four key offices, with a total of 93 participants. By engaging in direct dialogue with employees, the Head of the HR Division is also helping to drive prompt improvement initiatives. We will continue to place importance on dialogue with employees to understand and improve the actual situation onsite.
Conducted human rights survey for employees	Every year, we conduct training and provide educational content to employees on human rights, with a focus on discrimination and harassment. In addition, all employees are informed of a consultation service in the event of human rights violations, and efforts are made to prevent human rights violations before they occur. In cases where human rights violations do occur, we handle them strictly in accordance with the regulations. Furthermore, we conduct an annual survey of all employees to identify any actual or potential human rights violations. In FY2025, a survey was conducted among 27,300 employees, and no responses were received requesting remedy for human rights violations in the workplace. However, based on the results of the survey, we have identified eight issues (five of which are key issues) that could become human rights risks, and we are working with the divisions in charge to examine and implement measures to reduce these risks. The results of this survey and risk mitigation measures are made available to employees. We will continue to respect the human rights of our employees through continuous surveys and monitoring.

(Note) Please refer to "Survey on Human Rights for Employees" for details.

Response to customer harassment

In order to maintain a healthy relationship with our customers and ensure an appropriate working environment for employees at both the Company and our subcontractors, we have developed "Our Approach to Customer Harassment." Based on a manual published by Japan's Ministry of Health, Labour and Welfare, we have defined actions that constitute customer harassment and outlined how we will respond to such actions.

We are implementing various measures to address customer harassment, including the establishment of a consultation service and the distribution of response manuals to stores and call centers.

(Note) Please refer to "Our Approach to Customer Harassment" on our website for details.

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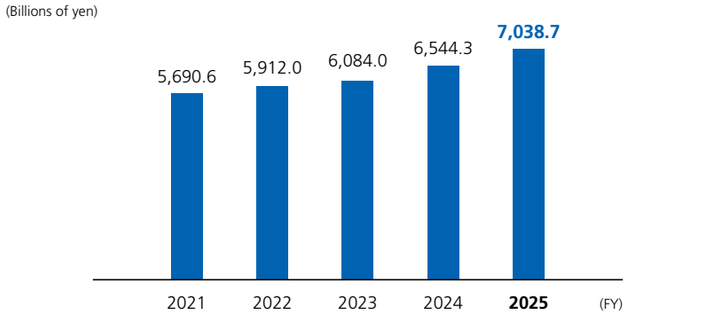
Data Section

Performance Highlights (Financial)

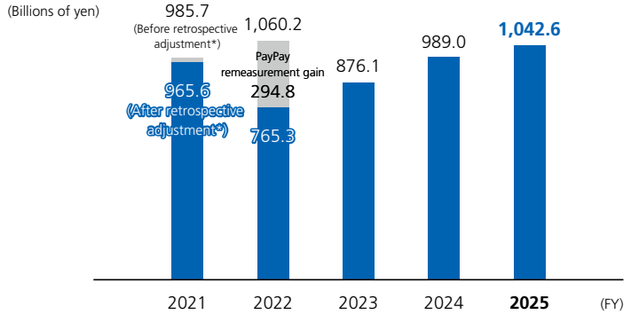
Revenue

¥7,038.7 billion



Operating income

¥1,042.6 billion

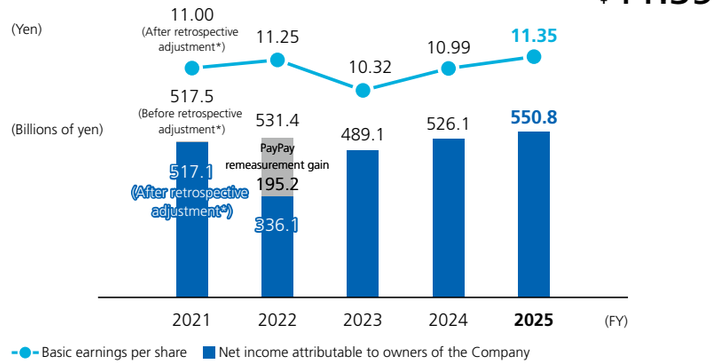


Net income attributable to owners of the Company

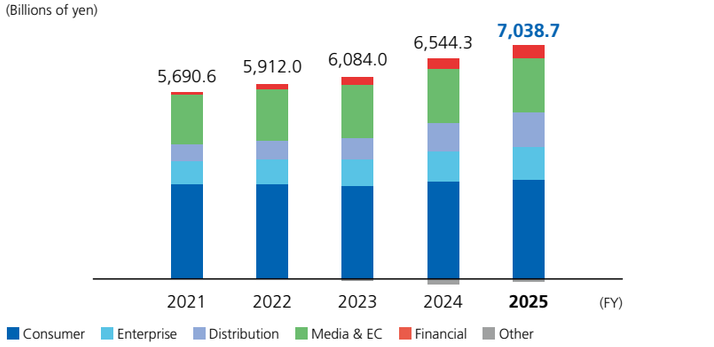
¥550.8 billion

Basic earnings per share*2

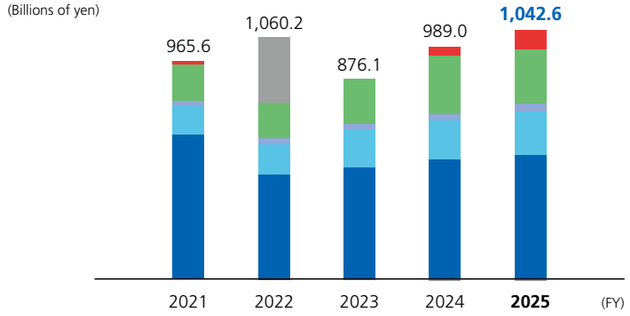
¥11.35



Segment revenue

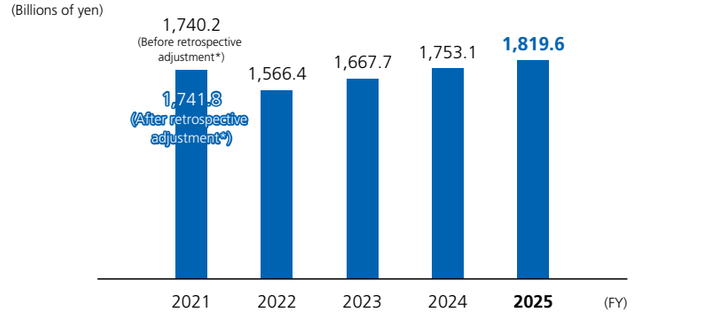


Segment income



Adjusted EBITDA*3

¥1,819.6 billion



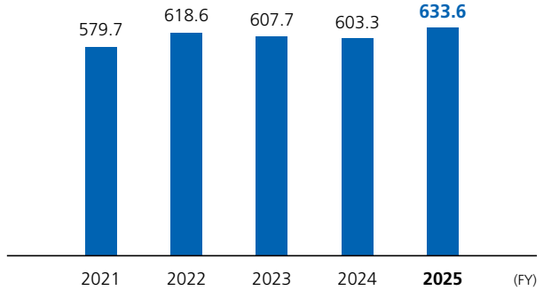
*The accounting policy for transactions under common control has been changed from the book-value method to the acquisition method from the third quarter of FY2022. Accordingly, the accounting treatment for the consolidation of Yahoo Japan Corporation*1 in the first quarter of FY2019 has been retrospectively adjusted, and figures for FY2021 have been restated to reflect the retrospective adjustment.
*1 Currently LY Corporation
*2 Calculated after deducting dividends related to Bond-Type Class Shares. The Company has conducted a stock split at a ratio of 10 shares per common share, with the effective date being October 1, 2024. The basic earnings per share prior to October 1, 2024 have been adjusted to reflect this stock split.
*3 Adjusted EBITDA = operating income + depreciation and amortization (including loss on disposal of non-current assets) + stock compensation expenses ± other adjustments

Performance Highlights (Financial)

Primary free cash flow*4

¥633.6 billion

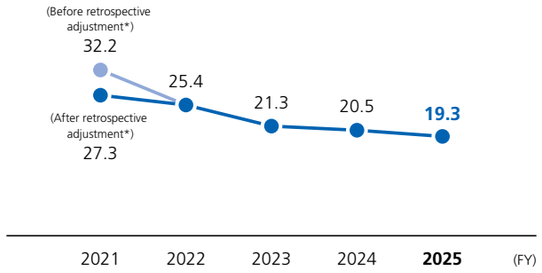
(Billions of yen)



ROE (ratio of net income to equity attributable to owners of the Company)*5

19.3%

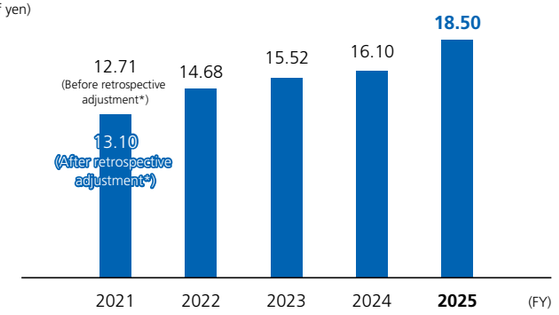
(%)



Total assets

¥18.50 trillion

(Trillions of yen)



Interest-bearing debt

¥6.48 trillion

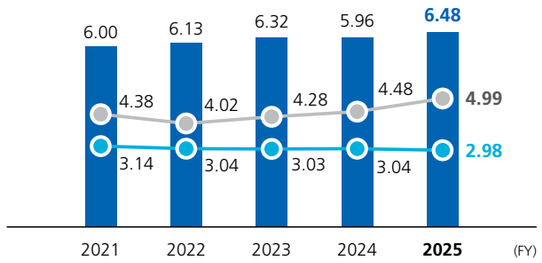
Net interest-bearing debt*6

¥4.99 trillion

Net interest-bearing debt (excluding LY, PayPay, etc. and securitization of installment sales receivables*7)

¥2.98 trillion

(Trillions of yen)

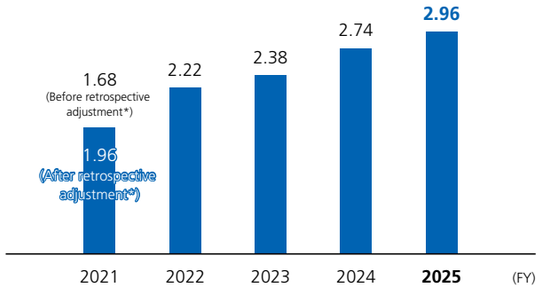


Net interest-bearing debt
Net interest-bearing debt (excluding LY, PayPay, etc. and securitization of installment sales receivables*7)
Interest-bearing debt

Total equity attributable to owners of the Company

¥2.96 trillion

(Trillions of yen)



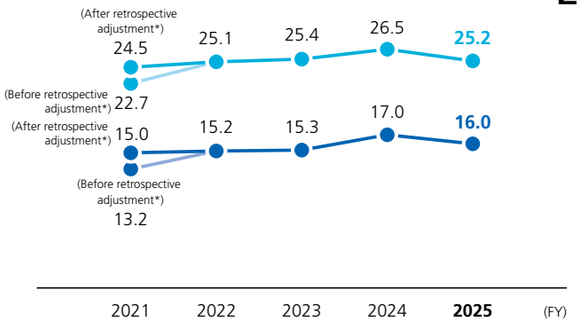
Ratio of equity attributable to owners of the Company to total assets*8

16.0%

Ratio of total equity to total assets

25.2%

(%)



Ratio of equity attributable to owners of the Company to total assets
Ratio of total equity to total assets

*The accounting policy for transactions under common control has been changed from the book-value method to the acquisition method from the third quarter of FY2022. Accordingly, the accounting treatment for the consolidation of Yahoo Japan Corporation*1 in the first quarter of FY2019 has been retrospectively adjusted, and figures for FY2021 have been restated to reflect the retrospective adjustment.

