

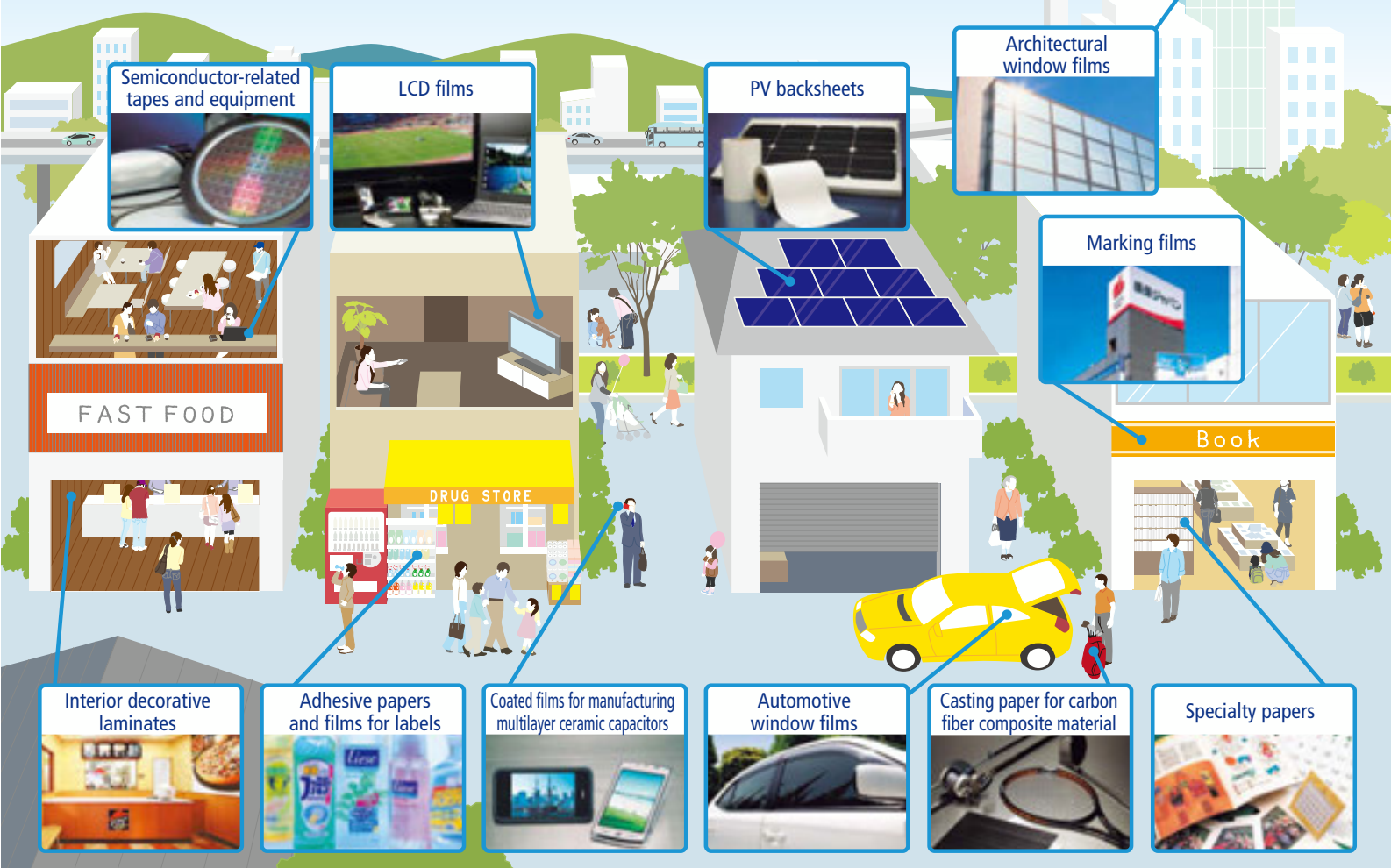
CSR Report 2012



Linking your dreams
LINTEC Corporation

Lintec creates varied products in a wide range of fields,
including adhesive materials and related equipment,
specialty papers, and release papers and films.

The company's products play an active role in all areas of life.



Corporate Profile (as of March 31, 2012)

Company name	LINTEC Corporation	R&D facility: Research Center (Saitama Prefecture)
Head office	23-23, Honcho, Itabashi-ku, Tokyo 173-0001, Japan	Overseas office: Shanghai (China)
Website	www.lintec-global.com/	Subsidiaries
Established	October 1934	Consolidated: 4 companies in Japan, 19 companies outside Japan
Capital	23.2 billion yen	Non-consolidated: 5 companies in Japan, 5 companies outside Japan
Stock listing	Tokyo Stock Exchange, 1st Section Securities Code: 7966	Business activities
Fiscal year-end	March 31	Development, manufacturing, and sales of adhesive products (adhesive papers and films for labels, marking films, window films, semiconductor-related tapes, optical function film, health-care products, etc.); specialty papers (color envelope paper, color paper, special function paper, etc.); processing materials (release paper, release film, casting paper for synthetic leather, casting paper for carbon fiber composite material, etc.); and adhesive-related devices (label printing machines, labeling machines, semiconductor-related equipment, etc.)
Representative	Akihiko Ouchi, President and CEO	Sales (fiscal 2011)
Number of employees	Consolidated: 4,286 Non-consolidated: 2,564	Consolidated: 200.9 billion yen Non-consolidated: 162.2 billion yen
Sites	Sales offices: Iidabashi (Tokyo), Sapporo, Sendai, Hokuriku (Toyama Prefecture), Shizuoka, Nagoya, Osaka, Hiroshima, Shikoku (Ehime Prefecture), Fukuoka, and Kumamoto Production sites: Agatsuma (Gunma Prefecture), Kumagaya (Saitama Prefecture), Ina (Saitama Prefecture), Chiba, Tatsuno (Hyogo Prefecture), Shingu (Hyogo Prefecture), Komatsushima (Tokushima Prefecture), Mishima (Ehime Prefecture), Doi (Ehime Prefecture), and Niihama (Ehime Prefecture)	Operating income (fiscal 2011) Consolidated: 14.0 billion yen Non-consolidated: 7.4 billion yen



For more detailed financial information, see the Investor Relations section of the Lintec Website at www.lintec-global.com/ir/.

Editorial Policy

This report covers initiatives related to the Lintec Group's social responsibility. The report section has been reorganized into three categories—Corporate Governance, Social Report, and Environmental Report—and the Social Report has been organized by initiatives according to each stakeholder. The Highlight section takes up the issue of CSR briefings for group companies outside Japan and introduces the Lintec Group's global CSR activities.

In fiscal 2012, for the first time, Lintec began disclosing information not included in this report on its corporate website. Please view the website as well as the report.



Lintec Website ►► <http://www.lintec-global.com/csr/>



This icon indicates that additional information has been disclosed on the company's CSR website. The location of the information on the website will be clearly shown beside the icon.

Guidelines Referenced

Environmental Reporting Guidelines (2012) of the Ministry of the Environment of Japan

Sustainability Reporting Guidelines (version 3.1) of the Global Reporting Initiative (GRI)

Environmental Accounting Guidelines (2005) of the Ministry of the Environment of Japan

ISO 26000 (social responsibility)

Reporting Period

This report covers the period from April 1, 2011, to March 31, 2012 (fiscal 2011). It also includes some information up through June 30, 2012, concerning specific initiatives. Environmental performance data for eight group companies outside Japan covers the period from January 1 to December 31, 2011.

Scope and Wording

The scope of this report is arranged as indicated below and follows the same wording. If any information provided diverges from this scope, this is made clear within the text.

● Corporate Governance ● Social Report

Lintec: Lintec Corporation

Lintec Group: Lintec Corporation plus group companies in and outside Japan

● Environment Report

Lintec: Lintec Corporation (head office, Agatsuma Plant, Kumagaya Plant, Chiba Plant, Tatsuno Plant, Shingu Plant, Komatsushima Plant, Mishima Plant, Doi Plant, Niihama Plant, Ina Technology Center, Research Center) and Tokyo Lintec Kako, Inc.

Lintec Group: The above plus eight group companies outside Japan*

*Eight group companies outside Japan
Lintec (Suzhou) Tech Corporation, Lintec (Tianjin) Industry Co., Ltd., Lintec Speciality Films (Taiwan), Inc., Lintec Korea, Inc., Lintec Speciality Films (Korea), Inc., PT. Lintec Indonesia, Lintec Industries (Malaysia) Sdn. Bhd., and Lintec Industries (Sarawak) Sdn. Bhd.

Contents

Corporate Profile

Editorial Policy	1
Message from the President	2
Lintec CSR	3

Highlight

Sharing Lintec's CSR with Colleagues around the World	4
--	---

CSR Themes, Targets, and Performance	6
--	---

Corporate Governance

Practicing Sincerity	8
----------------------------	---

Social Report

Providing Value to Customers	10
Cooperating with Suppliers	11
Together with Employees	12
(Human Rights / Employment)	
(Human Resource Development)	
(Safety and Disaster Prevention)	
Together with Local Communities	18
Communicating with Stakeholders	20

Environmental Report

Environmental Management System	22
Developing Environmentally Friendly Products	23
Fighting Climate Change	24
Reducing Waste	26
Measures to Reduce Water Usage and Effluent	27
Reduction of Chemicals with Environmental Impact	28
Environmental Accounting	29
Environmental Activities of Eight Group Companies Outside Japan	30
Relationship between Lintec and the Environment	32

Third-Party Opinion	33
---------------------------	----

Message from the President

We will remain worthy of society's trust by practicing manufacturing that adapts to the changing times and meets customer needs.



Akihiko Ouchi

President and CEO
LINTEC Corporation



The past year was one in which Japan faced the unprecedented disasters of the Great East Japan Earthquake and the Fukushima Daiichi Nuclear Power Plant accident that followed. While vigorous efforts aimed at recovery are ongoing in the disaster-afflicted areas, we must not forget that many people still remain displaced. With that in mind, Lintec will continue to support to the affected areas.

Since its founding in 1927, Lintec has made the most of its powerful original technologies in the field of adhesives, to create innovative products that meet the needs of the world. Today, the company's products touch practically every aspect of modern life. The bedrock of our commitment to craftsmanship is expressed by our company motto, "Sincerity and Creativity," with "Sincerity" referring to thinking about what can be done that will be beneficial and appreciated and to behaving with integrity; and "Creativity" meaning to work constantly to innovate and improve, in search of greater added value. The practice of this company motto is the very spirit of Lintec's corporate social responsibility (CSR) and a prerequisite to remaining worthy of society's trust.

