

# Sustainability Promotion System

The Lintec Group set its long-term vision for the period to 2030 in April 2021.

To achieve the LINTEC SUSTAINABILITY VISION 2030 we established the Sustainability Committee, in which outside directors participate.

Additionally, we established and reorganized committees and subcommittees to build and operate the sustainability promotion system.

As of April 2022, the system is comprised of five committees and five subcommittees.

## Sustainability Committee

The Sustainability Committee developed a basic policy for sustainability management promotion, conducted a progress review and monitoring of measures taken by subordinate committees and subcommittees, and provided instructions for improvement. Additionally, it examined and approved identified and reviewed issues of materiality for the achievement of LSV 2030, established a new subcommittee in response to information disclosure recommendations by the TCFD, and provided instructions for formulating a disclosure proposal. In fiscal 2021, it held three meetings (July and October 2021 and January 2022), concurrently with online meetings. Attendance of the 14 committee members, including outside directors, was 100%.

## Sustainability Disclosure Subcommittee

The Sustainability Disclosure Subcommittee made efforts for prompt and effective information disclosure to stakeholders as needed, using disclosure materials, PR magazines, and websites, with a particular focus on further enhancing internal and external provision of information on sustainability management. It also responded to surveys conducted by external evaluation organizations and ensured that top management was provided with feedback on evaluation results. In fiscal 2021, it carried out activities by holding one meeting (March), which included online participation, and exchanging and sharing information between members as needed.

## Environmental Committee

The Environmental Committee developed the Lintec Green Plan on the environmental issues of climate change, circular economy, and co-existence with nature for the development of a sustainable

world, and conducted activities to achieve LSV 2030. In particular, in fiscal 2021 it conducted surveys on CO<sub>2</sub> emissions at manufacturing sites and sales offices both inside and outside Japan to help the Lintec Group achieve the target of cutting CO<sub>2</sub> emissions by 50% or more by 2030 compared to fiscal 2013, and developed and promoted plans to reduce CO<sub>2</sub> emissions in and outside of Japan through collaboration with the Energy Savings Promotion Committee, the Production Division, the Research Center, and other related departments. In fiscal 2021, it held three meetings (September and December 2021 and February 2022) to formulate environmental policy and measures and manage their progress. In December 2021, it established the TCFD Subcommittee as a subordinate organization to identify risks and opportunities related to climate change and examine measures for information disclosure based on the TCFD recommendations.

## TCFD Subcommittee

As companies listed in the prime market are required to perform information disclosure based on the TCFD recommendations following the stock market's restructuring, the TCFD Subcommittee was established in December 2021 under the Environmental Committee. From the period from December 2021 to February 2022, the subcommittee identified transition risks (policy/legal, technology, market, and reputation) and physical risks (acute and chronic) for domestic business in 2030 by referring to the framework in the TCFD recommendations and developed a disclosure proposal. With regard to identified risks and opportunities, it used external materials to conduct scenario analysis to predict impacts on business in the cases of global temperature rises of 2°C and 4°C, and developed a disclosure proposal for the first year in line with the TCFD recommendations. In the next fiscal year, it will delve further into identified risks and opportunities with the help of additional new members.

### Social & Governance Committee

The Social & Governance Committee checks the progress of initiatives related to the S (society) and G (governance) of ESG on a quarterly basis. In fiscal 2021, it confirmed that the introduction of the systems of age 65 retirement, reemployment until age 70, and paid hourly leave, as well as the establishment of the Nomination and Compensation Committee (reorganized Corporate Governance Committee), progressed as planned.

The committee is currently preparing for the global review of the internal reporting system and the introduction of a human rights survey and employee satisfaction survey in Japan and the US.

### Corporate Ethics Subcommittee

The Corporate Ethics Subcommittee is carrying out activities to nurture, instill, and establish corporate ethics. In fiscal 2021, it held four meetings while conducting working group activities on each of the themes below, discussing the penetration of corporate ethics among all employees and providing opportunities for information provision and education.

1 Rinri Kawaraban	Posted <i>senryu</i> (haiku-like poem) related to the Compliance Guidelines on the intranet monthly (11 times) and held <i>senryu</i> competition (Dec.–Feb.)
2 Posters to raise awareness of ethics	Created and distributed the FY2021 version of <i>Communication to Connect with Diverse Colleagues</i> , posted the FY2020 version of “Communication amid the COVID-19 Pandemic” on the intranet, and conducted e-learning survey
3 Self-audit on information security	Provided e-learning and aggregated and reported the results
4 Corporate ethics lessons learned from case studies of other companies	Created a collection of case studies on specified themes, distributed it to heads of sites, and posted it on the intranet bulletin board (twice)

### Social Contribution Subcommittee

The Social Contribution Subcommittee aims to help the Lintec Group act as a good corporate citizen within its local communities and the global community by promoting realistic activities that will contribute to the sustainable development of society. In fiscal 2021, it held four meetings (June, September, and December 2021 and March 2022) with online attendance to discuss details of the activities. Although the annual events, namely, a professional baseball game outing for people with disabilities and the Fureai Concert, were unfortunately cancelled due to the COVID-19

pandemic, the subcommittee conducted other activities, including offering fried chicken gift cards at Christmas and providing emergency food stocks to food pantry events organized by the Itabashi Council of Social Welfare.

### Diversity & Work Style Reform Promotion Subcommittee

The Diversity & Work Style Reform Promotion Subcommittee was established under the Social & Governance Committee on April 1, 2022 to identify internal and external needs related to diversity and work styles, ensure the penetration of related measures and systems, and raise awareness, with the aim of contributing to building a robust corporate structure. It holds meeting once a month and carries out activities for identifying needs, establishing systems, and raising awareness in parallel with the Human Resources Department, which develops such systems.

### Corporate Risk Management Committee

The Corporate Risk Management Committee, comprising executive general managers and general managers of offices under the direct control of the president, conducted activities to comprehend business risks and opportunities, establish policies to respond to them, and to implement and verify the policies within the corporate structure. The committee identified business risks and opportunities based on the results of regular risk clarification and agendas suggested by committee members, and discussed response policies. Results of the discussions were reported to the Sustainability Committee and the Board of Directors. Instructions received have been implemented within the corporate structure.

### SDGs Committee

The SDGs Committee is comprised of the Innovation Group, which generates new business ideas, and the “Brush Up” Group, which examines their viability. Focusing on team building designed to help diverse members come up with new and creative proposals, the committee held a series of online lectures and group work sessions. For sharing information, in addition to publishing a wall newspaper in Japanese and English, the committee also undertook a trial project to share progress bi-directionally between members and their bosses. It will continue to promote activities to make people more familiar with the SDGs.