

# Foundation

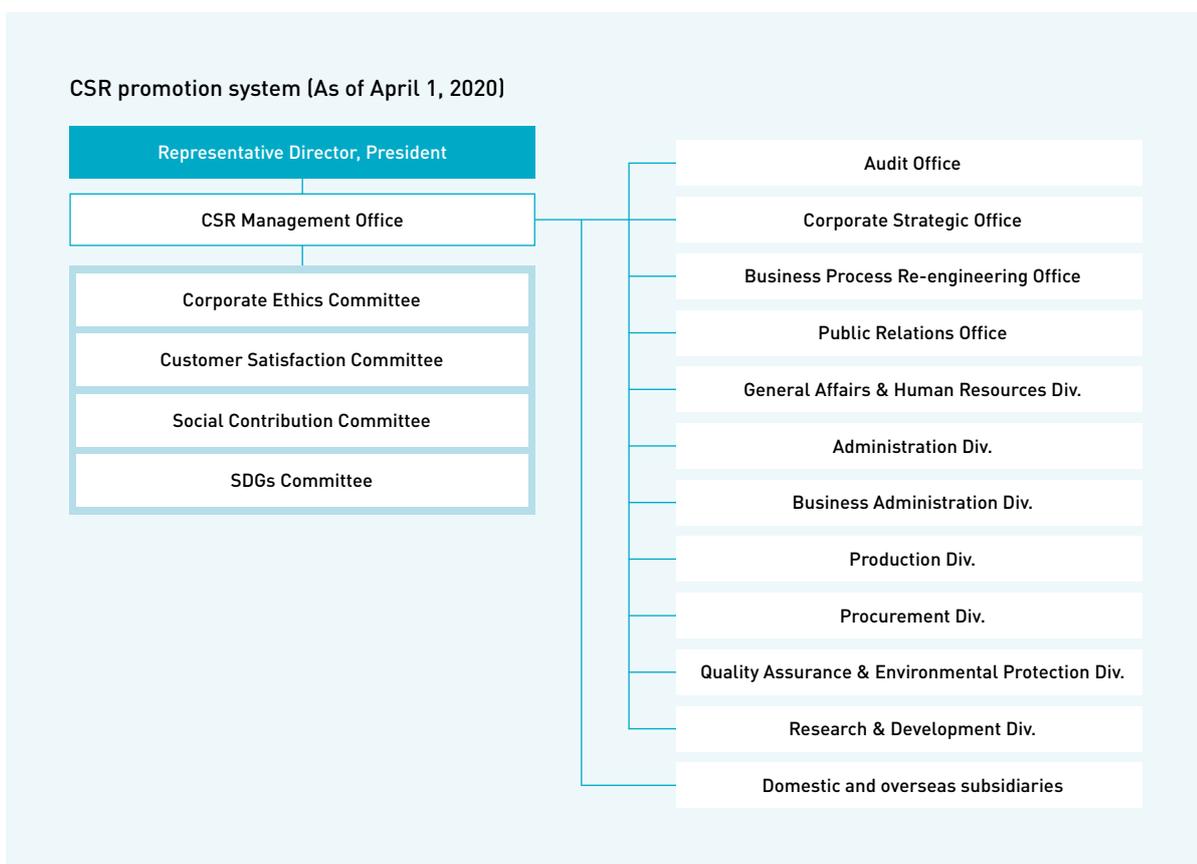
To remain a good corporate citizen and a manufacturer that is highly regarded and trusted by all stakeholders, the LINTEC Group positions corporate social responsibility (CSR) at the core of business management. This section focuses on the Group's initiatives from the viewpoint of environmental, social, and governance (ESG) factors—which are essential for realizing a sustainable society and enhancing corporate value.



# CSR Promotion System and Material Issues

## CSR Promotion System

LINTEC has established the CSR Management Office, which is under the direct control of the president, and, at all Group companies, we are working to cultivate a high level of ethics and to promote the spread of the CSR spirit. In addition, we have established four CSR committees—the Corporate Ethics Committee, Customer Satisfaction Committee, Social Contribution Committee, and SDGs Committee—with members from across the organization. The CSR Management Office is supporting the activities of these committees. Each committee has an officer in charge, who takes responsibility from a management perspective and leads activities.



## Pick up / SDGs Committee

Aiming to incorporate Sustainable Development Goals (SDGs) into business management and contribute to the resolution of a range of social issues through its core businesses, in February 2018 we launched the SDGs Committee. In the fiscal year ended March 31, 2020, the committee considered ideas for new businesses and innovative products while taking steps to incorporate the viewpoints of third parties, such as interviewing university researchers and visiting facilities in other industries. In April 2020, we launched a western Japan subcommittee, which has further strengthened our initiatives. Moving forward, the committee will advance the process of generating ideas for a specific business model and will aim to plan and propose businesses that can be incorporated into the next medium-term business plan and the long-term vision, which will look ahead 10 years and is currently being formulated.



**Material Issues (Important Issues)**

With the objective of further advancing CSR activities and meeting the demands of stakeholders, the LINTEC Group has conducted a materiality assessment to identify important issues, and we started full-scale implementation of measures to address these issues from the fiscal year ended March 31, 2017.



**Reevaluation of Material Issues**

With consideration for social issues that continue to change, LINTEC is advancing the reevaluation of its material issue initiatives while engaging in dialog with stakeholders on a daily basis. The new material issues incorporate the SDGs perspective, and, at this point, we have progressed to step 2 of the reevaluation process. Moving forward, we will also make further changes to the KPIs.



In narrowing down ESG initiatives, we gave consideration not only to changes in various international guidelines and frameworks, such as the SDGs, the GRI Standards, the U.N. Global Compact, and ISO 26000, but also to important ESG initiatives established by ESG evaluation organizations.

We consider hypotheses and assess importance in conjunction with internal units, such as R&D divisions and the New Project Planning Office.

With consideration for the results of steps 1 and 2, we specify key initiatives and receive evaluation and approval from the president, who is the chief decision maker.

With consideration for the material issues that have been specified, we will establish performance indicators for activities and advance toward application.

Note: Organizations covered in results: [A] LINTEC (non-consolidated); [B] LINTEC Group; [C] LINTEC, TOKYO LINTEC KAKO, INC.; [D] LINTEC Head Office, 10 production sites, Research Center; [E] LINTEC production sites (excluding Ina Technology Center), Research Center

Materiality		Specific Actions	KPIs and Results in the Fiscal Year Ended March 31, 2020	Related SDGs
Governance	Operating global governance	Enhance global governance	(1) Use of consultation contact points in and outside Japan: 3 cases [B] (2) Results of audits by the internal audit division according to local laws and regulations and internal standards: No serious findings [B]	 
Environment	Effectively using raw materials	Procure materials that will help to reduce environmental impact based on the LINTEC Procurement Policy	Volume of organic solvents used: 18,000 t [A]	 
	Reducing atmospheric emissions	Reduce emissions into the atmosphere based on our medium-term environmental target	(1) CO <sub>2</sub> emissions from business activities in Japan: 163,100 t [C] (2) Volatile Organic Compounds (VOC) emissions from business activities in Japan: 869 t [E]	  
	Making environmental contributions through products and services	Develop and spread environmentally friendly products through LCA*1	Number of environmentally friendly products developed: 59 products [A]	 
	Ensuring environmental compliance	Ensure and manage environmental compliance using the environmental management system	Number of serious violations of environmental laws and regulations: 0 violations [D]	
Labor practices	Ensuring occupational safety and health	Conduct activities to ensure occupational safety according to the occupational safety and health management system	(1) Number of occupational accidents and accidents resulting in absence from work: 4 accidents [C] (2) Working hours with no occupational accidents: Please refer to page 50 [C]	 
	Achieving workplace diversity	Respect the diversity of employees and provide rewarding workplaces	(1) Ratio of female managers: 13% [B] (2) Return to work after taking time off for childcare leave: 100% [A]	 
	Improving employee satisfaction	Build working environments where employees feel motivated to work	Turnover in three years of employees hired as new graduates: 12.6% [A]	
Society	Conducting human rights due diligence*2	Respect human rights and determine risks throughout the supply chain	Number of responses to supplier survey: 107 companies [A]	
	Ensuring social compliance	Instill and ensure Groupwide compliance	Response rate for survey to identify risks distributed to officers and managers: 82.0% [B]	
	Ensuring product compliance	Use the quality management system to eliminate and prevent accidents	Number of serious product accidents reported: 0 accidents [C]	
	Making contributions to sustainable consumption	Publicize the effects of environmentally friendly products to stakeholders	Number of exhibitions participated in as an exhibitor in and outside Japan: 47 times [B]	
	Achieving harmonious co-existence with local communities	Introduce social contribution activities for local communities as a good corporate citizen	(1) Number of participants on plant tours: Total of 800 persons [C] (2) Implementation of social contribution activities: Please refer to page 51 [B]	
Contribution to business	Developing business models for local production & sales in emerging countries	Conduct R&D for products intended for local procurement and for resolving social issues	Development of a system for registering local raw materials at sites outside Japan: Search system for global raw material information management under development [B]	 
	Entering new business fields		Number of patent applications: 354 applications [A]	Under review

\*1 LCA (Life Cycle Assessment): A method for comprehensively assessing effects on the environment by calculating items such as the amount of energy and water input, the amount of raw materials used, and the amount of CO<sub>2</sub> and hazardous chemical substances emitted throughout a product's lifecycle

\*2 Human rights due diligence: A process that an organization follows in order to identify, prevent, and deal with adverse human rights impacts in advance

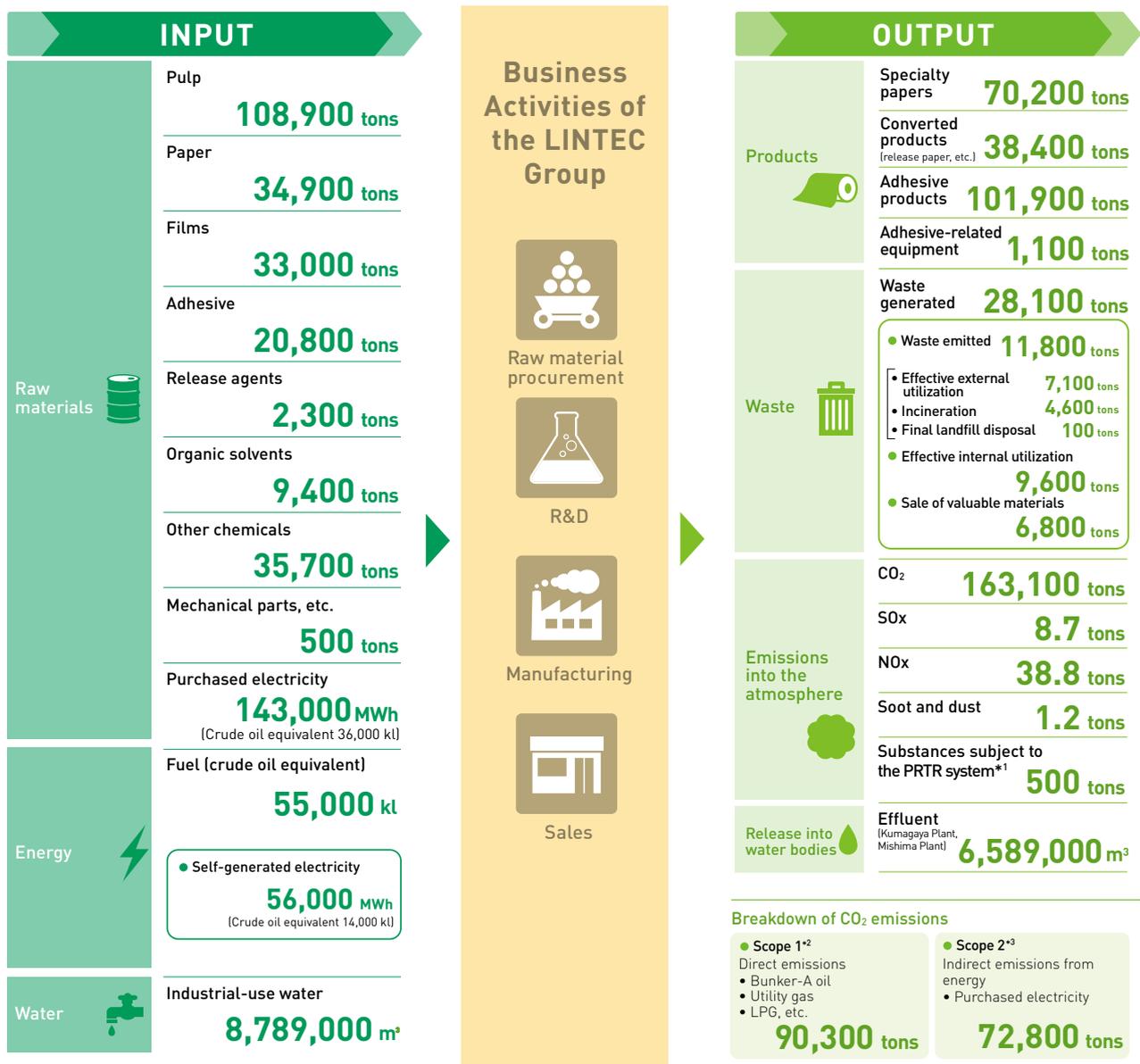
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# Environment