In this age of rapid transitions, anticipating social changes and customer needs, staying one step ahead, and working quickly to stimulate new demand and create new products is vital for a company's sustainable growth. So, I included in this year's management guidelines the goal of getting all group employees to have a sense of participation in management, getting each and every employee to be

filled with a sense of mission to make the company better and to act accordingly. Every year we have one management guideline expressing determination to thoroughly practice the CSR spirit, and that will certainly be the case going forward.

The Lintec Group believes that CSR should be addressed together with business strategy. It has thus included a pledge to implement all corporate activities with a commitment to CSR-driven management in the Lintec Innovation Plan III (LIP-III), a three-year medium-term management plan that started in April 2011. Developing nation- and community-based businesses and winning more Lintec fans is crucial to surviving in the rapidly changing global market. For that reason, we are holding CSR briefings for each group company outside Japan and making efforts to instill a CSR mindset.

With the effects of debt problems in Europe and prolonged yen strength, the world economy and the Japanese economy are both facing difficulties. However, to turn this situation into an opportunity, we will go back to our company motto of "Sincerity and Creativity" and will encourage that spirit throughout the entire group, so as to earn high praise and trust from all stakeholders.

This report summarizes the Lintec Group's CSR initiatives, focusing on those undertaken during the past year. Your understanding of our business endeavors is very important to us, and we invite your frank review and assessment of our progress.

“Sincerity and Creativity”—The Foundation of Lintec’s CSR

The foundation of the Lintec Group’s CSR is its company motto, “Sincerity and Creativity.” These are the ideals that everyone in the group aspires to. Showing integrity to all stakeholders and taking on new challenges over and over again with a determination to innovate is the starting point for a manufacturer dedicated to craftsmanship. “Start with Sincerity and then apply Creativity”—this is Lintec’s unchanging approach and the driving force that underpins its sustainable growth.

Basic CSR Approaches

The Lintec Group carries out initiatives in line with six basic approaches, based on its company motto, “Sincerity and Creativity.”

Thorough implementation of corporate ethics and compliance	Safety- and health-related activities
Improved customer satisfaction	Social contributions
Environment-friendly operations	Shareholder- and investor-oriented management

Global CSR Management

The Lintec Group’s business is supported by numerous stakeholders, including customers, suppliers, employees, shareholders and investors, local communities, and the global environment. As stakeholders become more diverse along with the global expansion of the company’s business, global CSR management has become essential. Accordingly, the company joined the UN Global Compact in April 2011. Moreover, the company carries out CSR management while referring to ISO 26000, the international standard on social responsibility.

We will attempt to manage quality of products and to improve service in order to meet customer expectations and earn trust.

We will aim for harmony between corporate activities and the global environment and will strive to reduce environmental impact.

The UN Global Compact’s Ten Principles

● Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

● Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

● Environment

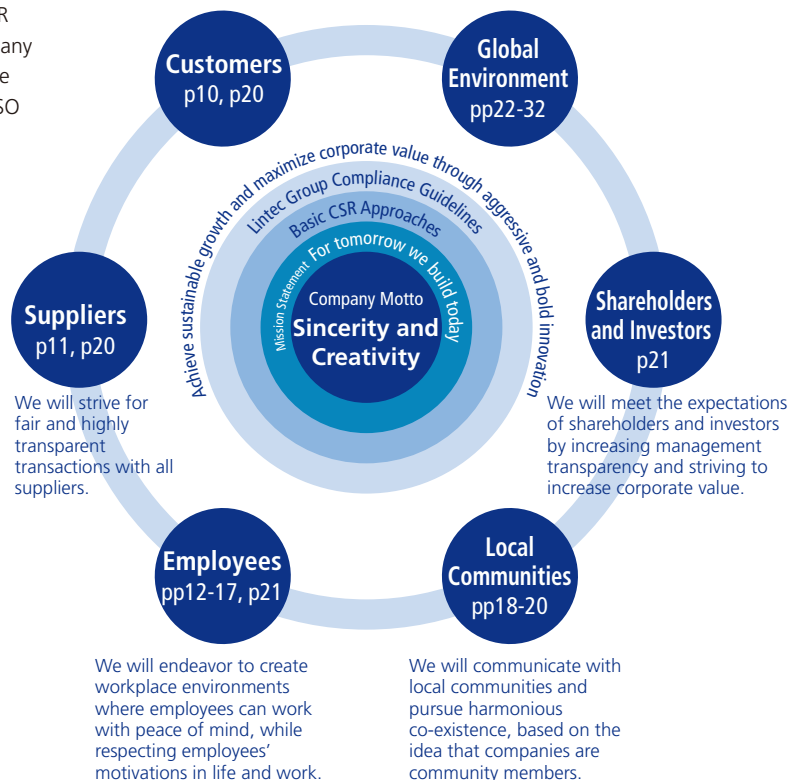
Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

● Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.



Highlight

Sharing Lintec's CSR with Colleagues around the World



The Lintec Group is carrying out activities that will instill a CSR spirit based on the company motto of "Sincerity and Creativity," and in order to fulfill its responsibility as a global company. This does not merely involve communicating rules in writing; the group is carefully selecting face-to-face activities that convey the heart of CSR.

The practice of CSR leads to stronger management as a global company.

Hiroyuki Nishio

Director, Managing Executive Officer
General Manager, Corporate Strategic Office and CSR Management Office

Lintec's company motto, "Sincerity and Creativity," is the starting point of the CSR spirit in the company. "Sincerity" means thinking about what can be done that will be of benefit and appreciated and tackling every task with all one's heart. "Creativity" means to work constantly to innovate and improve, seeking greater added value without being satisfied with the status quo. In order to share this way of thinking with all employees of group companies, in November 2011 Lintec started holding CSR briefings for 12 group companies in Asia. In fiscal 2012, the briefings will be held for five companies in the U.S. and Europe. During the briefings, we explain the company motto and what CSR is and describe its objectives and some example activities.

Within the Lintec Group, each group company outside Japan comes up with and puts into practice its own ideas. On the other hand, group companies need to comply with the UN Global Compact, which the group joined in April 2011.

I feel certain that through these briefings in and outside Japan we obtained a common view and approval of Lintec's CSR, regardless of religion and nationality.

Furthermore, promoting CSR has increased opportunities for interaction among business divisions and organizations, which I expect will contribute to smoother business operations.

Going forward, we will consider concrete measures, including globally common initiatives. In this Highlight section, we report how employees of group companies around the world felt about and became committed to CSR during the briefings.

Thoughts of Personnel in Charge of CSR



China

Yoji Nagaoka
LINTEC (SUZHOU) TECH CORPORATION

Lintec (Suzhou) has grown together with China as it advances vigorously around the world. In order to continue growing, we will carry out CSR initiatives nationwide and strive to be a company that can contribute to the international community.



China

Hisao Morinaga
LINTEC (TIANJIN) INDUSTRY CO., LTD.

Personal social responsibility (PSR)* is important for realizing the Lintec Group's CSR based on its company motto. Although ways of thinking differ because of the different environments and regions in which people were raised, we will carry out activities that give everyone a shared awareness, even if it takes time.



China

Tsuyoshi Kurita
LINTEC ADVANCED TECHNOLOGIES (SHANGHAI), INC.

I think it would be good to maintain and improve PSR, to lay the foundation for CSR and move to the next step. For that reason, I felt it was good to have an opportunity to recognize and think about the importance of CSR.



Korea

Deok-Ryul Kim, Ji-Yeong Noh
LINTEC KOREA, INC.

CSR includes participating in responsible activities that affect all corporate activities. Among these activities, I think that establishing relationships of trust is especially important. I will practice CSR, by starting with one small activity at a time, striving to establish relationships of trust with stakeholders.

*The responsibility individuals have toward society.



Korea
Dong-Kook Baek, Yu-Ra Han
LINTEC SPECIALITY FILMS (KOREA), INC.
 Corporate activities have an effect on relationships of trust with stakeholders. It is the improvement of these relationships that enable sustainable growth and development of the company. There is no limit to activities that build relationships of trust. It is also important to persistently think and act autonomously.



Malaysia
Yew Wooi Heang
LINTEC INDUSTRIES (MALAYSIA) SDN. BHD.
 I could not say before that employees were very aware of CSR at Lintec Malaysia. However, since the CSR briefing, we have started implementing CSR lectures and educational campaigns and I now feel that we are raising awareness.



Korea
Jung-Mo Park
LINTEC ADVANCED TECHNOLOGIES (KOREA), INC.
 After attending the CSR briefing, I learned that the basics of CSR are doing proper tasks on a routine basis. From here on, I would like to move forward from behavior based on PSR to Lintec CSR activities.



Malaysia
Takao Zeniya
LINTEC INDUSTRIES (SARAWAK) SDN. BHD.
 During the CSR briefing, we had local employees with good English abilities translate English materials into Malay, so that employees could gain a deeper understanding of and work on CSR issues. We also added supplementary explanations and shared the CSR philosophy.



Taiwan
Ching-Shyang Tsai
LINTEC SPECIALITY FILMS (TAIWAN), INC.
 The reason CSR is necessary for a company is because it increases trust from stakeholders and leads to the accumulation of trustworthy human resources. The practice of CSR creates a good environment for the company and enables sustainable growth together with society.



Singapore
Cindy Soh
LINTEC SINGAPORE PRIVATE LIMITED
 During the CSR briefing, I learned that PSR is an important element in heading toward the goal of CSR. We will raise awareness that employees must think ethically in all of their actions.



Taiwan
Thung-Chung Su
LINTEC ADVANCED TECHNOLOGIES (TAIWAN), INC.
 In Taiwan, CSR is not a term many people are familiar with. However, the fact is that CSR activities are attracting worldwide attention. The CSR briefing recently held at our company will spur a continual promotion of activities, which in turn will translate to raised employee awareness.



Indonesia
Sitha Damayanti
PT. LINTEC INDONESIA
 A close friend of mine is actually a CSR manager and I recently learned that she is working toward a master's degree in CSR. I am now aware that CSR is spreading, even in Indonesia, and I will strive to push initiatives forward as a person in charge of CSR.

CSR Themes, Targets, and Performance

In order for Lintec to achieve sustainable growth together with society, the company must not only ensure legal compliance, it must also undertake various efforts to meet the demands of society. Committees composed of cross-organizational members matched to the company's basic CSR approaches promote CSR activities.

