SoftBank Corp.

2025 CDP Corporate Questionnaire 2025

Word version

Important: this export excludes unanswered questions
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11/19/2025, 09:03 am

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental risks identified
Climate change	*Select from:* ☑ Yes, both in direct operations and upstream/downstream value chain

[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:
☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

(3.1.1.4) Value chain stage where the risk occurs

Select from:
☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply
☑ Japan

(3.1.1.9) Organization-specific description of risk

Our company's core service is domestic communication, accounting for over half of the revenue. We provide services to many users, including 31 million smartphone contracts, through about 300,000 base stations nationwide. Japan's terrain varies from subarctic to subtropical, with 68% forested, mountainous regions, and vulnerable volcanic areas. It's often rainy, with a rainy season around June, and localized heavy rains due to climatic and geographical factors. From August to September, tropical depressions from the South Seas often hit causing heavy rains. There's a risk of landslides and floods resulting in power outages due to local heavy rains, especially on the Pacific side of western Japan. We have to consider about power outage measures and reduction of equipment damage risks in order to prepare for the heavy snow on the Sea of Japan side. During disasters, mobile phones serve as important lifelines for safety confirmation and information gathering. It's important to develop a robust network that can withstand disasters and ensure rapid restoration. Considering the above, we outline the increased restoration cost due to the increasing frequency of disaster damage to the base stations caused by power outages from landslides and flood damage due to local heavy rains, and power outages and equipment damage due to heavy snow damage.

(3.1.1.11) Primary financial effect of the risk

Select from:
☑ Increased indirect [operating] costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply
☑ Medium-term
☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:
☑ Very likely

(3.1.1.14) Magnitude

Select from:
☑ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

In the event of a disaster, mobile phones play an important role as a lifeline, such as confirming the safety of family members and acquaintances and collecting information. In addition to expanding the coverage area, it is important to build disaster-resistant communication networks and to establish a system for prompt restoration in the event of a disaster. In light of the above, considering the financial risks associated with climate change, including the upstream and downstream of the value chain, the financial impact on businesses, the social impact, and the time horizon until they materialize, this section describes the increase in restoration costs due to the increase in the frequency of damage to mobile phone base stations caused by landslides and flooding caused by local heavy rain mainly on the Pacific coast of western Japan from the rainy season to summer, and power outages and transmission line failures caused by heavy snowfall mainly on the Sea of Japan coast from Hokuriku to Tohoku and Hokkaido in winter. Based on the above, we considered the financial impact and social impact of climate change on business, including upstream and downstream of the value chain, and the time horizon until it materializes. We describe here the increase in restoration costs due to the increase in the frequency of mobile phone base station disasters caused by landslides and flood damage mainly on the Pacific coast of western Japan from the rainy season to summer, and power failures and equipment damage due to heavy snow in the Sea of Japan coast from Hokuriku to Tohoku and Hokkaido in winter.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:
☑ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

826000000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

854000000

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

854000000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

1049000000

(3.1.1.25) Explanation of financial effect figure

Based on the restoration cost of the most severe weather-related disaster in the past five years (770 million yen in FY2019), we estimated the potential financial impacts in FY2050 under both the IPCC's 1.5°C and 4°C scenarios.The main components of the restoration cost include regular maintenance (equipment failure and initial response), patrols in affected areas, and the restoration of damaged base stations.Under the 1.5°C scenario, the risk occurrence rate is projected to increase to 107% by 2030 and 111% by 2050, with estimated annual restoration costs rising to 850 million yen by FY2050.Under the 4°C scenario, the risk is expected to increase to 111% by 2030 and 136% by 2050, resulting in an estimated annual cost of 1.05 billion yen in FY2050. These financial impacts are assessed as "Low", based on our internal risk classification, which defines financial risks as follows (against consolidated operating income of 989,016,000,000 yen in FY2024):Extremely High: Over 10%High: 5–10%Moderate: 1–5%Low: Below 1% Even with measures to reinforce telecommunications facilities, it remains difficult to fully eliminate the risks posed by increasingly frequent and severe climate-related disasters—particularly in high-risk areas. These disasters are considered high-probability long-term risks, and if large-scale events occur, they could lead to service disruptions and result in significant social responsibility for the company.

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

(3.1.1.27) Cost of response to risk

1939000000

(3.1.1.28) Explanation of cost calculation

The disaster risk-related investments for base stations in FY2024 are as follows:(1) Regular battery replacements: 396 million yen(2) Large-capacity battery replacements: 66 million yen(3) Large-capacity battery maintenance: 79 million yen(4) Satellite antenna/generator maintenance: 32 million yen(5) Portable base station-related equipment: 409 million yen(6) Additional satellite deployment: 145 million yen(7) Facility reinforcement, etc.: 38 million yen(8) Portable generator reinforcement: 275 million yen(9) Mobile power supply vehicles and others: 499 million yen The total investment amounts to 1,939 million yen, which is the combined sum of items (1) through (9).

