

Sustainability

The LINTEC Group promotes sustainability management while aiming for growth as a company and the sustainable development of society. We aim to increase corporate value and help solve social issues through our business activities. To this end, we introduce our initiatives in corporate social responsibility (CSR) from an environmental, social, and governance (ESG) perspective.



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Promotion System for Sustainability

LINTEC updated its activity promotion system in April 2021 in order to reinforce sustainability initiatives by further advancing CSR activities. The Sustainability Committee was established with the president as its leader, and outside directors participating as members. Under this committee, we organized committees and

subcommittees for ESG, the SDGs, risk management, and other matters. These committees are staffed by employees drawn from across the organization, and aim to grow together with society by carrying out activities from a Companywide perspective.



A Message from the General Manager, Sustainability Management Office

In recent years, companies have been increasingly expected to take a more proactive approach to ESG and the SDGs, and a company must act in unison to address them. In this round of organizational reforms, LINTEC created the Sustainability Committee, which decides basic policy for sustainability management from the management perspective of corporate officers and the objective standpoint of outside directors. We have also put into place systems for advancing Companywide activities from diverse perspectives by augmenting committees and subcommittees made up of members from various departments.

To become a company highly regarded by all stakeholders, including shareholders and investors, it is important to associate these activities not with higher costs, but tie them into growth in earnings and the Company. We firmly support the activities of these committees and subcommittees as LINTEC addresses newly identified material issues and seeks to increase the speed, effectiveness, and profitability of various measures.



Masaru Hoshi
General Manager,
Sustainability
Management Office

Material Issues (Important Issues)

“Materiality” means issues that a company should particularly focus on, identified from among a wide range of CSR activities. While the LINTEC Group identified its materiality in 2014, it has been reviewing its materiality themes in light of ever-changing social issues and through a series of dialogues with stakeholders.

New material issues take into account the LINTEC SUSTAINABILITY VISION 2030 (LSV 2030), its long-term vision that

was started in April 2021, and the SDGs. We will also formulate key performance indicators (KPIs) for measuring progress.

In its activities, the LINTEC Group will focus in particular on the material issue themes that have been re-identified.

Process for Reviewing Material Issues

STEP 1 Analyze Value Chain

We evaluated our value chain and summarized the business activities and ESG themes for each department. We also analyzed risks and opportunities for each ESG theme in the value chain.

STEP 2 Understand the Demands of Society

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 we also screened important ESG themes recommended by ESG evaluation organizations.

STEP 3 Define the Importance of Issues for LINTEC

We identified the ESG themes that have a large impact on our businesses, based on internal information that includes the medium- to long-term strategies and business plans of each department, while referring to LSV 2030.

STEP 4 Identify Material Issues

We identified material issues after evaluating areas judged to be of importance, using map distribution to shed light on social demands and internal importance to LINTEC.

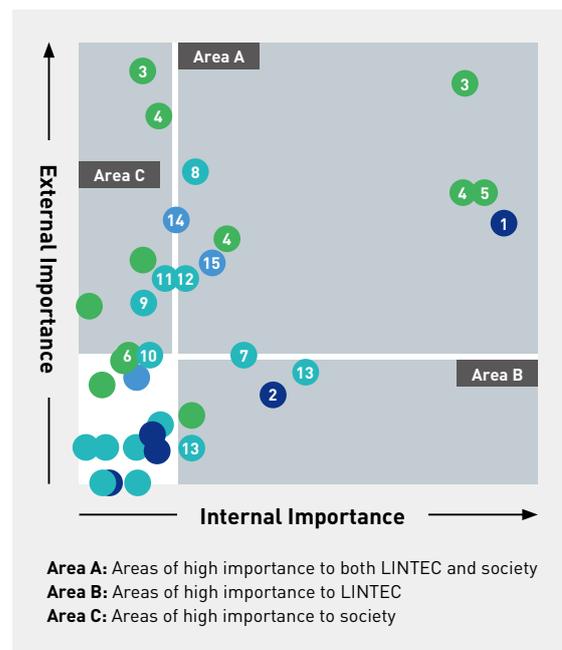
STEP 5 Set KPIs

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

Map of Material Issues

In this review of material issues, multiple departments were involved in summarizing changing social trends and the LINTEC Group’s global business activities, and adjusting business strategies on our value chain. When defining the importance of issues for LINTEC (STEP 3), management, including the chairman and president, applied a weighting to issues in the context of our vision and the strategies of each department, and then mapped these issues to those of external importance (STEP 4). The Company set its identified material issues with the approval of the Board of Directors.

Going forward, we will create KPIs for each material issue to measure progress. LINTEC will periodically evaluate the fairness of this system and review each material issue.