Fiscal 2011 CSR Themes, Targets, and Performance

◎ Achieved substantially ○ Achieved △ Not achieved

	Basic Commitment	Theme	Fiscal 2011 Targets	Status
Corporate Ethics	Treat corporate ethics and compliance as priority management themes and ensure that every employee is aware of their importance and practices them every day	<ul style="list-style-type: none"> All employees behave as good citizens with self-awareness Aspire to be a company trusted by society by ensuring thorough compliance 	<ul style="list-style-type: none"> Promote ethics through interactive participation frameworks Comply with and revise management rules (information security, personal information, business secrets, etc.) Undertake activities based on employee proposals 	○
Customer Satisfaction	Provide a stable supply of products and improve quality management and service based on the key concepts of assuring customers of reliability and fulfilling responsibilities	<ul style="list-style-type: none"> Establish and implement a specific action plan based on the Lintec Quality Policy and Action Guidelines 	<ul style="list-style-type: none"> Achieve concrete actions devised along the lines of the eight Action Guidelines under the concept of the customer satisfaction slogan, "Lintec Products make everybody happy!" 	○
Safety, Disaster Prevention, and Health	Proactively develop workplace environments where people can work with security, based on the concept of improving employee satisfaction	<ul style="list-style-type: none"> Prepare for rapid response to natural and human-made disasters 	<ul style="list-style-type: none"> Minimize damage from natural disasters Establish action plan by each overseas group company 	○
		<ul style="list-style-type: none"> Establish a management system for ensuring employee health and safety 	<ul style="list-style-type: none"> Adopt an occupational safety and health management system Nurture the mental and physical health of employees 	
		<ul style="list-style-type: none"> Establish measures to prevent communicable disease 	<ul style="list-style-type: none"> Establish specific practices based on the action plan against new strains of influenza 	
		<ul style="list-style-type: none"> Establish measures against long working hours and encourage the taking of annual paid leave 	<ul style="list-style-type: none"> Ascertain the current status and causes of long working hours Consider how to encourage the taking of annual paid leave 	
Social Contributions	As a good corporate citizen of both the local communities where we operate and the international community, help solve social challenges and carry out realistic activities that contribute to the sustainable development of societies	<ul style="list-style-type: none"> Realistic activities Sustainable activities Community-based activities 	<ul style="list-style-type: none"> Interact with local communities Expand and firmly continue activities Raise employees' willingness to participate in activities and support their participation 	○
Investor Relations	Conduct management that emphasizes shareholders and investors, and take action to improve the corporate brand	<ul style="list-style-type: none"> Increase valuation in the stock market (appropriate stock pricing) and attempt to improve corporate and shareholder value 	<ul style="list-style-type: none"> Cultivate and strengthen relationships with investors and securities analysts Strengthen relationships with shareholders Increase name recognition and strengthen communication 	◎
Environmental Protection	As a materials manufacturer, conduct company-wide activities in production, R&D, and other areas based on the principle of reducing environmental impact and effectively using resources	<ul style="list-style-type: none"> Ensure thorough compliance 	<ul style="list-style-type: none"> Confirm status through mutual internal audits and make improvements 	◎
		<ul style="list-style-type: none"> Enhance environment-related PR and education 	<ul style="list-style-type: none"> Conduct company-wide awareness-building and education on environmental activities 	○
		<ul style="list-style-type: none"> Conserve biodiversity 	<ul style="list-style-type: none"> Conduct awareness-building and education on biodiversity 	○
		<ul style="list-style-type: none"> Develop environmentally friendly products 	<ul style="list-style-type: none"> Develop 8 products based on LCA*2 standards 	◎
		<ul style="list-style-type: none"> Reduce CO₂ emissions 	<ul style="list-style-type: none"> Target: 181,000 tons/year 	◎
		<ul style="list-style-type: none"> Reduce energy use 	<ul style="list-style-type: none"> Improve 1% in per-unit energy use (compared to fiscal 2010) 	△
		<ul style="list-style-type: none"> Ensure thorough management of chemical substances 	<ul style="list-style-type: none"> Audit five suppliers 	◎
		<ul style="list-style-type: none"> Reduce release of VOCs*1 to the atmosphere 	<ul style="list-style-type: none"> Target: 1,000 tons/year 	◎
<ul style="list-style-type: none"> Reduce disposal costs for industrial waste 	<ul style="list-style-type: none"> Target: ¥185 million 	◎		



Hiroyuki Nishio
Director, Managing Executive Officer

All employees of the group must understand and practice the CSR spirit in order to meet the expectations of the global community. In fiscal 2011, we made efforts to conform to global standards, including joining the UN Global Compact and making use of ISO 26000. Further, in fiscal 2012 we held CSR briefings to share the significance of our company motto and CSR activities with group companies outside Japan.

Main Activities in Fiscal 2011	Comment from Officer in Charge	Fiscal 2011 Performance
<ul style="list-style-type: none"> Published the <i>Rinri Kawaraban</i> ethics news column vol. 5 Published a booklet, the <i>Compliance Guidelines</i>, in multiple languages Established and put into practice operational regulations on information security at each business site 	<p>Corporate Ethics Officer Kenji Kobayashi (Director, Managing Executive Officer)</p> <p>In order to maintain corporate ethics and prevent problems, in addition to having systems in place, each and every employee who operates those systems needs to have deep-rooted feelings of sincerity. We will strive further to disseminate information about and raise awareness of ethical standards in the future.</p>	<p>Corporate Governance Practicing Sincerity</p> <p>P8-9</p> <p>Organizational governance *3</p> <p>Fair operating practices *3</p>
<ul style="list-style-type: none"> Provided e-learning 2nd statistical techniques course: 74% participation 2nd and 3rd design review courses: 74% participation Conducted an employee questionnaire on corporate culture Prepared a rank-based education plan that systemizes education based on post and functions 	<p>Customer Satisfaction Officer Makoto Iiumi (Director, Managing Executive Officer)</p> <p>In line with the slogan, "Lintec Products make everybody happy!" we will strive to meet customer requests by acting in accordance with the Lintec Quality and Environmental Policy, sharing information within the company, and working with suppliers.</p>	<p>Social Report Providing Value to Customers Cooperating with Suppliers</p> <p>P10-11</p> <p>Consumer issues *3</p> <p>Fair operating practices *3</p> <p>Human rights *3</p>
<ul style="list-style-type: none"> Established and distributed disaster prevention guidelines in response to the Great East Japan Earthquake and implemented an internal questionnaire Revised the crisis management rules outside Japan and prepared and distributed a booklet of guidelines for Japanese employees posted or traveling for business outside Japan Implemented mutual safety audits as part of the occupational safety and health management system Prepared and distributed a pamphlet for notices on mental health support Surveyed the current status of long working hours and implemented preventive measures Surveyed the current status of and promoted the taking of annual paid leave 	<p>Safety, Disaster Prevention, and Health Officer Koji Koyama (Director, Managing Executive Officer)</p> <p>We will continue developing work environments based on the Occupational Health and Safety Policy to ensure we have environments where all employees in the Lintec Group can work comfortably, in safety and health, and with peace of mind.</p>	<p>Together with Employees P12-17</p> <p>Human rights *3</p> <p>Labour practices *3</p>
<ul style="list-style-type: none"> Made monetary donations for the victims of the Great East Japan Earthquake Conducted community cleanups Participated in a campaign against local organized crime in Itabashi Took initiatives to support persons with disabilities Accepted a total of 896 people for plant and facilities tours at 4 business sites 	<p>Social Contribution Officer Koji Ichihashi (Director, Managing Executive Officer)</p> <p>We value local communities and engage in various social contribution activities in and outside Japan in order to live up to expectations as a community member. From here on we will continue considering how the company can contribute to the resolution of social issues and take action.</p>	<p>Together with Local Communities Participating in Local Communities</p> <p>P18-19</p> <p>Community involvement and development *3</p>
<ul style="list-style-type: none"> Held more than 300 IR meetings and accepted interviews with institutional investors and securities analysts in Japan Visited 5 cities in the U.S. and 7 cities in Europe to meet with institutional investors Participated in 3 IR events and held IR meetings in Japan for investors from outside Japan Held briefings for individual investors Enhanced the provision of information through a shareholder newsletter and IT website 	<p>IR Officer Hitoshi Asai (Director, Senior Managing Executive Officer)</p> <p>Providing accurate information in a fair and timely manner to shareholders and investors is the first step toward obtaining their trust. We are determined to carry out IR initiatives and build even stronger relationships of trust.</p>	<p>Communicating with Stakeholders P20-21</p> <p>Organizational governance *3</p>
<ul style="list-style-type: none"> Conducted environmental law audits at all sites Distributed 30 issues of <i>Eco News</i> and provided 3 e-learning programs Participated in forest tours and increased awareness through <i>Eco News</i> Achieved goal by developing 15 products based on LCA standards Achieved target with about 169,000 tons/year Did not achieve target with a 0.6% reduction compared to fiscal 2010 Achieved target with 5 audits performed Achieved target with VOC emissions of about 908 tons Achieved target with ¥171,580,000 	<p>Environmental Protection Officer Yoshiyuki Yamato (Managing Executive Officer)</p> <p>The Lintec Group is aiming to protect the environment in every way possible, from reducing environmental impact in business activities to creating environmentally friendly products. We have set numerical targets not only for the reduction of CO₂ emissions, amount of waste, and environmentally harmful substances, but also for the development of environmentally friendly products, and are striving to achieve those goals.</p>	<p>Environmental Report P22-32</p> <p>The environment *3</p>

*1 VOCs: volatile organic compounds

*2 LCA: life-cycle assessment

*3 One of the seven core subjects of ISO 26000. This guide is referenced when reporting Lintec's CSR activities.

Corporate Governance

True to the ideals of its company motto, "Sincerity and Creativity," the Lintec Group strives to ensure that all of its corporate endeavors are thoroughly respectable. Below is a report about the group's efforts and systems for putting those ideals into practice and contributing to society.

Practicing Sincerity

As expressed by the Lintec Group's company motto, "Sincerity and Creativity," corporate ethics and compliance are themes of paramount importance in management. At the same time, they are positioned at the foundation of CSR in the group's efforts to strengthen its management structure.

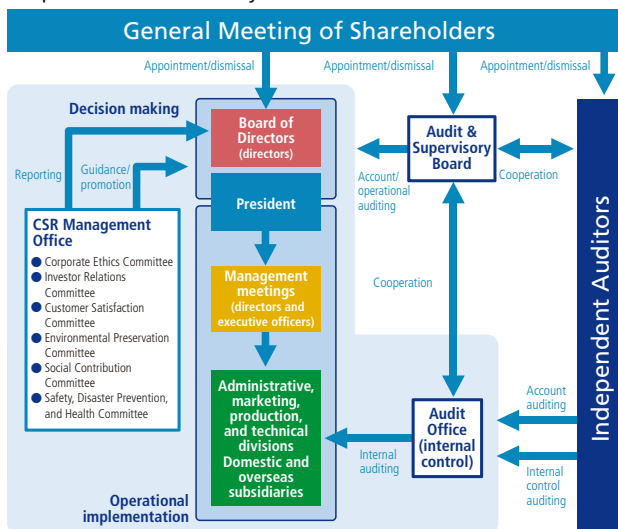
■ Corporate Governance

The Lintec Group regards the basics of corporate governance to be the practice of thoroughgoing compliance, maximum management transparency, awareness of corporate ethics, rapid decision-making, and efficient administration of business operations. The Lintec Group aims to increase corporate value and meet shareholders' interests by continually improving its corporate governance.