(3.1.1.29) Description of response

(Situation) Our primary service is domestic telecom, providing communication services to many users, including over 30 million smartphone contracts, through about 300,000 base stations nationwide. (Problem) There's a risk of landslides and floods resulting in power outages due to local heavy rains mainly on the Pacific side of western Japan. Measures against power outages and reducing equipment damage from heavy snow on the Sea of Japan side are necessary in winter. For instance, during the heavy rains in July 2020 mainly in Kumamoto Prefecture, areas unable to communicate due to power outages and etc caused by flood damage. We deployed 398 pieces of equipment and a total of 2,197 personnel, invested about 330 million yen, and restored fully within two weeks. With more disasters due to global warming, the risk of base stations being damaged is increasing. (Action) As a countermeasure, we evaluated physical risks for all outdoor base stations using the Ministry of Land, Infrastructure, Transport and Tourism's flood inundation data and confirmed high-risk in coastal and river areas of Kanto and Chugoku-Shikoku

regions. For example, during Typhoon 19 in October 2019, vast areas including the Kanto region experienced record heavy rains that caused river flooding and landslides, leading to over 100 deaths and missing persons, and flooding and power outages at many of our base stations. To adapt to increasing flood damage, we invested about 1.9 billion yen in fiscal 2024 for equipment damage risk reduction. (Results) As a result of disaster measures, no major incidents occurred in fiscal 2024. In fiscal 2021, we issued our first sustainability bond of 30 billion yen for HAPS equipment investment, research and development, and business operations.

Climate change

(3.1.1.1) Risk identifier

Select from:
☑ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Policy

(3.1.1.4) Value chain stage where the risk occurs

Select from:
☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply
☑ Japan

(3.1.1.9) Organization-specific description of risk

SoftBank's core service is its domestic telecommunications business, which serves a large customer base, including over 30 million smartphone subscribers. At the same time, the company consumes a significant amount of electricity to operate its network infrastructure, including approximately 300,000 mobile base stations across Japan. In FY2024, SoftBank's total greenhouse gas emissions (Scope 1 and 2) amounted to 393,250 t-CO_2. The company has achieved a 95% population coverage rate for its 5G service, which features ultra-high speed, large capacity, ultra-low latency, and simultaneous multiple connections. In FY2025, SoftBank plans to enhance network functions and make targeted investments to meet growing traffic demand. Electricity consumption by equipment such as base stations is expected to continue increasing. In addition, the widespread adoption of generative AI is projected to cause a sharp rise in electricity demand, particularly at data centers, further contributing to overall energy consumption growth.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased indirect [operating] costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Likely

(3.1.1.14) Magnitude

Select from:

☑ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

SoftBank's core service is its domestic telecommunications business, which serves a large customer base, including over 30 million smartphone subscribers. At the same time, operating its network infrastructure, including approximately 300,000 mobile base stations nationwide, requires substantial electricity consumption. In FY2024, SoftBank's total greenhouse gas (GHG) emissions (Scopes 1 and 2) amounted to 393,250 t-CO_2. The company achieved a population coverage rate of 95% for its 5G service, which features ultra-high speed, large capacity, ultra-low latency, and simultaneous multi-device connectivity. In FY2025, SoftBank plans to enhance network functions and make targeted investments to meet growing traffic demand. Power consumption by equipment such as base stations is expected to continue increasing. Additionally, the widespread adoption of generative AI is anticipated to drive a sharp rise in electricity demand at data centers, contributing further to overall energy use. As of the end of FY2023, all consolidated subsidiaries had set a target to achieve carbon neutrality by FY2030. In FY2024, the proportion of renewable energy used for business operations reached 62%. If a carbon tax of USD 140 per t-CO_2e had been implemented in FY2024 (equivalent to 21,000 yen per t-CO_2e at an exchange rate of 150 JPY/USD), the use of renewable energy, amounting to 1,413,094 MWh, would have avoided approximately 13 billion yen in potential carbon tax liability.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:
☑ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