*4 Primary free cash flow is a measure calculated by adding back the amounts spent as long-term growth investments to adjusted free cash flow (excluding LY Group, PayPay, etc.). Adjusted free cash flow (excluding LY Group, PayPay, etc.) = free cash flow + (proceeds from the securitization of installment sales receivables – repayments thereof) – loans to Board Directors + dividends received from A Holdings Corporation – investment in PayPay Securities Corporation – investment in PayPay Corporation + proceeds from the sale of shares in PayPay Securities Corporation – free cash flow of LY Group, PayPay, etc. + other items. "LY Group, PayPay, etc." includes A Holdings Corporation, LY Corporation and its subsidiaries (LY Group), B Holdings Corporation, PayPay Corporation, PayPay Card Corporation, PayPay Bank Corporation, PayPay Securities Corporation, etc. Long-term growth investments have been made since FY2023 onwards and include investments in AI computing infrastructure, AI data centers, and Cubic[3], etc.

*5 ROE (ratio of net income to equity attributable to owners of the Company) = net income attributable to owners of the Company / average of total equity attributable to owners of the Company at the beginning and end of the relevant period

*6 Net interest-bearing debt = interest-bearing debt - cash and cash equivalents - cash reserve for securitization of sales receivables

*7 "Excluding LY, PayPay, etc. and securitization of installment sales receivables" refers to the exclusion of the net interest-bearing debt of A Holdings Corporation, LY Corporation and its subsidiaries, B Holdings Corporation, PayPay Corporation, PayPay Card Corporation, PayPay Bank Corporation, PayPay Securities Corporation, etc. as well as the interest-bearing debt of securitization of installment sales receivables and cash reserve for securitization of sales receivables.

*8 Ratio of equity attributable to owners of the Company to total assets = total equity attributable to owners of the Company / total assets

Performance Highlights (Non-Financial)

Environment-related (E)

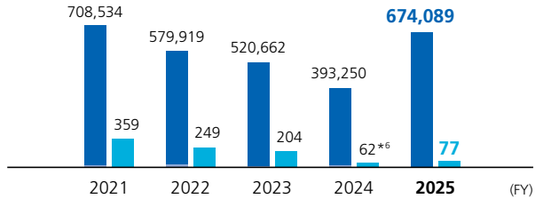
We manage environmental impact data to address the risks and opportunities presented by climate change. Our key goals include achieving "Carbon Neutral 2030," which aims for net zero greenhouse gas emissions (Scope 1 and 2) by FY2030, and "Net Zero," which targets net zero GHG emissions (Scope 1, 2, and 3) across our entire supply chain by FY2050. To achieve these goals, we are reducing GHG emissions associated with electricity consumption at all our sites and facilities, including base stations.

Sum of Scope 1 and 2 (market-based)*1*2*3 674,089 t-CO_2

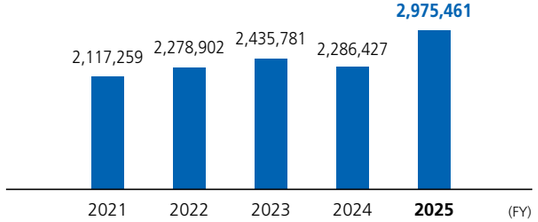
Energy consumption (electric power)*1*2 2,975,461 MWh

GHG emissions intensity (emissions per communication volume in Scope 1, 2)*4*5 77 t-CO_2/Gbps

($t\text{-}CO_2$) ($t\text{-}CO_2$/Gbps)



(MWh)



Scope 1 Scope 2 GHG emissions intensity (emissions per communication volume in Scope 1, 2)

*1 The boundary (scope of reporting) is SoftBank Corp. on a consolidated basis
*2 Starting in FY2025, electricity supplied by building owners (consumed through the use of equipment at buildings not owned by the Company) has been included in Scope 2 calculations, having previously been included in Scope 3 through FY2024
*3 Excluding electricity supplied by building owners: 349,556 t-CO_2
*4 The boundary (scope of reporting) is SoftBank Corp. on a standalone basis
*5 Greenhouse gas emissions per 1 Gbps communication volume (the method of calculating communication volume was changed from FY2024)
*6 Due to a change in the definition used to calculate communication volume in FY2025, the FY2024 figure has been retrospectively adjusted

Society-related (S)

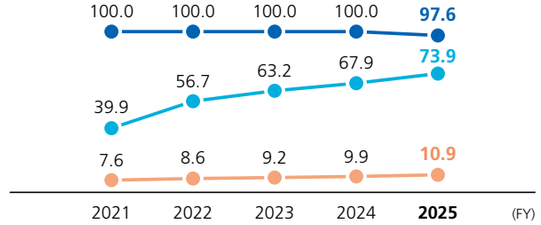
We have set a goal to increase the ratio of women in management positions to 20% or more by FY2035. To achieve this, we have established the "Committee for the Promotion of Women in the Workforce" and are promoting related initiatives. We also encourage male employees to take childcare leave, and the take-up rate is improving year by year.

Ratio of employees taking childcare leave (women) 97.6%

Ratio of employees taking childcare leave (men) 73.9%

Ratio of women in management positions*7 (SoftBank standalone basis) 10.9%

(%)



Ratio of employees taking childcare leave (women) (SoftBank + major subsidiaries)
Ratio of employees taking childcare leave (men) (SoftBank + major subsidiaries)
Ratio of women in management positions (SoftBank standalone basis)

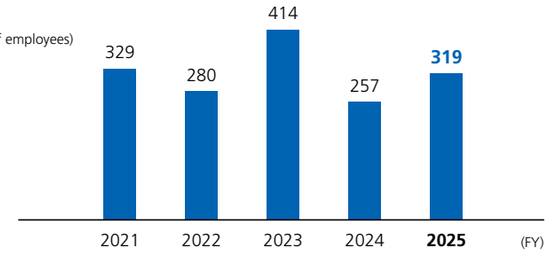
*7 As of April 1 immediately following the end of each fiscal year.

Society-related (S)

The Company's shift into new business fields is viewed as an opportunity for employees to take on new challenges, and internal transfers are encouraged primarily through the job posting system and free-agent system.

Number of employees transferred through the job posting system and free-agent system 319

(Number of employees)



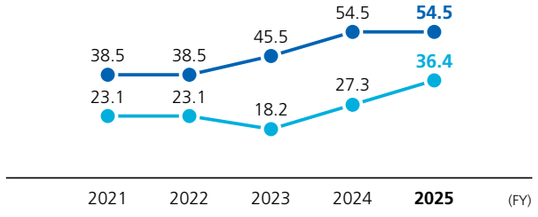
Governance-related (G)

Since June 2024, independent external directors have constituted a majority of the Board of Directors, thereby strengthening the Board's supervisory function.

Ratio of independent external directors (As of the end of FY2025) 54.5%

Ratio of female directors (As of the end of FY2025) 36.4%

(%)



Ratio of independent external directors
Ratio of female directors

Number of information security incidents*8

(FY)

2021	2022	2023	2024	2025
0	0	0	0	0

*8 Disclosed in accordance with SoftBank Corp.'s information security policy

Cases of leakage of personal information, theft or loss of data*9

(FY)

2021	2022	2023	2024	2025
0	0	0	0	2*10

*9 Number of cases disclosed based on guidance from regulatory authorities or pursuant to laws and regulations
*10 The two incidents consisted of one case in which data was improperly removed by a contractor and one case of erroneous display of information due to system issues. In neither case was any subsequent disclosure to third parties or unauthorized use confirmed.

Market Data

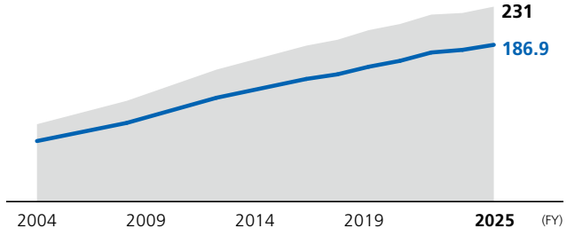
Japan's telecom market

Number of mobile phone subscribers in Japan

231.31 million

Mobile phone penetration rate as share of the population in Japan

186.9%

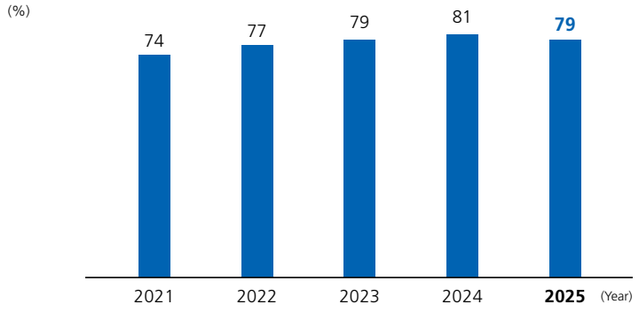


Number of mobile phone subscribers (millions of subscribers)　Penetration rate as share of population (%)

Source: Compiled by the Company based on Japan's Ministry of Internal Affairs and Communications, "Announcement of Quarterly Data on the Number of Telecommunications Service Contracts and Market Share (FY2025 Q4 (End of March))" and "Counts of population, vital events and households derived from the Basic Resident Registration (As of January 1, 2026)"

Smartphone penetration rate (individual)

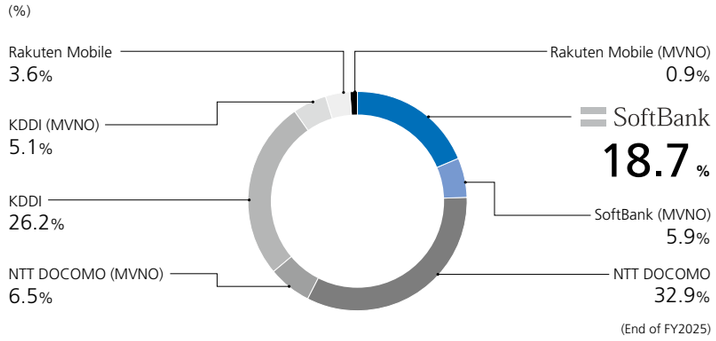
79%



Source: Japan's Ministry of Internal Affairs and Communications, "Communication Usage Trend Survey" (Surveyed in 2025)

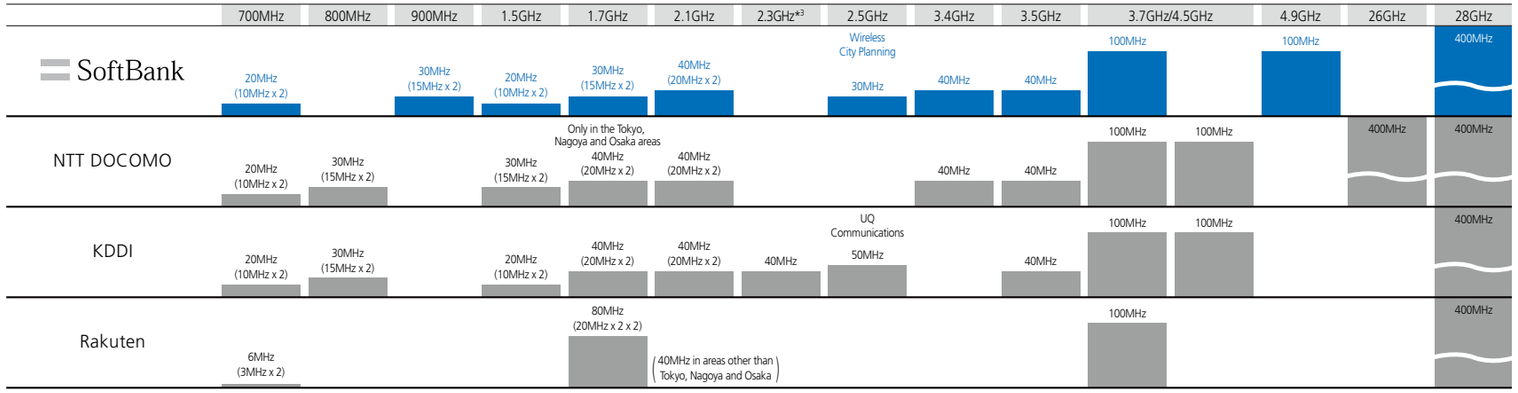
Competitive landscape

Share of mobile subscribers by operator*1



*1 Total number of mobile phone and BWA subscribers
Source: Japan's Ministry of Internal Affairs and Communications, "Announcement of Quarterly Data on the Number of Telecommunications Service Contracts and Market Share (FY2025 Q4 (End of March))"