The LINTEC Group uses large amounts of raw materials, fossil fuels, water, and other materials to manufacture products. We are working to fulfill our responsibilities as a manufacturer by reducing the environmental impact of our operations and developing environmentally friendly products.

Material Flow (Fiscal year ended March 31, 2020)



\*1 PRTR system: The Pollutant Release and Transfer Register system that requires companies to estimate the volume of chemical substances they have released and transferred in waste and report the data to the government

\*2 Scope 1: Direct CO<sub>2</sub> or other greenhouse gas emissions from the consumption of purchased gas and liquid fuels, such as liquid natural gas (LNG), liquid petroleum gas (LPG), utility gas, kerosene, light oil, and gasoline

\*3 Scope 2: CO<sub>2</sub> or other greenhouse gas emissions generated by other companies in the production of energy, such as electricity and steam, purchased by the reporting company

Notes 1: The numerical data in the environmental report has been compiled from the following organizations: LINTEC Corporation's Head Office, 10 production sites, and Research Center, and TOKYO LINTEC KAKO, INC.

2: For industrial-use water, although tons were used for initial calculations, figures have been converted into cubic meters in this report.

### Environmental Management

We have acquired global integrated certification under international standard ISO 14001, including the LINTEC head office and plants, Research Center, Group company TOKYO LINTEC KAKO, INC., and overseas Group companies. Due to the inspection for a change in registered matters accompanying the relocation of U.S. subsidiary MADICO, INC., LINTEC now has 22 certified, registered worksites in Japan and overseas. We will continue to promote the acquisition of global integrated certification by overseas Group companies as we strengthen Companywide initiatives in environmental preservation.

### Climate Change Initiatives

To address climate change, the Group is working to reduce energy usage and CO<sub>2</sub> emissions. The Group's total energy usage in the fiscal year ended March 31, 2020, was down 1.3% year on year, and energy consumption intensity, which expresses energy efficiency, improved 0.7%. In addition, CO<sub>2</sub> emissions were 163,100 tons, down from 179,200 tons in the previous fiscal year. Moving forward, the Group will continue aiming to further reduce energy usage and CO<sub>2</sub> emissions, to that end we will take such steps as using co-generation systems and low carbon emission electricity.

#### CO<sub>2</sub> Emissions



### Co-generation Systems

In co-generation systems, LNG and other fuels is used to generate and supply electricity that is utilized to operate various types of production facilities. At the same time, the heat that is generated during the production of the electricity is recovered in the form of hot water or steam and then used. In the manufacturing of the Company's products, there are many processes that require drying, such as in papermaking and adhesive/release agent coating. However, through the introduction of co-generation systems, the drying process can utilize the heat energy that is generated at the same time as the electricity that powers the production facilities. This initiative is expected to result in substantial reductions in CO<sub>2</sub> emissions. We are seeing significant results at the Kumagaya Plant and the Doi Plant (Ehime Prefecture), where these systems have already been introduced. Moving forward, we will advance and accelerate the aggressive introduction of co-generation systems at our plants.



Co-generation system

### Compliance with Environmental Laws, Directives, and Regulations

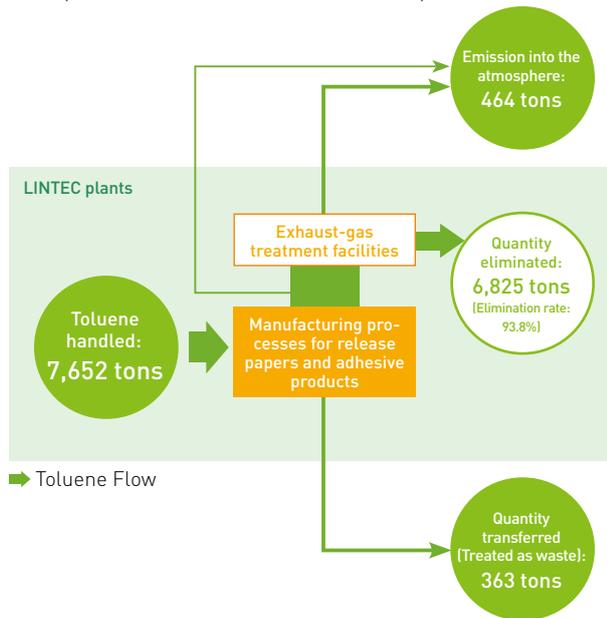
The LINTEC Group seeks to be compliant with environmental laws, directives, and regulations in Japan and overseas and reduce chemical substances that are harmful to the environment. In addition to responding to restricted substances stipulated by

REACH\*<sup>1</sup> and RoHS,\*<sup>2</sup> we check for substances with environmental impact in the raw materials that we purchase and disclose necessary information to our customers. In the fiscal year ended March 31, 2020, on a non-consolidated basis the total handling volume of substances under the PRTR system was 7,817 tons, of which 7,652 tons were toluene, an organic solvent. Toluene emitted into the atmosphere amounted to 464 tons, a decrease of 25 tons over that of the previous fiscal year, while the quantity transferred (treated as waste) was 166 tons less than in the previous fiscal year, at 363 tons.

\*1 REACH: EU regulation for the Registration, Evaluation, Authorization and Restriction of Chemicals  
\*2 RoHS: EU directive on the Restriction of the use of certain Hazardous Substances in electrical and electronic equipment

### Fiscal Year 2020 Emission and Transfer of Toluene

Note: Elimination rate = eliminated amount / (handled amount - transferred amount) × 100

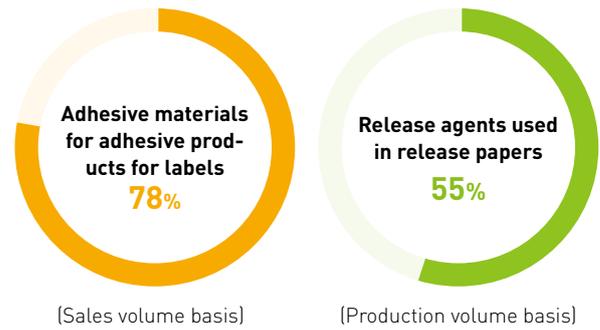


#### ► Advancing Reductions in the Use of Organic Solvents

To reduce the use of organic solvents, which have a high environmental burden, we are advancing the use of solvent-free methods that do not use organic solvents for coating of adhesives and release agents. In the fiscal year ended March 31, 2020, the solvent-free percentage was 78% for adhesives used in adhesive products for labels and 55% for release agents used in release papers. Moving forward, we will work

to expand our lineup of solvent-free products and to increase sales of these products. In this way, we will strive to further reduce the environmental burden.

### Solvent-free percentage (fiscal year ended March 31, 2020)



### ■ Achieving Zero Emissions

In the fiscal year ended March 31, 2020, waste generated was 28,100 tons, and waste emitted was 11,800 tons. Of the waste emitted, 7,100 tons was recycled externally, and the other 4,600 tons was properly disposed of by waste disposal companies. In addition, the final landfill disposal was 100 tons, or 0.3% of waste generated. With a final landfill disposal rate of less than 1.0%, we achieved zero emissions.

### Waste Generated



## LINTEC's Environmentally Friendly Products

The LINTEC Group has embraced the rise in environmental awareness of recent years and is developing products to meet a wide range of environmental needs. Our environmentally friendly product lineup pays heed to reusing, recycling, the move away from the use of plastics, and energy saving.

### Strengthening Environmental Measures for Adhesive Products for Labels

Against a background of reductions in waste plastic and the move away from the use of plastics, there is also a need for environmental initiatives in adhesive products for labels. As one part of those activities, LINTEC has expanded its lineup of labelstocks with facestocks that use PET resin recycled from used PET bottles. We have launched labelstocks that use 100% recycled PET resin in the facestock films while simultaneously realizing physical properties equivalent to those of label materials that use non-recycled PET film substrates.

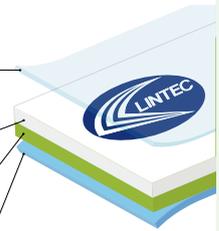
Moreover, we are working to strengthen our lineup of products that utilize a biomass type of adhesive, which uses botanically-derived raw materials, and products that utilize an emulsion type of adhesive, which does not use organic solvents during production. In addition, through the utilization of thin films, we are working to reduce the amount of petroleum-derived raw materials that are used.



Adhesive films for labels using 100% recycled PET resin in the facestock

#### Label Composition and Measures to Address Eco-Friendliness

- Laminate film**  
Use of botanically-derived raw material, use of thin material, etc.
- Facestock**  
Use of recycled resin, use of thin material, etc.
- Adhesive**  
Use of solvent-free method, botanically-derived raw material, etc.
- Release paper / film**  
Use of solvent-free method, use of thin material, etc.



### Paper Substrate Label Materials with Superior Water Resistance for Use as a Substitute for Film Labelstocks

To address demand related to the move away from the use of plastics, we created a series of three labelstocks. These labelstocks use water-resistant paper as a substitute for film. Through the application of manufacturing technologies for washing-resistant paper, which is used in cleaning tags, we have achieved a superior water-resistant strength. In addition, we have also realized suitability for printing, which is difficult to achieve at the same time as water resistance. We are also giving consideration to the environment in the area of adhesives. For example, we are utilizing a biomass type that includes botanically-derived raw materials, and an emulsion type that does not use organic solvents in the manufacturing process.



The new labelstocks are suitable for eye-catching product labels and display labels



The labelstocks offer superior water resistance

### Window Films that Curb Temperature Increases in Buildings and Vehicles

Applying these films onto the entire surfaces of building, automobile, or railcar windows significantly cuts thermal energy from sunlight, which causes heat. Curbing an increase in inside temperatures enhances the efficiency of air-conditioning and helps save electricity and energy. Unlike curtains or blinds, these films do not reduce brightness or impede views. Also, they lower ultraviolet light by more than 99% and prevent shard shattering if the window glass is broken.



Window films for automobiles



Window films for buildings



## Society

In continuing and expanding business activities, creating favorable relationships with all stakeholders is indispensable. The LINTEC Group is advancing initiatives with the aim of establishing employee-friendly workplaces, providing stable supplies of high-quality products, and strengthening partnerships with customers and suppliers. Further, we are actively tackling social contribution activities.