List of Material Issues

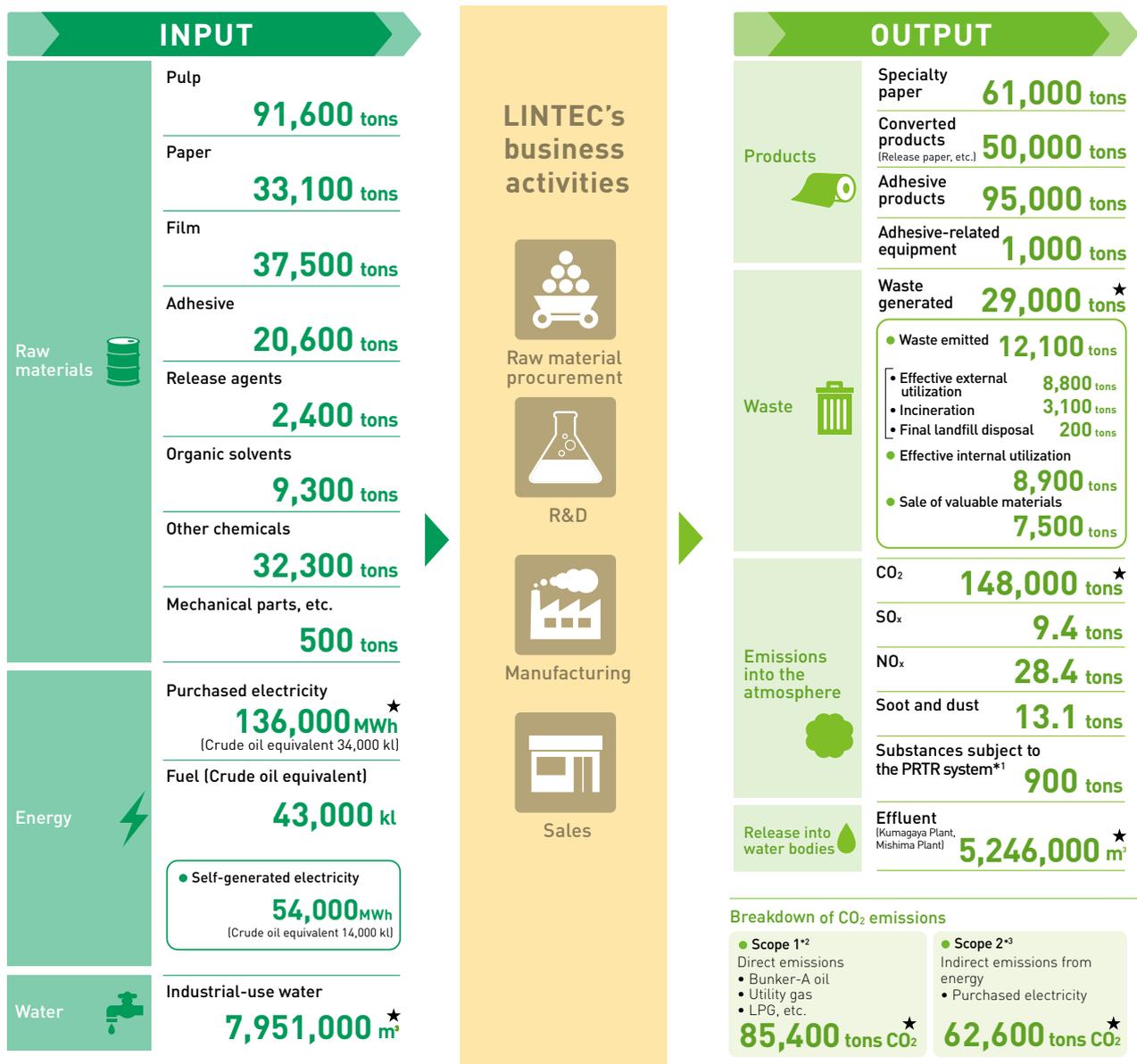
Overall business 	Contributions to the business side	Map 1 Strengthen the corporate structure through innovation	   
		Map 2 Create new products and businesses for sustainable growth	 
Environment 	Contributions to a sustainable global environment	Map 3 Address climate change	  
		Map 4 Realize a recycling-oriented world	  
		Map 5 Procure sustainable raw materials	 
		Map 6 Preserve biodiversity	 
Society 	Respect for human rights	Map 7 Give human rights due diligence	  
		Map 8 Address occupational health and safety	 
		Map 9 Promote diversity	  
		Map 10 Reform work-style	 
	Improvement in value chain management	Map 11 Embrace customer-first principle	 
		Map 12 Improve quality, costs, and customer satisfaction	 
	Strengthening of communication with stakeholders	Map 13 Co-exist with local communities	 
Governance 	Promotion of Groupwide governance	Map 14 Strengthen organizational governance	 
		Map 15 Operate fair business activities	 



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, 2021)



*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 CO₂ 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: CO₂ or other greenhouse gas emissions generated by other companies in the production of energy, such as electricity and steam, purchased by the Company

Note 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.

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

Note 3: Figures denoted with a star mark have received third-party evaluation by SGS Japan.

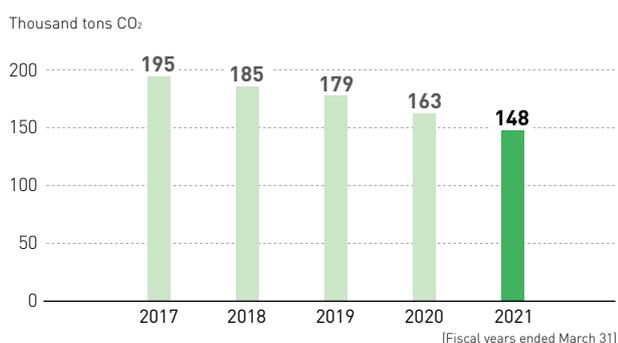
Environmental Management

We have acquired global integrated certification for 22 bases inside and outside Japan under international standard ISO 14001, including the LINTEC head office and plants, the Research Center, Group company TOKYO LINTEC KAKO, INC., and overseas Group companies. 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

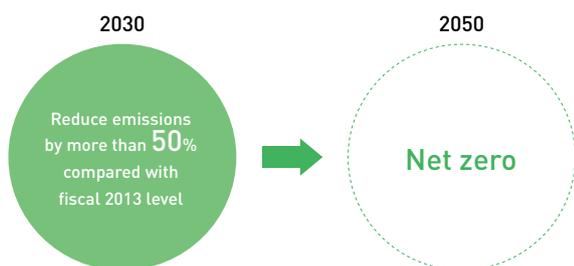
To address climate change, the Group is working to reduce energy usage and CO₂ emissions. In the fiscal year ended March 31, 2021, LINTEC's total energy consumption decreased year-on-year to 14,000 kiloliters of crude oil equivalent, reflecting lower production volumes and the efficient operation of production facilities and boilers. Its CO₂ emissions totaled 148,000 tons, lower than the 163,000 tons emitted in the previous fiscal year. LINTEC has set Group targets for reducing CO₂ emissions by more than 50% by 2030 compared with the fiscal 2013 level, and for achieving net zero emissions by 2050.

CO₂ Emissions



* Scope: LINTEC's head office, 10 production bases, the Research Center, and TOKYO LINTEC KAKO, INC.

LINTEC Group's Target for Reducing CO₂ Emissions



* Targets for Scope 1 and Scope 2 emissions

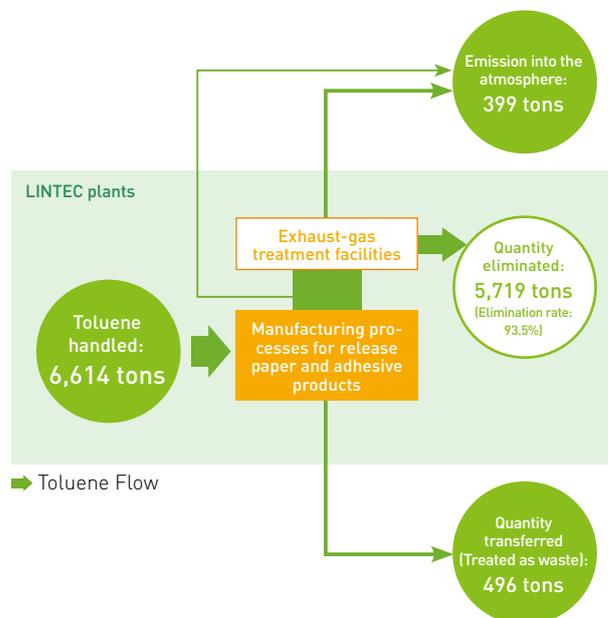
Compliance with Environmental Laws, Directives, and Regulations

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*¹ and RoHS,*² 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, 2021, on a non-consolidated basis the total handling volume of substances under the PRTR system was 6,692 tons, of which 6,614 tons were toluene, an organic solvent. Toluene emitted into the atmosphere amounted to 399 tons, a decrease of 65 tons compared with that of the previous fiscal year, while the quantity transferred (treated as waste) was 133 tons more than in the previous fiscal year, at 496 tons.

