

Rakuten Group Environmental Policy

Chapter 1: Overview

1.1 Objective

This document describes the Rakuten Group's policy and structure to promote environmental conservation activities, including achieving carbon neutrality.

1.2 Key terms

"Environmental conservation" means efforts to reduce the environmental impact of the business activities from business operators and others which may affect the environment negatively. The Rakuten Group divides these activities into the categories of climate change (including carbon neutrality), resource management, and biodiversity.

"Carbon neutrality" means that the total amount of carbon dioxide and other greenhouse gases emitted minus the amount absorbed through such activities are effectively reduced to zero. The Rakuten Group will have practically zero* carbon emissions in its business activities and in its supply chain to help address the global issue of climate change.

*For Scope 1+2 GHG emissions with third-party verification estimated in accordance with GHG Protocol. Residual emissions after promoting various measures are offset using carbon credits.

Chapter 2: Basic Policy

2.1 Group-wide Promotion of Environmental Conservation

In addition to complying with environmental laws and regulations, efforts will be made to promote and effectively reduce environmental impacts through analyzing the Rakuten Group's environmental risks and opportunities, and considering environmental conservation in business and procurement activities. In addition to promoting the provision of environmentally friendly services to customers, the Rakuten Group also conducts environmental education to raise employees' awareness and deepen their understanding of the environment.

The Rakuten Group's initiatives committing to environmental conservation are outlined as follows.

Climate Change

The Rakuten Group recognizes climate change as one of the most pressing issues facing society today. Changing weather patterns and the increased risk of extreme weather events affect global citizens as well as our operations. To fulfill our responsibility as a global company and uphold our corporate mission, we are committed to contributing to a carbon-neutral society by working on initiatives that align with the goals of the Paris Agreement. To do so, we assess and disclose our greenhouse gas emissions with the aim of reducing them throughout our value chains by improving energy efficiency, adopting clean energy solutions, and helping our customers reduce their own emissions using our products and services.

The promotion of carbon neutrality is essential to the Rakuten Group. Accordingly, it will be achieved through the promotion of our carbon neutral strategy across the Group, which includes setting clear standards and promoting decarbonization efforts to executives and employees. Also, we will continue to contribute to the establishment of a decarbonized society by setting targets and accelerating our efforts to reduce our environmental impact.

The Rakuten Group aims to promote the following practices for promoting carbon neutrality in compliance with one of Rakuten Shugi's Code of Ethics to "strive to contribute to a sustainable society."

- (1) Energy Efficiency
- (2) Renewable Procurement
- (3) Carbon Offset

Resource Management

The Rakuten Group will measure and disclose environmental impacts such as the use of natural resources, generation of waste, and discharge of all kinds of pollutants, and reduce the negative impact on the environment caused by the Rakuten Group's business activities by effective use of resources, promotion of 3Rs (Reduce, Reuse, Recycle), reduction of waste, proper treatment, reduction of pollutant emissions, and reduction of water intake and consumption throughout the value chain, such as during the production of goods and services, the use of packaging materials, and the delivery of orders.

Biodiversity

Our business activities are supported by the richness and diversity of natural ecosystems that our service infrastructures and operations may impact. The Rakuten Group is committed to complying with domestic and international laws related to the conservation of biodiversity, to conducting business activities with due consideration to biodiversity, and to mitigating any harmful impacts that our services and products may have.

2.2 Stakeholder Engagement

The Rakuten Group is aware that our impact on the environment is not limited to our direct operations. Opportunities to protect and improve the environment exist along our entire value chain and we strive to seize them by engaging with our stakeholders, namely Group employees, customers, business partners, including suppliers of goods and services, local and global communities, and others.

2.3 Employee Responsibility

Employees should acknowledge the importance of our environmental strategy. They should always be aware of the environmental issues and seek ways to tackle them.

Chapter 3: Organizational Structure

3.1 Promotion structure of the Environmental Strategy

We will promote environmental conservation initiatives throughout the Rakuten Group by clarifying the roles of personnel and departments engaged in environmental activities and supervising the Rakuten Group Environmental Policy. The Group Headquarters established the Environment Subcommittee under the Sustainability Committee to plan and monitor environmental standards, goals, and KPIs and to provide internal training on Environmental strategy across the Group. Matters reported to the Sustainability Committee will be reported to the Board of Directors for further analysis and important decision makings. Any top priority will be supervised or approved by the Board of Directors or management team.

To promote Environmental Conservation across the Rakuten Group, the Group COO is responsible for activities to:

- (1) Contribute to global and national environmental conservation goals by formulating and executing overall Group-wide strategies to promote environmental conservation
- (2) Aggregate actual environmental data and promote the achievement of targets set throughout the Rakuten Group and its supply chain
- (3) Foster a culture of promoting environmental conservation in the Rakuten Group
- (4) Enhance external communication regarding the environmental conservation of the Rakuten Group
- (5) Set strategies and implement profit generating environmental conservation activities in the Rakuten Group

Each Company President, Group Company President, or Senior Executive Manager will be responsible for environmental conservation in their management Company, Division, or Group Company. The Company President, Group Company President, or Senior Executive Manager will appoint an Environment PIC to be responsible for environmental conservation in their organization. Multiple Environment PICs to address different business areas can be assigned when applicable.

To promote environmental conservation within their respective Companies, Division, or Group Companies, as applicable, the Company President, Group Company President, or Senior Executive Manager and Environment PICs are responsible for the activities listed below.

- (1) Contribute to global and national environmental conservation goals by formulating and executing Company, Division, or Group Company strategies to promote environmental conservation
- (2) Aggregate actual environmental data and promote the achievement of targets set throughout the Company, Division, or Group Company and its supply chain
- (3) Foster a culture of promoting environmental conservation in the Company, Division, or Group Company
- (4) Enhance external communication regarding the environmental conservation of the Company, Division, or Group Company
- (5) Set strategies and implement profit generating environmental conservation activities in the Company,

Division, or Group Company

The Environment PIC has a reporting line to the Company President, Group Company President, or Business Head, to identify the issues, to share the information required, and to consider countermeasures.