

Minutes for 1<sup>st</sup> “Joint Session for Special Advisory Committee on Global Data Governance and Technology Verification Subcommittee” held on March 23, 2021

■ Agenda: Current state and future policies of LINE’s global data governance

■ Major opinions received from members of the Special Advisory Committee on Global Data Governance and Technology Verification Subcommittee:

- To consider this matter, I request more detailed information to be provided as soon as possible.

- In regards to the matter that personal information could be accessed from China, I believe it is not enough to regard that the responsibility lies solely with the contractor as agreed in the contract. I would like to check the actual status regarding cross-border transfer regulations and regulations on third party provision as well as detailed information, before I decide whether we can make a coherent explanation that can withstand criticisms and answer questions from the society.

- I request a comprehensive list of services provided by LINE Corporation and the personal information handled, in order to ensure an exhaustive verification.

- I would like to confirm the details of how access from China was perceived in LINE Corporation and what kind of decisions were made in this regard.

- The feasibility of the plan to transfer data center to Japan should be verified in this Committee.

- A more specific explanation should be made towards the media and users in regards to the access from China and management of overseas bases.

- Information on overseas contractors must be disclosed including the names of the companies.

- Discussions should be held considering that the countermeasures and initiatives taken for this matter may have ripple effect on other companies.

■ Major questions from members of the Special Advisory Committee on Global Data Governance and Technology Verification Subcommittee and responses from LINE Corporation:

- Are there any impact on business or risks involved as a result of cutting off access from China?

→ There are some backlogs because the cut off was conducted as an emergency measure. However, we have urgently established a system in a Japanese subsidiary to deal with this.

- How did you cut off the access from China?

→Access to the personal information of users in Japan and LINE has been cut off. Also, in regards to the termination of outsourcing, we have especially put priority on those that handle highly private personal information and those related to LINE's communication.

- Was development, maintenance and operation of LINE app conducted in China?

→Development conducted in China was not on LINE app, but on management tools that will make internal monitoring more efficient.

- Wasn't LINE Corporation aware of the access from China until it was pointed out this time? Or was LINE Corporation aware, but thought there was no problem in the current explanations to the users?

→We were aware that we had subsidiaries and contractors in China, and that certain duties were outsourced to these entities. In addition, we have established an environment so that overseas operations will be subject to the same level of governance as the security level of LINE Corporation in Japan. However, amid the various changes that are occurring, including China's National Intelligence Law in 2018, we regret that we did not have a fully user-first perspective.

- At the request of the authorities of each country, has data saved in data centers in Japan and South Korea been accessed from overseas bases?

→We do not have such cases yet.