Status of frequency allocation*2

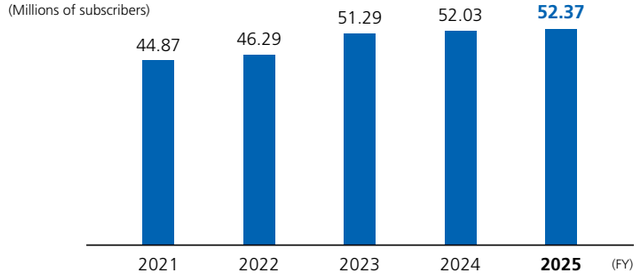


*2 Based on materials disclosed by Japan's Ministry of Internal Affairs and Communications and each company as of June 2026
*3 Used for dynamic spectrum sharing with broadcasting and other public services

Broadband

Number of fixed broadband service subscribers in Japan*4

52.37 million



*4 Total of FTTH, DSL, CATV Internet and fixed wireless broadband subscribers
Source: Japan's Ministry of Internal Affairs and Communications, "Announcement of Quarterly Data on the Number of Telecommunications Service Contracts and Market Share (FY2025 Q4 (End of March))"

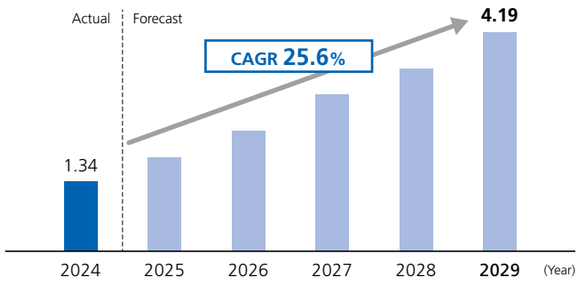
Market Data

Growth forecast for Japan's AI market

Market size (expenditure) and forecast for AI systems in Japan

¥4.19 trillion

(Trillions of yen)

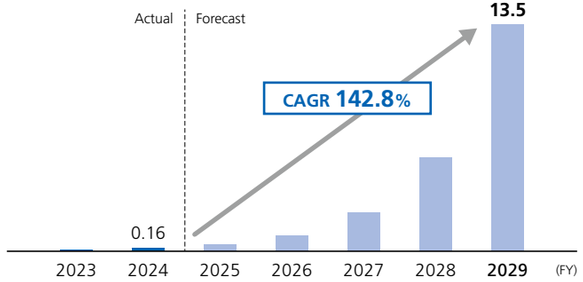


Source: IDC Japan, "Japan AI System Market Forecast Announced" (May 1, 2025),
* AI systems refer to hardware and software platforms used to provide AI capabilities, as well as IT services related to the development of AI systems.

AI agent platform market size and forecast

¥13.5 billion

(Billions of yen)

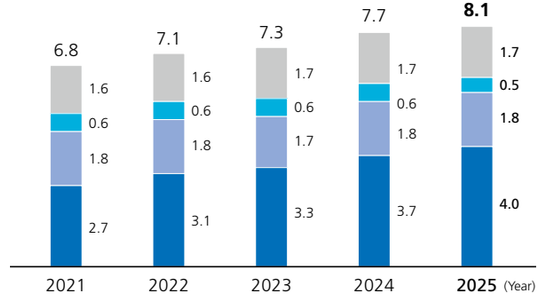


Source: ITR, "ITR Market View: Generative AI / Machine Learning Platform Market 2025"
*Based on vendor revenue, converted to a fiscal year basis ending in March. Figures from FY2025 onward are forecasts.

Advertising expenditures in Japan

¥8.1 trillion

(Trillions of yen)



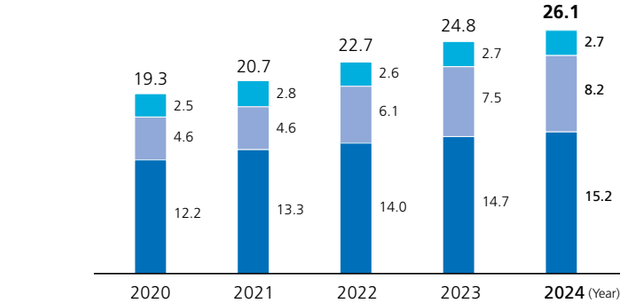
Internet advertising
Television advertising
Other advertising (newspapers, magazines, radio)
Promotional media advertising
Source: Dentsu Inc., "2025 Advertising Expenditures in Japan"

E-commerce (EC) market

Scale of the domestic B2C EC market

¥26.1 trillion

(Trillions of yen)

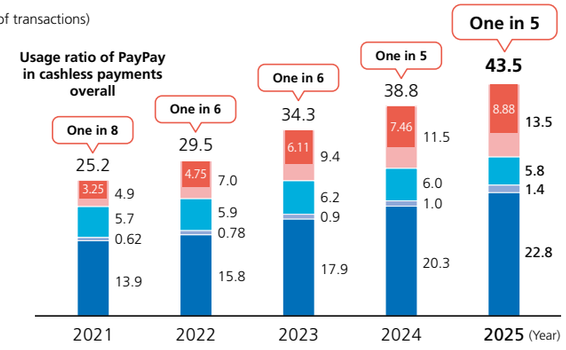


B2C EC market in the merchandising sector
B2C EC market in the service sector
B2C EC market in the digital sector
Source: Japan's Ministry of Economy, Trade and Industry, "FY2024 E-Commerce Market Survey"

Number of cashless payment transactions

43.5 billion transactions

(Billions of transactions)

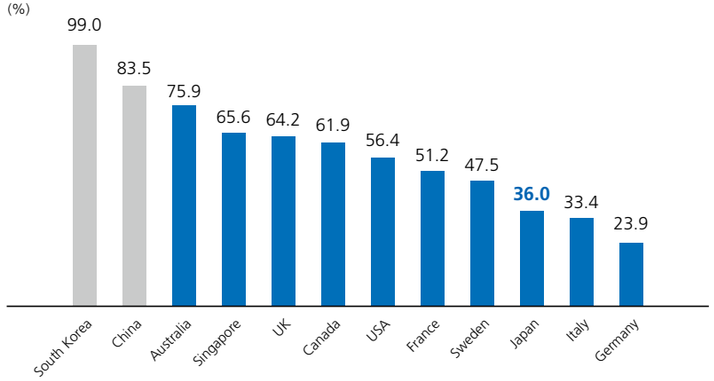


Credit card
Debit card
Electronic money
Code payment
PayPay
Source: Figures for 2021 were taken from "Summary of the Study Group on the Future of Cashless Payments" published by Japan's Ministry of Economy, Trade and Industry. Figures from 2022 onward were calculated by PayPay Corporation based on the total number of credit card transactions in "Monthly Survey: Credit Card Trends" published by Japan Consumer Credit Association, the number of debit card and e-money transactions in "Payment and Settlement Statistics (January 2026)" published by the Bank of Japan, and the number of code payments in "Code Payment Usage Trend Survey" by Payments Japan Association published on March 30, 2026. Figures are rounded to the precision shown.

Ratio of cashless payments

Japan 36.0 %

(%)



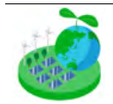
Source: Payments Japan Association, "Cashless Roadmap 2024" (December 2024)
Ratio of cashless payments (2022)

Material Issues

The Group has identified six material issues that link its corporate philosophy and vision with its growth strategy, "Activate AI for Society." We position these as priority issues to be addressed in pursuing both the enhancement of the Group's corporate value and the realization of a sustainable society.

(Please refer to "Material Issues" on our website for details on material issues, including risks and opportunities and SoftBank's initiatives, and to "Material Issue KPIs: Targets and Results" on our website for FY2025 results.)

Six material issues

	Material issues	Value creation	Main targets and KPIs	Related pages
 01 **Solving social issues through digital transformation (DX) and AI transformation (AX)**	The Company contributes to the resolution of social issues by supporting business and industrial transformation for enterprise clients through digital technologies and AI, while driving new business creation and regional revitalization through collaboration with central and local governments.	(1) Contribute to industrial innovation and corporate growth (2) Revitalize local communities	• Grow cloud and AI revenue to double the FY2025 level by FY2030*1	Enterprise Segment P12
 02 **Connecting people and information to create new excitement**	Through a wide range of services and platforms that connect people and information, the Company contributes to enriching customer lifestyles and creating new experiences by broadly delivering the value of digital technologies.	(1) Realize attractive customer value through the spread of smart devices (2) Provide an environment in which everyone can access information (3) Leverage digital services to create new lifestyles	• Drive continued growth in mobile service revenue by FY2030 • PayPay registered users: 80 million*2	Consumer Segment P10 Financial Segment P16
 03 **Delivering Next-generation Social Infrastructure to support a society that coexists with AI**	The Company contributes to the realization of safe and highly reliable Next-generation Social Infrastructure through the construction of AI infrastructure, including AI data centers and AI computing infrastructure, the development of AI platforms, including sovereign cloud and sovereign AI, and the establishment of an AI governance framework.	(1) Build infrastructure and platforms for the AI era (2) Ensure AI governance that earns the trust of society	• Tomakomai: Commence operations of a 50 MW-scale*3 AI data center in FY2026 • Sakai: Commence operations of a 140 MW*4 AI data center in FY2027 • Promote AI governance	Manufactured and Intellectual Capital: Technology Strategy for Realizing "Next-generation Social Infrastructure" P44 AI Governance P92
 04 **Contributing to the global environment with the power of technology**	The Company contributes to the global environment by utilizing technology to achieve carbon neutrality, promote resource circulation, and conserve biodiversity.	(1) Contribute to a decarbonized society through technology (2) Promote a recycling-based society (3) Promote coexistence with the global environment through biodiversity conservation	• Achieve carbon neutrality (Scope 1 and 2*5) by FY2030*6*1 • Achieve net zero emissions (Scope 1, 2 and 3*5) by FY2050*1 • Carbon-neutral electricity ratio: 60% by FY2026, 100% by FY2030*6*1 • Develop and expand energy-related businesses by FY2030	Contribution to a Sustainable Global Environment P59
 05 **Providing sustainable communication networks**	The Company contributes to the realization of a secure digital environment by sustainably providing high quality, stable, and resilient communication networks, while promoting information security and privacy protection.	(1) Develop high quality communication networks (2) Construct robust communications infrastructure to contribute to disaster prevention and mitigation (3) Provide a safe digital environment through stronger security	• Pursue initiatives to realize the NTN concept by FY2030 • Expand 5G Standalone (SA) coverage for smartphones to major areas of all municipalities by FY2030 • Number of major network accidents: zero per fiscal year • Maintain and enhance emergency response and recovery equipment, while strengthening coordination with external organizations involved in disaster recovery • Number of major cybersecurity incidents: zero per fiscal year • Number of major privacy-related incidents: zero per fiscal year	Information Security P90
 06 **Developing a resilient management foundation**	The Company develops a resilient management foundation that supports sustainable growth by enhancing corporate governance, promoting dialogue with stakeholders, and strengthening human capital through the creation of an environment in which diverse talent can thrive.	(1) Enhance corporate governance and ensure its effectiveness (2) Sustainable development through cooperation with stakeholders (3) Maximize human capital to support both employee growth and corporate growth	• Create job mobility opportunities through the internal transfer programs*7: enable transfers for 200 or more employees annually • Employee engagement survey: Maintain or improve year on year the proportion of highly engaged employees (those with high overall Engagement Survey scores) • Ratio of women in management positions: at least 20% by FY2035 interim target of at least 15% by FY2030, double the FY2021 level • Employees' attendance rate at compliance training sessions: 99% or more annually	Enhancing Human Capital Value P51 Establishing Effective Governance P76

*1 Covers SoftBank Corp. and its consolidated subsidiaries.
*2 Applies only to PayPay Corporation and represents a medium-term target
*3 Maximum power receiving capacity of the data hall building planned for construction
*4 Estimated power receiving capacity required for the AI computing infrastructure the Company aims to build, with a targeted computing capacity of 110 exaFLOPS
*5 Scope 1: Direct greenhouse gas emissions by the Company itself. Scope 2: Indirect emissions from the use of electricity, heat, and steam supplied by other companies. Scope 3: Indirect emissions other than Scope 1 and Scope 2, occurring in the value chain associated with the company's business activities
*6 Starting in FY2025, electricity supplied by building owners (consumed through the use of equipment at buildings not owned by the Company) will now be included in Scope 2 calculations, having previously been included in Scope 3 through FY2024.
*7 Including the Free Agent Program and the Job Posting Program

Material Issues

Identifying material issues

The Group's material issues are based on the concept of double materiality. This approach considers not only the impact of society and the environment on the Group, but also the impact of the Group on each stakeholder.