### Respect for Diversity and Human Rights

The LINTEC Group avoids discriminatory treatment of employees based on race, creed, gender, education, nationality, religion, age, or disability status, thereby respecting diversity. In the areas of recruitment and employment, the Group complies strictly with labor laws and regulations, including the prohibition of unfair discrimination, child labor, and harassment, and endeavors to promote an environment where all employees can go about their work in a positive and energized frame of mind. Every year, we conduct a Groupwide survey of human rights and working conditions. As well as checking compliance in Japan and overseas, the surveys confirm that companies are respecting basic human rights and providing safe, healthy workplaces. Furthermore, we have a helpline through which employees can consult with the General Affairs & Human Resources Div. or a lawyer if they have any concerns or have witnessed illegal behavior in the workplace. Access has been extended to overseas Group companies and English-language and Chinese-language helplines are also available.

### Work-Style Reforms

In Japan, the working age population is currently decreasing due to a declining birthrate and an aging population. This has become a major social issue, and the government is advancing work-style reforms to support sustained growth. We are creating workplaces that are more amenable to all employees' needs and enhancing labor productivity.

#### Realizing Work-Life Balance

LINTEC is taking steps to reduce long working hours and late-night work, including for managers. To encourage employees to take paid leave, in April 2015, we introduced a planned vacation system under which employees designate in advance five days on which they will take paid leave. Since the introduction of this system, the percentage of paid leave taken has increased every year. In the fiscal year ended March 31, 2015, the year before the introduction of this system, the percentage of paid leave taken was approximately 51%, while in the fiscal year ended March 31, 2020, this percentage had increased to approximately 67%. Also, in April 2016, we increased the number of days that could be taken for family care leave and the period during which the

shorter-hours program could be used for family care. We also increased the children's age limit in regard to the use of the shorter-hours program for childcare. Moreover, from April 2018, we increased the amounts of retirement allowances and young employees' wages. Also, through a revision of working rules, we expanded the number of days that can be taken for certain types of leave and eased the requirements for taking certain types of leave. From April 2019, we introduced an interval system that stipulates a certain minimum number of hours that must be taken off between periods of work. We are also encouraging the active use of work from home and flex-time systems, and we are advancing measures to address a variety of working styles, including coronavirus countermeasures. Going forward, we will continue striving to establish environments and systems that enable everyone to work with enthusiasm.

### Percentage of Paid Leave Taken



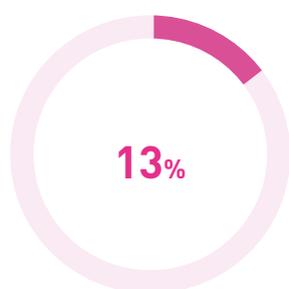
#### Diversity-Related Initiatives

As one facet of measures to promote the active participation of female employees, LINTEC has been advancing the awareness of female employees as well as the entire workplace through various types of training for female employees and for managers. We are also working to increase the percentage of women among our managers and supervisors as well as our new hires. In addition, former employees can start to contribute immediately, and accordingly we have introduced the Job Return System, under which we rehire employees who have resigned due to such circumstances as childbirth, family care, or the job transfer of a spouse. In these ways, we are expanding the opportunities for active participation of women in the workplace. We have also established a retiree rehiring program under which we rehire employees who have reached the retirement age of 60,

utilizing one-year employment agreements up to the age of 65. We are also considering raising the retirement age to 65. For the fiscal year ended March 31, 2020, our employment rate for people with disabilities was 2.19%, slightly lower than the legally mandated rate of 2.2%. Moving forward, we will continue taking steps to expand employment of people with disabilities, such as improving internal facilities as needed.

### Female manager ratio

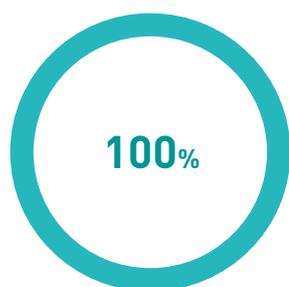
[As of the end of March 2020]



(LINTEC Group, including non-consolidated companies)

### Rate of return after childcare leave

[As of the end of March 2020]



(LINTEC Group, including non-consolidated companies)

### Employment Rate for People with Disabilities



### ▶ Harassment Countermeasures

The LINTEC Compliance Guidelines, which are distributed to all employees as one facet of CSR management, expressly prohibit harassment. At management training and CSR study sessions for all employees, we take a thorough approach to fostering a correct understanding about harassment. In Japan, we are instituting harassment training for the improvement of workplace environments, which is provided for all employees at LINTEC and Group companies. In addition, we have established the Harassment Consultation Hotline. Moving forward, we will continue working to prevent harassment on a Groupwide basis, including overseas.



Compliance Guidelines

### ▶ Mental Health Support

To manage the mental health of Group employees, every year we implement a stress check using a web service. In the fiscal year ended March 31, 2020, the consultation rate was 94%. The results of the consultations are used for understanding and management of stress levels, and feedback is provided to managers to improve the workplace environment. In addition, we have introduced a program that offers counseling on the telephone or in person, as well as a hotline that enables consultations with professionals about such concerns as health, child-rearing, and care-giving. In these ways, we are focusing on providing support for the mental health of employees.

### Employee Education

LINTEC has a Companywide training system based on rank, as human resource education programs tailored to years of continuous service and career. In addition, we are taking steps to promote the career advancement of employees, including theme-based training, such as legal training and Companywide information security training, as well as language training for the development of global human resources. We spend approximately ¥30 million per year on increasing the capabilities of employees and human resources development. In other initiatives, the Company's intranet offers e-learning programs to increase all our employees' understanding of topics such as the environment, product quality, the business continuity management system, compliance, and CSR.

## Zero Accident Culture

Safety is the top priority in LINTEC Group plants, which are operated with the aim of preempting injuries to personnel. We have formulated safety and hygiene policies in compliance with the ISO 45001 standard for occupational health and safety management systems, and our practices include risk assessment, which enables us to put safety standards in place; hazard prediction exercises; and the rigorous pursuit of our 5S\* activities through various types of safety patrol. Safety and hygiene committees hold monthly meetings at all our sites to enable us to ascertain progress in our safety activities and share information. In addition, we have held a safety conference for domestic plant safety officers for the exchange of information about each plant's initiatives. We will continue activities on multiple fronts in accordance with our zero accident culture.

\* 5S: Seiri (organizing), Seiton (clearing up), Seiso (cleaning), Seiketsu (cleanliness), and Shitsuke (discipline) in Japanese

### Achievement of Accident-Free Operations in the Fiscal Year Ended March 31, 2020

(April 1, 2019, to March 31, 2020)

Date achieved	Business site	Achievement
March 2020	Kumagaya Plant	No accidents in the year
	Research Center	Same as above
	Chiba Plant	Same as above
	Shingu Plant (including Niihama Plant)	Same as above
	Komatsushima Plant	Same as above

## Efforts toward Business Continuity

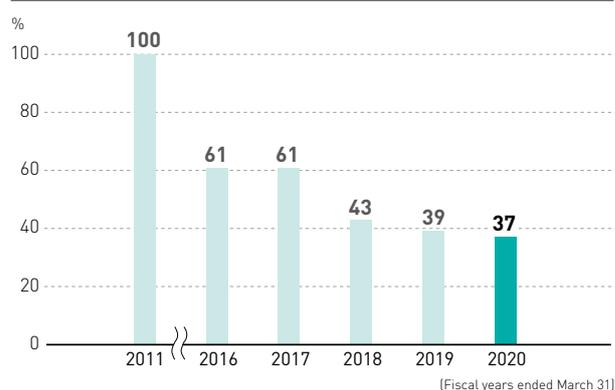
The Group is working to strengthen its systems that enable business operations to continue or restart quickly if struck by a disaster. All the Company's locations in Japan, subsidiaries TOKYO LINTEC KAKO, INC., and LINTEC SPECIALITY FILMS (TAIWAN), INC., have obtained certification under ISO 22301:2012, the international standard for business continuity management systems (BCMS). In relation to these systems, study meetings and drills are held at all sites so that, in the event of a natural disaster or accident that disrupts business operations, we can ensure the safety of our employees and then recommence the supply of products promptly, minimizing impact on our customers and other stakeholders. We also evaluate the business continuity

capabilities of suppliers of raw materials that are critical in securing stable supplies of our products. Additionally, we request that these suppliers introduce a business continuity plan and establish a system for implementing it on an organization-wide basis.

## Thorough Quality Management

The LINTEC Group is advancing the acquisition of certification under ISO 9001: 2015, an international standard for quality management systems (QMS). We are taking steps to further bolster our systems, such as unifying the previous quality assurance systems, which had been implemented by each business operation, into a single Group QMS. Furthermore, we are realizing rigorous quality management with daily inspections on the production front lines, and in addition we continually carry out employee education targeting the maintenance and enhancement of quality and the prevention of quality-related issues. This education is provided for people working in production or sales. Also, with the cooperation of raw materials producers, we are making sure to control quality issues resulting from materials by stabilizing the quality of procured materials. When comparing major quality incidents by year, the fiscal year ended March 31, 2011, is set as 100 in an index of major quality incidents, and we reduced the level of the index to 37 in the fiscal year ended March 31, 2020. We construct and actualize management systems that enable us to take swift action if a quality incident should occur, collecting information, analyzing causes, and work toward preventing recurrence. This framework is in place in Japan and overseas.

### Percentage of Quality Incidents versus FY2011



## Fair Transactions

The basic policy of the LINTEC Group is to conduct fair and transparent transactions with suppliers based on the principle of free competition. We conduct procurement activities in compliance with laws and social norms. In addition, we ask suppliers to consistently implement CSR activities from multiple perspectives, including respect for human rights, occupational health and safety,

information security, and corporate ethics. In the fiscal year ended March 31, 2020, we continued working to maintain and strengthen partnerships and to promote CSR procurement. Through the distribution of a questionnaire, we evaluated major suppliers in such areas as management, labor, service, quality, and the environment.

## Social Contribution Activities

Recognizing that it is a member of society and that society and local communities support it, the LINTEC Group returns some of the profits from corporate activities to society through various social contribution activities.

LINTEC conducts some support activities on an annual basis for people with disabilities living in Itabashi-ku, Tokyo, where the Company's head office is located. In September 2019, we held our 13th professional baseball-viewing event, inviting about 600 people to Tokyo Dome, including people with disabilities and their helpers as well as elementary school students from local youth baseball teams and their family members. In October 2019, we held a jazz concert as an event to deepen exchange through music without regard to disability status. About 550 people, including people with disabilities and members of the local community, enjoyed the event. We also organize blood drives, cooperate with local events, and support disaster area restoration efforts.

As well as head office activities, LINTEC engages in various social contribution activities rooted in local communities, such as cleaning up around each work site, participating in and supporting local festivals, and conducting plant tours. Overseas, our subsidiaries give donations to those in need of assistance, plant trees, and provide volunteers for a range of activities. The LINTEC Group will coexist with society by continuing to engage in social contribution activities as a good corporate citizen.



Jazz concerts deepen exchange with local communities



Mangrove planting activities in Indonesia

## Support for the Prevention of the Spread of COVID-19

LINTEC has implemented a variety of support activities for the prevention of the spread of COVID-19. Together with PRINTEC INC., a domestic subsidiary, we produced floor markings that call on people to maintain social distancing, and we provided about 600 of them to Itabashi-ku, Tokyo, where LINTEC's head office is located. To promote social distancing, these floor markings have been installed in front of counters at the Itabashi-ku main government building and other locations. In addition, we have also provided 3,000 stickers that indicate that food takeout is available, and these stickers have been used by restaurants, etc., in Itabashi-ku. Furthermore, with the cooperation of suppliers, we applied our technologies to the production of face shields, which we donated to Itabashi-ku. In this way, we contributed to reducing the burden on health care professionals.