31500000000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

31500000000

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

56250000000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

56250000000

(3.1.1.25) Explanation of financial effect figure

Assuming that the Japanese government introduces a carbon tax in the future—similar to systems currently implemented in Europe—we have calculated the estimated carbon tax burden for FY2030 and FY2050.Since Japan has not yet proposed a specific carbon pricing mechanism, we based our estimates on the advanced economy carbon price assumptions from the IEA WEO 2024 Net Zero Emissions (NZE) scenario. A foreign exchange rate of 150 JPY per USD was applied.In our FY2030 GHG emissions scenario (without renewable electricity measures), total emissions are projected at 1,500,000 t-CO_2e. Mid-term (FY2030):140 USD/t-CO_2e × 150 JPY/USD × 1,500,000 t-CO_2e = 31.5 billion yenLong-term (FY2050):250 USD/t-CO_2e × 150 JPY/USD × 1,500,000 t-CO_2e = 56.25 billion yen SoftBank classifies financial risks based on their impact on consolidated operating income as follows (using FY2024 operating income of 989,016 million yen):Extremely High: Over 10%High: 5–10%Moderate: 1–5%Low: Less than 1% Based on this classification, the potential financial impact of carbon tax is assessed as “Moderate” in the mid-term (FY2030) and “High” in the long-term (FY2050).However, if the company achieves carbon neutrality by FY2030, these carbon tax risks for both FY2030 and FY2050 would effectively be eliminated (zero risk).

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

(3.1.1.27) Cost of response to risk

5070000000

(3.1.1.28) Explanation of cost calculation

The cost for risk countermeasures is the annual increase in the electricity consumption forecast in FY 2030, if 100% of the electricity is supplied from renewable energy sources using non-fossil certificates designated as renewable energy sources. The unit price of non-fossil certificates is assumed to be 1.3 yen/kWh, considering the risk of rising prices. (1) Electricity consumption forecast in FY 2030: 3.9 million MWh (2) Non-fossil certificate forecast: 1,300 yen/MWh 5.07 billion yen: (1) x (2)

(3.1.1.29) Description of response

We're detailing our responses to address the risk of introducing a carbon tax, which we consider a significant risk associated with new regulations.(Situation) We operate a domestic communications business and serve over 30 million smartphone subscribers. Our mobile phone base stations require substantial electricity, resulting in 393,250t of GHG emissions in 2024. Our 5G service covers 95% of Japan, offering high speed, large capacity, low latency, and multiple simultaneous connections. We anticipate increased energy consumption from 2025 as due to business growth and the proliferation of AI.(Action) We have created a supply chain greenhouse gas emission reduction roadmap, based on scientific evidence, to limit global temperature rise below 1.5 degrees Celsius. In order to reduce the emission of Scope1 and 2, we use energy-saving measures with the latest technology, promote energy-saving communication equipment, smart buildings with AI and IoT, and deploy nationwide coupled opto-electronic networks. We're improving energy consumption efficiency and transitioning to renewable energy.(Result)In light of the potential financial impact of a carbon tax, we formulated the “Carbon Neutral 2030” initiative, which aims to achieve net-zero Scope 1 and Scope 2 greenhouse gas emissions by FY2030. This commitment was announced on May 11, 2021. As of the end of FY2024, all consolidated subsidiaries—accounting for 100% of consolidated revenue—have set carbon neutrality targets for FY2030. The proportion of renewable energy used in our business operations in FY2024 reached 62%. If a carbon tax of JPY 20,000 per ton of CO_2 had been introduced in 2024, the use of 62% renewable energy—calculated using the national average emission factor of 0.438 t-CO_2/MWh—would have resulted in an estimated tax savings of approximately 20 billion yen. Our carbon neutrality goal for 2030 is expected to eliminate carbon tax risks by that year.

Climate change

(3.1.1.1) Risk identifier

Select from:
☑ Risk3

(3.1.1.3) Risk types and primary environmental risk driver

Chronic physical

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Japan

(3.1.1.9) Organization-specific description of risk

SoftBank's primary business is domestic telecommunications. Its services are used by a large number of customers, including over 30 million smartphone users. However, operating its network infrastructure, such as mobile base stations, requires a significant amount of electricity. Across Japan, the company operates several hundred network centers, of which 19 large-scale facilities are designated as "Type 1" or "Type 2" specified energy management facilities. These centers play a vital role in housing the equipment necessary for mobile services and are essential to the advancement of SoftBank's telecommunications business. In FY2024, electricity consumption at these network centers totaled 420,388 MWh. Power demand is expected to continue rising due to capital investments related to the rollout of 5G networks. To maintain stable service, network center equipment is generally operated at a controlled temperature of 23 ± 2°C. If the temperature exceeds this range, it may compromise service quality and result in disruptions for users. Therefore, temperature control through air conditioning systems within the centers is critically important to business operations.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased indirect [operating] costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ More likely than not

(3.1.1.14) Magnitude

Select from:
☑ Low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Based on historical electricity consumption data from major network centers, the increase in electricity costs due to rising temperatures is estimated to reach 126 million yen in 2030 under the 4°C scenario (IPCC AR6 SSP5-8.5), representing a 101.5% increase compared to 2021.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:
☑ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

67262080

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

126116399

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

121912519

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

449815158

(3.1.1.25) Explanation of financial effect figure

Based on past electricity consumption data and its correlation with annual average temperatures, we estimated a 5% increase in electricity costs per 1°C rise in temperature. Referring to multiple temperature increase scenarios, we calculated the additional electricity costs for network centers for FY2024, FY2030, and