Based on the risks and opportunities identified through the Company's comprehensive risk assessment for short-term (within a few years), medium-term (3-5 years, aligned with the Mid-term Plan), and long-term (10-30 years) perspectives, we evaluate the significance to the Group (likelihood of occurrence and impact). Additionally, we assess their significance to stakeholders by considering the positive and negative impacts (scale, severity, likelihood of occurrence, etc.) on investors, NGOs/NPOs, customers, employees, and suppliers. We evaluate from the perspectives of their significance to both the Group and stakeholders, taking into account the opinions of experts and other third parties. After discussions within the ESG Promotion Committee, we identify and determine the material issues with the approval of the Board of Directors.

Each material issue consists of multiple value creation items and contributes to the creation of businesses and business opportunities.

Internal importance

The Company assesses the importance of various issues for the Company and the Group based on the significance of short-, medium-, and long-term risks and opportunities identified through company-wide risk assessments, taking into account both likelihood and impact. These assessments are discussed by the Risk Management Committee and internal importance is determined through a comprehensive evaluation that also reflects interviews with investors and sustainability experts.

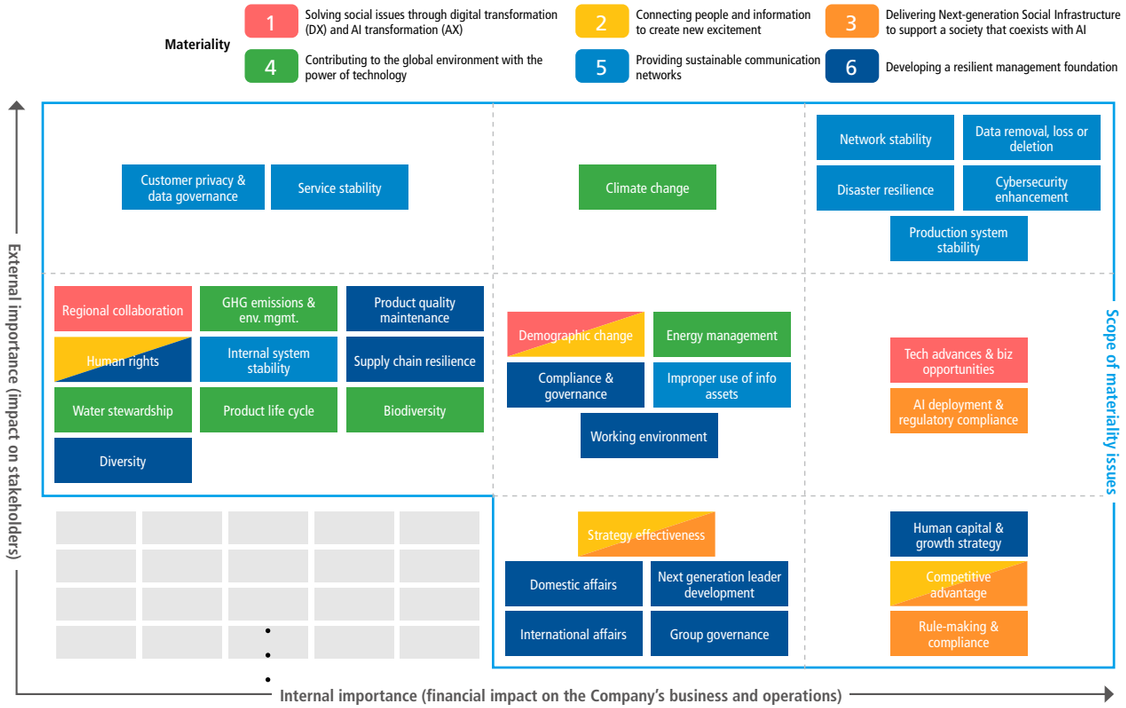
External importance

The Company assesses the importance of each ESG-related theme based on questionnaire surveys of stakeholders, including municipalities, NGOs and NPOs, customers, employees, and suppliers. The Company also conducts interviews with investors and sustainability experts, and determines external importance through a comprehensive evaluation that incorporates external perspectives on the material issues the Company should address.

Sustainability-related risk management

The Group incorporates sustainability-related risks and opportunities, such as climate change and human capital, into its Company-wide risk management process and identifies and assesses them. In this process, we conduct annual risk assessments incorporating sustainability perspectives, such as the SASB Standards and the CDSB Framework application guidance. Additionally, based on interviews with executive officers and heads of organizations who serve as risk owners, the Risk Management Committee selects and reviews significant risks and opportunities from a Company-wide perspective and reports them to the Board of Directors. Furthermore, based on these assessments, the ESG Promotion Committee reviews and re-evaluates our material issues and targets/KPIs from the perspectives of importance to both the Group and stakeholders, and monitors progress toward the targets/KPIs and the status of related measures.

Materiality map



Review and Analysis of FY2025

Management environment

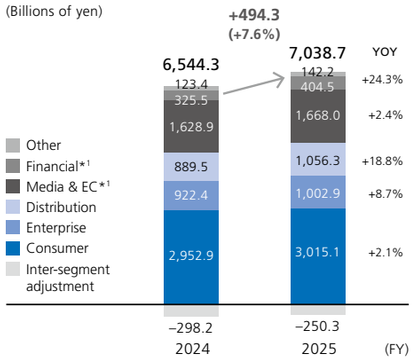
In FY2025, the Japanese economy remained generally robust, despite impacts such as rising prices, labor shortages, and rising interest rates. On the other hand, the outlook remains uncertain against the backdrop of factors such as U.S. tariff trends and increasing tensions in the Middle East. Under these business conditions, digitalization has been progressing while the utilization of AI has been expanding rapidly among companies and the government as they seek to address labor shortages and strengthen competitiveness. In particular, with the evolution and widespread adoption of AI, demand for data processing and electricity is expected to expand, and the infrastructure that supports these needs is growing increasingly important.

Overview of consolidated results of operations and results by segment

■ Revenue

For FY2025, revenue increased by ¥494.3 billion (7.6%) year on year to ¥7,038.7 billion, marking a record high. All reportable segments posted higher revenue, with increases of ¥166.8 billion in the Distribution segment mainly due to solid increase in revenue from ICT related products for enterprise customers, recurring revenue products, and products for consumers, ¥80.5 billion in the Enterprise segment mainly due to an increase in demand for solutions associated with digitalization, ¥79.0 billion in the Financial segment mainly due to an increase in gross merchandise value of QR code payments and credit card services provided by PayPay Corporation and PayPay Card Corporation, ¥62.2 billion in the Consumer segment mainly due to increases in revenues from sales of goods and others and mobile, and ¥39.1 billion in the Media & EC segment mainly due to increases in commerce revenue excluding ASKUL Corporation and strategy revenue, despite the impact of the system outage at ASKUL Corporation.

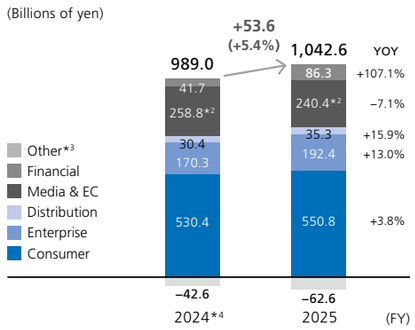
*1 From the three months ended June 30, 2025, PayPay Bank Corporation, which was previously classified under the "Media & EC segment," has been transferred to the "Financial segment." As a result, the FY2024 figures for the Media & EC segment and Financial segment have been retrospectively adjusted.



■ Operating income

For FY2025, operating income increased by ¥53.6 billion (5.4%) year on year to ¥1,042.6 billion. Operating income increased by ¥44.6 billion in the Financial segment, ¥22.1 billion in the Enterprise segment, ¥20.4 billion in the Consumer segment, and ¥4.8 billion in the Distribution segment, despite a decrease of ¥18.4 billion in the Media & EC segment mainly due to the system outage at ASKUL Corporation.

*2 One-time factors amounted to ¥43.2 billion for FY2024 and ¥58.9 billion for FY2025 (¥+15.7 billion YoY)
*3 Other includes inter-segment adjustments (FY2024: ¥-6.1 billion, FY2025: ¥0.3 billion)
*4 From the three months ended June 30, 2025, PayPay Bank Corporation, which was previously classified under the "Media & EC segment," has been transferred to the "Financial segment." As a result, the figures for FY2024 have been retrospectively adjusted.

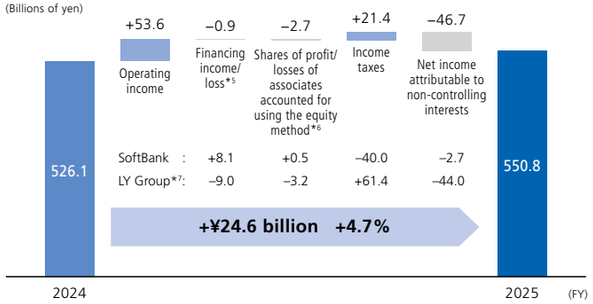


■ Net income attributable to owners of the Company

For FY2025, net income attributable to owners of the Company increased by ¥24.6 billion (4.7%) year on year to ¥550.8 billion. This is mainly due to the aforementioned increase of ¥53.6 billion in operating income and a decrease in income tax. The decrease in income tax is mainly due to the additional recording of deferred tax assets associated with the reassessment of the recoverability of deferred tax assets at PayPay Corporation, while there was an increase in expenses resulting from the absence of the deferred tax impact from business restructuring of associates recorded in the previous fiscal year. Net income attributable to non-controlling interests increased by ¥46.7 billion (36.2%) year on year to ¥175.9 billion, mainly due to an increase in net income at the LY Group, including PayPay Corporation.

*5 Financing income/loss includes financing income/costs, gain/loss on sales of equity method investments, and impairment losses of equity method investments.
*6 Share of profit/losses of associates accounted for using the equity method includes gain/loss on changes in equity.
*7 Including PayPay consolidated. Calculated using SoftBank Corp.'s financial statements

Analysis of variance in net income attributable to owners of the Company



■ Adjusted EBITDA

For FY2025, adjusted EBITDA*8 increased by ¥66.4 billion (3.8%) year on year to ¥1,819.6 billion. This is mainly due to an increase in operating income.

*8 Adjusted EBITDA = operating income + depreciation and amortization (including loss on disposal of non-current assets) + stock compensation expenses ± other adjustments

Review and Analysis of FY2025

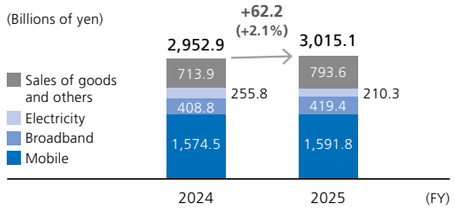
■ Consumer segment

In the Consumer segment, the Group provides services, such as mobile services, broadband services, and electricity services, including the *Ouchi Denki* (*Home Electricity*) service, to individual customers in Japan. The Company procures mobile devices from mobile device manufacturers and sells the mobile devices to distributors operating SoftBank shops, etc. and individual customers.