Our overseas bases are also providing support to local communities. In response to a request from the local government, MADICO, INC., in the U.S., provided medical institutions in Florida with such items as masks, clean room suits and boot covers, and antiseptic solution. In addition, in response to a serious shortage of face shields, MADICO is producing face shields using its own film materials. These received an international certification, and a mass production system has been established. They are being used at local medical and educational institutions, nursing homes, and restaurants.



Floor markings installed in the Itabashi-ku main government building



Stickers used at restaurants in a local shopping district



# Governance

## Basic Philosophy

The Group believes that the fundamentals of corporate governance are to achieve thorough legal compliance, to increase management transparency and promote corporate ethics, and to make prompt decisions and effectively execute operations. By enhancing and reinforcing corporate governance, we aim to further increase our corporate value and joint profits with shareholders.

## Corporate Governance System

### 1 Corporate Governance System P52 Diagram A B

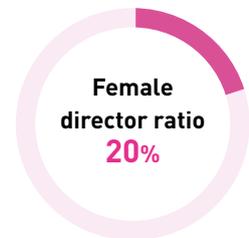
The Company has selected the Company with Audit & Supervisory Committee system described in the Companies Act of Japan for its organizational structure. The Company has placed directors that are also Audit & Supervisory Committee members with voting rights on its Board of Directors in order to strengthen the Board's supervisory function, with a view to stepping up corporate governance and to streamlining management even further. The Company has appointed 10 directors, of whom three are Audit & Supervisory Committee members and four are outside directors.

Held once a month to make important decisions with regard to management, Board of Directors' meetings are also held on an ad hoc basis as necessary to strive for rapid decision making. Primarily comprising executive officers (including directors serving concurrently) responsible for the execution of business, management meetings are also held once a month and endeavor to streamline business operations through the sharing of information among all business divisions.

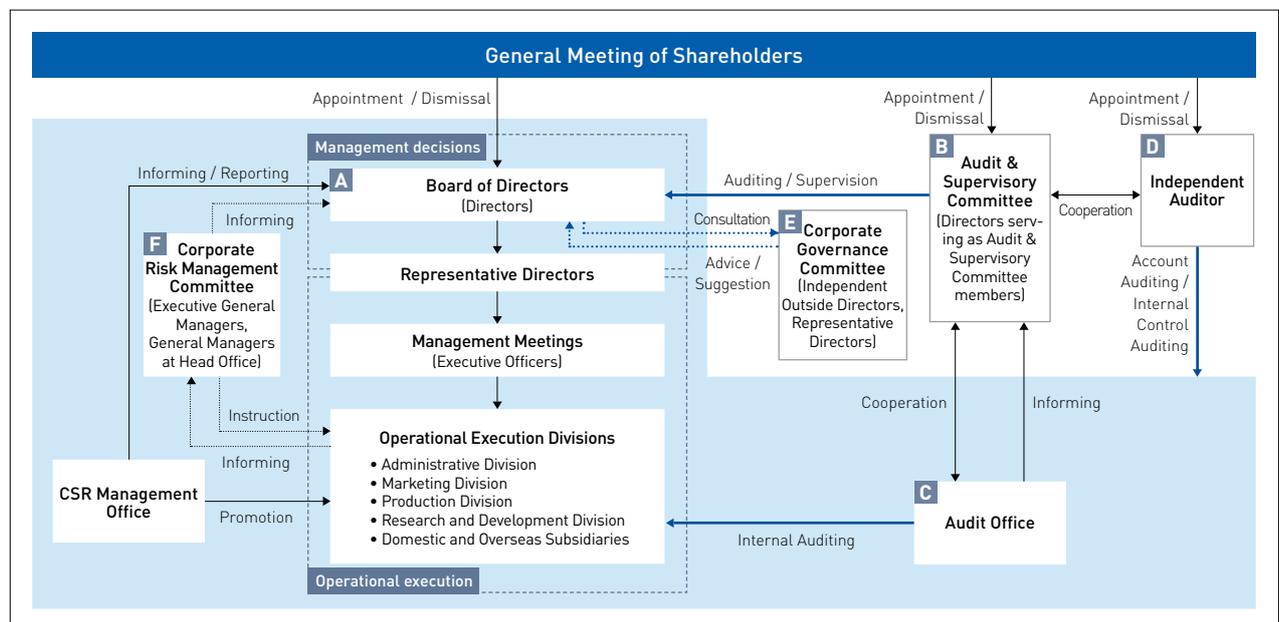
The Audit & Supervisory Committee meets once a month and conducts monitoring audits that focus on matters reported from the Audit Office, which is the Company's internal audit division. In addition to performing audits covering the appropriateness and legality of the execution of directors' duties, each and every Audit & Supervisory Committee member also plays a role in supervising the execution of the directors' duties through the exercise of the voting rights on the Board of Directors.

## Corporate Governance System

Organizational Structure	Company with Audit & Supervisory Committee
Number of Directors (Number of Outside Directors)	10 (4)
Number of Audit & Supervisory Committee Members (Number of Outside Directors)	3 (2)
Number of Independent Outside Directors	3
Directors' Term of Office	One year
Board of Directors' Meetings in FY2020	Number of meetings: 14
Adoption of an Executive Officer System	Yes
Takeover Defense Measures	None
Accounting Auditors	Ernst & Young ShinNihon LLC



## Corporate Governance Organization Chart



**■ Evaluation of the effectiveness of the Board of Directors**

In April 2020, the Company conducted an evaluation of the effectiveness of the Board of Directors. Details are as follows.

**<<Overview>>**

A survey regarding the evaluation of the effectiveness of the Company's Board of Directors was implemented through a questionnaire and open-ended questions, which were submitted to all directors. The representative directors analyzed and evaluated the results of this survey and identified issues. Consequently, the Board of Directors decided on a policy for matters that have been approved/implemented by the Board of Directors. Under this policy, progress will be confirmed and results verified, and the Board of Directors will shift to administration that utilizes the PDCA cycle.\* In addition, initiatives associated with these matters (enhancing explanations for certain proposals, etc.) were mentioned as issues for the responsible departments. Following these processes, the final evaluation of the effectiveness of the Board of Directors overall was received from the outside directors, who are independent directors of the Company. The outside directors stated that the survey questions and method were generally rational, that the functioning of the Board of Directors could be enhanced through the examination of measures for the following year based on survey responses, and that the identification of issues for the year under review was rational and appropriate. In addition, the outside directors also stated that these types of issues could be overcome through multiple initiatives within the Company,

that they were not issues that could always be resolved within one year, and that working toward the resolution of these issues through sustained examination/implementation was a means of addressing referrals from shareholders. Based on this evaluation, we will take further steps to maintain an environment that facilitates continued improvement in the effectiveness of the Board of Directors.

\* PDCA cycle: This approach continuously improves processes through the repetition of a cycle of activities comprising four phases: namely plan, do, check, and act.

**■ Director training policies**

**(1) New director training**

After assuming their position, new directors are provided training from outside institutions to endow them with the legal, accounting, and other knowledge necessary to management.

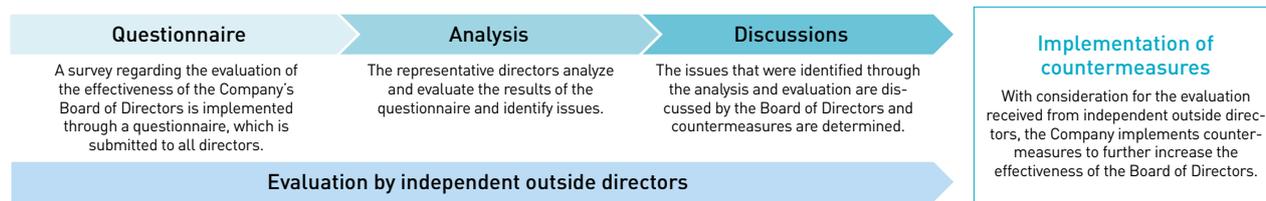
**(2) Regular training**

Once or twice a year, directors undergo training on contemporary issues from lawyers or other outside lecturers. These training sessions serve as opportunities to hone the sense of judgment that is crucial to members of the Board of Directors.

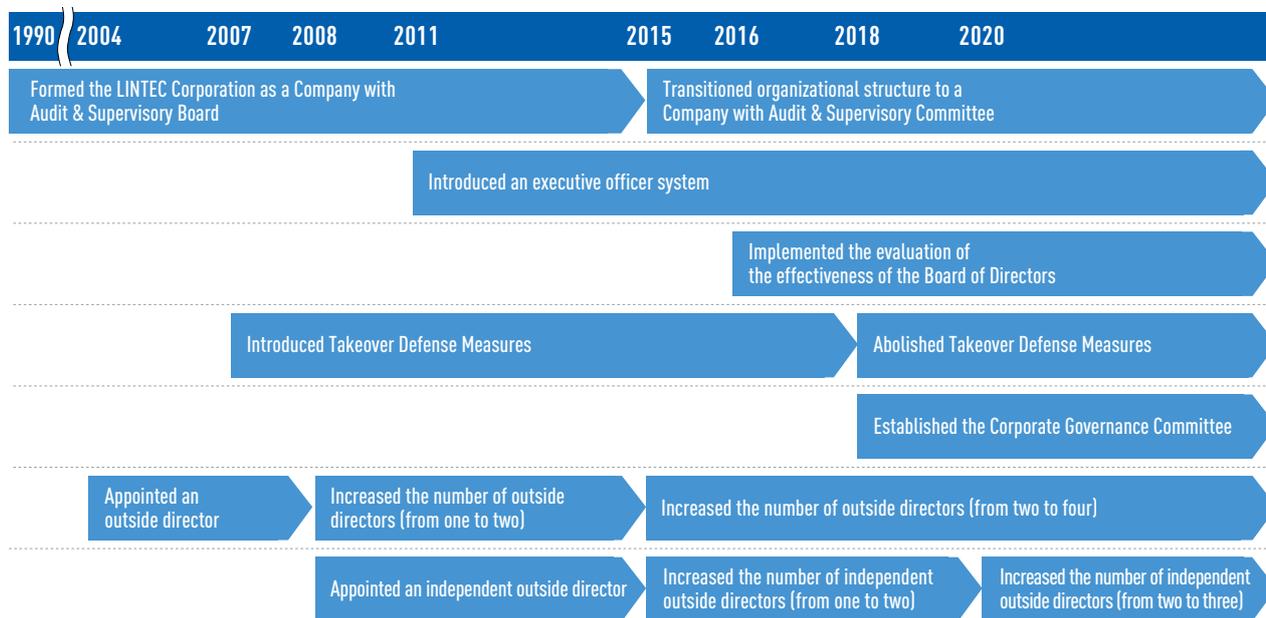
**(3) Special training**

When necessary, directors participate in seminars at the Company's expense to acquire the specialized insight required to perform their duties.

**Implementation Process for the Evaluation of the Effectiveness of the Board of Directors**



**History of Corporate Governance**



## 2 Internal Control System

The following is an explanation of the internal control system to ensure that the execution of directors' duties is in compliance with laws and regulations as well as the Articles of Incorporation, and the system to ensure the appropriateness of the execution of other business.

### ■ System to ensure that the execution of the duties of directors and employees is in compliance with laws and regulations as well as the Articles of Incorporation

To ensure that the execution of the duties of directors and employees is in compliance with laws and regulations as well as the Articles of Incorporation and that a sense of ethics is maintained, the Company established its motto of "Sincerity and Creativity," on which its Code of Conduct was based. To ensure the effectiveness of the compliance system with regard to laws and regulations as well as the Articles of Incorporation, the Audit Office—an organization under the president's direct supervision—investigates and verifies, by means of audits based on the Internal Audit Regulations, whether all of the Company's operations are being appropriately and reasonably implemented and pursuant to laws, the Articles of Incorporation, and internal rules and regulations. The results of those audits are regularly reported to the Board of Directors.