*1 REACH: EU regulation for the Registration, Evaluation, Authorization and Restriction of Chemicals

*2 RoHS: EU Restriction of Hazardous Substances in Electrical and Electronic Equipment

Fiscal Year 2020 Emission and Transfer of Toluene

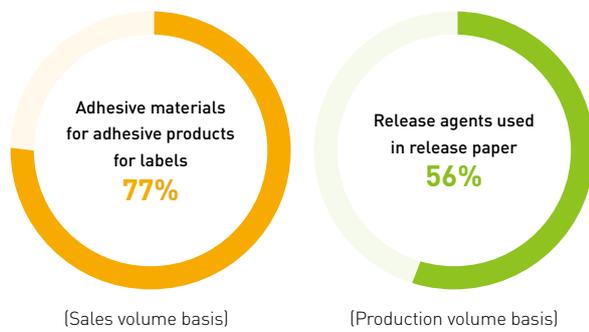


Note: Elimination rate = eliminated amount / (handled amount - transferred amount) × 100

► **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-less methods that do not use organic solvents for the coating process of adhesives and release agents. In the fiscal year ended March 31, 2021, the solvent-less percentage was 77% for adhesives used in adhesive products for labels and 56% for release agents used in release paper. Going forward, we will continue striving to further reduce our environmental burden by expanding the product lineup and sales of solvent-less products.

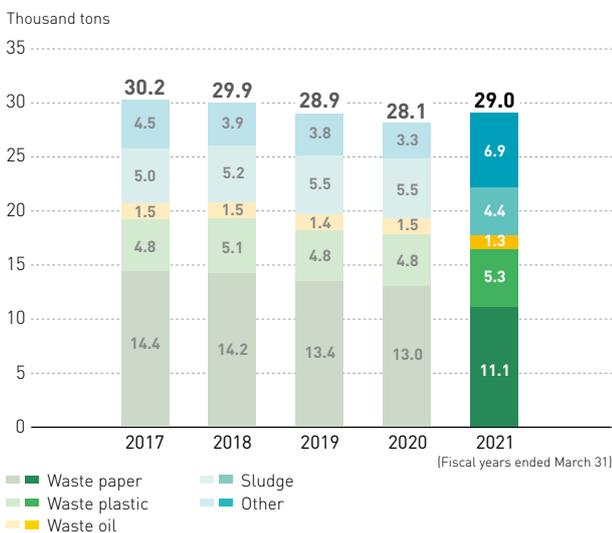
Solvent-Less Percentage (fiscal year ended March 31, 2021)



▮ **Achieving Zero Emissions**

In the fiscal year ended March 31, 2021, waste generated was 29,000 tons, and waste emitted was 12,100 tons. Of the waste emitted, 8,800 tons were recycled externally, and 3,100 tons were properly disposed of by waste disposal companies. In addition, the final landfill disposal was 160 tons, or 0.54% of waste generated. With a final landfill disposal rate of less than 1.0%, we achieved zero emissions.

Waste Generated



▮ **Accelerating of Capital Investment to Reduce Environmental Load**

The LINTEC Group is accelerating capital investment to reduce environmental load, including reducing CO₂ emissions. Our plants have been installed with cogeneration systems that generate both electricity and heat from gas energy, and waste heat boilers that reuse the heat emitted when processing organic solvents. We are also installing solar panels to generate electricity for our own usage. Moreover, at our production bases around the world, we plan to aggressively move ahead with retooling production facilities to improve quality, reduce costs, and conserve energy while reducing environmental load.



Waste heat boiler

Cogeneration system

Focus

LINTEC's Initiatives to Reduce Plastic

The LINTEC Group is focusing on reducing plastic as a part of its efforts to realize a recycling-oriented world in its long-term vision. Here, we introduce our products and efforts to reduce waste plastic and discuss the amount of plastic used.

Expanding Plastic-Free and Reduced-Plastic Products

Using its accumulated technologies in specialty paper production, LINTEC has been aggressively developing plastic-free products. For example, on products that require water resistance, instead of using adhesive film for display labels, we offer adhesive paper for labels that employs paper as a surface material that does not tear easily when wet. As an alternative to plastic shopping bags, we are developing printing paper with excellent water-resistance properties that can be processed into paper bags with handles. Furthermore, we are working to expand sales of thick water- and oil-resistant paper that can be used as an alternative material to plastic containers for boxed lunches sold at convenience stores. In applications that require features provided by film, such as water-resistance and transparency, we are examining the potential of paper as an alternative to plastic.

In addition, LINTEC is expanding its lineup of labelstock that uses recycled PET resin from used PET bottles as facestock. While using 100% recycled PET resin in the facestock, we are developing labelstock that has the same properties as those made from non-recycled PET film base materials. We are also trying to

reduce the use of oil-derived materials by thinning film and employing biomass materials in adhesives and facestock.



Plastic-alternative adhesive paper for labels with high water-resistance, made with our specialty paper production technology



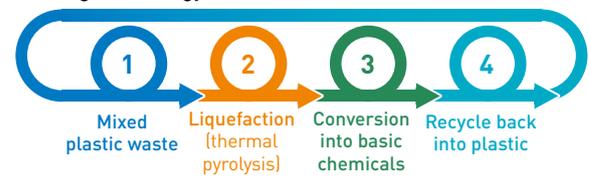
Adhesive film for labels that uses 100% recycled PET resin in facestock

Strengthening Collaboration among Companies to Solve Plastic Issues

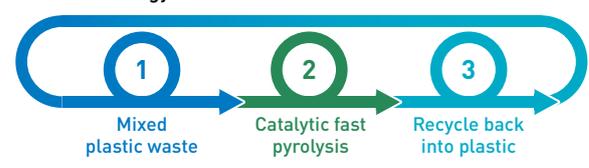
In April 2019, the LINTEC Group joined CLOMA,* a group that aims to solve the problem of plastic waste floating in the ocean. We examine measures to promote the use of materials other than plastic, and disseminate and share technological information. Moreover, in November 2020, LINTEC announced capital participation in R Plus Japan, Ltd., a joint investment firm that is advancing the development of recycling technologies for used plastic. This company is working with a biochemical venture firm in the U.S. to research new technologies for directly returning PET bottles and other plastics to their raw material state. We aim to commercialize this technology by 2027 as a way of efficiently recycling a higher volume of used plastic.

* CLOMA: Japan Clean Ocean Material Alliance

Existing Technology



New Technology



It is possible to efficiently recycle a higher volume of used plastic while reducing environmental load because of the fewer number of steps needed to recycle plastic compared with conventional technology.

Society

In continuing and expanding business activities, creating favorable relationships with all stakeholders is indispensable. The LINTEC Group continues efforts at establishing employee-friendly workplaces, maintaining stable supplies of high-quality products, and strengthening partnerships with customers and suppliers.

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 Division 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 been on an uptrend. 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, 2021, this percentage increased to approximately 62%. 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. As coronavirus countermeasures, we are also strongly encouraging teleworking and flex-time systems. 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 our measures to promote the active participation of female employees, LINTEC has been advancing the awareness of female employees as well as the entire workforce 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 and re-employing retirees until the age of 70. For the fiscal year ended March 31, 2021, our employment rate for people with disabilities was 1.90%, slightly lower than the legally mandated rate of 2.30%. Moving forward, we will continue taking steps to expand the employment of people with disabilities, such as improving internal facilities as needed.