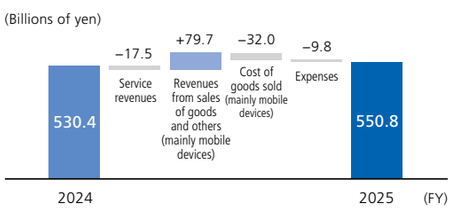
Revenue for FY2025 increased by ¥62.2 billion (2.1%) year on year to ¥3,015.1 billion. Within Consumer segment revenue, service revenues decreased by ¥17.5 billion (0.8%) year on year to ¥2,221.5 billion, and revenues from sales of goods and others increased by ¥79.7 billion (11.2%) year on year to ¥793.6 billion. Within service revenues, mobile revenue increased by ¥17.3 billion (1.1%) year on year. The increase mainly reflected year-on-year growth in smartphone subscribers, led primarily by the Y!mobile brand, amid a stable trend in average revenue per user. Broadband revenue increased by ¥10.6 billion (2.6%) year on year. This increase was mainly due to a year-on-year increase in subscribers of the *SoftBank Hikari* fiber-optic service*1. Electricity revenue decreased by ¥45.4 billion (17.8%) year on year. This decrease was mainly due to a decrease in transactions in the electricity market. The increase in revenues from sales of goods and others was mainly due to an increase in unit prices of mobile devices. Operating expenses*2 were ¥2,464.3 billion, an increase of ¥41.8 billion (1.7%) year on year. This increase was mainly due to increases in sales promotion expenses and the cost of goods of smartphones, etc., while there was a decrease in the cost of electricity. As a result, segment income increased by ¥20.4 billion (3.8%) year on year to ¥550.8 billion.

*1 Includes subscribers of *SoftBank Air*.
*2 Operating expenses include cost of sales, selling, general and administrative expenses, other operating income, and other operating expenses.

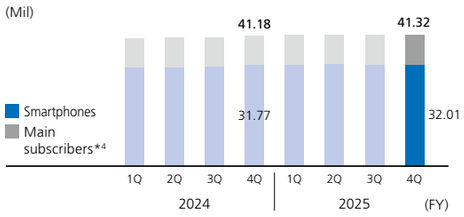
Consumer segment revenue



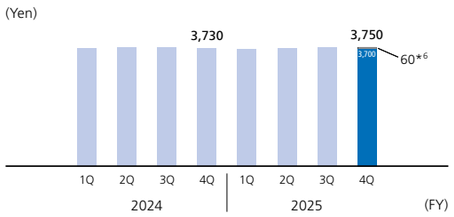
Consumer segment income



Cumulative number of subscribers*3



Mobile ARPU (main subscribers)*3 *5



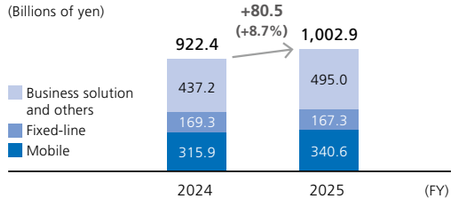
*3 Includes enterprise subscribers
*4 Main subscribers: Smartphones, feature phones, tablets, mobile data communication devices, Wireless Home Phone, and others
*5 ARPU: Average Revenue Per User per month (rounded to the nearest ¥10). Revenue deductions relating to reward points and device purchase support program are not included in calculation of ARPU
*6 Impact of retrospective adjustments of access charges in Accounting Regulations for Interconnection

■ Enterprise segment

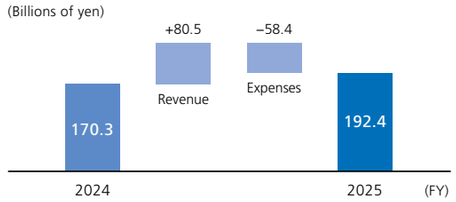
In the Enterprise segment, the Group provides a wide range of services for enterprise customers. These include mobile services such as mobile lines and mobile device rental, fixed-line services such as fixed-line telephones and data communications, as well as various solution services for enterprises such as data center, cloud, security, global, AI, IoT, and digital marketing services.

Revenue for FY2025 increased by ¥80.5 billion (8.7%) year on year to ¥1,002.9 billion. Within Enterprise segment revenue, mobile revenue increased by ¥24.8 billion (7.8%) to ¥340.6 billion, fixed-line revenue decreased by ¥2.1 billion (1.2%) to ¥167.3 billion, and business solution and others revenue increased by ¥57.8 billion (13.2%) to ¥495.0 billion. The increase in mobile revenue was mainly due to an increase in mobile device sales from a growth in the number of mobile service subscribers, as well as an increase in telecommunications revenue. The decrease in fixed-line revenue was mainly due to a decrease in the number of telephone service subscribers. The increase in business solution and others revenue was mainly due to increased revenue mainly from cloud and security solutions as a result of capturing enterprise customers' demand for digitalization. Operating expenses were ¥810.5 billion, an increase of ¥58.4 billion (7.8%) year on year. This increase was mainly due to an increase in costs following the abovementioned increase in business solution and others revenue. As a result, segment income increased by ¥22.1 billion (13.0%) year on year to ¥192.4 billion.

Enterprise segment revenue



Enterprise segment income



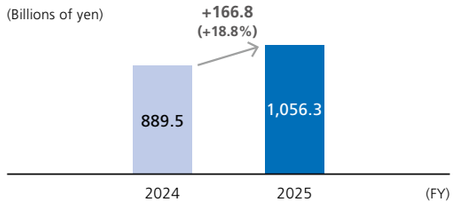
Review and Analysis of FY2025

■ Distribution segment

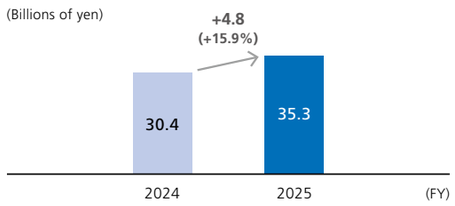
In the Distribution segment, the Group provides cutting-edge products and services that quickly capture the ever-changing market environment. For enterprise customers, the Group offers products and services primarily addressing cloud services and advanced technologies including AI. For individual customers, the Group undertakes the planning and provision of products and services across a wide range of areas such as software, mobile accessories, and IoT products, as a manufacturer and a distributor.

Revenue for FY2025 increased by ¥166.8 billion (18.8%) year on year to ¥1,056.3 billion. This increase was mainly due to solid growth in ICT related products for enterprise customers and recurring revenue products such as cloud and SaaS, which have been strategic areas of focus, as well as increased sales of PCs due to GIGA School Program Phase 2 and migration from Windows 10, which is reaching the end of its support, and solid growth in products for consumers. Operating expenses were ¥1,021.1 billion, an increase of ¥162.0 billion (18.9%) year on year. This increase was mainly due to an increase in cost of sales associated with the increase in revenue. As a result, segment income increased by ¥4.8 billion (15.9%) year on year to ¥35.3 billion.

Distribution segment revenue



Distribution segment income



■ Media & EC segment

In the Media & EC segment, the Group offers services that center on media and commerce, covering online to offline services in a comprehensive manner. In the media field, the Group provides advertising-related services on its comprehensive Internet service, *Yahoo! JAPAN*, and communication app, *LINE*. In the commerce field, the Group provides online shopping services such as *Yahoo! JAPAN Shopping* and *ZOZOTOWN*, and reuse services such as *Yahoo! JAPAN Auction*. In the strategy field, the Group provides services centered on FinTech, which the Group is working to develop into new drivers of earnings alongside media and commerce.

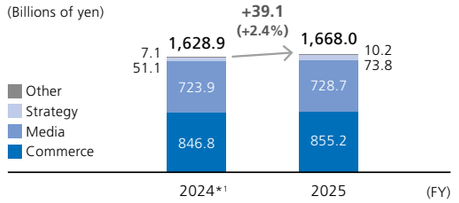
Revenue for FY2025 increased by ¥39.1 billion (2.4%) year on year to ¥1,668.0 billion. Within Media & EC segment revenue, media revenue increased by ¥4.8 billion (0.7%) to ¥728.7 billion, commerce revenue increased by ¥8.4 billion (1.0%) to ¥855.2 billion, strategy revenue increased by ¥22.7 billion (44.4%) to ¥73.8 billion, and other revenue increased by ¥3.2 billion (44.8%) to ¥10.2 billion. The increase in media revenue mainly reflected an increase in revenue from account advertising, despite a decrease in revenue from search advertising. The increase in commerce revenue was mainly due to the consolidation of LINE MAN CORPORATION PTE. LTD. and BEENOS Inc., as well as an increase in transaction value of the ZOZO Group (ZOZO, Inc. and its subsidiaries), despite a decrease in transaction value affected by the system outage at ASKUL Corporation in October 2025. The increase in strategy revenue mainly reflected the consolidation of LINE Bank Taiwan Limited.

Operating expenses were ¥1,427.6 billion, an increase of ¥57.5 billion (4.2%) year on year. The reasons for variance are as follows:

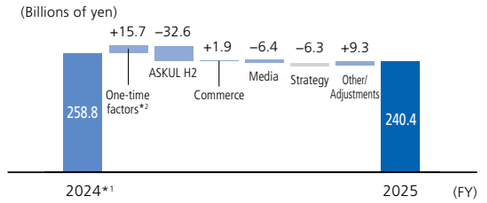
- Operating expenses decreased by ¥15.7 billion due to the absence of gains on loss of control over subsidiaries and the recognition of remeasurement gains on step acquisitions.
- Operating expenses at the ASKUL Group (ASKUL Corporation and its subsidiaries) decreased due to the abovementioned system outage.
- Operating expenses increased mainly due to the consolidation of LINE MAN CORPORATION PTE. LTD., LINE Bank Taiwan Limited, and BEENOS Inc.
- Operating expenses increased due to an increase in sales promotion expenses.

As a result, segment income decreased by ¥18.4 billion (7.1%) year on year to ¥240.4 billion.

Media & EC segment revenue



Media & EC segment income



*1 From the first quarter of FY2025, in addition to the LY Group revising its management categories, PayPay Bank Corporation has been transferred from the "Media & EC segment" to the "Financial segment." As a result, the figures for FY2024 have been retrospectively adjusted.
*2 Gain on loss of control of IPX Corporation (formerly LINE Friends Corporation), LINE NEXT Corporation, and ValueCommerce Co., Ltd. (FY2024), and remeasurement gains on step acquisitions of LINE MAN CORPORATION PTE. LTD. and LINE Bank Taiwan Limited (FY2025)

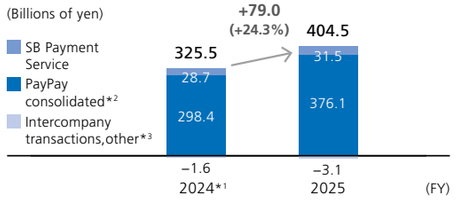
Review and Analysis of FY2025

■ Financial segment

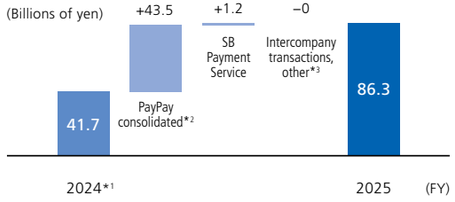
In the Financial segment, the Group provides cashless payment services such as QR code payments and credit card services, development and provision of marketing solutions for merchants, financial services such as banking business and asset management, and provision of payment processing services offering one-stop payment solutions for diversified payment methods including credit cards, electronic money, and QR codes.

Revenue for FY2025 increased by ¥79.0 billion (24.3%) year on year to ¥404.5 billion. This increase was mainly due to an increase in gross merchandise value of QR code payments and credit card services provided by PayPay Corporation and PayPay Card Corporation. Operating expenses were ¥318.2 billion, an increase of ¥34.4 billion (12.1%) year on year. This increase was mainly due to an increase in sales promotion expenses related to point rewards, etc., driven by the aforementioned increase in gross merchandise value, as well as an increase in expenses associated with the listing. As a result, segment income increased by ¥44.6 billion (107.1%) year on year to ¥86.3 billion.