Corporate Governance Framework

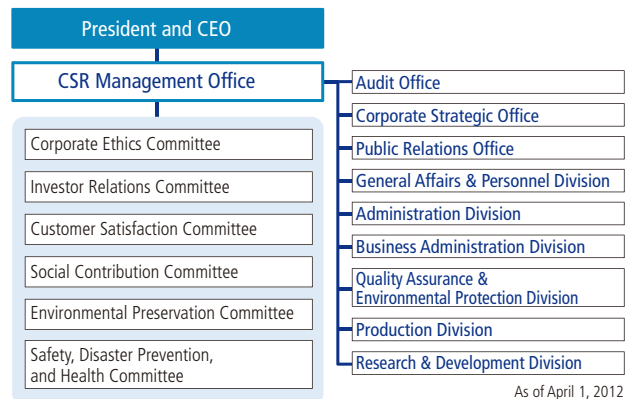
On June 24, 2011, Lintec adopted an executive officer system, separating directors who perform management decision-making and executive officers who administer business operations. In addition, the company reduced the number of directors to 10 (8 inside directors and 2 outside directors) and is attempting to streamline management through revitalization of the board of directors and the speeding-up of decision making. The company's two internal and two external audit and supervisory board members always attend meetings of the board of directors and management meetings and listen to the opinions expressed. They operate with the internal Audit Office and independent auditors to audit the overall work of the directors. Through meetings, the members share the results of their audits of operations and strengthen the checks on directors' decision-making and the appropriateness and effectiveness of executive officers' administration of business operations.

Corporate Governance System



CSR Promotion System

Lintec carries out CSR activities in line with six basic CSR approaches. The CSR Management Office, established as an organization under the direct control of the president, strives to foster high ethical standards, disseminate information on CSR, and to support the initiatives of the six CSR committees. The six CSR committees, which have a cross-organizational membership and each of which include an officer in charge, lead initiatives with responsibility from the standpoint of management.



As of April 1, 2012

■ Compliance

Based on the company motto, "Sincerity and Creativity," each and every employee in the Lintec Group strives to practice careful self-monitoring. Toward that end, the



The *Compliance Guidelines* are published in six languages: Japanese, English, Korean, Chinese (simplified and traditional characters), Malay, and Indonesian.

company actively tries to instill a compliance mindset through its own *Compliance Guidelines*, which summarize model behavior, and through the accessible *Rinri Kawaraban* ethics news column booklet. Additionally, in February 2012, a questionnaire survey on matters such as harassment, conscientious action, and appropriate information disclosure was given to 414 officers and managers and obtained a response rate of 68.6% was obtained. The results were reported to the Risk Assessment Committee, which is making effective use of them in internal awareness-building campaigns.

 *Rinri Kawaraban* Ethics News Column / Compliance Guideline
<http://www.lintec-global.com/csr/governance/compliance/>

Lintec Group Compliance Guidelines

Compliance is fundamental to corporate activities. The LINTEC Group is committed to observing "relevant regulations" and "social rules" during corporate activities domestically and overseas.

We, the directors and employees of LINTEC, shall:

1. Continuously offer products and services that contribute to society.
2. Conduct fair and transparent transactions based on the principle of free competition with all business partners.
3. Comply with regulations in all aspects of corporate activities in Japan and overseas, and conduct ourselves based on the highest ethical standards.
4. Emphasize the importance of close relations with all the persons involved in corporate activities, such as shareholders, investors, business partners, local communities, and employees.
5. Be actively engaged in controlling and reducing environmental burdens, as global environmental problems are a vitally important management concern.
6. Proactively engage in activities that contribute to local and regional communities as good corporate citizens.
7. Maintain fair and transparent relations with political bodies and governments.
8. Prevent any involvement with anti-social organizations.
9. Take part in hospitality activities with modesty and within the range that common sense allows when it is necessary as part of business activities.
10. Handle corporate information appropriately, and only disclose it at appropriate times and in appropriate ways.
11. Handle intellectual properties securely, respect the intellectual property rights of other companies and do not violate them.
12. Respect the individual rights and personalities of directors and employees, treat them fairly and strive to maintain a comfortable environment in the workplace.

Established January 2003
Revised April 2011

Compliance with Antimonopoly Law & Prevention of Corruption

The Lintec Group has included details in the *Compliance Guidelines* on compliance with antimonopoly law in item 2—"We shall conduct fair and transparent transactions with all suppliers based on the principle of free competition"—and on the prevention of corruption in item 7—"We shall maintain fair and transparent relationships with the government and administration."

Risk Management

The Lintec Group strives to prevent problems by identifying all possible risks associated with company management and working at making improvements throughout the group according to the degree of urgency and importance. In April 2009, a Risk Assessment Committee, consisting of the general managers of each division, was established with the objective of strengthening the risk management system. The committee meets once a quarter and reports the outcome of its meetings to the board of directors.

Business Continuity Plan (BCP)*

Lintec is expanding the BCPs it developed for each business division to each plant and business site. Securing raw materials is a major point, especially since Lintec has a large number of products. Accordingly, the company is developing BCPs focused on the collection of supplier information and is revising company-wide general risk management rules. On March 13 to 15, 2012, safety confirmation drills were conducted for employees working at group companies in Japan. Responses were received from 3,044 people within 48 hours (about 90% overall) and the response rate within the first hour was approximately 42%.

Information Security Management

Lintec has been conducting internal self-checks based on a checklist for internal audits of rules for the control of information security, while the Corporate Ethics Committee conducted internal audits of the head office, Iidabashi Office, and Osaka Branch. In fiscal 2011, the internal audit was completed for all departments in the head office and it was found that there was inadequate preparation of detailed regulations and procedure manuals on information security. As content differs in each department, the Corporate Ethics Committee prepared detailed regulations on information security and an internal audit checklist as a model. Each department has now prepared detailed regulations and established a self-audit system.

Helpline

Lintec has a helpline (internal reporting system) for employees to obtain consultations on legal violations and other workplace worries. In April 2008, Lintec added a third-party corporate lawyer to the helpline system, which made possible prompt consultations and investigations on matters that would otherwise be difficult to consult on within the company. Efforts have been made to make people within the company aware of the helpline in order to encourage its use, including mentioning it in the *Compliance Guidelines* that are distributed to all Lintec employees, making it possible to quickly identify and solve problems and to reduce risks.



Voice 1

Internal Controls and Internal Audits

Makoto Akutsu,
Section Chief, Audit Office

The Audit Office conducts internal audits to verify that the work content of the Lintec Group complies with laws and regulations and that work is carried out correctly. If we confirm work-related mistakes in terms of operations, we require the establishment of additional regulations and rules. The Audit Office carries out its tasks with the thinking that complying with laws and internal rules ultimately encourages efficient and effective work.

*BCP: A plan developed in advance to enable the minimization of damage and the continuation or early resumption of business in the event that a company encounters an emergency situation such as an accident or disaster.

Social Report

The Lintec Group's business is supported by numerous stakeholders such as customers, suppliers, employees, shareholders and investors, and local communities.

Providing Value to Customers

The Lintec Group strives to provide a stable supply of products, to ensure thorough quality management, and to improve its services in order to meet the expectations and secure the trust of customers.

■ Quality Assurance Initiatives

Under the slogan "Lintec Products make everybody happy!" the Lintec Group carries out continual improvements as part of its development, manufacturing, and sales activities. These improvements are based on quality, safety, and the environment as the starting points for manufacturing. They include diverse efforts such as internal training using e-learning for quality management, strengthened management of chemical substances contained in purchased raw materials, and advance identification and prevention of quality incidents in the manufacturing process. The group will continue to provide products and services with even better quality in the future. (See page 22 for the Lintec Group Quality and Environmental Policy.)

Quality Assurance System

As of fiscal 2011, the Lintec Group has obtained ISO 9001*1 certification for 11 business sites and group companies in Japan, as well as 10 group companies outside Japan. Lintec continues to work on product quality management and quality improvement. The group has also begun activities for integrated certification acquisition, and will build a system that aims to further improve customer satisfaction.

Acquisition of ISO 9001 certification

	FY2009	FY2010	FY2011
Number of sites certified	19	19	21

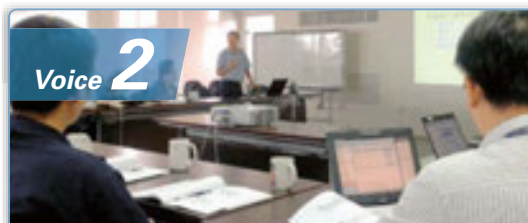
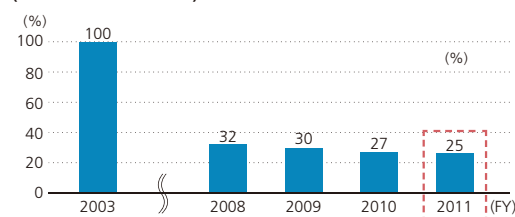
■ Improving Customer Satisfaction

Lintec believes that in order to achieve manufacturing that delights customers, it is important to set the market standard and make products that are both excellent and inexpensive. Accordingly, the company is promoting customer satisfaction activities, including the improvement of training-program content using e-learning and group-wide employee surveys, with the aim of promoting good internal communication. Furthermore, Lintec receives various audits in accordance with customer requests, and in fiscal 2011 the company underwent a total of 57 client audits. Based on the customer feedback obtained, Lintec will continue making even better products.

Preventing Quality Incidents

Based on ISO 9001 standards, Lintec promotes its own quality management system, and conducts design review*2 using methods such as failure mode and effect analysis (FMEA). FMEA is a method for systematically analyzing potential failures and malfunctions. A quality management system has also been built with the cooperation of the development, manufacturing, and sales divisions.

Ratio of Quality Accidents to the Number in Fiscal 2003 (Fiscal 2003 = 100%)



Voice 2

Quality Assurance and Environmental Management

Hsiao-Wei Lu

Supervisor, Public Relations Department
Lintec Advanced Technologies (Taiwan), Inc.

At Lintec Advanced Technologies (Taiwan), we are always thinking about what we can do to increase customer satisfaction. In July 2011, we obtained ISO 9001 certification and we plan to achieve ISO 14001*3 certification to further increase confidence in our company. Our employees will continue to work together to ensure that our company remains a trusted member of the Lintec Group.



ISO 9001 certificate

*1 ISO 9001: the international standard for quality management systems.
*2 Design review: a method for checking and evaluating materials under development (specifications, design documents, etc.) from different standpoints such as the manufacturing and sales divisions. Design review is defined in the Japan Industrial Standard (JIS) and ISO 9000 series standards.

*3 ISO 14001: the international standard for environmental management systems.