Female Manager Ratio

(As of the end of March 2021)



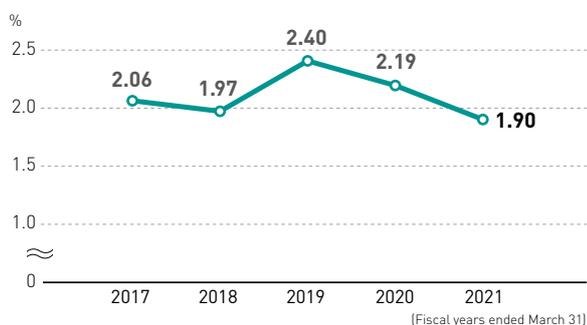
(LINTEC Group, including non-consolidated companies)

Rate of Return After Childcare Leave

(As of the end of March 2021)



Employment Rate for People with Disabilities



▶ Harassment Countermeasures

The LINTEC Compliance Guidelines, which are distributed to all employees, 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, 2021, the consultation rate was 91%. The results of the consultations are used for understanding and managing 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 with 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 ¥26 million per year on increasing the capabilities of employees and human resource 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 patrols. 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

Efforts toward Business Continuity

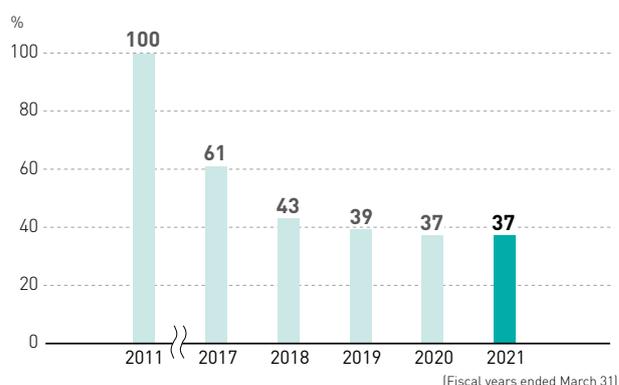
The Group is working to strengthen its systems that enable business operations to continue or restart quickly if struck by a disaster. All the Company's locations in Japan, subsidiaries TOKYO LINTEC KAKO, INC., and LINTEC SPECIALITY FILMS (TAIWAN), INC., have obtained certification under ISO 22301:2012, the international standard for a business continuity management system (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 (BCP) 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 a quality management system (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 suppliers, 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, 2021. We construct and actualize management systems that enable us to take swift action if a quality incident should occur, collecting information, analyzing causes, and working toward preventing a 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, 2021, 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.

Focus

LINTEC's New Work-Style Initiatives

At LINTEC, we aim to be a company where diverse employees can play an active role, and have been advancing work-style reforms, including augmenting the personnel system. Due to the global pandemic, companies have become required to deploy digital technologies to increase labor productivity while also aiming to prevent infections among their employees. Here, we introduce LINTEC's work-style reforms in response to the pandemic, and initiatives at the sales integration base relocated in November 2020.

Promotion of New Work-Styles in Response to COVID-19

LINTEC has encouraged its employees in the sales and management divisions to work remotely from home due to the COVID-19 pandemic. We reduced the percentage of employees reporting for work by switching to mobile devices for work PCs, upgrading network environments, and introducing and using online conferencing systems. This has resulted in significant reduction in time spent commuting to work and other movement, improving productivity and work-life balance for our employees. Accordingly, in October 2020, we officially included teleworking as a part of our work system, and created a work-at-home benefit for employees that covers a portion of their utility bills and other costs associated with working from home.

When employees report to work locations, we have diligently striven to avoid closed spaces, dense gatherings of people, and close contact by utilizing open spaces, such as conference rooms, while periodically ventilating out the air, in addition to mandating the wearing of masks and strongly encouraging hand washing and alcohol disinfectant. Moreover, in addition to encouraging people to

commute to work outside of rush hours by expanding the scope of employees eligible for the flex-time system, we have set up satellite offices in business locations and dormitories for single employees in suburban areas of Tokyo, allowing employees to work in offices closer to home. We have put into place work-styles in this COVID-19 era to prevent new cases of infection among employees while maintaining operations and continuing to provide stable and timely products and services of high quality.



Advanced Office Concept for New Work-Styles

In November 2020, LINTEC moved its Iidabashi Office, a sales integration base, into a neighboring building, and started operations as the Bunkyo Kasuga Office. The offices, conference rooms, and show room that were spread across six floors in the previous office building were consolidated onto two floors in the new location. We rolled out unassigned seating where employees can sit anywhere they want, depending on their work that day, and use a highly secure wireless network on each floor. We also transitioned to paperless workflows that use electronic means instead of using paper slips and keeping paper documents. We aim to enhance work efficiency, while further invigorating internal communications.



Bunkyo Kasuga Office is implementing clear desk and clean office concepts for having nothing on desks and floors by moving toward a paperless system and enforcing strict document management rules.



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

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 streamlining management even further. The Company has appointed 12 directors, of whom three are Audit & Supervisory Committee members and five 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 voting rights on the Board of Directors.

Corporate Governance System

Organizational Structure	Company with Audit & Supervisory Committee
Number of Directors (Number of Outside Directors)	12 (5)
Number of Audit & Supervisory Committee Members (Number of Outside Directors)	3 (2)
Number of Independent Outside Directors	4
Directors' Term of Office	One year
Board of Directors' Meetings in FY2021	Number of meetings: 14
Adoption of an Executive Officer System	Yes
Takeover Defense Measures	None
Accounting Auditors	Ernst & Young ShinNihon LLC