Financial segment revenue



Financial segment income



*1 In the first quarter of FY2025, PayPay Bank Corporation has been transferred from the "Media & EC segment" to the "Financial segment." As a result, the figures for FY2024 have been retrospectively adjusted.
*2 PayPay consolidated basis (includes PayPay Corporation, PayPay Card Corporation, PayPay Bank Corporation, PayPay Securities Corporation, etc., after eliminating intercompany transactions). Figures have been calculated by the Company after applying relevant IFRS adjustments. Non-audited.
*3 "Intercompany transactions, other" includes intercompany transactions within the Financial segment (excluding those between companies within PayPay consolidated) and stand-alone figures from other companies

Overview of consolidated financial position

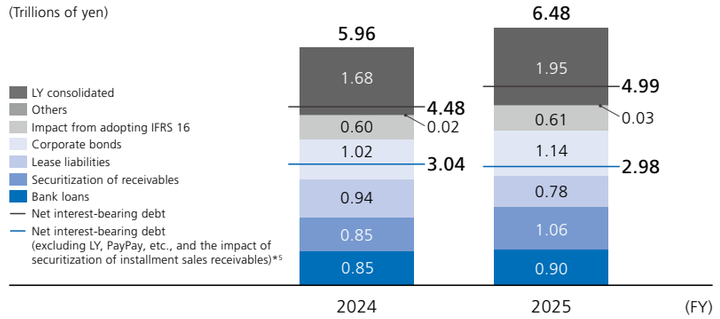
■ Assets

Total assets amounted to ¥18,502.2 billion as of March 31, 2026, an increase of ¥2,400.0 billion (14.9%) from the previous fiscal year-end. This was mainly due to an increase of ¥1,159.7 billion in other financial assets, an increase of ¥533.4 billion in investment securities in banking business, an increase of ¥220.4 billion in trade and other receivables, and an increase of ¥120.9 billion in goodwill. The increase in other financial assets was mainly due to the consolidation of LINE Bank Taiwan Limited as a subsidiary, as well as an increase in loans to customers at PayPay Bank Corporation. The increase in investment securities in banking business was mainly due to the purchase of investment securities as part of the fund management activities at PayPay Bank Corporation and the consolidation of LINE Bank Taiwan Limited as a subsidiary.

■ Liabilities

Total liabilities amounted to ¥13,833.7 billion as of March 31, 2026, an increase of ¥1,996.9 billion (16.9%) from the previous fiscal year-end. This mainly reflected an increase of ¥760.0 billion in deposits for banking business, an increase of ¥522.4 billion in interest-bearing debt and an increase of ¥456.7 billion in trade and other payables. The increase in deposits for banking business was mainly due to the consolidation of LINE Bank Taiwan Limited as a subsidiary, as well as an increase in deposits from customers at PayPay Bank Corporation. The increase in interest-bearing debt was due to various financing activities, such as the securitization of receivables and the issuance of U.S. dollar-denominated unsecured straight bonds. The increase in trade and other payables was mainly due to an increase in accounts payable owed to PayPay Corporation's merchants.

Interest-bearing debt/Net interest-bearing debt*4



*4 Net interest-bearing debt = interest-bearing debt – cash and cash equivalents – cash reserve for securitization of sales receivables
*5 Excludes net interest-bearing debt and adjusted EBITDA of A Holdings Corporation, LY Group, B Holdings Corporation, PayPay Corporation, PayPay Card Corporation, PayPay Bank Corporation, PayPay Securities Corporation, etc. as well as interest-bearing debt of securitization of installment sales receivables and cash reserve for securitization of sales receivables

Consolidated statement of financial position

(Billions of yen)

(FY)	2024	**2025**	Variance	Main reasons for variance
Cash and cash equivalents	1,435.5	**1,438.8**	+3.3	
Trade and other receivables	2,805.6	**3,026.1**	+220.4	Increase in trade receivables mainly due to business expansion at PayPay Card Corporation
PP&E/ Right-of-use assets	2,716.2	**2,776.4**	+60.2	
Goodwill/ Intangible assets	4,600.0	**4,766.1**	+166.1	Increase due to the consolidation of LINE MAN CORPORATION PTE. LTD., BEENOS Inc., LYST LTD, and LINE Bank Taiwan Limited as subsidiaries by LY
Other assets	4,544.9	**6,494.8**	+1,949.9	
Total assets	16,102.2	**18,502.2**	+2,400.0	
Interest-bearing debt	5,962.2	**6,484.6**	+522.4	Increase mainly due to financing, such as the securitization of receivables, at PayPay Bank Corporation, PayPay Card Corporation and SoftBank, as well as the issuance of bonds at SoftBank
Other liabilities	5,874.7	**7,349.1**	+1,474.5	Financial business expanded (including M&A), increase in payables to PayPay merchants
Total liabilities	11,836.8	**13,833.7**	+1,996.9	
Total equity	4,265.4	**4,668.5**	+403.1	

■ Equity

Total equity amounted to ¥4,668.5 billion as of March 31, 2026, an increase of ¥403.1 billion (9.5%) from the previous fiscal year-end. Equity attributable to owners of the Company increased by ¥214.2 billion while non-controlling interests increased by ¥188.9 billion. The increase in equity attributable to owners of the Company was mainly due to an increase of ¥550.8 billion due to the recording of net income for the fiscal year ended March 31, 2026, and an increase of ¥32.4 billion due to the issuance of new shares upon the exercise of stock acquisition rights, while there was a decrease of ¥419.2 billion due to payment of cash dividends.

Overview of consolidated cash flows

■ Cash flows from operating activities

In FY2025, net cash inflow from operating activities was ¥1,393.8 billion, an increase of ¥25.9 billion in cash inflow year on year. This increase mainly reflected an increase in EBITDA and a decrease in necessary working capital such as trade receivables, payables, inventories and others, including those of the banking and securities businesses, while there was an increase in income taxes paid.

■ Cash flows from investing activities

In FY2025, net cash outflow from investing activities was ¥1,270.8 billion, an increase of ¥275.6 billion in cash outflow year on year. This increase mainly reflected an increase in payments for acquisition of investment securities in banking business. Cash flows from investing activities include an expenditure of ¥24.5 billion related to long-term growth investments.

■ Cash flows from financing activities

In FY2025, net cash outflow from financing activities was ¥136.9 billion. While there were cash inflows of ¥2,093.1 billion from fund procurement, including bank loans, leases, corporate bonds, and the securitization of receivables, there were cash outflows of ¥2,229.9 billion for factors including the repayment of loans and payment of cash dividends.

■ Primary free cash flow*1

In FY2025, primary free cash flow was positive ¥633.6 billion, an increase of ¥30.3 billion year on year.

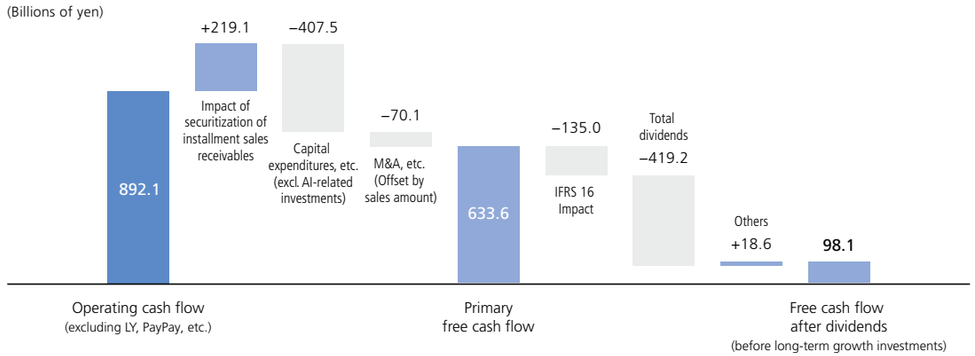
*1 Primary free cash flow is a measure calculated by adding back the amounts spent as long-term growth investments to adjusted free cash flow (excluding LY Group, PayPay, etc.). Adjusted free cash flow (excluding LY Group, PayPay, etc.) = free cash flow + (proceeds from the securitization of installment sales receivables – repayments thereof) + dividends received from A Holdings Corporation – investment in PayPay Corporation + proceeds from sales of shares in PayPay Securities Corporation - free cash flow of the LY Group, PayPay, etc. "LY Group, PayPay, etc." refers to A Holdings Corporation, LY Corporation and its subsidiaries (LY Group), B Holdings Corporation, PayPay Corporation, PayPay Card Corporation, PayPay Bank Corporation, PayPay Securities Corporation, etc. Long-term growth investments include investments in AI computing infrastructure and AI data centers.

■ Capital expenditures

In FY2025, capital expenditures were ¥745.3 billion, a decrease of ¥167.5 billion year on year. This decrease was mainly due to the acquisition of land and buildings of Sharp Corporation's Sakai Plant for the construction of AI data centers totaling approximately ¥100.0 billion and establishment license fee for specified base stations using the 4.9 GHz band*2 of ¥66.5 billion in the previous fiscal year, partially offset by an increase of ¥30.4 billion in right-of-use assets associated with the signing of lease contracts for data centers.

*2 The payment period for the establishment license fee for specified base stations is 16 years. The fee is calculated at present value, considering that it is a long-term payment over the certification period.

Primary free cash flow*1



Consolidated Financial Statements

Consolidated Statement of Financial Position

SoftBank and its consolidated subsidiaries

(Millions of yen)

ASSETS	March 31, 2025	March 31, 2026
Current assets		
Cash and cash equivalents	¥ 1,435,525	**¥ 1,438,799**
Trade and other receivables	2,805,640	**3,026,078**
Other financial assets	260,236	**490,348**
Inventories	191,451	**232,037**
Other current assets	165,803	**218,269**
Total current assets	4,858,655	**5,405,531**
Non-current assets		
Property, plant and equipment	1,966,995	**2,003,769**
Right-of-use assets	749,157	**772,596**
Goodwill	2,068,492	**2,189,385**
Intangible assets	2,531,480	**2,576,720**
Contract costs	384,500	**440,736**
Investments accounted for using the equity method	273,148	**205,823**
Investment securities	255,068	**345,757**
Investment securities in banking business	747,056	**1,280,476**
Other financial assets	2,099,465	**3,029,086**
Deferred tax assets	65,128	**138,289**
Other non-current assets	103,051	**114,007**
Total non-current assets	11,243,540	**13,096,644**
Total assets	¥ 16,102,195	**¥ 18,502,175**

(Millions of yen)

LIABILITIES AND EQUITY	March 31, 2025	March 31, 2026
Current liabilities		
Interest-bearing debt	¥ 1,646,524	**¥ 1,956,418**
Trade and other payables	2,828,640	**3,285,304**
Contract liabilities	137,223	**169,055**
Deposits for banking business	1,795,965	**2,556,010**
Other financial liabilities	2,742	**25,422**
Income taxes payable	122,844	**150,880**
Provisions	52,932	**67,657**
Other current liabilities	248,336	**314,489**
Total current liabilities	6,835,206	**8,525,235**
Non-current liabilities		
Interest-bearing debt	4,315,628	**4,528,164**
Other financial liabilities	104,741	**170,165**
Provisions	142,392	**161,335**
Deferred tax liabilities	322,232	**336,189**
Other non-current liabilities	116,625	**112,632**
Total non-current liabilities	5,001,618	**5,308,485**
Total liabilities	11,836,824	**13,833,720**
Equity		
Equity attributable to owners of the Company		
Common stock	228,162	**244,355**
Capital surplus	927,067	**962,257**
Retained earnings	1,594,862	**1,728,300**
Treasury stock	–29,221	**–27,078**
Accumulated other comprehensive income	22,760	**50,025**
Total equity attributable to owners of the Company	2,743,630	**2,957,859**
Non-controlling interests	1,521,741	**1,710,596**
Total equity	4,265,371	**4,668,455**
Total liabilities and equity	¥ 16,102,195	**¥ 18,502,175**

Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

SoftBank and its consolidated subsidiaries

(Millions of yen)

	FY2024	**FY2025**
Revenue	¥ 6,544,349	**¥ 7,038,680**
Cost of sales	–3,384,115	**–3,654,685**
Gross profit	3,160,234	**3,383,995**
Selling, general and administrative expenses	–2,200,591	**–2,384,078**
Other operating income	43,195	**58,879**
Other operating expenses	–13,822	**–16,220**
Operating income	989,016	**1,042,576**
Gain on changes in equity interest	4,564	**—**
Share of losses of associates accounted for using the equity method	–9,650	**–7,803**
Financing income	11,676	**14,528**
Financing costs	–117,352	**–109,634**
Gain on sales of equity method investments	3,713	**10,984**
Impairment loss on equity method investments	–1,910	**–20,629**
Profit before income taxes	880,057	**930,022**
Income taxes	–224,771	**–203,399**
Net income*1	655,286	**726,623**
Net income attributable to		
Owners of the Company	526,133	**550,759**
Non-controlling interests	129,153	**175,864**
	¥ 655,286	**¥ 726,623**

(Yen)

Earnings per share attributable to owners of the Company*2		
Basic earnings per share	10.99	**11.35**
Diluted earnings per share	10.84	**11.27**

*1 All net income of SoftBank Corp. and its subsidiaries for each of the years ended March 31, 2025 and 2026 was generated from continuing operations.
*2 Effective October 1, 2024, the Company conducted a 10-for-1 stock split of its common shares. Basic earnings per share and diluted earnings per share have been calculated assuming that the stock split was conducted at the beginning of the previous fiscal year.