Cooperating with Suppliers

The Lintec Group strives to engage in fair, highly transparent transactions, always pursuing seamless cooperation and mutual benefit with suppliers.

■ Fair Transactions

The Lintec Group's basic policy is to provide equal opportunities for all suppliers in and outside Japan, and conduct fair and transparent procurement. By conducting appropriate procurement that reflects customer needs, Lintec is improving product quality and service together with its suppliers. By also performing the proper supplier evaluation, the group is striving to forge and maintain relationships of trust with suppliers.

CSR Procurement

The Lintec Group is promoting procurement activities in accordance with the Lintec Basic Policy for Raw Materials Procurement. Based on this policy, the group is aiming to ensure thorough CSR procurement from various perspectives including compliance, product quality and safety, information security, fair transactions, environmental activities, respect for human rights, labor relations, and health and safety. The group also creates various opportunities to foster supplier understanding of this policy.

Lintec Procurement Policy

1. Fair and transparent business practices

We will maintain fair and transparent business practices with all partners, based on the market mechanism principle. As for partner selection, we will keep our options open and evaluate according to quality, cost, delivery, supply stability, technology, services, and environmental effort.

2. Building partnerships

We will view every partner as a "partner for mutual development" and build relationships of trust.

3. Adherence to laws and regulations

In our procurement activities, we not only will abide by laws and regulations of Japan and beyond but also require our partners to do likewise.

4. Consideration of the environment

We will promote procurement activities with consideration for decreasing environmental impact, based on the Lintec Green Procurement Policy, and require partners to do likewise in actively promoting environmental conservation activities and strictly managing chemical substances.

5. Thorough pursuit of CSR

We will maintain a high level and thorough pursuit of CSR in our procurement activities with partners, in such areas as human rights, labor health and safety, assurance of quality and safety, information security, and corporate ethics.

Established: August 10, 2009

Green Procurement

The Lintec Group Procurement Policy has been created in order to supply customers with environmentally friendly products. Along with ensuring thorough management of chemical substances contained in the raw materials, parts, and secondary materials used in Lintec products, the Lintec Group is committed to placing priority on the procurement of raw materials with minimal environmental impact. The group also actively purchases Green Pulp,*⁴ based on the Lintec Wood Pulp Procurement Policy. In the design review process, the group determines whether a material chosen for a product in development meets the needs of customers, while checking that it is environmentally friendly and poses no problems for chemical substance management.

 [Lintec Green Procurement Policy / Lintec Wood Pulp Procurement Policy](http://www.lintec-global.com/csr/policy/)
<http://www.lintec-global.com/csr/policy/>

Supplier Quality and Environmental Audits

The Lintec Group strives to improve product quality and strengthen the management of chemical substances to ensure customers can use Lintec's products with peace of mind. It also conducts quality and environmental audits of suppliers in a planned way. The purpose of the audits is to build good partnerships with suppliers and perform source management. In fiscal 2011, 25 quality audits were conducted (at 23 companies in Japan and 2 overseas), along with 5 environmental audits in Japan. The group will continue to strengthen its relationships with suppliers in this way.

■ Business after the Earthquake

Disaster Response

After the Fukushima Daiichi nuclear plant disaster triggered by the Great East Japan Earthquake, Lintec received inquiries from customers in and outside Japan about the impact of radiation on Lintec products. In order to ensure that customers can use these products with peace of mind, Lintec responded to the inquiries with reports on the radiation level readings from the Ministry of Education, Culture, Sports, and Science, for locations near Lintec production facilities, including relevant data for raw materials (about 5,500 reports made to customers between April 18, 2011, to April 4, 2012).

BCP Cooperation with Suppliers

The Lintec Group has been developing a variety of disaster response measures based on a BCP concept that incorporates the lessons learned from the Great East Japan Earthquake. It is essential to create a system that can not only deal with a disaster at a Lintec site, but also any emergency at a supplier of raw materials. Accordingly, the group asked its suppliers to take part in a survey to confirm business continuity capabilities and response measures, and their cooperation was received. Along with efforts to avoid future risk, Lintec will continue to strengthen its supply chain.

*4 Green Pulp: A registered trademark of Lintec, Green Pulp is produced by chlorine-free bleaching, using wood from forests that are managed lawfully and properly (including certified forest pulp and reforested source pulp), as well as wood or non-wood pulp obtained from recovered or virgin fibers.

Social Report

Together with Employees: Creating a Rewarding Workplace (Human Rights / Employment)

The Lintec Group has been carrying out a variety of initiatives such as the creation of awareness-raising and support systems to enable all employees to perform their jobs with energy and inspiration.

■ Respecting Human Rights and Diversity

Lintec Group employees at nine companies in Japan and 24 companies overseas (including consolidated and non-consolidated companies) are working together under the company motto of "Sincerity and Creativity." In order that all employees may find their jobs equally rewarding, the Lintec Group makes sure to respect the diversity of every employee*1 and avoids any discriminatory treatment based on race, creed, gender, education, nationality, religion, or age. The group also joined the UN Global Compact in 2011, which is founded on the principle prohibiting forced or child labor, and is helping to increase its effectiveness. The aim is for all Lintec employees to respect each other and continue their personal growth.

Respect for Human Rights in Labor Management

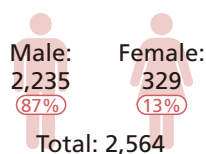
The Lintec Group places compliance at the core of its business activities. In the areas of recruitment and employment, the group carries out labor management that complies with labor laws and regulations, including the prohibition of unfair discrimination, child labor, and harassment.

Equal Employment Opportunities

The Lintec Group respects the rights of every employee and executive, and is committed to maintaining work environments where everyone is treated fairly.

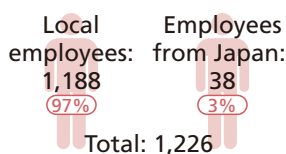
Employment Data

Number of employees by gender



*Scope: Lintec Corporation
As of March 31, 2012

Employees at group companies outside Japan



*Scope: eight group companies outside Japan*2
As of December 31, 2011

Employment of Persons with Disabilities

Lintec strives to provide employment to persons with disabilities. The full-year employment rate at Lintec for persons with disabilities in fiscal 2011 was 1.71 percent, which was below the legally mandated rate of 1.8 percent. In fiscal 2012, Lintec will continue encouraging the company-wide employment of persons with disabilities, with the aim of exceeding the legally mandated employment rate.

Job Return Program

In April 2010, Lintec introduced a job return program. Under this program, the company re-hires employees who had retired for personal reasons such as marriage, pregnancy, childbirth, childcare, nursing care of a family member, or other family circumstance such as the transfer of one's spouse to a different work location. This enables the company to regain skilled employees who are familiar with Lintec's businesses.

Employment of Older Persons

Lintec continues to offer employment to its retirees. In fiscal 2011, the company re-hired 13 of 31 retirees. These professionals are working vigorously, making use of the skills and experience they have developed over many years in a familiar workplace, while also helping to develop younger employees.

Management Labor Relations

At Lintec, the labor union is called Lintec Forest. Labor-management consultations are conducted with an attitude of respecting each other's standpoint and a commitment to resolving issues through discussion.

Status of the Lintec Forest

FY	Labor union members	Average age	Average service years
2011	2,148	37.1	15 years, 8 months

Note: As of the end of the fiscal year



Voice 3

The Active Role of a Woman Manager

Cindy Soh

Director, Human Resource Manager
Lintec Singapore Private Limited

In general, women are used to performing multiple jobs at the same time, and can achieve effective time management while doing so. Since many women are also very curious, they can readily find the causes and solutions for problems. I think they make wise decisions by sympathizing with and understanding the concerns of employees. In this way, by assigning women to management jobs, they can provide the interactive leadership that is needed in today's organizations.

*1 Respecting diversity: By respecting the diversity that exists among people and groups, it is possible to generate more original ideas, solve problems using diverse perspectives, and allow people to display their full potential by appointing the best person for each job.

*2 Eight group companies outside Japan: Lintec (Suzhou) Tech Corporation, Lintec (Tianjin) Industry, Lintec Speciality Films (Taiwan), Lintec Korea, Lintec Speciality Films (Korea), Lintec Indonesia, Lintec Industries (Malaysia), and Lintec Industries (Sarawak).

Work-Life Balance

Lintec is working to realize work options that promote a balance between professional and personal lives by creating supportive workplace environments. As a consequence, employees are able to perform their jobs with confidence and display their full abilities. With its time off programs, Lintec strives to create systems that allow employees to work with peace of mind. This includes the introduction of an accumulated time off program that can be used either for long-term treatment of an employee's own illness or injury or for caring for a family member. There is also a paid social contribution time off program that allows employees to participate in local volunteer activities.

Employee Support Programs

● Family Care Support

Family care leave program

Family care time off

Eligibility: Employees that provide nursing care or other care required by an eligible family member

Accumulated time off

Eligibility: Employees that require long-term treatment or provide nursing care or other care required by an eligible family member

● Parenting Support

Childbirth leave

Eligibility: Employees that will give birth

Childcare leave

Eligibility: Employees with children under one year of age (or one year and six months, according to the circumstances)

Child nursing care time off program

Eligibility: Employees whose children have not yet started elementary school and who require nursing care, vaccinations, or medical examinations

Shorter hours / flex time

Eligibility: Employees with children under the age of three

● Volunteer Support

Paid social contribution time off

Eligibility: Employees participating in relief efforts during a disaster; local firefighting operations; kindergarten, elementary, and junior high school activities; or town revitalization efforts.

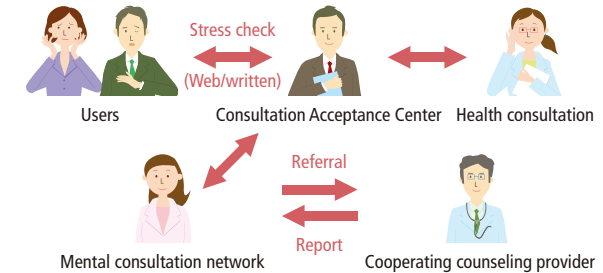
Program Users (persons)

Program	FY2009	FY2010	FY2011
Family care leave	0	0	2
Family care time off	0	1	2
Accumulated time off	62	47	55
Childbirth leave	15	16	13
Childcare leave	19	22	22
Child nursing care time off	4	7	11
Shorter hours / flex time	6	8	11
Social contribution time off	23 (total of 34 days)	24 (total of 42 days)	23 (total of 41 days)

Mental Health Measures

The Lintec Group has introduced a precautionary Employee Assistance Program (EAP)*³ system that requires employees to undergo mental health checkups once a year. Based on the Simple Questionnaire on Occupational Stress issued by the Ministry of Health, Labour and Welfare, each Lintec employee is able to ascertain his or her own stress level, which is useful for personal mental health management. The Lintec Group has also set up a support hotline where employees and their families can talk confidentially with a specialist about their worries including physical and mental health, childcare, nursing care, legal issues, or personal finances.