FY2050.The analysis uses the FY2024 electricity consumption of 420,388 MWh for network centers. In this estimation, external factors such as global energy market volatility or supply-demand constraints were excluded, and the unit electricity price was assumed to be 20 yen per kWh. Estimated Increase in Electricity Costs Due to Rising Temperatures① 1.5°C Scenario (IPCC AR6 SSP1-1.9)Mid-term (FY2030):+67.3 million yen/year= 20 yen/kWh × 420,388 MWh × 0.8%Long-term (FY2050):+122 million yen/year= 20 yen/kWh × 420,388 MWh × 1.45% ② 4°C Scenario (IPCC AR6 SSP5-8.5)Mid-term (FY2030):+126 million yen/year= 20 yen/kWh × 420,388 MWh × 1.5%Long-term (FY2050):+450 million yen/year= 20 yen/kWh × 420,388 MWh × 5.35% Annual electricity consumption: 420,388 MWh (based on the FY2024 electricity consumption of network centers).According to the scenario analysis, under the 4°C scenario for FY2050, the increased electricity cost risk due to temperature rise is estimated at 450 million yen per year, representing a 5.35% increase compared to 2021.Our company classifies risks relative to consolidated operating profit (989,016 million yen for FY2024) as follows:Very high risk: exceeding 10%High risk: 5–10%Moderate risk: 1–5%Low risk: less than 1%Based on this classification, the financial impact is assessed as low.

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

(3.1.1.27) Cost of response to risk

1044200000

(3.1.1.28) Explanation of cost calculation

Expenses for replacing empty capacity facilities in FY 2024 are as follows. (1) OPEX: _116.3百万円 (2) CAPEX: 927.9百万円/15 year amortization (annual) 1044200000 yen= (1)+(2)

(3.1.1.29) Description of response

A chronic increase in average temperature due to climate change will increase the energy required to cool network center equipment, which may increase power costs. This section describes the details of our energy conservation measures. (Situation) The equipment in the network center provides stable services by basically maintaining the temperature at 23°C±2°C. If the temperature exceeds the set temperature, it may not be possible to provide appropriate services and may cause problems in providing services to users. Since the energy efficiency of air conditioning equipment is greatly affected by the outside temperature, a rise in average temperature due to climate change may increase the power consumption of air conditioning equipment in the center, resulting in an increase in costs. (Issue) The amount of electricity used by the network equipment is expected to increase due to capital investment in the construction of the network for 5G services, so energy conservation measures are necessary. It is important to carry out energy conservation measures by improving the power efficiency of the network center equipment by continuing to replace equipment with equipment with high energy efficiency. (Action) In fiscal 2024, 61 units of air conditioning equipment were replaced in 12 network centers (3 bases in Hokkaido, 1 base in Kanagawa, 2 bases in Tokyo, 1 base in Osaka, 1 base in Ishikawa, 1 base in Hiroshima, 1 base in Yamaguchi and 2 bases in Fukuoka). (Results) In fiscal 2024, we achieved a 20% reduction in electricity costs. We will continue to replace energy-saving equipment. The cost reduction effects in fiscal 2024 are as follows. (1) Before renewal: 4,137 MWh/year (2) After renewal: 3,310 MWh/year - 20% (assumed) (3) Energy saving effect: 827 MW (fiscal 2024) (1)-(2) (4) Unit price of electricity: 20,000 yen/MWh (assumed) 16.54 million yen (3) x (4)

[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:
☑ Revenue

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

31500000000

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:
☑ 1-10%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

1900000000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:
☑ Less than 1%

(3.1.2.7) Explanation of financial figures

Financial Metrics Vulnerable to Transition Risks, Such as the Introduction of Carbon Taxes or Other New Regulations(1) Metric: Covers all businesses related to greenhouse gas (GHG) emissions; FY2024 consolidated operating profit: 989,016,000,000 yen.(2) Risk: Based on the assumed carbon tax for FY2030 using the IEA WEO2024 NZE advanced economies price scenario and an exchange rate of 150 yen/USD, the estimated tax burden would be 31,500,000,000 yen.This estimate assumes 1,500,000 t-CO_2 emissions in FY2030 without renewable energy measures in place.[31,500,000,000 yen = 1,500,000 t-CO_2 × 250 USD/t-CO_2 × 150 yen/USD]This represents 3.18% of FY2024 consolidated operating profit: (2) / (1). Financial Metrics Vulnerable to Physical Risks Due to Climate-Related Disasters (e.g., Base Stations)(1) Metric: FY2024 mobile communications business revenue: 1,890.4 billion yen.(2) Risk: FY2024 expenditures related to response and recovery from weather-related disasters are estimated at 1.9 billion yen.This represents 0.1% of relevant revenue: (2) / (1).
[Add row]