### ■ System for storing and managing information related to the execution of directors' duties

Documents are stored and managed in accordance with rules determined for each document type, including those documents stipulated by law.

### ■ Regulations and other systems pertaining to management of risks of loss

By promoting the issuance of manuals by division and facilitating their thorough use, the Company makes preemptive efforts to reduce or avoid risk. In the case of specific risks, the Company promotes reviews of and improvements to response measures as risks arise. For emergency situations, such as the occurrence of a disaster, the Company has established the LINTEC Group Crisis Management regulations, in addition to a BCMS, which is based on these regulations. These are separate from risk management initiatives conducted through normal operations, and we strive to ensure that a crisis management organization can be quickly established in the event of an emergency.

### ■ System to ensure that the execution of the duties of directors is efficiently conducted

In addition to setting out the duties for which directors are responsible for and that correspond to the allocation of roles of each organization, based on the Regulations on the Division of Duties, the Company works to separate management from execution and accelerate decision making by the introduction of an executive officer system. Moreover, the Company reviews internal organizations as necessary to be able to respond to environmental changes and works to maintain efficiency in the execution of the duties of

directors by such means as the setting up of cross-organizational committees on an as-required basis.

### ■ System to ensure the appropriateness of business in the corporate group comprising the Company and its subsidiaries

Based on the Affiliate Company Operational Regulations, the Company works to maintain the appropriateness of its operations as a Group entity by having each of its principal business divisions control the operations of Group companies. Based on the Affiliate Company Operational Regulations, the Company works to maintain a system for receiving corporate performance, risk, and other important reports from each Group company regularly or on an as-required basis. Providing business management and support from the appropriate division as necessary, the Company promotes management efficiency in each company. To ensure that Group companies are in compliance with laws and regulations as well as the Articles of Incorporation, audits are conducted by each company's internal audit system and by the Company's Audit Office.

### ■ Matters relating to the employees who are tasked to assist the duties of the Audit & Supervisory Committee, matters relating to the independence of said employees from directors, and matters relating to ensuring the effectiveness of Audit & Supervisory Committee instructions with respect to said employees

To further raise the effectiveness of Audit & Supervisory Committee audits and maintain a system to carry out audit duties more smoothly, the Company has established the Audit & Supervisory Committee secretariat, which supports and takes on Audit & Supervisory Committee duties. It is assumed that the Audit & Supervisory Committee's consent has to be obtained for transfers of personnel to the Audit & Supervisory Committee secretariat staff, personnel evaluations, and disciplinary action. The instructions and orders given to Audit & Supervisory Committee secretariat staff are also deemed to be given by directors serving as Audit & Supervisory Committee members. With regard to said instructions and orders received from Audit & Supervisory Committee members, with the exception of those instructions and orders that are not necessary for the duties of Audit & Supervisory Committee members, it is assumed that Audit & Supervisory Committee secretariat staff do not receive instructions and orders from directors or other employees.

### ■ System relating to the reporting of cases to the Audit & Supervisory Committee and system for ensuring that the submitting of such reports is not seen as reason enough for the person who submitted them to be subjected to disadvantageous treatment

With regard to cases that are likely to significantly damage the Company or a Group company, such as violations of laws or regulations, all Group directors and employees are to report such cases to the Company's Audit & Supervisory Committee. In addition, it is deemed that the Audit & Supervisory Committee will be able to directly demand business-related reports for all Group directors and employees. Under the Company's Internal Reporting System Operation Regulations and its Global Internal Reporting System

Regulations, the Company has established a helpline that can be used by all Group directors and employees and endeavors to maintain a system to ensure that the submitting of such reports is not seen as reason enough for the person who submitted said notification or report to be subjected to disadvantageous treatment. In the event of an internal notification via the helpline, this will be reported to the Audit & Supervisory Committee.

#### ■ Matters concerning policy relating to the handling of costs or liabilities arising from the execution of duties of Audit & Supervisory Committee members

When an Audit & Supervisory Committee member invoices the Company for the prepayment or redemption of expenses incurred for the execution of their duties, said costs or liabilities will be promptly handled following discussions in the department responsible, with the exception of cases in which said costs have been recognized as being not necessary for the execution of said Audit & Supervisory Committee member's duties. In addition, should Audit & Supervisory Committee members deem that independent outside experts (such as lawyers, certified public accountants, etc.) are necessary as advisers to the Audit & Supervisory Committee, the Company will bear those costs, with the exception of cases in which said costs have been recognized as being not necessary for the execution of said Audit & Supervisory Committee's duties.

#### ■ Other systems for ensuring that the Audit & Supervisory Committee carries out audits effectively

With a view to ensuring a system so that Company information reaches the Audit & Supervisory Committee unhindered, the Company works to maintain an environment in which information is received not only from directors (excluding directors serving as Audit & Supervisory Committee members) and from employees but also from independent auditors, corporate lawyers, tax accountants, and other specialists. The Company has a system in place to ensure regular meetings with representative directors and venues for important discussions, such as management and strategy meetings, for Audit & Supervisory Committee members to attend and state opinions.

### 3 Basic Policies and Systems for Preventing Relationships with Antisocial Forces

The Company stands in firm opposition to all antisocial forces and organizations that threaten to disrupt the order and safety of civil society while practicing a strict policy of non-association with such entities. We have made this commitment clearly apparent in the LINTEC Compliance Guidelines and are taking steps to ensure thorough awareness with this regard among all directors and employees.

We reject any illegitimate requests from antisocial forces and organizations and maintain close collaborative relationships with the police, centers for the removal of criminal organizations, lawyers, and other specialists to combat such requests. Should we be approached by antisocial forces or organizations, we will closely coordinate with such institutions, organizations, lawyers, or other specialists to furnish a quick, organization-wide response.

### 4 Risk Management System

The Company has established the LINTEC Group Crisis Management Regulations as well as a risk management system for minimizing the possible impact and damage to corporate value if a major problem arises. It has also implemented and oversees the Information Security Management Rules and the Trade Secret Management Rules for the preservation and management of information. There are also Companywide risk assessments centered on the Corporate Risk Management Committee.

### 5 Limited Liability Contracts

In accordance with Article 427, Paragraph 1 of the Companies Act, the Company has entered into a contract with each of its nonexecutive directors—outside directors Hiroya Kakehashi, Akiko Okushima, Satoshi Ohoka, and Kanako Osawa—that limits liability for compensation for damages under Article 423, Paragraph 1 of the Companies Act. Based on this contract, liability for compensation for damages is limited to ¥10 million or the minimum liability amount stipulated by law, whichever is greater.

### 6 Number of Members of the Board of Directors

The Company's Articles of Incorporation state that the number of members of the Board of Directors (excluding Audit & Supervisory Committee members) shall be 12 or fewer and that the number of directors who are Audit & Supervisory Committee members shall be 4 or fewer.

### 7 Requirements for Appointment of Directors

The Company's Articles of Incorporation state that resolutions to appoint directors may be adopted by a majority of the voting rights of the shareholders in attendance if those shareholders hold one-third or more of the voting rights of the shareholders who can exercise their voting rights.

### 8 General Meeting of Shareholders Resolution Matters that may be Resolved by the Board of Directors

To support rapid responses to changes in the management environment and flexible execution of various management measures, in regard to matters stipulated in each item of Article 459, Paragraph 1 of the Companies Act, such as dividends from surplus, etc., excluding cases in which there are special legal stipulations, the Articles of Incorporation state that these matters may be decided by resolution of the Board of Directors.

### 9 Special Resolution Requirements for General Meeting of Shareholders

With the objective of enabling the smooth operation of the General Meeting of Shareholders, the Company's Articles of Incorporation state that in regard to special resolution requirements for shareholders' meetings, as stipulated in Article 309, Paragraph 2 of the Companies Act, such resolutions may be adopted by at least two-thirds of the voting rights of the shareholders in attendance if those shareholders hold one-third or more of the voting rights of the shareholders who can exercise their voting rights.

## ■ Status of Outside Directors

### ① Outside Directors

The Company has appointed four outside directors—Hiroya Kakehashi, Akiko Okushima, Satoshi Ohoka, and Kanako Osawa. Two of these outside directors—Satoshi Ohoka and Kanako Osawa—are Audit & Supervisory Committee members.

Name	Human, Financial, and Business Relationships and Other Shared Interests between the Outside Directors and the Company	Reason for Appointment
Hiroya Kakehashi	There are no particular shared interests between the Company and Hiroya Kakehashi, but Nippon Paper Industries Co., Ltd., where he serves as General Manager, Corporate Planning Division, is a major trading partner of the Company, which purchased ¥2,010 million worth of raw materials from and sold ¥90 million worth of products to Nippon Paper (both results from the fiscal year ended March 31, 2020). In addition, Nippon Paper is a major shareholder in the Company; its holding amounted to 21,737,792 shares (30.08% of the total number of Company shares outstanding excluding treasury stock) on March 31, 2020.	By utilizing knowledge and experience from many years of work in the management divisions at Nippon Paper Industries Co., Ltd., Hiroya Kakehashi is able to strengthen the Company's Board of Directors' supervisory function. Therefore, he has been appointed as an outside director.
Akiko Okushima	There are no particular shared interests between the Company and Akiko Okushima.	By utilizing her extensive knowledge in the field of marketing, and her know-how and experience gained through many years of work in a different industry from that of the Company as Representative Director and President, Akiko Okushima is able to strengthen the Company's Board of Directors' supervisory function. Therefore, she has been appointed as an outside director. She is also designated as an independent officer based on the criteria stipulated by the Tokyo Stock Exchange, Inc. (TSE).
Satoshi Ohoka	There are no particular shared interests between the Company and Satoshi Ohoka.	By utilizing his long years of policy-based finance experience, his rich international experience, his specialist academic experience, and his knowledge and experience gained as an outside director in industries different to that of the Company, Satoshi Ohoka is able to strengthen the audit and supervisory functions of the Company's Board of Directors. Therefore, he has been appointed as a director serving as an Audit & Supervisory Committee member. He is also designated as an independent officer based on the criteria stipulated by the TSE.
Kanako Osawa	There are no particular shared interests between the Company and Kanako Osawa.	By utilizing her specialist expertise and extensive knowledge gained as an attorney, along with the knowledge and experience gained through her career in corporate legal affairs both at home and abroad, Kanako Osawa is able to strengthen the audit and supervisory functions of the Company's Board of Directors. Therefore, she has been appointed as a director serving as an Audit & Supervisory Committee member. She is also designated as an independent officer based on the criteria stipulated by the TSE.

### ② The Company's Basic Way of Thinking with Regard to the Independence of Outside Directors

The Company does not have its own set standards and policies with regard to the independence of outside directors and refers instead to the standards stipulated by the TSE. Since appointment is based on a request from the Company, we recognize that independence from management is to be ensured.

### ③ Status of Outside Directors' Supervision

In addition to attending Board of Directors' meetings and making necessary and effective remarks as appropriate during agenda deliberations, outside directors attend meetings of the Internal Control Committee and oversee directors in the execution of their duties.

## ■ Status of Audits

### ① Status of Audit & Supervisory Committee Audits

The Company's Audit & Supervisory Committee comprises three directors serving as Audit & Supervisory Committee members, of whom two are outside directors. While utilizing the internal control system, the Audit & Supervisory Committee cooperates with the Audit Office and the independent auditor, receives the necessary reports, and conducts audits of the directors' business execution through such methods as exchanges of opinions. Each Audit & Supervisory Committee member attends management and other meetings, obtains the information needed for the audits, attends Board of Directors' meetings as a director, and supervises the directors in the execution of their duties by stating opinions and participating in resolutions through their voting rights. Audit & Supervisory Committee member Hiroshi Okada has considerable knowledge of finance and accounting, having gained many years of experience in his roles at the Company's administrative and audit divisions. In the fiscal year under review, the Audit & Supervisory Committee met, in principle, one time per month. The attendance of each Audit & Supervisory Committee member is as follows.