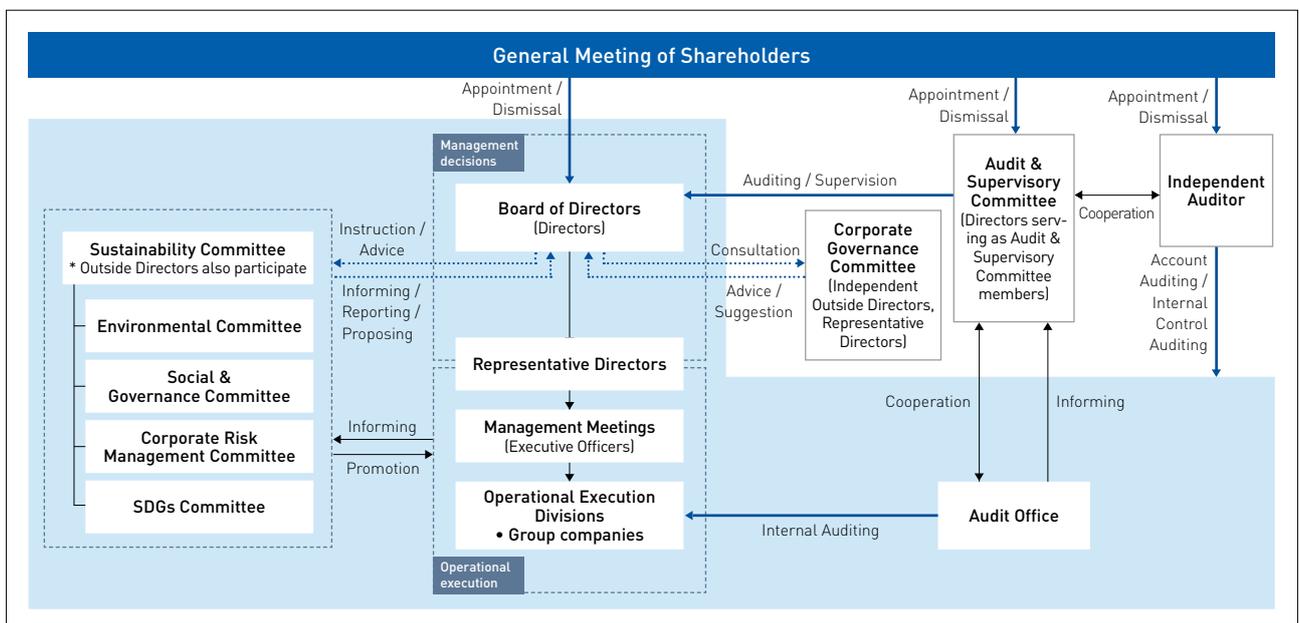
Independent Outside Director Ratio



Female Director Ratio



Corporate Governance Organization Chart



2 Evaluation of the Effectiveness of the Board of Directors

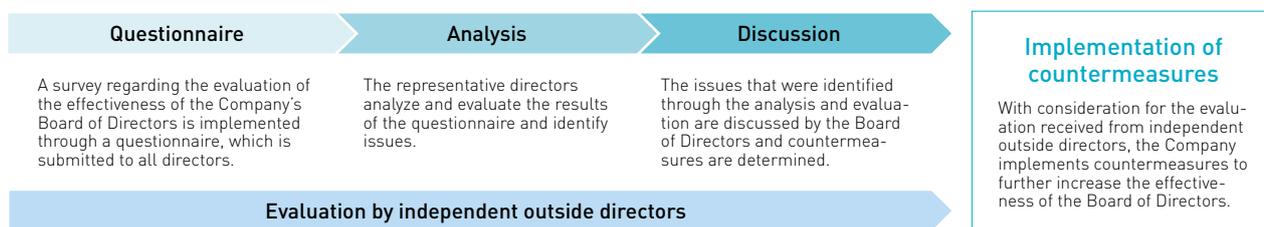
In April 2021, the Company conducted an evaluation of the effectiveness of the Board of Directors. Details are as follows.

<<Overview>>

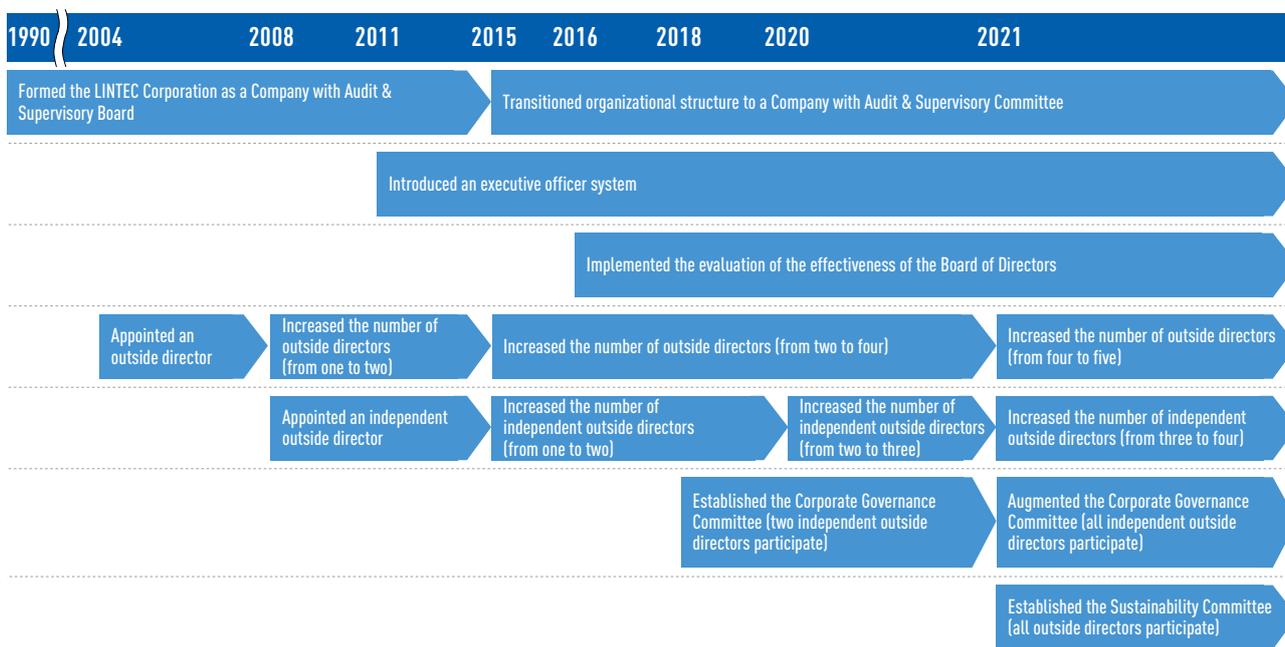
All directors filled out a questionnaire and answered open-ended questions, in order to evaluate the effectiveness of the Board of Directors at LINTEC. This time, based on discussions, the questionnaire asked for the opinions of directors on subjects related to the Company's corporate governance that have not been taken up for evaluation by external entities. The representative directors analyzed, evaluated, and identified issues in the responses, selecting the items that management should prioritize this fiscal year. One such issue entailed increasing the involvement of outside

directors in corporate governance and management policy (sustainability management). Through this process, the Company's independent outside directors arrived at a final evaluation on the effectiveness of the Board of Directors. They found that the questions and methods followed a logical process, and by examining measures for the next fiscal year based on the responses, stated that it is possible to improve the functionality of the Board of Directors further, and that the selection of issues to tackle this year followed a logical and appropriate process. By continuing these efforts, they were of the opinion that it is possible to further enhance the functions of the Board of Directors. Based on this evaluation, we will take steps to maintain an environment that facilitates continued improvement in the effectiveness of the Board of Directors.