Precautionary EAP System Overview



Telephone counseling

- Counseling by psychological counselor
- Referring to provider for three-way interview with supervising doctor

In-person counseling

- Directly managed consultation centers (Tokyo, Osaka, Nagoya)
- Cooperating providers (150 locations in Japan)

Web-based counseling

- Individual counseling over the Internet

General information website

- Basic mental health information
- Mental health self-checks

Mental Health Lectures

As part of the precautionary EAP system, Lintec holds mental health seminars each year on different themes. In fiscal 2011, a seminar on mental health measures in the workplace was delivered to managers and supervisors through video conferencing. By continuing these seminars, the company intends to deepen understanding of mental health in the workplace, and help prevent health issues.

Measures against Working Long Hours

Lintec strives to make appropriate personnel appointments and to ensure equal sharing of workloads in order to prevent the harmful effects of working too many hours. The company has introduced systems for carrying out work efficiently and systematically, such as no-overtime-days in each workplace and flex-time programs. Supervisors also manage overtime hours carefully to help employees avoid excessive strain on the body and mind. The company has also adopted an attendance system that enables detailed labor management.

*1 Precautionary EAP: an employee program that aims to improve productivity through the creation of comfortable workplaces and by focusing on precautions for healthy employees in addition to addressing the concerns of employees who already have a health issue.

Social Report

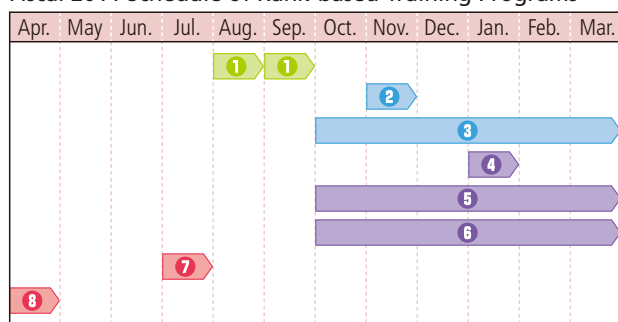
Together with Employees: Creating a Rewarding Workplace (Human Resource Development)

The Lintec Group prepares educational programs tailored to employees' work assignments and abilities and strives to develop competent human resources with a global mindset.

Company-wide Rank-based Training Programs

With the aim of developing human resources that contribute to the company and society, Lintec has introduced company-wide rank-based training programs to develop its human resources. These programs enable all employees with diverse values to achieve personal growth and a sense of accomplishment. They help boost employees' skills and support each person's self-motivated career planning.

Fiscal 2011 Schedule of Rank-based Training Programs



Fiscal 2011 Training Details*

Program	Recipients
1 Next-generation leader development training (group training) Over a period of four or five months, participants continually focus on and discuss important management issues and make strategy recommendations.	Selection of managers
2 New managers training (group training) Participants acquire the management knowledge, skills, and practical frontline abilities necessary for managers.	New managers
3 New managers training (correspondence course) Participants acquire the basic business administration knowledge, management knowledge, and skills necessary for managers.	New managers
4 New section chiefs training (group training) Participants acquire the management knowledge and skills necessary for frontline leaders.	New section chiefs
5 Grade 4 employee training (correspondence course) Participants are systematically assigned theory on solving workplace problems as a group leader, guiding and developing subordinate, and creating energetic workplaces.	Employees promoted to Grade 4
6 Grade 3 employee training (correspondence course) Participants acquire general business skills by selecting courses to match their goals.	Employees promoted to Grade 3
7 Second-year follow-up training (group training) Participants look back on their own growth over the year, and clarify initiatives through self-study and group learning.	Second-year employees
8 New hires training (group training) Participants acquire business skills and work-related knowledge, along with basic skills specific to their own companies. They get an understanding of basic knowledge and occupational theory as members of society and professionals.	New hires

Individual Education Programs

Compliance Self-Check

With the aim of raising compliance awareness, Lintec has posted a Compliance Self-Assessment Checklist on its intranet. All employees are able to use it to examine their own compliance actions. The checklist will be expanded in the future, and updated versions will be regularly posted.



Compliance Self-Assessment Checklist

CSR Briefing and Information Security Education

In order to share information on its CSR activities, the Lintec Group began providing timely CSR briefings in fiscal 2010. In October 2011, briefings were carried out together with information security education at the Ina Technology Center for the first time. There were 94 participants at the two sessions.

Quality Education

The Lintec Group uses web-based e-learning as part of its employee training in Japan. Since it enables employees at workplaces with different working hours to learn at their own convenience, the number of e-learning participants has increased each year. In fiscal 2011, three e-learning courses on quality were given (with a 71-percent average participation rate). Lintec is also engaged in basic quality education, through training relating to ISO 9001 and internal quality auditors in Japan.

*Along with the transition to the new personnel system starting in April 2012, some of the rank-based training programs have been revised. The main changes are indicated on the right.

New Training

- Management practice program (group training, held every two years)
 Over eight months, participants develop action plans based on an awareness survey, and present the results. Eligibility: employees at grade 9 and 10.

Environmental Education

Lintec is working to raise the environmental awareness of its employees. In fiscal 2011, e-learning opportunities were provided on the topics of chemical substance management, energy saving, and environmental management systems. Also, for ISO 14001 self-awareness education, by changing its group training sessions to independent learning, with materials sent by e-mail, more employees are now able to participate. ISO 14001 self-awareness training was held in May 2011 to disseminate fiscal 2011 activities and in March 2012 to confirm progress on targets to be achieved. Also, the Research Center took up the topic of chemical substance management as a specialized environmental training for young researchers. Study sessions were held to provide an overview of worldwide laws and regulations relating to chemical substances.

Number of environmental education participants

Date	Sites	Content	Participants	
2011	May 24	Head Office	Self-awareness education on ISO 14001	165
	August 1	Research Center	Newcomer education: overview of chemical substances management	21
	August 10 – 11		Self-awareness education on ISO 14001 Biodiversity awareness raising education	287
2012	March 1 – 21	Head Office	Self-awareness education on ISO 14001	156

Lintec Econews

In order to ensure even better employee understanding concerning environmental laws and regulations on chemical substances management, Lintec provides easy-to-understand information on its intranet site, *Lintec Econews*. The site covers recent topics such as cases of environmental law violation, incidents caused by chemical substances, power saving methods, the latest revisions to worldwide regulations on chemical substances management, and information on biodiversity protection (see page 22). *Lintec Econews* also informs readers of the latest ecological activities at Lintec Group plants worldwide and the Research Center, as well as the progress made towards ISO 14001 target achievement. Now in its third year, the *Econews* has posted a total of 75 articles as of March 2012. The site will continue to distribute information in order to increase the environmental awareness of employees.

Technology Familiarity Workshops

With the aim of promoting technology understanding among plant engineers and sales division staff, the 62nd Technology Familiarity Workshop was held in November 2011, on the theme of production technology (new technology and productivity improvement). The recent workshop included over 70 participants from the production and sales divisions, for about 240 employees all told. Presentations were given on the latest production technologies and initiatives for productivity improvement, and there was a lively exchange of opinions while sharing technical information.



Self-motivated Education System

Self-development Correspondence Training Courses

Twice a year, Lintec offers self-development correspondence training courses to interested employees. The company subsidizes a part of the cost for those who complete a course within a given timeframe. There is a wide variety of course content available, such as management, business skills, computer skills, foreign languages, liberal arts, and qualifications acquisition. The company will continue offering these courses to encourage employees to keep learning and growing.

Self-development Correspondence Training Course Participants

FY	Number of participants	Completion rate (%)
2009	413	60
2010	357	58
2011	337	61

Language Training

In order to develop employees that can excel on a global stage, in April 2012 Lintec launched a language training program as a support system for self-motivated study. The program is intended to broaden the horizons of Japanese candidates for overseas postings. Participants apply voluntarily for the program and then are approved by a selection committee based on recommendations by the participant's immediate superior and division general manager. In fiscal 2012, 11 participants were selected.



Voice 4

Environmental Studies in Japan

Sugiharto
Quality Assurance Department
PT. Lintec Indonesia

Since fiscal 2011, I have been in charge of environmental survey related work at Lintec Indonesia. Since my knowledge was insufficient at first, I underwent about three weeks of training at the Lintec Corporation's Environmental and Safety Department. I learned about management of substances with environmental impact, as well as the approach and response method for environmental surveys that are the same as those in Japan. Utilizing the knowledge I acquired in training, I plan to be even more proactive in my job.

- New general manager training (group training, held every two to three years)
Over a period of six months, participants learn to hone their management perspective, and present the results. Eligibility: newly appointed general managers.
Training to end in fiscal 2012
- Next-generation leader development training
This will be the 5th and last of such training, to be held in August and September 2012.

- Revised Training
The following training will be revised in accordance with changes to employee grades under the new personnel system
No change to training content
- Fiscal 2011: employees promoted to grade 3 → Fiscal 2012: employees promoted to grade 4
- Fiscal 2011: employees promoted to grade 4 → Fiscal 2012: employees promoted to grade 5

Social Report

Together with Employees: Safe Workplace Environments (Safety and Disaster Prevention)

The employees of the Lintec Group are engaged in a variety of initiatives, including the raising and improving of safety awareness, enabling everyone to work in safety and with peace of mind.

Occupational Safety

Occupational Safety and Health Policy

In October 2010, the Lintec Group established the Lintec Occupational Safety and Health Policy. Since then it has been carrying out ongoing activities based on an occupational safety and health management system (OSHMS).^{*1} Plan-do-check-act (PDCA) cycles are carried out for these group-wide activities, based on the OSHMS. A Plan for Mutual Safety Audits, a Plan for Fire Prevention Patrols, and an Annual Safety and Health Plan have been prepared. A Safety Consideration Committee, consisting of members engaged in safety initiatives in plants and members of the group-wide Safety Secretariat, has been established to consider group-wide safety rules. In fiscal 2011, static management standards for solvent coater heads^{*2} were established and documented, along with dryer solvent concentration standards.

 [Lintec Occupational Safety and Health Policy / Overview of the Lintec Occupational Safety and Health Manual](http://www.lintec-global.com/csr/policy/)

Annual Safety and Health Plan

The Lintec Group has established an annual safety and health plan, and is committed to ensuring safety for all. The plan includes matters such as a patrol program, safety education, a training program, an inspection and measurement schedule, health checkups, internal audits, and management reviews.

In fiscal 2011, Lintec carried out mutual safety audits, fire prevention patrols, and top management patrols. Individual plants also carried out patrols by members of the plant's top management, managers, and the union, as well as employee volunteer patrols. As part of Lintec's safety education in fiscal 2011, a total of 9,242 employees participated in a total of 1,350 study sessions.