Name	Total number of meetings	Number of meetings attended
Hiroshi Okada	13	13
Satoshi Ohoka	13	13
Kanako Osawa	13	13

The principal matters audited by the Audit & Supervisory Committee include the following: (1) in regard to the performance of directors, whether or not there are important cases of wrongdoing or violations of laws, regulations, or the Articles of Incorporation; (2) whether or not the details of the Board of Directors' discussions regarding the internal control system, and the status of the establishment/operation of the internal control system, are reasonable; (3) whether or not the business reports, settlement related documents, etc., are in accordance with laws, regulations and the Articles of Incorporation and accurately show the Company's circumstances; (4) whether or not the independent auditor's audit methods and results are reasonable; and (5) whether or not a system to secure the proper execution of the duties of the independent auditor has been established. At the end of the period, the committee prepares an audit report that describes the audit methods and details as well as the audit results. In addition, the activities of the full-time Audit &

Supervisory Committee member include conducting Audit & Supervisory Committee audits of the head office, work sites, subsidiaries, etc., which are implemented in combination with the Audit Office's internal audits; holding liaison meetings with the auditors of domestic and overseas subsidiaries; and sharing this information at meetings of the Audit & Supervisory Committee.

## 2 Status of Internal Audits P52 Diagram C

The Company has established the Audit Office as an internal auditing unit. The Audit Office regularly implements internal audits of divisions, work sites, plants, and affiliated subsidiaries in addition to verifying that operational execution processes and results comply with the law and internal regulations. The Audit Office has the central role in audits in such areas as quality and the environment, which are implemented in collaboration with the supervising division. The Audit & Supervisory Committee receives reports in advance from the Audit Office regarding overviews of internal audit plans and audit items. Following the implementation of internal audits, the Audit & Supervisory Committee receives reports about all of the audit results and evaluations. In addition, the full-time Audit & Supervisory Committee member and the general manager of the Audit Office maintain close communications, including holding monthly liaison meetings to exchange opinions and information.

## Director Diversity

The following table shows the fields in which each director is expected to make an especially strong contribution.

Name	Attribute	Corporate management, management strategy, SDGs	Production, technology, research, IT	Sales, marketing	Finance, accounting, capital policy, M&A	Audit	Human resources, labor, human resource development	Legal affairs, risk management	Global experience	Knowledge of other business
Akihiko Ouchi		●	●	●	●				●	
Makoto Hattori		●	●	●	●				●	
Gohei Kawamura		●	●	●					●	
Tsunetoshi Mochizuki		●					●	●		
Takeshi Kaiya		●		●					●	
Hiroya Kakehashi	Outside Director	●			●					●
Akiko Okushima	Independent Director Outside Director	●	●	●					●	●
Hiroshi Okada					●	●	●			
Satoshi Ohoka	Independent Director Outside Director	●			●	●			●	●
Kanako Osawa	Independent Director Outside Director				●	●		●	●	●

\* The above table does not indicate all of the knowledge of each director.

### 3 Status of Accounting Audits P52 Diagram D

#### ■ Name of audit firm

Ernst & Young ShinNihon LLC

#### ■ Continuous period for which the independent auditor has performed audits

Since 1981

#### ■ Selection policy and reason for audit firm

Each period, the Audit & Supervisory Committee conducts an evaluation in accordance with the standards for evaluation and selection of the independent auditor. The independent auditor is selected based on a comprehensive assessment of the independent auditor's independence, internal control system, audit plans, audit methods and results, and the status of execution of audit duties.

The Audit & Supervisory Committee may dismiss the independent auditor in any of the cases stipulated in Article 340, Paragraph 1 of the Companies Act, based on the agreement of all Audit & Supervisory Committee members. In that event, an Audit & Supervisory Committee member selected by the Audit & Supervisory Committee will provide a report of the dismissal and the reason for the dismissal at the first General Meeting of Shareholders convened after the dismissal.

In addition, in the event that the Audit & Supervisory Committee, with consideration for the status of the implementation of the independent auditor's duties, the Company's audit system, etc., determines that it is necessary to change the independent auditor, then the Audit & Supervisory Committee may decide the details of a proposal to the General Meeting of Shareholders concerning the dismissal or non-reappointment of the independent auditor.

#### ■ Evaluation of the audit firm by the Audit & Supervisory Committee

In accordance with the standards for evaluation and selection of the independent auditor, the Audit & Supervisory Committee will conduct evaluations from the perspective of the audit firm's quality control; audit team; audit compensation, etc.; communications with the Audit & Supervisory Committee; relationship with senior executives, etc.; Group audits, and misconduct risk.

### 4 Details of Audit Remuneration, Etc.

#### ■ Remuneration of the independent auditor, etc.

(Millions of yen)

Category	Fiscal year ended March 31, 2019		Fiscal year ended March 31, 2020	
	Remuneration for audit services	Remuneration for non-audit services	Remuneration for audit services	Remuneration for non-audit services
LINTEC	88	0	88	0
Consolidated subsidiaries	-	-	-	-
Total	88	0	88	0

Note: The non-audit services provided to the Company in the previous fiscal year and the fiscal year under review were officer training.

#### ■ Remuneration to the same network (Ernst & Young) as the independent auditor, etc. (excluding remuneration of the independent auditor, etc.)

(Millions of yen)

Category	Fiscal year ended March 31, 2019		Fiscal year ended March 31, 2020	
	Remuneration for audit services	Remuneration for non-audit services	Remuneration for audit services	Remuneration for non-audit services
LINTEC	-	-	-	-
Consolidated subsidiaries	26	11	34	16
Total	26	11	34	16

Note: The non-audit services provided to consolidated subsidiaries in the previous fiscal year and the fiscal year under review were tax-related advisory services, etc.

#### ■ Details of remuneration for other material audit services

Not applicable

## ■ Remuneration of Corporate Officers

### 1 Policy Regarding Decisions on Amounts of Director Remuneration

#### ■ Remuneration of directors (excluding outside directors and Audit & Supervisory Committee members)

The remuneration of the Company's directors (excluding outside directors and Audit & Supervisory Committee members) consists of the following.

##### (1) Basic remuneration

- Fixed amounts paid based on rank
- The total amount paid does not exceed ¥420 million

##### (2) Bonuses

- Short-term incentives (remuneration linked to business performance) paid in amounts adjusted based on consolidated business results, the total amount paid not exceeding ¥150 million

##### (3) Restricted stocks

- Long-term incentives to contribute to increasing the Company's corporate value and share price provided by the allotment of restricted stocks
- The total amount paid does not exceed ¥60 million

The amounts of remuneration are decided by the Board of Directors in accordance with the Company's internal rules on director remuneration, within totals approved at the 124th Annual General Meeting of Shareholders held on June 21, 2018.

The Corporate Governance Committee has been established as an advisory body for the Board of Directors (excluding Audit & Supervisory Committee members) on matters regarding evaluations of directors and decisions on remuneration for directors with the aim of improving objectivity and transparency. This body provides advice and makes suggestions. P52 Diagram E

#### ■ Remuneration of outside directors (excluding Audit & Supervisory Committee members)

This is decided by the Board of Directors in accordance with the Company's internal rules on director remuneration and within totals approved at the General Meeting of Shareholders.

## ■ Remuneration of directors

### (Audit & Supervisory Committee members)

This is decided through deliberations by the Audit & Supervisory Committee members, in accordance with the Company's internal rules on director remuneration and within totals approved at the General Meeting of Shareholders.

### Remuneration System for Directors (excluding outside directors and Audit & Supervisory Committee members)

Basic remuneration	Bonuses	Restricted stocks
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### Remuneration System for Outside Directors (excluding Audit & Supervisory Committee members)

Basic remuneration
--------------------

### Remuneration System for Directors (Audit & Supervisory Committee members)

Basic remuneration
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## 2 Total Remuneration by Corporate Officer Type

(Millions of yen)

Corporate officer type	Total remuneration	Total remuneration by type			Number of people receiving remuneration
		Basic remuneration	Restricted stocks	Bonuses	
Directors (excluding Audit & Supervisory Committee members and outside directors)	361	266	33	62	10
Directors (Audit & Supervisory Committee members) (excluding outside directors)	19	19	-	-	1
Outside officers	21	21	-	-	6

## ■ Policy on Holdings of Capital Tie-Up Shares

The Company views the establishment and maintenance of stable, long-term relationships with business partners as a matter of importance. For this reason, shares of business partners are held strategically based on a comprehensive evaluation of factors such as the Company's business relationship with the partner in question. The Company only acquires such shares when increasing trust and coordination with the business partner is judged as an effective means of mutually raising corporate value. These holdings are reviewed based on this perspective when necessary, and consideration is given to reducing them. In exercising voting rights, in regard to proposals made by business partners, the Company comprehensively considers whether or not a proposal will contribute to improved shareholder value.

## ■ Stockholdings

### 1 Criteria for and Approach to the Classification of Investment Shares

The Company classifies investment stocks held with the objective of receiving profits through stock price fluctuations or stock-related dividends as stocks held for pure investment purposes, and other

stocks as investment stocks held for purposes other than pure investment (Capital Tie-Up Shares).

## 2 Stocks Held for Purposes other than Pure Investment

### ■ Number of issues and amount recorded on balance sheet

(Millions of yen)

	Number of issues (issues)	Total amount recorded on balance sheet
Unlisted shares	15	60
Shares other than unlisted shares	25	1,195

### ■ Information related to number of shares, amount recorded on balance sheet, etc., for specified investment shares and deemed shareholdings, by issue

#### Specified investment shares (top 10 issues)

(Millions of yen)

Issue	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2019	Purpose of holding, quantitative effects of holding, and reasons for increase in the number of shares	Whether or not investee holds shares of the Company
	Number of shares (shares)	Number of shares (shares)		
	Amount recorded on balance sheet	Amount recorded on balance sheet		
	1,160,000	1,160,000		
Toray Industries, Inc.	544	820	To maintain and strengthen business relationships	Yes
Fujipream Corporation	936,000	936,000	Same as above	No
	184	270		
IMURA ENVELOPE CO., INC.	200,000	100,000	Same as above*1	Yes
	111	65		
Mitsubishi UFJ Financial Group, Inc.	159,710	159,710	Same as above	Yes
	64	87		
KING JIM CO., LTD.	76,630	76,630	Same as above	Yes
	63	66		
Soken Chemical & Engineering Co., Ltd.	35,100	35,100	Same as above	Yes
	34	56		
ASAHI PRINTING CO., LTD.	34,009	30,430	Same as above*2	No
	31	33		
Arisawa Mfg. Co., Ltd.	35,431	35,431	Same as above	No
	28	28		
OZU CORPORATION	16,553	16,123	Same as above*2	No
	28	31		
Mizuho Financial Group, Inc.	206,950	206,950	Same as above	Yes
	25	35		

\*1 The reason for the increase in the number of shares was to further strengthen sales transaction relationships.

\*2 The reason for the increase in the number of shares was the acquisition of shares through the company's stock ownership association.