(Millions of yen)

	FY2024	**FY2025**
Net income	¥ 655,286	**¥ 726,623**
Other comprehensive income (loss), net of tax		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plan	2,707	**4,076**
Changes in the fair value of equity instruments at FVTOCI	–3,424	**–2,136**
Share of other comprehensive income (loss) of associates accounted for using the equity method	97	**682**
Total items that will not be reclassified to profit or loss	–620	**2,622**
Items that may be reclassified subsequently to profit or loss		
Changes in the fair value of debt instruments at FVTOCI	–3,805	**–3,105**
Cash flow hedges	7,219	**9,826**
Exchange differences on translation of foreign operations	–14,846	**45,839**
Share of other comprehensive income (loss) of associates accounted for using the equity method	–14,163	**–1,072**
Total items that may be reclassified subsequently to profit or loss	–25,595	**51,488**
Total other comprehensive income (loss), net of tax	–26,215	**54,110**
Total comprehensive income	629,071	**780,733**
Total comprehensive income attributable to		
Owners of the Company	524,159	**579,763**
Non-controlling interests	104,912	**200,970**
	¥ 629,071	**¥ 780,733**

Consolidated Statement of Changes in Equity

SoftBank and its consolidated subsidiaries
FY2024 and FY2025

(Millions of yen)

	Equity attributable to owners of the Company							
	Common stock	Capital surplus	Retained earnings	Treasury stock	Accumulated other comprehensive income	Total	Non-controlling interests	Total equity
As of April 1, 2024	214,394	736,052	1,475,775	–75,822	26,675	2,377,074	1,558,573	3,935,647
Comprehensive income								
Net income	—	—	526,133	—	—	526,133	129,153	655,286
Other comprehensive income	—	—	—	—	–1,974	–1,974	–24,241	–26,215
Total comprehensive income	—	—	526,133	—	–1,974	524,159	104,912	629,071
Transactions with owners and other transactions								
Cash dividends	—	—	–408,894	—	—	–408,894	–124,638	–533,532
Issuance of new shares	113,768	109,985	—	—	—	223,753	—	223,753
Transfer from common stock to capital surplus	–100,000	100,000	—	—	—	—	—	—
Purchase of treasury stock	—	—	—	–0	—	–0	—	–0
Disposal of treasury stock	—	–22,610	—	46,601	—	23,991	—	23,991
Changes from business combinations	—	—	—	—	—	—	—	—
Changes from loss of control	—	4,831	—	—	—	4,831	–12,034	–7,203
Changes in interests in existing subsidiaries	—	–17	—	—	—	–17	–4,931	–4,948
Share-based payment transactions	—	–1,050	—	—	—	–1,050	—	–1,050
Put options written on non-controlling interests	—	—	—	—	—	—	—	—
Transfer from accumulated other comprehensive income to retained earnings	—	—	1,941	—	–1,941	—	—	—
Other	—	–124	–93	—	—	–217	–141	–358
Total transactions with owners and other transactions	13,768	191,015	–407,046	46,601	–1,941	–157,603	–141,744	–299,347
As of March 31, 2025	228,162	927,067	1,594,862	–29,221	22,760	2,743,630	1,521,741	4,265,371
As of April 1, 2025	**228,162**	**927,067**	**1,594,862**	**–29,221**	**22,760**	**2,743,630**	**1,521,741**	**4,265,371**
Comprehensive income								
Net income	**—**	**—**	**550,759**	**—**	**—**	**550,759**	**175,864**	**726,623**
Other comprehensive income	**—**	**—**	**—**	**—**	**29,004**	**29,004**	**25,106**	**54,110**
Total comprehensive income	**—**	**—**	**550,759**	**—**	**29,004**	**579,763**	**200,970**	**780,733**
Transactions with owners and other transactions								
Cash dividends	**—**	**—**	**–419,164**	**—**	**—**	**–419,164**	**–99,871**	**–519,035**
Issuance of new shares	**16,193**	**16,193**	**—**	**—**	**—**	**32,386**	**—**	**32,386**
Transfer from common stock to capital surplus	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Purchase of treasury stock	**—**	**—**	**—**	**–0**	**—**	**–0**	**—**	**–0**
Disposal of treasury stock	**—**	**433**	**—**	**2,143**	**—**	**2,576**	**—**	**2,576**
Changes from business combinations	**—**	**—**	**—**	**—**	**—**	**—**	**69,507**	**69,507**
Changes from loss of control	**—**	**—**	**—**	**—**	**—**	**—**	**–1,278**	**–1,278**
Changes in interests in existing subsidiaries	**—**	**31,116**	**—**	**—**	**—**	**31,116**	**49,689**	**80,805**
Share-based payment transactions	**—**	**1,437**	**—**	**—**	**—**	**1,437**	**—**	**1,437**
Put options written on non-controlling interests	**—**	**–13,875**	**—**	**—**	**—**	**–13,875**	**–30,412**	**–44,287**
Transfer from accumulated other comprehensive income to retained earnings	**—**	**—**	**1,739**	**—**	**–1,739**	**—**	**—**	**—**
Other	**—**	**–114**	**104**	**—**	**—**	**–10**	**250**	**240**
Total transactions with owners and other transactions	**16,193**	**35,190**	**–417,321**	**2,143**	**–1,739**	**–365,534**	**–12,115**	**–377,649**
As of March 31, 2026	**244,355**	**962,257**	**1,728,300**	**–27,078**	**50,025**	**2,957,859**	**1,710,596**	**4,668,455**

Consolidated Statement of Cash Flows

SoftBank and its consolidated subsidiaries
FY2024 and FY2025

(Millions of yen)

	FY2024	FY2025
Cash flows from operating activities		
Net income	¥ 655,286	**¥ 726,623**
Depreciation and amortization	748,014	**785,278**
Loss on disposal of property, plant and equipment and intangible assets	21,978	**20,580**
Remeasurement gain on step acquisition	—	**–58,879**
Gain relating to loss of control over subsidiaries	–43,195	**—**
Financing income	–11,676	**–14,528**
Financing costs	117,352	**109,634**
Share of losses (gains) of associates accounted for using the equity method	9,650	**7,803**
Loss (gain) on sales of equity method investments	–3,713	**–10,984**
Impairment loss on equity method investments	1,910	**20,629**
Loss (gain) on change in equity	–4,564	**—**
Income taxes	224,771	**203,399**
(Increase) decrease in trade and other receivables	–321,107	**–346,717**
(Increase) decrease in inventories	–39,375	**–40,133**
Purchases of mobile devices leased to enterprise customers	–49,462	**–70,615**
Increase (decrease) in trade and other payables	290,076	**439,485**
Increase (decrease) in consumption taxes payable	–4,899	**28,226**
Increase (decrease) in deposits for banking business	152,810	**387,323**
(Increase) decrease in loans in banking business	–194,654	**–341,299**
(Increase) decrease in investment securities in securities business	–31,222	**–72,277**
Other	104,158	**–51,716**
Subtotal	1,622,138	**1,721,832**
Interest and dividends received	11,789	**11,124**
Interest paid	–78,451	**–91,794**
Income taxes paid	–243,266	**–257,558**
Income taxes refunded	55,661	**10,156**
Net cash inflow from operating activities	¥1,367,871	**¥ 1,393,760**

(Millions of yen)

	FY2024	FY2025
Cash flows from investing activities		
Purchases of property, plant and equipment and intangible assets	¥ –746,657	**¥ –570,465**
Proceeds from sales of property, plant and equipment and intangible assets	3,125	**713**
Payments for acquisition of investments	–86,700	**–153,954**
Proceeds from sales/redemption of investments	59,395	**69,868**
Purchase of investment securities in banking business	–344,567	**–768,592**
Proceeds from sales/redemption of investment securities in banking business	123,714	**203,322**
Proceeds from (payments for) obtaining control of subsidiaries	–350	**–44,267**
Proceeds from (payments for) loss of control over subsidiaries	–21,909	**66**
Other	18,766	**–7,497**
Net cash outflow from investing activities	–995,183	**–1,270,806**
Cash flows from financing activities		
Increase (decrease) in short-term interest-bearing debt, net	–417,203	**217,269**
Proceeds from interest-bearing debt	1,649,994	**1,692,586**
Repayment of interest-bearing debt	–1,872,502	**–1,610,443**
Proceeds from issuance of shares	221,055	**31,098**
Proceeds from stock issuance to non-controlling interests	23,249	**152,136**
Payments for purchase of treasury stock of subsidiaries	–6,847	**–69,794**
Cash dividends paid	–408,836	**–418,902**
Cash dividends paid to non-controlling interests	–124,909	**–99,808**
Other	–20,430	**–30,996**
Net cash outflow from financing activities	–956,429	**–136,854**
Effect of exchange rate changes on cash and cash equivalents	–6,618	**17,174**
Increase (decrease) in cash and cash equivalents relating to transfer of assets classified as held for sale	33,011	**—**
Increase (decrease) in cash and cash equivalents	–557,348	**3,274**
Cash and cash equivalents at the beginning of the year	1,992,873	**1,435,525**
Cash and cash equivalents at the end of the year	¥ 1,435,525	**¥ 1,438,799**

External Evaluation

ESG Evaluation

Dow Jones Best-in-Class World Index*1
Dow Jones Best-in-Class Asia Pacific Index*2

SoftBank has been selected for the fourth consecutive year as a component of the "Dow Jones Best-in-Class World Index," one of the world's leading global ESG (Environmental, Social and Governance) indices, and for the fifth consecutive year as a component of the "Dow Jones Best-in-Class Asia Pacific Index." SoftBank is the only company in Japan selected in the "Telecommunication Services" industry group for the "Dow Jones Best-in-Class World Index."

FTSE4Good Index Series
FTSE JPX Blossom Japan Index ◎
FTSE JPX Blossom Japan Sector Relative Index ◎

Since 2020, SoftBank has been a component of two ESG indices defined by FTSE Russell: the "FTSE JPX Blossom Japan Index" as well as the "FTSE4Good Index Series," one of the world's leading ESG indices. Since 2022, SoftBank has been a component of the "FTSE JPX Blossom Japan Sector Relative Index."

FTSE4Good
FTSE JPX Blossom Japan Index
FTSE JPX Blossom Japan Sector Relative Index

S&P/JPX Carbon Efficient Index ◎

SoftBank has been selected as a constituent stock of the "S&P/JPX Carbon Efficient Index," an index that determines the weighting of constituent stocks by focusing on the disclosure of environmental information and the level of carbon efficiency (carbon emissions per unit of sales).

S&P/JPX Carbon Efficient Index

MSCI Nihonkabu ESG Select Leaders Index ◎
MSCI Japan ESG Select Leaders Index
MSCI Japan Empowering Women Index (WIN) ◎

SoftBank has been selected as a member of the "MSCI Nihonkabu ESG Select Leaders Index," selected by Morgan Stanley Capital International. In addition, the Company has been selected as a member of the "MSCI Japan ESG Select Leaders Index" and the "MSCI Japan Empowering Women Index (WIN)," which is comprised of companies with excellent performance in gender diversity. Furthermore, SoftBank has received "AAA," the highest ranking, in the "MSCI ESG Ratings," a global rating on ESG investments, since 2023.