Kumagaya Plant safety patrol

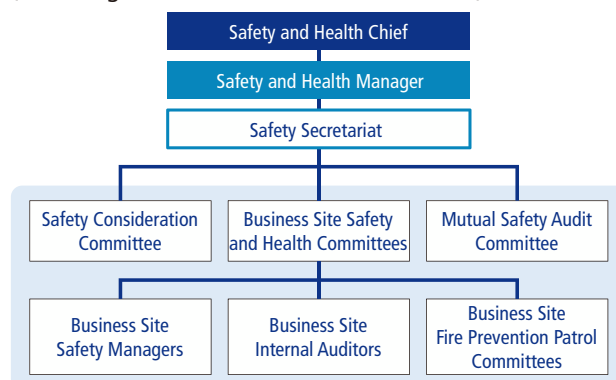
Safety and Health Committees & Health Committees

Japan's Industrial Safety and Health Act requires that business owners employing 50 or more full-time workers establish committees to ensure occupational safety and health. Business sites belonging to the Lintec Group in Japan that are subject to the Act hold monthly committee meetings to discuss safety and health in the workplace. At production plants, a safety and health committee hears reports on plan implementation, accident occurrence, and equipment inspection results, as well as the status of patrol findings and corresponding improvements. At the head office and business sites with a sales department, a health committee discusses issues pertaining to health, safe driving, and disaster prevention activities. The meeting minutes are distributed to all business sites and executive officers through a mailing list, as part of an information sharing system.



Health committee meeting at the Osaka Branch

Lintec Safety and Health Management System (excluding the head office and sales division)



Accidents Resulting in Absence from Work

In fiscal 2010, three rotator accidents^{*3} occurred and were subsequently investigated by the Safety Consideration Committee. The company then implemented specific measures to prevent a reoccurrence, such as installing jigs to prevent employees from coming in direct contact with rotating parts. As a result, in fiscal 2011, there were no rotator accidents. However, two occupational accidents did still occur, resulting in 31 days of absence from work (at partner companies). Lintec will continue its efforts to reduce occupational accidents to zero at group companies in Japan.

Occurrence of accidents resulting in absence from work

	FY2009	FY2010	FY2011
Number of accidents resulting in absence from work	4	3	2

*1 OSHMS: a company's voluntary independent management system for increasing the level of safety and health at a business site.

*2 Coater head: a device that applies coating solvents and requires proper management, due to the risk of fire from static electricity and solvent concentration.

*3 Rotator accidents: accidents in which a body part is pulled into a rotating part of a production machine.

Recognizing Accident-Free Facilities

The Lintec Group has established a system for recognizing plants in Japan with a continuous record of no occupational accidents,*4 including accidents not resulting in absence from work. Awards are given for the achievement of 500,000, 750,000, 1 million, and 1.25 million accident-free hours. On April 1, 2012, a new One Year Accident Free award system was established for plants that remain completely accident free for one year, even if they do not accumulate 500,000 hours of continuous accident-free operation. This year, the Chiba Plant, Ina Technology Center, Tokyo Lintec Kako, Shingu Plant, and Komatsushima Plant received this award. Lintec will continue to raise safety awareness in its facilities, and aim to be accident free in Japan.



Ina Technology Center recognized for 500,000 continuous accident-free hours

Continuous Accident-Free Hours Achievements

Business site	Continuous accident-free hours	Date achieved
Kumagaya Plant	0.75 million	April 2011
Agatsuma Plant	0.5 million	July 2011
	0.75 million	November 2011
Ina Technology Center	0.5 million	December 2011
Shingu Plant	0.5 million	March 2012

Regular Safety Conference Held

Three times a year, the Kumagaya Plant holds regular safety conferences, attended by about 100 people from in and outside the company each time. At the conferences, information and opinions are exchanged on safety, including thorough adherence to safe working rules, the sharing of construction accident examples, and the onsite safety concerns of installers. In fiscal 2011, 17 people participated from 16 partner companies. There were explanations of various precautions to be taken in and around the plants, the construction safety and health organizational chart for the Shingu Plant, construction plans and confirmation sheets, and examples of rule violations by past contractors. Opinions were exchanged by the participants.



Safety conference at the Shingu Plant

Top Management Patrols at Production Bases

The Lintec Group conducts top management patrols in which the president inspects plants worldwide as well as the Research Center in Japan. In fiscal 2011, the president visited 27 sites in 13 countries. For patrols in Japan, the president is also accompanied by the general manager of the Production Division, the general manager of the Environmental Safety Department, and the president of Lintec Service, Inc., for thorough safety management. By having the president check general safety, the 5S points (sorting, setting in order, systematic cleaning, standardizing, and sustaining discipline), and workplace environments in person, Lintec is working to raise employee awareness of workplace safety and environments.



President Ouchi visiting Lintec (Tianjin) Industry

Crisis Management during a Disaster

Distribution of Disaster Response Guidelines

The Lintec Safety, Disaster Prevention, and Health Committee introduced an illustrated set of Disaster Response Guidelines for sales offices in Japan. The committee also conducted surveys at each business site relating to disaster response, discussed the results, and distributed various kinds of information.

Emergency Drills

As some of its plants use organic solvents, the Lintec Group is strengthening its emergency and firefighting drills. In fiscal 2011, a total of 2,006 employees took part in these drills at Lintec Corporation and Tokyo Lintec Kako. The drills were conducted under the direct supervision of local fire departments, and guidance was received on how to handle fire extinguishers and carry out life-saving methods. Since it is very important to control fires in the early stages, these drills will be continued in the future.



Firefighting drill at the Komatsushima Plant

Voice 5

Obtaining Certification with the Aim of Zero Accidents

Moon-Tak Han

Manager, Quality Assurance Department
Lintec Korea, Inc.

On March 31, 2010, Lintec Korea obtained certification relating to the OHSAS 18001 standard for occupational health and safety management systems. Together with ISO 9001 and ISO 14001 certifications, our company has built an integrated management system. In preparation for this, we introduced a system that can comply with the revision of various labor safety regulations and effectively manage the safety and health of employees. The aim is to create high-quality products with zero accidents while continually improving workplace environments, and all employees are cooperating in this effort.

*4 Continuous accident-free hours: total number of working hours with no occupational accidents (accidents not resulting in absence from work, accidents resulting in absence from work, and accidents during commuting) involving Lintec or partner company employees working full time at a business site.

Social Report

Together with Local Communities: Community Participation

The Lintec Group is supported by society and local communities. In recognition of this support, the group is engaged in various social contribution activities to fulfill its role as a corporate citizen.

Social Contribution Activities of the Lintec Group

The Lintec Group carries out contribution activities in various communities. In Japan, the group performs the following kinds of activities, some of which are highlighted on these two pages.

- **Activities by the Entire Lintec Group**
Ongoing disaster support, blood donation, beautification and cleanup activities, and collection of plastic bottle caps and used postage stamps
- **Community Safety Activities**
Seminars on organized crime issues and automated external defibrillator (AED)*1 training sessions
- **Support for Persons with Disabilities**
Friendship concerts, bread sales by Smiler Matsubara*2 of the Warabi Health & Welfare Department General Welfare Center, participation in the Shikoku Chuo City Charity Golf Tournament to support education for children with disabilities, provision of sun visors for the Itabashi Ward Sports Tournament for people with disabilities, and participation in the Bellmark campaign for educational institutions and activities to support people with disabilities
- **Support for Community Festivals**
Higashi Agatsuma Furusato Festival, Kumagaya Fireworks, portable shrine for three district children's clubs at Rokujo Hachiman Shrine, Tenjin Festival and Fireworks, Sosa Tulip Festival, Summer Evening Friendship Festival & Fireworks, Awa Dance Festival, and Itabashi Honcho Uemachi Community Association Festival
- **Donation of Products**
Donation of paper products to nine preschools and elementary schools, donation of leftover adhesive paper to the Hyogo Children & Youth Cheering Squad, and donation of leftover products to the Nishiharima Youth Headquarters

■ Social Contribution Initiatives

Ongoing Disaster Support

It has been over a year since the Great East Japan Earthquake. The Lintec Group has been raising money for ongoing activities to support reconstruction in the afflicted area. A matching gift program has been implemented whereby Lintec



Donation box and poster created at Lintec



Voice 6

Social Contribution Activities of the Lintec Group

Akihiko Bito
Manager, Human Resources Department,
General Affairs & Personnel Division

Corporation donates an amount equal to the funds raised by the group employees. With personal contributions of 3,055,916 yen from employees, a total of 6,111,832 yen was donated to the Japanese Red Cross in March 2012.

Blood Donation

The Lintec Group conducts blood donations at all its business sites across Japan in cooperation with the Japanese Red Cross. This effort has been carried out annually at the Iidabashi Office since fiscal 2006, and a lot of employees participate each year, including those giving blood for the first time. As a social contribution activity that can be performed right at the worksite, blood donation has been embraced by employees, and the program will be continued.



Donating blood at the Iidabashi Office

Local Community Activities in Singapore

After Lintec Singapore notified its staff of a volunteer opportunity, a total of 66 employees volunteered to help at two local senior care facilities. The volunteers helped with cleaning windows and gardening, planned events such as singing or bingo, and gave mealtime assistance and practical gifts to the residents. The facility staff responded with words of appreciation, indicating how much the residents enjoyed the volunteer visits.



Employee volunteers helping with an event

The Lintec Group contributes to society through sustainable, community-based, and realistic activities. For example, as part of the sustainable support for recovery given after the Great East Japan Earthquake, we raised donations immediately after the disaster, and again, one year later. We will continue to engage in various activities that emphasize the value we place on our ties to local communities. These include support for persons with disabilities, as well as community-based beautification and cleanup, in order to fulfill our responsibility as a corporate citizen.

*1 AED: a medical device designed to return a heart undergoing ventricular fibrillation to its normal condition by applying an electric shock.

*2 Smiler Matsubara: a vocational daycare facility for people with intellectual disabilities run by the Warabi Health & Welfare Department's General Welfare Center. This facility gives people with intellectual disabilities, who have trouble finding employment, the necessary training and job referrals.

Beautification Projects and Cleanups

The Lintec Group routinely carries out neighborhood beautification projects and cleanups. The Mishima Plant participated in a volunteer cleanup activity at the Sangawa Toyooka Seaside Park Fureai Beach. The event attracted over 200 participants including staff from local businesses and Self Defense Forces personnel, who collected empty cans, driftwood, and litter. Cleanup activities are also carried out regularly on public roads around all Lintec plants. The group will actively continue its local cleanup and environmental beautification efforts in the future.



