

# Third-Party Opinion

Lintec's sustainability initiatives launched with its participation in the United Nations Global Compact in 2011 moved to a new stage last year, the 10th anniversary year, as the company introduced the long-term vision, LSV 2030. The new sustainability promotion system, which was established with the restructuring of certain committees and addition of the TCFD Subcommittee and the Diversity & Work Style Reform Promotion Subcommittee, marks a dramatic shift from conventional CSR management to sustainability management. As part of the move, the CSR Report was renamed the Sustainability Report.

The biggest change is that this report provides an overall picture of value creation, which was only a feature in last year's Integrated Report. The report's title, "Stories about Solving Social Issues," reflects the key policy of the LSV 2030. The listing and linking of constituent aspects, such as social issues, business activities, materiality, and KPIs, plays a significant role in communicating the overall picture of sustainability management to readers. In particular, incorporating the revised materiality into stories and linking it to corresponding KPIs helps clarify the intention to synchronize corporate activities with solving social issues. I am pleased to find this as I requested it in this column last year.

Incorporating value-creation elements, which are essential items in an integrated report, into a sustainability report has the benefit of strengthening the connection between sustainability activities and the main business. But it can also make it difficult to differentiate the role of an integrated report from that of a sustainability report. In the case of Lintec's Sustainability Report, my concerns in this regard were dispelled when I read the message from the president. While adopting the main theme of reaffirming and communicating the importance of the long-term vision, his message shows a strong awareness that employees form part of the report's readership. This is a characteristic that is consistently found in Lintec's reports. Throughout his message, the president is communicating his hope that employees will take ownership of the long-term vision.

This may provide a clue to the title that was chosen, "Stories about Solving Social Issues," as opposed to a more generalized title such as "Value



## Keisuke Takegahara

Executive Fellow  
Research Institute of Capital Formation  
Development Bank of Japan Inc.

Creation Story." It may well be the editorial intention to use this report to invite employees to take ownership of solving social issues (as their job), while emphasizing for investors in the integrated report the scenario of growth through solving social issues via the two other pillars of the long-term vision, i.e., innovation and new products and businesses.

Following the overall picture, this report introduces the new sustainability promotion system in detail, including the TCFD Subcommittee, which was established in December 2021 and has already disclosed its achievements on the website, communicating an active shift to the new system.

I have great hope for Lintec's efforts to further pursue the new direction presented in this report. Considering the importance of innovation, which President Hattori referred to in his message, and recognition of opportunities related to technologies and markets, which are presented in line with disclosure based on the TCFD recommendations (website), Lintec may further incorporate the perspective of business opportunities while focusing on relevant social issues. I further hope that Lintec, as an early member of the UN Global Compact, will enhance its human resource-related measures, such as setting KPIs for human rights and diversity promotion. By linking a wide spectrum of corporate activities with diverse employee activities as described in the Global CSR Report section, this Sustainability Report may play a role in highlighting Lintec's value in a way that differs from that of an integrated report while communicating the strategy of growth through solving social issues.

## Response to Third-Party Opinion

We are pleased that Mr. Takegahara has given our group's sustainability initiatives a high rating.

In fiscal 2021, we spent time instilling the long-term vision, LSV 2030, across the Group to encourage all employees to take ownership of it and promote measures from their respective positions.

Having laid the foundation for such promotion, including with the promotion system, we will organically connect materiality, KPIs, and measures to achieve the KPIs with the long-term vision to clarify stories about solving social issues through business activities, with the goal of achieving further growth and a sustainable society. In promoting

sustainability management, we will proactively review measures and disclose information in response to requests from any and all stakeholders.

Guided by the company motto of "Sincerity and Creativity," which forms the basis of our management, I'm sure individual employees will make creative efforts and join forces to achieve the long-term vision and thereby boost the significance of our group.

## Makoto Hattori

Representative Director, President, CEO and COO  
LINTEC Corporation