2026 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX
2026 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX
2026 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

MSCI ESG RATINGS
AAA
CCC B BB BBB A AA AAA
As of Mar 2026

SOMPO Sustainability Index

SoftBank has been selected as a member of the "SOMPO Sustainability Index," which is operated by SOMPO Asset Management Co., Ltd. This index is utilized by the company's "SOMPO Sustainable Management" to broadly invest in companies with a high ESG rating.

2026 Sompo Sustainability Index

ESG Industry Leader Badge*3

SoftBank was selected for the "ESG Industry Leader Badge," through which Morningstar Sustainalytics recognizes companies with outstanding ESG risk management based on its ESG Risk Ratings.

Sustainalytics Industry ESG Leader 2026

SX Brands 2026

SoftBank was selected as an "SX Brand 2026" by Japan's Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange. This marks its second consecutive selection, and SoftBank is the only company in the information and communications industry to receive the designation in 2026.

SX銘柄2026 Sustainability Transformation

7th NIKKEI Sustainable Management Awards, SDGs Edition

In the "7th NIKKEI Sustainable Management Awards, SDGs Edition," which comprehensively evaluates a company's "SDGs management" from the four fields of "SDGs Strategy and Economic Value," "Social Value," "Environmental Value," and "Governance," SoftBank was selected as a "Prime Seat Company" for the second consecutive year in recognition of its consistently high evaluations.

In the "NIKKEI Sustainable Management Survey, SDGs Edition," SoftBank achieved an overall deviation score of 70 or higher in the three fields of "SDGs Strategy and Economic Value," "Social Value," and "Environmental Value," and received the highest 5-star rating. SoftBank has received a 5-star rating for the fifth consecutive year.

NIKKEI SDGs Prime Performance Prize 2025
NIKKEI SDGs Management Survey 2025 ★★★★★

DX Platinum Companies 2026-2028

SoftBank was selected as a "DX Platinum Company 2026-2028" under the Digital Transformation Stocks 2026 program, jointly conducted by Japan's Ministry of Economy, Trade and Industry, the Tokyo Stock Exchange, and the Innovation Platform Agency, Japan.

"DX Platinum Companies" are selected from companies that have been selected as DX Stocks for three consecutive years and have previously been named a DX Grand Prix Company, in recognition of their continued outstanding initiatives. SoftBank was selected as a "DX Stock" for five consecutive years from 2021 to 2025 and was named a "DX Grand Prix Company 2025."

DX Platinum Companies 2026-2028 Digital Transformation

An International Climate Change Initiative by SBT

The short-term targets outlined in our "Carbon Neutral 2030," which aim for net zero greenhouse gas emissions by FY2030, and the long-term targets of our "Net Zero," aiming for net zero greenhouse gas emissions by FY2050, have been recognized by the "Science Based Targets initiative (SBTi)" as "Science Based Targets (SBT)," which are based on scientific evidence.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Decarbonization Management Ranking GX500

SoftBank ranked No. 1 for the third consecutive year in the 2025 edition of Nikkei Inc.'s "Decarbonization Management Ranking GX500," which ranks 500 leading companies based on their decarbonization efforts. The Company was highly rated for its specific measures to reduce greenhouse gas (GHG) emissions and its disclosure of related information.

NIKKEI GX500 RANKING
Decarbonization Management Ranking 2025 No.1

CDP Climate Change 2025

In recognition of its initiatives in the climate change field and related information disclosure, the Company was selected as an "A List" company, the highest rating, by the CDP (headquarters: London, UK), an international non-profit organization that conducts environmental assessments of major corporations and cities around the world.

Climate CDP A List 2025

For notes, refer to the next page.

External Evaluation

Labor Practices

Next-generation certification mark (Kurumin)

SoftBank is certified by Japan's Minister of Health, Labour and Welfare as a "child-rearing support company" that supports the balance of work and child-rearing. Following the acquisition of "Kurumin" certification in 2011, the Company obtained "Platinum Kurumin" certification in 2017, which is granted to companies that have implemented initiatives at a higher level.

Eruboshi

SoftBank has received the "Eruboshi" designation (class 2) in recognition of its excellence in promoting the empowerment of women.

GenAI HR Awards 2025

Held for the first time in 2025, the GenAI HR Awards recognize outstanding practices in human capital strategy that contribute to realizing a society where people and generative AI work together. SoftBank won the Grand Prize in the Large Enterprise Category of the Corporate Sector in recognition of its company-wide use of generative AI based on its human capital management strategy.

PRIDE Index Gold Rating

SoftBank was awarded a "Gold" rating, the highest rating in the "PRIDE Index," an evaluation of companies' internal initiatives regarding LGBTQ+ and other sexual minorities, for the ninth year in a row since 2017.

KENKO Investment for Health (White 500)

As a company that considers employee health management from a business perspective and proactively works on health and productivity management, SoftBank has been recognized for the eighth consecutive year under the "KENKO Investment for Health (White 500)." This program is jointly promoted by Japan's Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi.

NIKKEI Smart Work Award 2026

SoftBank won the Grand Prize in the "NIKKEI Smart Work Award 2026," which recognizes leading companies achieving sustainable growth through workstyle reform. It received the highest "S++" rating in two of the three evaluation categories ("Human Capital Investment" and "Technology Utilization") and was unanimously selected by the judging committee for initiatives including support for autonomous career development through internal free agent and secondary job programs, enhanced return-to-work support, strategic development of IT talent, and promotion of younger employees to management positions.

Website

Gomez ESG Site Ranking 2025

SoftBank was selected as an Excellent Company in the "Gomez ESG Site Ranking 2025" conducted by BroadBand Security, Inc.

Gomez IR Site Ranking 2025

SoftBank received the Gold Prize in the "Gomez IR Site Ranking 2025" conducted by BroadBand Security, Inc.

Awards for Excellence in Corporate Disclosure

SoftBank was ranked No. 1 for the second consecutive year in the Telecommunications and Internet sector of the 31st (FY2025) "Awards for Excellence in Corporate Disclosure" conducted by the Securities Analysts Association of Japan. In FY2025, in addition to the industry-specific evaluation, SoftBank was also ranked No. 2 in the Information Disclosure for Individual Investors category, which evaluates companies across all industries covered by the awards.

FY2025 All Japanese Listed Companies' Website Ranking

SoftBank Corp.'s website was selected as an AAA Website in the "FY2025 All Japanese Listed Companies' Website Ranking" conducted by Nikko Investor Relations Co., Ltd.

Daiwa IR 2025 Internet IR Award

SoftBank received the Grand Prize in the "Daiwa IR 2025 Internet IR Award," conducted by Daiwa Investor Relations Co. Ltd. to recognize listed companies that effectively utilize their IR websites. The Company also received the Grand Prize in the Sustainability Category.

Sustainability Site Award 2025

SoftBank received the Bronze (Excellence) Award in the "Sustainability Site Award 2025," organized by the Association for Sustainability Communication, which conducts research and consulting on sustainability information disclosure and ranks websites based on the comprehensiveness of the information provided.

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*2 Formerly Dow Jones Sustainability Asia Pacific Index
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◎ : A major ESG investment index adopted as a passive investment benchmark by Japan's Government Pension Investment Fund (GPIF), the world's largest public pension fund.

Corporate Data / Stock Information

Corporate data (As of March 31, 2026)

Company name	SoftBank Corp.
Representative	Junichi Miyakawa Representative Director, President & CEO Jun Shimba Representative Director & COO
Corporate headquarters	1-7-1 Kaigan, Minato-ku, Tokyo 105-7529
Established	December 9, 1986
Number of employees	58,432 (Consolidated basis) 19,150 (Standalone basis)
Business year	From April 1 to March 31 of the following year
Annual general meeting of shareholders	Every year in June

Stock information (As of March 31, 2026)

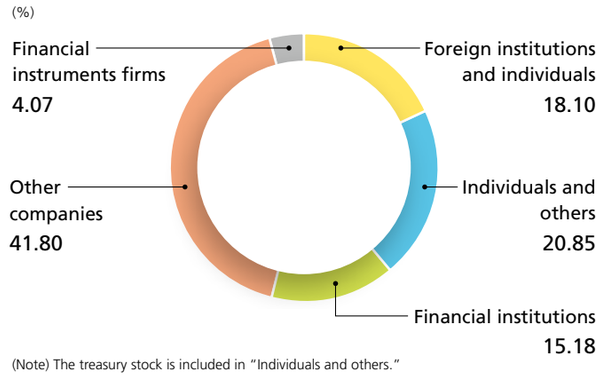
Common stock		¥244,355 million
Shares authorized		80,109,603,000 shares
Shares issued	Common shares	47,971,989,700 shares
	Series 1 Bond-Type Class Shares	30,000,000 shares
	Series 2 Bond-Type Class Shares	25,000,000 shares
	(Treasury stock, common shares: 170,724,817 shares)	
Stock exchange registration		Tokyo Stock Exchange, Prime Market
Number of shares constituting one trading unit		100 shares
Number of shareholders	Common shares	1,837,411
	Series 1 Bond-Type Class Shares	20,278
	Series 2 Bond-Type Class Shares	31,216

Our Websites

- Investor Relations
  https://www.softbank.jp/en/corp/ir/
- Sustainability
  https://www.softbank.jp/en/corp/sustainability/

Breakdown of common shares by type of shareholder

(As of March 31, 2026)



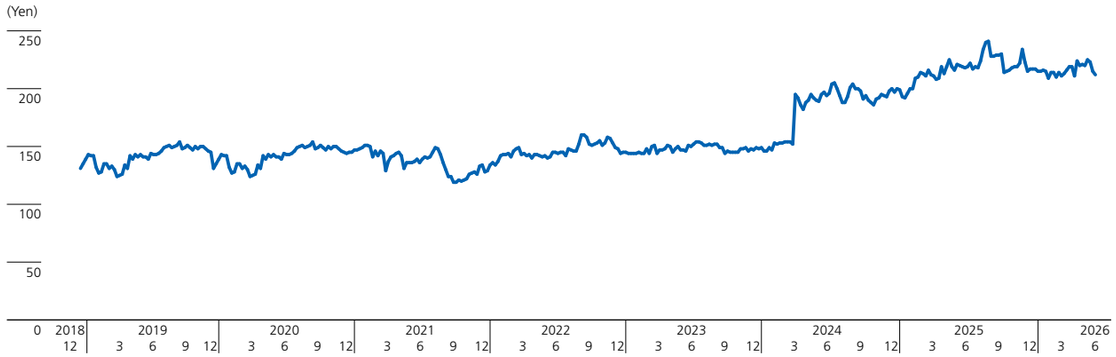
(Note) The treasury stock is included in "Individuals and others."

Principal shareholders (Top 10 shareholders)

Name		Number of shares held (Thousands)	Shareholding ratio (%)
SoftBank Group Japan Corporation	Common shares	19,148,581	40.01
The Master Trust Bank of Japan, Ltd. (Trust Account)	Common shares	4,692,652	9.81
Custody Bank of Japan, Ltd. (Trust Account)	Common shares	1,763,859	3.69
	Series 1 Bond-Type Class Shares	26	
	Series 2 Bond-Type Class Shares	14	
SMBC Nikko Securities Inc.	Common shares	491,520	1.03
JPMorgan Securities Japan Co., Ltd.	Common shares	489,168	1.02
STATE STREET BANK AND TRUST COMPANY 505001	Common shares	429,842	0.90
JP MORGAN CHASE BANK 385781	Common shares	419,455	0.88
Goldman Sachs Japan Co., Ltd. BNYM	Common shares	315,994	0.66
JP MORGAN CHASE BANK 385642	Common shares	259,201	0.54
Custody Bank of Japan, Ltd. (Trust Account 4)	Common shares	254,208	0.53

(Notes) 1. The total number of shares of common stock issued increased by 220,499,000 shares due to the exercise of stock acquisition rights.
2. Percentage of total shares issued is calculated excluding treasury stock (170,724,817 shares).
3. The above numbers of shares held include those held by The Master Trust Bank of Japan, Ltd. and Custody Bank of Japan, Ltd. that are related to trust operations.

Stock price chart



SoftBank Corp.

https://www.softbank.jp/en/corp/