## ■ Takeover Defense Measures

The Company has not introduced takeover defense measures. However, in regard to persons who are engaging in or aim to engage in a large-scale purchase of the Company's stock, the Company will act from the perspective of securing its corporate value and the common interests of its shareholders. From that perspective, the Company will request that persons who are engaging in or aim to engage in a large-scale purchase provide

necessary and sufficient information to allow the shareholders to appropriately determine the pros and cons of the large-scale purchase in accordance with relevant laws and regulations. At the same time, the Company will disclose the opinions of the Board of Directors and endeavor to secure necessary time and information for the shareholders to consider such large-scale purchase. Further, if it is rationally judged that there is a risk of damage to the Company's corporate value and the common interests of shareholders unless timely defensive measures are implemented to address a large-scale purchase, the Company will endeavor to secure its corporate value and the common interests of its shareholders, as an obvious obligation of the Board of Directors entrusted with management of the Company by its shareholders, by promptly deciding the content of the concrete measures deemed most appropriate at the time in accordance with the relevant laws and regulations and executing such measures.

### Shareholder Interactions

The Company seeks to engage in constructive interactions with shareholders and other investors that contribute to sustainable growth and medium- to long-term improvements in corporate value. The Company has established an investor relations (IR) activity system and advances proactive initiatives based on the following policies to facilitate this endeavor.

- (1) The officer responsible for IR implements and oversees the Company's various IR activities, including individual meetings with shareholders and investors. In regard to responses to requests for individual meetings, members of senior management or directors will meet with shareholders or investors requesting meetings based, whenever appropriate, on the desires and interests of the requester.
- (2) The Public Relations Office, Finance & Accounting Dept., General Affairs & Legal Dept., and Corporate Strategic Office will play a central role in advancing the Company's various IR activities. Relevant divisions pursue close coordination with these offices and departments, exchanging information on a daily basis and meeting with members of senior management as appropriate to share necessary information.
- (3) In addition to individual meetings, the Company's IR activities include regular briefings on financial results and medium-term business plans, visits to overseas investors, participation in IR conferences at which overseas investors gather, facility tours, business explanatory forums, and Company briefings for individual investors. We seek to expand the range of information provided to domestic and overseas shareholders and other investors by publishing shareholder newsletters and integrated reports and posting information in the IR section of our corporate website. At the same time, we collect feedback from a wide range of shareholders and other

investors through surveys that are attached to shareholder newsletters and made available on the IR website.

- (4) Opinions and concerns of shareholders and other investors solicited through IR activities are relayed to management by the relevant divisions via quarterly business reports at the Board of Directors' meetings or reported appropriately to management on an as-required basis.
- (5) In interactions with shareholders and other investors, we practice stringent management of information in accordance with the internal Insider Trading Prevention Regulations to ensure that insider information is not disclosed. In addition, the Company's disclosure policy stipulates that we will observe a quiet period that begins approximately one month prior to the announcement of quarterly financial results to avoid leaks of financial results and to maintain fairness. During this period, we will not answer questions or make comments on our financial results and forecasts.

### Operating Risks P52 Diagram

The Group is working to identify and prevent the occurrence of Groupwide risks and to establish an action-based approach to seizing and leveraging opportunities. To that end, the Group has set up the Corporate Risk Management Committee, which is advancing the construction of a Groupwide risk management system. With the aim of establishing a risk management system for the entire Group, this committee has responsibility for system construction, management, and operation, and the committee is continually implementing improvement activities. Major risks that could affect the Group's operating results, etc., include the following. This summary provides examples of major risks that are anticipated, but it does not include all risks. Forward-looking items in the text are judgments as of March 31, 2020.

#### 1 Risks of Changes in Economic Conditions and Market Environments

The Group's operations include development in a wide range of industries, and accordingly domestic and overseas economic conditions and market environments affect the Group's operations directly and indirectly. In Japan, markets are contracting due to a declining birthrate and an aging population, as well as a decreasing population, and the Group's business results could be affected. However, going forward the Group will work to discover new demand, increase its market share in existing businesses, and create new markets. Furthermore, global trends in the electronics industry affect the electronics and optical products businesses, and accordingly future trends in this industry could affect the Group's business results.

Uncertainty about the future has increased due to the effect on business activities of the worldwide spread of COVID-19, which surfaced at the beginning of 2020, and the presence of multiple

related risks; etc. For the first and second quarters of the fiscal year ending March 31, 2021, the Group is forecasting declines in orders, etc., due to a worsening demand environment in a variety of business fields. The Group's assumption is that business activities will start to return to normal from the third quarter. However, if the influence of the infectious disease lengthens, the Group's business environment and operating results could be affected.

## 2 Risks of Changes in Selling Prices

Due to intense competition in both the domestic and overseas markets in which the Group operates, the Group may be unable to maintain selling prices to preserve sufficient earnings or sales share. The Group will work to maintain its market share by achieving differentiation from its competition and refining customer services, and to secure profits by reducing costs. However, if these initiatives are difficult, then the Group's business results could be affected.

## 3 Risk of Changes in Raw Material Prices

The Group uses a large quantity of pulp for paper and petrochemical products as raw materials and fuel. The prices of these materials and fuels fluctuate in accordance with market conditions, such as inventories and the supply-demand balance. The Group purchases raw materials in light of careful monitoring of market trends. However, a dramatic change in raw material prices could affect the Group's business results.

## 4 Risks Related to Overseas Operations

The Group conducts manufacturing and business operations in markets worldwide. In the fiscal year ended March 31, 2020, the overseas sales ratio was 49.4%. In the countries where the Group conducts manufacturing or business operations, the following events could hinder the Group's overseas business activities and affect the Group's business results: political instability or a deterioration in security due to such factors as terrorism, a political change, or a coup d'état; labor disputes involving employees; infectious diseases; and unpredictable changes in laws and regulations, such as those involving tax systems, foreign exchange, or customs clearance; etc. In addition, the risk of foreign exchange rate fluctuations has increased. The Group is focusing on trends in the U.S. dollar and in major Asian currencies, such as the Korean won, Chinese yuan, and Taiwan dollar. The Group is also working to reduce risk through the use of forward exchange contracts, etc. However, the Group's business results could be affected by fluctuations in foreign exchange rates that exceed expectations.

## 5 New Product Development

The Group pursues R&D activities with a view to realizing comprehensive technological capabilities that cater to market

demand and bringing to market competitive, high-value-added products. Accordingly, the Group is stepping up allocations of management resources to increase its number of researchers and to pursue such initiatives as joint research with other companies and academic institutions. However, there is no guarantee that such investment of management resources in R&D will result in the development of new products or increase operating income. Due to such factors as extended development periods, it could become necessary to discontinue development, and if product development costs cannot be recovered, it could affect the Group's business results.

## 6 Intellectual Property Rights

The Group takes necessary measures to protect intellectual property rights in Japan and overseas for various original production technologies that it has developed. However, legal measures alone do not provide complete protection, possibly preventing the Group from effectively protecting the rights it has obtained. Furthermore, in the event that a lawsuit is filed by a third party regarding intellectual property rights infringement associated with the Group's products, the Group's business results could be affected.

## 7 Significant Lawsuits

In conducting business in Japan and overseas, the Group may be subject to lawsuits or other claims related to product liability, environmental, or intellectual property rights issues. Lawsuits or claims, depending on their content, could affect the Group's business results.

## 8 Legal and Regulatory Systems

In the countries in which it conducts business operations, the Group is subject to various legal and regulatory systems, and as such is working to ensure rigorous compliance with these systems. In the event that the systems are strengthened or changed, the Group's business activities could be restricted or the Group's business results could be affected.

## Corporate Officers As of June 22, 2020

### Representative Director, Chairman and CEO

**Akihiko Ouchi** [Date of Birth: Jan. 2, 1945]



Mar. 1967 Joined the Company  
 Apr. 1994 Manager, Nagoya Branch Office  
 Jun. 2000 Director, Plant Manager, Tatsuno Plant, Production Div.  
 Jun. 2004 Representative Director, President  
 Apr. 2014 Representative Director, Chairman and CEO (current position)

**Attendance to the meetings of the Board of Directors:**  
 14/14 meetings (FY2020)

### Representative Director, President, CEO and COO

**Makoto Hattori** [Date of Birth: Oct. 12, 1957]



Apr. 1980 Joined the Company  
 Apr. 2014 Executive Officer, Executive General Manager, Advanced Materials Operations, Business Administration Div.  
 Jun. 2015 Director, Executive Officer, Executive General Manager, Advanced Materials Operations, Business Administration Div.  
 Apr. 2017 Director, Managing Executive Officer, Executive General Manager, Business Administration Div.  
 Apr. 2020 Representative Director, President, CEO and COO (current position)

**Attendance to the meetings of the Board of Directors:**  
 14/14 meetings (FY2020)

### Director, Senior Managing Executive Officer

**Gohei Kawamura** [Date of Birth: Jan. 12, 1956]



Apr. 1979 Joined the Company  
 Jun. 2011 Executive Officer, Chairman and President, LINTEC (SUZHOU) TECH CORPORATION (seconded)  
 Jun. 2015 Director, Managing Executive Officer, Chairman and President, LINTEC (SUZHOU) TECH CORPORATION (seconded)  
 Apr. 2017 Director, Managing Executive Officer, Executive General Manager, Production Div., and in charge of Quality Assurance & Environmental Protection Div.  
 Apr. 2020 Director, Senior Managing Executive Officer, Executive General Manager, Production Div., and in charge of Quality Assurance & Environmental Protection Div. (current position)

**Attendance to the meetings of the Board of Directors:**  
 14/14 meetings (FY2020)

### Director, Senior Managing Executive Officer

**Tsunetoshi Mochizuki** [Date of Birth: May 12, 1958]



Jan. 1983 Joined the Company  
 Jun. 2011 Executive Officer, Executive General Manager, General Affairs & Human Resources Div., General Manager, General Affairs & Legal Dept. and Human Resources Dept.  
 Jun. 2015 Director, Managing Executive Officer, Executive General Manager, General Affairs & Human Resources Div.  
 Apr. 2020 Director, Senior Managing Executive Officer, Executive General Manager, General Affairs & Human Resources Div. (current position)

**Attendance to the meetings of the Board of Directors:**  
 14/14 meetings (FY2020)

### Director, Managing Executive Officer

**Takeshi Kaiya** [Date of Birth: Nov. 19, 1961]



Apr. 1984 Joined the Company  
 Apr. 2017 Executive Officer, Executive General Manager, Advanced Materials Operations, Business Administration Div.  
 Apr. 2020 Managing Executive Officer, Executive General Manager, Business Administration Div.  
 Jun. 2020 Director, Managing Executive Officer, Executive General Manager, Business Administration Div. (current position)

**Attendance to the meetings of the Board of Directors:**  
 — (Newly appointed)

### Outside Director

**Hiroya Kakehashi** [Date of Birth: March 12, 1968]



Apr. 1990 Joined Daishowa Paper Products Co., Ltd.  
 Oct. 2019 Deputy General Manager, Corporate Planning Div., General Manager, Corporate Planning Dept., Nippon Paper Industries Co., Ltd. (current position)  
 Jun. 2020 Outside Director of the Company (current position)

**Attendance to the meetings of the Board of Directors:**  
 — (Newly appointed)

### Outside Director

**Akiko Okushima** [Date of Birth: Feb. 1, 1958]

Independent Director



Apr. 1981 Joined IBM Japan, Ltd.  
 Mar. 2001 Representative Director and President, JBtoB CO., LTD. (current position)  
 Jun. 2020 Outside Director of the Company (current position)

**Attendance to the meetings of the Board of Directors:**  
 — (Newly appointed)

### Director / Audit & Supervisory Committee Member

**Hiroshi Okada** [Date of Birth: Aug. 25, 1954]



Apr. 1979 Joined the Company  
 Oct. 2012 General Manager, Audit Office  
 Jun. 2017 Director / Audit & Supervisory Committee Member (current position)