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



Changes in Corporate Governance



Status of Outside Directors

1 Outside Directors

The Company has appointed five outside directors—Akira Sebe, Akiko Okushima, Shigeru Sugimoto, 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
Akira Sebe	There are no particular shared interests between the Company and Akira Sebe but Nippon Paper Industries Co., Ltd., where he serves as an executive officer, is a major trading partner of the Company, which purchased ¥1,733 million worth of raw materials from and sold ¥114 million worth of products to Nippon Paper (both results from the fiscal year ended March 31, 2021). In addition, Nippon Paper is a major shareholder in the Company; its holding amounted to 21,737,792 shares (30.06% of the total number of Company shares outstanding, excluding treasury stock) on March 31, 2021.	By utilizing knowledge and experience from his directorship experience at Nippon Paper Industries Co., Ltd., and his many years of business experience in this company's materials department, Akira Sebe 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 a member of the Corporate Governance Committee, an advisory body to the Board of Directors. The Company has designated her as an independent officer based on the criteria stipulated by the Tokyo Stock Exchange, Inc. [TSE].
Shigeru Sugimoto	There are no particular shared interests between the Company and Shigeru Sugimoto.	By utilizing his abundant business experience as an outside director and auditor in a sector different from the Company, even managing his own company, as well as his practical experience, broad knowledge, and advanced expert insight as a certified public accountant, registered real estate appraiser, and certified tax accountant, Shigeru Sugimoto is able to strengthen the audit and supervisory functions of the Company's Board of Directors. Therefore, he has been appointed as an outside director. He is a member of the Corporate Governance Committee, an advisory body to the Board of Directors. The Company has designated him as an independent officer based on the criteria stipulated by the 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 a member of the Corporate Governance Committee, an advisory body to the Board of Directors. The Company has designated him 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 a member of the Corporate Governance Committee, an advisory body to the Board of Directors. The Company has designated her 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 or 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 Outside Directors' Supervision, Audits, and Internal Audits; Mutual Cooperation with Audit & Supervisory Committee Audits and Accounting Audits; and the Relationship with the Internal Control Division

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

The Company has established the Audit Office as an internal auditing unit. The Audit Office regularly implements internal audits of

Director Diversity

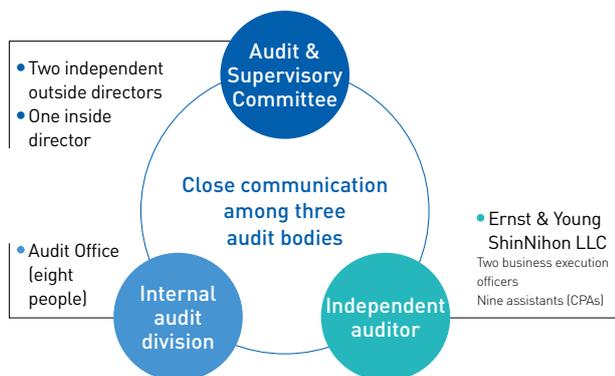
The following table shows the fields in which each director is expected to make an especially strong contribution.

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		●		●					●	
Yoichi Shibano		●			●				●	
Akira Sebe	Outside Director	●	●						●	●
Akiko Okushima	Independent Director Outside Director	●	●	●					●	●
Shigeru Sugimoto	Independent Director Outside Director	●			●	●			●	●
Masaaki Kimura					●	●		●		
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.

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 Office provides advance notice to the Audit & Supervisory Committee of a summary of internal auditing plans and audit items, and after internal audits are completed, reports all of the audit results and assessments to the Audit & Supervisory Committee. In addition, the full-time Audit & Supervisory Committee member and the general manager of the Audit Office hold monthly liaison meetings to exchange opinions and information, and to periodically share information with the independent auditor. In this way, the Group works to enhance the effectiveness of three-way audits by coordinating closely with the Audit & Supervisory Committee, independent auditors, and internal audit division.

Three-Way Audits



3 Status of Accounting Audits

■ Name of audit firm

Ernst & Young ShinNihon LLC

■ Continuous period for which the independent auditor has performed audits

Since 1981

4 Details of Audit Remuneration, Etc.

■ Remuneration of the independent auditor, etc.

(Millions of yen)

Category	Fiscal year ended March 31, 2020		Fiscal year ended March 31, 2021	
	Remuneration for audit services	Remuneration for non-audit services	Remuneration for audit services	Remuneration for non-audit services
LINTEC	88	0	90	0
Consolidated subsidiaries	-	-	-	-
Total	88	0	90	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, 2020		Fiscal year ended March 31, 2021	
	Remuneration for audit services	Remuneration for non-audit services	Remuneration for audit services	Remuneration for non-audit services
LINTEC	-	-	-	1
Consolidated subsidiaries	34	16	36	19
Total	34	16	36	21

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.

Remuneration of Corporate Officers

1 Policy Regarding Decisions on Amounts of Director Remuneration

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

(1) Basic remuneration

- Fixed amounts paid based on rank
- The total amount paid does not exceed ¥420 million (includes up to ¥30 million for outside directors who are not members of the Audit & Supervisory Committee)

(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
 - (a) The representative directors and directors who are also business execution officers are eligible for bonuses
 - (b) The bonus amount is calculated as follows:
Rank-based standard amount x multiplier (%) based on consolidated performance evaluation
 - (c) The multiplier (%) based on consolidated performance evaluation is calculated as follows:
 1. Consolidated performance evaluation indicators are consolidated net sales and consolidated operating income
 2. Regarding the above indicators:
 - (i) Ratio of results for the fiscal year in review versus externally disclosed targets at the outset of the fiscal year (forecasts of consolidated business results denoted in the Consolidated Financial Results)
 - (ii) Ratio of average performance during period applicable to time of service within the past three years until the fiscal year in review, to average performance over the three years preceding the previous fiscal year
 The multiplier is decided based on the result of combining the aforementioned (i) and (ii) at a 60:40 ratio.

(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 total amount of basic remuneration has been approved by the 127th Annual General Meeting of Shareholders held on June 21, 2021, and totals for bonuses and restricted stock were approved

at the 124th Annual General Meeting of Shareholders held on June 21, 2018.

The Corporate Governance Committee, with a majority of independent outside directors as members, is an advisory body that provides advice and makes suggestions to the Board of Directors on matters regarding evaluations and decisions on remuneration for directors (excluding outside directors and Audit & Supervisory Committee members), with the aim of improving objectivity and transparency.

■ 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.

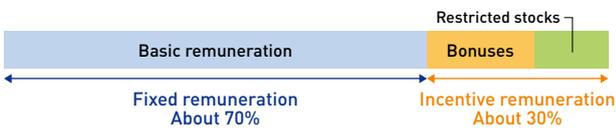
- Payment of fixed remuneration each month
- Total amount does not exceed ¥30 million

■ Remuneration of directors (Audit & Supervisory Committee members)

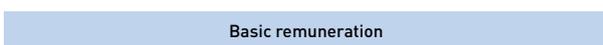
This is decided through deliberations by the Audit & Supervisory Committee members in accordance with the Company's internal rules on director remuneration and within totals approved at the General Meeting of Shareholders.

- Payment of fixed remuneration each month
- Total amount does not exceed ¥60 million

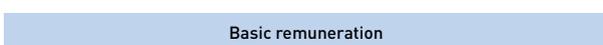
Remuneration System for Directors (Excluding Outside Directors and Audit & Supervisory Committee Members)



Remuneration System for Outside Directors (Excluding Audit & Supervisory Committee Members)



Remuneration System for Directors (Audit & Supervisory Committee Members)



2 Total Remuneration by Corporate Officer Type

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)	295	215	53	25	10
Directors (Audit & Supervisory Committee members, excluding outside directors)	21	21	-	-	1
Outside officers	31	31	-	-	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

	Number of issues (issues)	Total amount recorded on balance sheet
Unlisted shares	16	110
Shares other than unlisted shares	23	1,790

■ 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)

Issue	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2020	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)		
Toray Industries, Inc.	1,160,000	1,160,000	To maintain and strengthen business relationships	Yes
	826	544		
Fujipreem Corporation	936,000	936,000	Same as above	No
	376	184		
IMURA ENVELOPE CO., INC.	200,000	200,000	Same as above	Yes
	197	111		
Mitsubishi UFJ Financial Group, Inc.	159,710	159,710	Same as above	Yes
	94	64		
KING JIM CO., LTD.	76,630	76,630	Same as above	Yes
	72	63		

(Millions of yen)

Issue	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2020	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		
ASAHI PRINTING CO., LTD.	38,054	34,009	To maintain and strengthen business relationships*1	No
	35	31		
Arisawa Mfg. Co., Ltd.	35,431	35,431	Same as above	No
	35	28		
OZU CORPORATION	16,978	16,553	Same as above*1	No
	34	28		
Mizuho Financial Group, Inc.*2	20,695	206,950	Same as above	Yes
	33	25		
Canon Marketing Japan Inc.	6,938	6,938	Same as above	No
	17	14		

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

*2 Mizuho Financial Group, Inc., conducted a 10-for-1 stock merger on October 1, 2020.

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 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

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, 2021.

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 Electronic and Optical Products businesses, and accordingly future trends in this industry could affect the Group's business results.

The Group expects a moderate recovery from the COVID-19 pandemic in the fiscal year ending March 31, 2022, as more people get vaccinated and economic stimulus measures take effect around the world. If the pandemic lasts longer than anticipated, it could affect the Group's business environment and operating results.

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, the Group's business results could be affected.

3 Risks 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, 2021, the overseas sales ratio was 50.2%. 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 Taiwanese 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.

9 Natural Disasters and Major Accidents

The Group has BCP and a BCMS in place to respond to natural disasters and major accidents. However, in the event of a large-scale natural disaster caused by a factor such as climate change, the Group's performance could be affected if its stable supply of products is interrupted by greater-than-expected damage to the business locations of the Company or its suppliers.

Corporate Officers As of June 21, 2021

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 at the meetings of the Board of Directors:
14/14 meetings (FY2021)

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 at the meetings of the Board of Directors:
14/14 meetings (FY2021)

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 at the meetings of the Board of Directors:
14/14 meetings (FY2021)

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 at the meetings of the Board of Directors:
14/14 meetings (FY2021)

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 at the meetings of the Board of Directors:
10/10 meetings (FY2021)

Director, Senior Executive Officer, and CFO

Yoichi Shibano (Date of Birth: Nov. 14, 1963)

New appointment



Apr. 1987 Joined the Company
Mar. 2015 Director, LINTEC ASIA PACIFIC REGIONAL HEADQUARTERS PRIVATE LIMITED (seconded)
Apr. 2018 Executive Officer, Executive General Manager, Administration Div. and General Manager, Finance & Accounting Dept.
Apr. 2021 Senior Executive Officer, Executive General Manager, Administration Div. and General Manager, Finance & Accounting Dept.
Jun. 2021 Director, Senior Executive Officer, Executive General Manager, Administration Div. and General Manager, Finance & Accounting Dept. (current position)

Attendance at the meetings of the Board of Directors:
—

Outside Director

Akira Sebe (Date of Birth: Dec. 12, 1965)

New appointment



Apr. 1988 Joined Jujo Paper Co., Ltd.
Jun. 2020 Executive Officer, Raw Material & Purchasing Div., Nippon Paper Industries Co., Ltd. (current position)
Jun. 2021 Outside Director of the Company (current position)

Attendance at the meetings of the Board of Directors:
—

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 at the meetings of the Board of Directors:
10/10 meetings (FY2021)

Outside Director**Shigeru Sugimoto** (Date of Birth: Oct. 12, 1958) New appointment Independent Director

Apr. 1982 Joined Housing and Urban Development Corporation (currently Urban Renaissance Agency)

Oct. 1985 Joined Showa Ota & Co. (currently Ernst & Young ShinNihon LLC)

Jul. 1988 Representative, Sakura & Co. (currently Crowe Sakura & Co.) (current position)

Feb. 1989 Registered as a Certified Public Accountant

Dec. 1995 Representative Member, Sakura Audit Corporation (currently Sakura LLC) (current position)

Jun. 2021 Outside Director of the Company (current position)

Attendance at the meetings of the Board of Directors:

—

Director / Audit & Supervisory Committee member**Masaaki Kimura** (Date of Birth: Oct. 9, 1961) New appointment

Mar. 1988 Joined the Company

Apr. 2006 General Manager, Audit Office

Oct. 2012 General Manager, General Affairs & Legal Dept., General Affairs & Human Resources Div.

Apr. 2021 Chief Project Manager, General Affairs & Human Resources Div.

Jun. 2021 Director / Audit & Supervisory Committee Member (current position)

Attendance at the meetings of the Board of Directors:

—

Attendance at the meetings of the Audit and Supervisory Committee:

—

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

Apr. 1975 Joined Japan Development Bank (Currently Development Bank of Japan)

Apr. 2003 Professor, Nihon University, Advanced Research Institute for the Sciences and Humanities; 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 at the meetings of the Board of Directors:

14/14 meetings (FY2021)

Attendance at the meetings of the Audit and Supervisory Committee:

13/13 meetings (FY2021)

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, U.S.

Jun. 2015 Outside Director / Audit & Supervisory Committee Member of the Company (current position)

Attendance at the meetings of the Board of Directors:

14/14 meetings (FY2021)

Attendance at the meetings of the Audit and Supervisory Committee:

13/13 meetings (FY2021)

Managing Executive Officers**Junichi Nishikawa**

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

Takehiko Wakasa

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

Senior Executive Officers**Toru Onishi**

Plant Manager, Mishima Plant, Production Div.

Norio Murata

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

Shigeru Uematsu

General Manager, Public Relations Office

Yutaka Iwasaki

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

Sumio Morimoto

President, LINTEC ASIA PACIFIC REGIONAL HEADQUARTERS PRIVATE LIMITED

Tatsuya Tsukida

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

Toshimi Sugaya

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

Masaaki Yoshitake

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

Kinya Mochida

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

Executive Officers**Masahiro Oshima**

President, LINTEC USA HOLDING, INC.

Hiroyuki Matsuo

Plant Manager, Agatsuma Plant, Production Div.

Naoshi Nishikado

General Manager, Corporate Strategic Office

Satoru Shoshi

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

Yoshihisa Mineura

Executive General Manager, Research & Development Div.