**Attendance to the meetings of the Board of Directors:**  
 14/14 meetings (FY2020)

**Attendance to the meetings of the Audit and Supervisory Committee:**  
 13/13 meetings (FY2020)

**Outside Director / Audit & Supervisory Committee Member****Satoshi Ohoka** (Date of Birth: Apr. 24, 1951) **Independent Director**

Apr. 1975 Joined Japan Development Bank  
 Apr. 2003 Lecturer, Chuo University, Graduate School of Commerce (current position)  
 Jun. 2006 Outside Director, Ryobi Limited (current position)  
 Jun. 2012 Outside Director of the Company  
 Jun. 2015 Outside Director / Audit & Supervisory Committee Member of the Company (current position)

**Attendance to the meetings of the Board of Directors:**  
**14/14 meetings (FY2020)**

**Attendance to the meetings of the Audit and Supervisory Committee:**  
**13/13 meetings (FY2020)**

**Outside Director / Audit & Supervisory Committee Member****Kanako Osawa** (Date of Birth: Dec. 22, 1970) **Independent Director**

Apr. 1998 Certified as an Attorney, joined Kajitani Law Offices (to present)  
 Oct. 2005 Admitted to practice law in the State of New York, the U.S.  
 Jun. 2015 Outside Director / Audit & Supervisory Committee Member of the Company (current position)

**Attendance to the meetings of the Board of Directors:**  
**14/14 meetings (FY2020)**

**Attendance to the meetings of the Audit and Supervisory Committee:**  
**13/13 meetings (FY2020)**

**Managing Executive Officers****Shuji Morikawa**

Deputy Executive General Manager, Business Administration Div. and Executive General Manager, Industrial & Material Operations

**Takehiko Wakasa**

Deputy Executive General Manager, Production Div. and Plant Manager, Tatsuno Plant

**Junichi Nishikawa**

Deputy Executive General Manager, Production Div. and Plant Manager, Kumagaya Plant

**Senior Executive Officers****Toru Onishi**

Plant Manager, Mishima Plant, Production Div.

**Shigeru Uematsu**

General Manager, Public Relations Office

**Sumio Morimoto**

President, LINTEC ASIA PACIFIC REGIONAL HEADQUARTERS PRIVATE LIMITED

**Toshimi Sugaya**

Deputy Executive General Manager, Business Administration Div. and Executive General Manager, Fine & Specialty Paper Products Operations and General Manager, Fine & Specialty Paper Sales Dept.

**Kinya Mochida**

Deputy Executive General Manager, Business Administration Div. and Executive General Manager, Advanced Materials Operations, and Manager, QMS Management Office and General Manager, Business Planning Dept.

**Norio Murata**

Executive General Manager, Osaka Branch Office, Business Administration Div., and in charge of Western Japan

**Yutaka Iwasaki**

Executive General Manager, Converted Products Operations, Business Administration Div.

**Tatsuya Tsukida**

Executive General Manager, Procurement Div. and General Manager, Strategic Procurement Dept.

**Masaaki Yoshitake**

Deputy Executive General Manager, Business Administration Div. and Executive General Manager, Printing & Variable Information Products Operations

**Executive Officers****Masahiro Oshima**

President, LINTEC USA HOLDING, INC.

**Yoichi Shibano**

CFO, Executive General Manager, Administration Div. and General Manager, Finance & Accounting Dept.

**Satoru Shoshi**

Executive General Manager, Optical Products Operations, Business Administration Div.

**Hideo Senoo**

Deputy Executive General Manager, Research & Development Div. and General Manager, Research Center

**Hiroyuki Matsuo**

Plant Manager, Agatsuma Plant, Production Div.

**Naoshi Nishikado**

General Manager, Corporate Strategic Office

**Yoshihisa Mineura**

Executive General Manager, Research & Development Div.

# Messages from Independent Outside Directors

At the General Meeting of Shareholders held in June 2020, Akiko Okushima became a new director. Together with Audit & Supervisory Committee members Satoshi Ohoka and Kanako Osawa, who were reelected at the previous year’s General Meeting of Shareholders, the Company now has three independent outside directors. The ratio of independent outside directors on the Board of Directors has increased to 30%. These three directors were asked about such topics as their views of LINTEC’s governance and how, as independent outside directors, they can strengthen LINTEC’s governance and contribute to the Company’s growth.

## Leveraging Market Analysis Knowledge, Contributing to Increases in Corporate Value

My career has centered on systematization for administrative reforms, and my work has involved the rigorous use of data. At my JBtoB CO., LTD., which I established about 20 years ago, I have assisted a large number of companies with their marketing activities. Specifically, I analyze ID-POS data, which shows consumer purchasing behavior — who purchased what, how much, where, and when. On that basis, I formulate a hypothesis about what type of changes are occurring, and provide advice about marketing

strategies to a variety of manufacturers and retailers. Currently, due to the spread of the COVID-19 infection, market environments and consumer needs are continuing to change moment by moment. There is a need to be the first to accurately grasp these changes in the environment, and I think that I can contribute to the Company’s management from this type of market analysis perspective.

I was born in Itabashi-ku, Tokyo, and I paid attention to LINTEC, which has had its headquarters in the same ward for a long time. I was fortunate to recently be elected as an outside director, and my experience so far is consistent with my image of the Company before I became a director. I think that LINTEC has a foundation in manufacturing that leverages a high level of technical capabilities. Moving forward, I will strive to leverage the experience and knowledge that I have acquired to contribute to the enhancement of corporate value, so that LINTEC can be a company that takes the lead in the development of technologies for the benefit of people around the world.



**Akiko Okushima**  
Outside Director

Joined IBM Japan Ltd. in 1981. Subsequently worked in data-driven marketing and consulting operations, including positions at foreign IT companies. In 2001, established JBtoB CO., LTD., becoming Representative Director and President (current position). In June 2020, became an outside director at LINTEC.

## Targeting Sustained Growth, Continuing to Follow the Spirit of “Sincerity and Creativity” as We Move Forward

I will strive to leverage my many years of experience as an outside officer at other companies and work diligently to fulfill my duties as an independent outside director by enhancing LINTEC’s governance. In recent years, LINTEC has taken steps to proactively strengthen and increase the transparency of the Board of Directors and the governance function. These have included the transition to the Company with Audit & Supervisory Committee system of corporate governance and the establishment of the Corporate Governance Committee as an advisory body to the Board of Directors. In particular, in the fiscal year ending March 31, 2021, the Company promoted the separation of management decision-making and operational execution by significantly reducing the number of directors. As a result, the percentage of independent outside directors increased substantially, and the Company has nearly reached the standard of “at least one-third” for the percentage of independent outside directors, as recommended by the Corporate Governance Code. I believe that this series of reforms by the Company is worthy of a high evaluation.

In addition, for further sustained growth, I think that what is

more important than anything else is to have a sincere heart and move ahead in a creative manner, as in the Company’s motto — Sincerity and Creativity. I believe that this spirit is also the base of the long-term vision and the medium-term business plan. The business environment is expected to remain difficult for the time being, and I would like to see the entire Group work together to implement the long-term vision. Going forward, from my position as an independent outside director, I will endeavor to contribute to the sound growth of the Company from the perspective of governance.

### Satoshi Ohoka

Outside Director  
Audit & Supervisory  
Committee Member



In 1975, joined the Japan Development Bank. Worked in guidance policy finance, including as Deputy Director General of the Development Bank of Japan. In addition, has worked in such positions as Professor at Nihon University, and has engaged in educational research at a number of universities. Became an Outside Director of the Company in 2012, and Outside Director (Audit & Supervisory Committee Member) in 2015. Since 2018, has worked concurrently as chair of the Company’s Corporate Governance Committee.

## Further Strengthening Global Governance and Environmental Measures

The LINTEC Group is advancing the globalization of its operations, and in the fiscal year ended March 31, 2020, overseas sales accounted for about half of consolidated net sales. In rolling out global business activities, the governance of overseas subsidiaries is a major issue. LINTEC has increased the number of people in the Audit Office and is working to strengthen governance-related management and support for overseas subsidiaries. These initiatives have recently begun to produce results, and the content of reports related to overseas subsidiaries has been enhanced. Moving forward, I would like to see further improvements, and I will strive to provide advice from the standpoint of corporate legal affairs, where I worked for many years.

Currently, the world is undergoing dramatic changes, and I believe that there are many things that will not return to the way they were before. The Group will need to address these changes and conduct operational execution with a greater sense of speed, including in product development. Due to the streamlining of the

Board of Directors, I expect that the Company will be able to act more rapidly to implement responses in line with circumstances. Also, the current trend of a focus on the environment will, of course, not stop. There are areas of the Company’s business that will be affected by natural disasters accompanying climate change, and, accordingly, I would like to see efforts from a long-term perspective, so the Company can supply society with products that have a low environmental burden.

### Kanako Osawa

Outside Director  
Audit & Supervisory  
Committee Member



Certified as an attorney and joined Kajitani Law Offices in 1998. Admitted to practice law in the State of New York, U.S., in 2005. Involved in corporate law in Japan and overseas. Became an Outside Director of the Company (Audit & Supervisory Committee Member) in 2015. Since 2018, has worked concurrently as a member of the Company’s Corporate Governance Committee.

## IR Activities

LINTEC aims to support the formation of an appropriate stock price through timely, suitable information disclosure. To that end, the Company conducts a variety of IR activities for institutional investors, securities analysts, and individual investors.

### Dialog with Institutional Investors and Securities Analysts

For institutional investors and securities analysts in Japan, we conduct financial results briefings twice per year. We also conduct quarterly IR meetings and respond to requests for information. For overseas institutional investors, we work to promote understanding of the Company through telephone conferences, meetings at IR events in Japan that are held by securities companies, and other means. From February 2020, a variety of events have been canceled due to the influence of COVID-19. However, the Company is taking steps to provide shareholders and investors with ongoing information provision and dialog initiatives, such as on-line video distribution and telephone conferences.

#### Details of Activities in the Fiscal Year Ended March 31, 2020

Number of institutional investors and securities analysts with whom individual meetings were held	Total of approximately 170
Financial results briefings for institutional investors and securities analysts	2 times



On-line results presentation by the president (Japanese only)

### Issuing Shareholder Newsletter

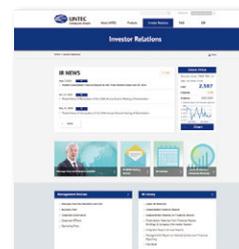
Four times per year, we issue the LINTEC WAVE shareholder newsletter and deliver it to shareholders. We periodically implement a reader questionnaire in the newsletter, and we reflect the feedback received in newsletter production and IR activities.



LINTEC WAVE shareholder newsletter

### Enhancing Information Provision Through IR Website

From the viewpoint of fair disclosure, the Company provides information through Japanese-language and English-language IR websites, and we are working on a daily basis to update the information and enhance the content.



### External Evaluations

- Morningstar Japan K.K.**  
 Gomez IR Site Ranking 2019  
**Gold Prize**
- Daiwa Investor Relations Co., Ltd.**  
 2019 Internet IR Awards  
**Commendation Award**
- Nikko Investor Relations Co., Ltd.**  
 Fiscal 2019 All Japanese Listed Companies' Website Ranking  
**AAA Website**



#### Ratings (As of August 2020)

##### Long-term bonds

- Rating and Investment Information, Inc. (R&I): A
- Japan Credit Rating Agency, Ltd. (JCR): A+

##### Short-term bonds

- Rating and Investment Information, Inc. (R&I): a-1
- Japan Credit Rating Agency, Ltd. (JCR): J-1

#### Status of inclusion in indexes (As of August 2020)

- TOPIX Mid 400 / TOPIX 500 / TOPIX 1000
- Nikkei Stock Index 300
- Nikkei JAPAN 1000
- S&P/JPX Carbon Efficient Index
- MSCI Japan ESG Select Leaders Index
- MSCI Japan Empowering Women Index (WIN)