Hideo Senoo

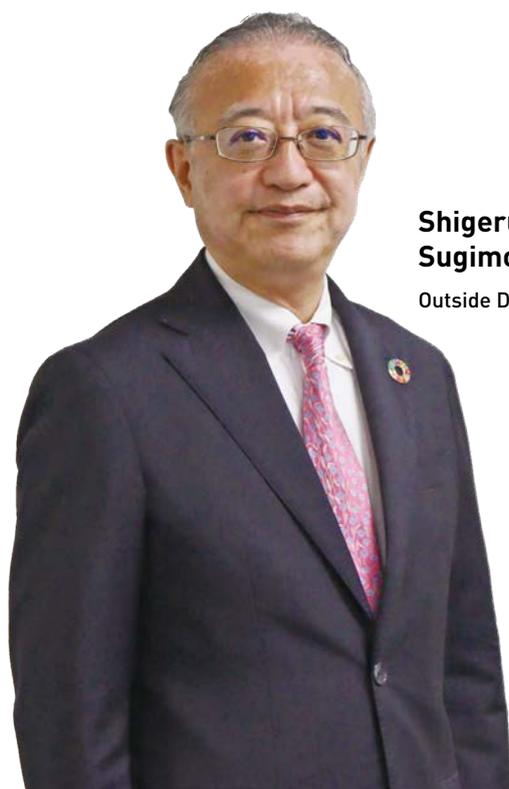
Deputy Executive General Manager, Research & Development Div. and General Manager, Research Center

Hideki Miyake

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

Messages from Independent Outside Directors

At the General Meeting of Shareholders held in June 2021, Shigeru Sugimoto was appointed as an outside director. Together with Akiko Okushima, who was appointed as an outside director last year and reappointed at this year's General Meeting of Shareholders, and Audit & Supervisory Committee members Satoshi Ohoka and Kanako Osawa, who were also reappointed, the Company now has four independent outside directors. The ratio of independent outside directors on the Board of Directors has increased to one in three. These four directors were asked about such topics as their views on LINTEC's governance and how, as independent outside directors, they can contribute to the realization of the Company's long-term vision.



Shigeru Sugimoto
Outside Director

Working to Create New Value by Leveraging My Experience in Many Business Projects

LINTEC is a leading company in the important field of adhesive products that support society, and it is a great honor to be of assistance to such a company. LINTEC proactively discloses both financial and non-financial information, and takes a forward-looking approach to responding to the requests of society, such as addressing environmental concerns. Currently, based on new values prompted by the pandemic, companies are searching for the approach they should take in a sustainable society. I believe the LINTEC Group is keen to contribute to a stable and sustainable society by flexibly responding to changes in society with sound corporate governance and correct decision-making.

As a certified public accountant (CPA), I have spent most of my career building and evaluating business investment schemes, such as M&A, and providing consulting services for business restructuring and reorganization. As a result of my involvement in various projects, I have discovered solutions in unexpected places by pushing through on what looks like thorny problems at first glance, and have seen major risks unexpectedly materialize in what seem like simple projects. I intend to provide more helpful advice and ideas even more quickly because management is expected to make decisions rapidly around the world. Leveraging my experience and expertise gained making business plans for numerous companies, I will do my best to help the LINTEC Group create new value.

Shigeru Sugimoto

Joined Housing and Urban Development Corporation (currently Urban Renaissance Agency) in 1982. Joined Showa Ota & Co. (currently Ernst & Young ShinNihon LLC) in 1985. Established Sakura & Co. (currently Crowe Sakura & Co.) in 1988. Provides consulting services as a CPA for M&A and business restructuring and reorganization. Appointed outside director of the Company in June 2021.

Akiko Okushima

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 2020, became an outside director at LINTEC.

Contributing to the Advancement of DX Projects to Reinforce Business Competitiveness

One year has passed since I was appointed an outside director. I believe LINTEC's Board of Directors manages meetings in ways that facilitate the understanding of outside directors, with careful consideration given to sharing information before meetings and the running of that day's meeting. When deliberating on the acquisition of DURAMARK PRODUCTS, INC., in the U.S., management gave a thorough explanation that was effective and appropriate, facilitating an approving vote on the deal.

I have specialized in the creation of market strategies based on consumer purchasing data and used this to propose DX projects. DX is also an important theme of our long-term vision. I will help improve the corporate value of LINTEC by offering advice based on my own expertise and helping to create new competitive businesses, improve business productivity, and develop new technologies.

Akiko Okushima

Outside Director



Helping to Realize LSV 2030 from the Standpoint of Decision-Making and Supervision of Operational Execution

My career has involved corporate management and finance from the standpoint of government financial policy, and I have also engaged in research and training on topics that include international competitiveness, business development, and corporate governance. In recent years, LINTEC has decreased the number of directors while increasing the number of outside directors, and separated the decision-making side from operational execution. I also commend the Company's efforts to encourage a lively exchange of opinions among directors, including outside directors.

The newly created Sustainability Committee includes outside directors, raising expectations for meaningful discussions from a variety of viewpoints. Using my nearly 20 years of experience as an outside director, including at other companies, I intend to help LINTEC realize LSV 2030 by contributing to improving the effectiveness of the Board of Directors and by strengthening governance from a supervisory standpoint and decision-making for operational execution.

Satoshi Ohoka

Outside Director /
Audit &
Supervisory
Committee
Member



Supporting Management from Diverse Perspectives with Each Outside Director

The Board of Directors and each committee always take care to make decisions while considering an outsider's perspective. For example, when discussing investment proposals at Board of Directors' meetings, I make judgments on the logic of reasons for business execution from the standpoint of balancing benefits and risks. At the Audit & Supervisory Committee, I make judgments about whether governance is functioning effectively at Group companies in Japan and around the world. I also pose questions when necessary.

The importance of outside directors is increasing as companies are now being asked how they can fulfill their social responsibilities while pursuing profits. At LINTEC, outside directors are involved in a broadening range of meetings, including the Sustainability Committee. I aim to support management by incorporating diverse perspectives with each outside director, who have wide-ranging backgrounds.

Kanako Osawa

Outside Director /
Audit &
Supervisory
Committee
Member



Satoshi Ohoka

In 1975, joined the former Japan Development Bank. Worked in guidance policy finance, including as deputy director general of the now 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.

Kanako Osawa

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.

Dialogue 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 an understanding of the Group through web conferences, IR events that are held by securities companies, and other means. A variety of events have been canceled due to the influence of COVID-19. However, the Company is taking steps to provide all of our shareholders and investors with ongoing information provision and dialogue initiatives, such as online video distribution and web conferences.

Details of Activities in the Fiscal Year Ended March 31, 2021

Number of institutional investors and securities analysts with whom individual meetings were held	Approximately 150
Financial results briefings for institutional investors and securities analysts	2



Online 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 Websites

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 2020
Gold Prize (12th)
 Gomez ESG Site Ranking 2020
Excellent Company (12th)
- Daiwa Investor Relations Co., Ltd.**
 2020 Internet IR Awards
Commendation Award
- Nikko Investor Relations Co., Ltd.**
 Fiscal 2020 All Japanese Listed Companies' Website Ranking
AAA Website (Overall Ranking)



Ratings (As of August 2021)

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 2021)

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