Cleanup at the Sangawa Toyooka Seaside Park Friendship Beach

Community Safety Activities

Lintec serves as the presiding company on the Itabashi Coordinating Committee Against Local Organized Crime. Together with the Itabashi Police Station's Organized Crime Division, the committee held a seminar to address issues related to local organized criminal groups at the Itabashi Police Station in May 2011. A total of 71 people participated in the seminar including Itabashi Ward Mayor Takeshi Sakamoto, police personnel, and member company representatives. A general meeting of the committee was also held in July 2011 in Lintec's main conference room. The company will continue to strengthen its cooperation with the committee and the Itabashi Police Station, and work to help eliminate organized crime activity in the area.



Seminars and general meetings are held by the committee.

Support for Persons with Disabilities

In May 2012, the Fureai Concert 2012—Jazz Linking Dreams was held in order to bring people together through music. It marked the second such concert, after the first one in 2010. Various guests were invited to the event, including people with disabilities and their helpers living in Tokyo's Itabashi Ward, members of local neighborhood associations, as well as Lintec employees and their families. Including volunteer staff, over 200 people attended the concert and enjoyed the music. The company will continue to plan and carry out this kind of activity that brings joy to participants.



Fureai Concert 2012—Jazz Linking Dreams



Participants at the concert

Support for Local Festivals

Every year, the Agatsuma Plant participates in the Higashi Agatsuma Furusato Festival. At the festival in September 2011, games were set up for elementary school students and younger children, with plant employees running the games. To add to the excitement of the festival, the company gave out one of its products, Mushiyo de Label (insect repellent stickers for children), as game prizes. Lintec will continue to place importance on interacting with local residents.



Employees that participated in the Higashi Agatsuma Furusato Festival

Saving Power with Green Curtains of Bitter Melon

The Kumagaya Plant has established a green curtain of bitter melon vines in front of its building windows. This is an environmentally friendly measure to stay cool and save power during the hot summer. In addition to lowering outside temperatures due to the transpiration effect, the vines help to reduce inside room temperatures by blocking direct sunlight. The benefits of this effort were greater than expected. The Kumagaya Plant was also recognized with an award in the business site category of the 3rd Kumagaya Green Curtain Contest sponsored by the City of Kumagaya.



A green curtain of bitter melon at the Kumagaya Plant

Local Environmental Conservation Activities in Malaysia

At Lintec Industries (Malaysia), the ISO education promotion committee, part of the environmental management system, is carrying out various activities for local environmental protection. In fiscal 2011, the committee carried out the following.

- Invited an Environment Ministry official to give an in-house lecture
- Arranged for employees to participate in Cleaner Greener Penang, a cleanup activity sponsored by the State of Penang



- Held an in-house environmental poster contest to promote environmental awareness



Continuous Support Activities for Disaster-afflicted Areas / Participation in Local Festivals / Tree Planting
<http://www.lintec-global.com/csr/social/community/>

Social Report

Communicating with Stakeholders

In order to better understand the expectations of society, it is essential to have continual communication with stakeholders. Therefore, in addition to providing information, the Lintec Group works to maintain a dialogue with its stakeholders.

■ Communicating with Customers

Exhibiting at Exhibitions in and Outside Japan

In order to communicate with even more customers, Lintec actively participates in exhibitions held in and outside Japan. In fiscal 2011, Lintec took part in a total of 36 exhibitions and received valuable feedback on its products and technologies.



Exhibiting at the IGAS*1 2011

Fiscal 2011 Exhibitions

- IGAS 2011 (Tokyo, Japan)
- FPD*2 International 2011 (Yokohama, Japan)
- SEMICON Japan 2011 (Chiba, Japan)
- Eco-Products 2011 (Tokyo, Japan)
- Neo Functional Material 2011 (Tokyo, Japan)
- Display Taiwan 2011 (Taipei, Taiwan)
- FGD*3 Expo 2011 (Jakarta, Indonesia)
- All China Leather Exhibition 2011 (Shanghai, China)
- SEMICON Taiwan 2011 (Taipei, Taiwan)
- Label Expo Europe 2011 (Brussels, Belgium)
- SEMA*4 Show 2011 (Las Vegas, USA)
- Label Expo Asia 2011 (Shanghai, China)
- SEMICON China 2012 (Shanghai, China)
- FIMEC*5 2012 (Novo Hamburgo, Brazil)

Main Awards for Activities

Lintec Corporation

- Tatsuno City Firefighting Competition (Tatsuno Fire Protection Association)
- Challenge 100 Campaign (Hyogo Trucking Association)
- Award: 3rd Kumagaya Green Curtain Contest (City of Kumagaya)
- Outstanding Employee Award (Kumagaya District Labor Standards Association)
- Outstanding Business Site: Traffic Accident Prevention Contest (Saitama Prefecture Association for Safe Driving Managers)
- Outstanding Driver (Ageo District Association for Safe Driving Managers)
- Men's division, third place: Ina Town Indoor Fire Hose Competition (Ina Town Fire Department)

Lintec Specialty Films (Taiwan)

- FY2011 Outstanding Labor Award (Science Park Management Office)

Lintec Advanced Technologies (Taiwan)

- Maintaining Clean and Organized Factory Environments (Kaohsiung Export Processing Zone)

Lintec Indonesia

- Certificate of Appreciation for Support and Assistance in the Renovation of Babakan No. 4 Public Elementary School in Dayeuh Village, Cileungsi, Bogor (Police Department of Cileungsi, Bogor, West Java)

■ Communicating with Suppliers

ITC Suppliers' Day

As part of its communication with suppliers, the Ina Technology Center holds annual meetings with all of its suppliers in an effort to improve mutual understanding. In October 2011, 53 people from 25 companies participated, with the center explaining Lintec's procurement policy, financial performance, and CSR efforts. The center also presented awards to two companies that contributed toward the center's efforts to strengthen the ongoing framework of cooperation.

■ Communicating with Local Communities

Offering Plant and Facility Tours

Every year the Lintec Group accepts numerous students, local authorities, NPOs, and community residents for tours of its plants and facilities in Japan. In fiscal 2011, a total of 896 tour participants were welcomed at four Lintec sites.



Tour of Tokyo Lintec Kako for elementary school students

 <http://www.lintec-global.com/csr/social/community/>

■ Communicating with the Media

News Releases and Media Interviews

In addition to distributing news releases to various media outlets concerning new products and events, the company welcomes requests for interviews as well as articles written by Lintec representatives. In fiscal 2011, the company issued about 30 news releases and granted about 50 interview and writing requests.

 Visit the Lintec website to view news releases.
<http://www.lintec-global.com/>

Madico, Inc.

- Employer of Choice Award: manufacturing division (Massachusetts Chamber of Commerce)
- 2011 Best Plant: 16th semifinalist in the small business division (*IndustryWeek* magazine)
- Top Places to Work 2011: ranked 36 in the small business division (*The Boston Globe* newspaper)

*1 IGAS: International Graphic Arts Show

*2 FPD: flat panel display

*3 FGD: Forum Grafika Digital

*4 SEMA: Specialty Equipment Market Association

*5 FIMEC: Feira Internacional de Couros, Quimicos, Componentes e Acessorios, Equipamentos e Maquinas para Calcados e Curtumes

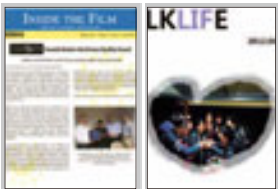
■ Communicating with Employees

Publication of the Community Magazine

The Lintec Group publishes a quarterly magazine, *LINTEC*, for employees to share information and deepen understanding of Lintec's business and the direction the company is heading. An English version and two Chinese versions (simplified and traditional characters) of the magazine are also available. The magazine is distributed to all group employees as well as customers, suppliers, retirees, the media, and government offices. The group is striving to further improve the content of the magazine to ensure that it is a handy communication tool for connecting senior management and employees, as well as employees and stakeholders. Lintec Group companies outside Japan, such as Madico and Lintec Korea, each issue their own monthly newsletters in PDF format, which are also useful for promoting mutual understanding and good communication in the workplace.



Community Magazine *LINTEC*



Inside the Film (Madico) and *LK Life* (Lintec Korea)



English version of *LINTEC* magazine

CSR Communication

In order to communicate its CSR activities, the Lintec Group also issues translated PDF versions of its *CSR Report* in several languages for affiliates outside Japan. In addition to a full English translation of the original Japanese report, excerpts from the original are translated into Korean, Chinese (simplified and traditional), Malaysian, and Indonesia, for distribution to 17 overseas sites. In fiscal 2011, employee CSR briefings were held at group companies outside Japan (see "Highlight," pages 4 to 5). These meetings enabled the group to share an awareness of its CSR initiatives, not just in Japan but around the world. Lintec will continue to ensure thorough group-wide CSR awareness in all areas, including quality and safety, information security, and corporate ethics.



Briefing at Lintec Indonesia

■ Communicating with Shareholders and Other Investors

Active Promotion of IR Activities

Lintec carries out various IR initiatives with the aim of achieving appropriate share pricing and increasing corporate value.

For institutional investors and securities analysts in Japan, the company holds IR meetings and accepts media interviews about 300 times per year. Business briefings and facility tours are also given upon request. In addition to meetings in Japan and telephone conferences, the company makes continual visits to institutional investors outside Japan. It also invites these investors to participate in IR events in Tokyo, arranged by securities companies for overseas investors. In fiscal 2011, Lintec held more than 100 meetings with non-Japanese investors, including IR visits to five cities in North America and seven cities in Europe.

In order for individual investors and shareholders to get a better understanding of Lintec, the company also publishes a quarterly shareholder magazine, which includes financial information, business strategies, and product information. Once a year a reader survey is included in the magazine, and the feedback received is used to improve the magazine's content and Lintec's IR initiatives.



Business briefing (December 2011)

Enhanced Online Information

Lintec strives to improve its information provision by updating and renewing its websites as needed. In fiscal 2011, a share price indicator was added to the top page of the Lintec IR site and an events information page was created. Due to the enhancement of usability and content, Lintec's improved website has been well received externally. In addition, the previous English site has been thoroughly redesigned as a global site for users worldwide. The company will continue to improve product and IR information on both its Japanese and global sites.



FY2011 Quality Ranking for Listed Company Websites
Overall: 37th out of 3,603 companies
By Category (Other Products): 1st out of 107 companies
(Nikko Investor Relations Co., Ltd.)



2011 Internet IR Best Company Award and Outstanding Company Award
(Daiwa Investor Relations Co., Ltd.)



For more information, visit Lintec's IR website.
<http://www.lintec-global.com/ir/>

Environmental Report

The Lintec Group strives to achieve harmony between its corporate activities and the global environment. The group is carrying out a variety of environmental protection initiatives under the slogan, "We have to broaden our scope when working to support the environment. There is only one earth."

Environmental Management System

The Lintec Group has built an environmental management system based on the ISO 14001 international standard. It has also established a Lintec Group Quality and Environmental Policy in response to the globalization of environmental problems and the global expansion of group companies. The group is taking a number of initiatives to reduce the environmental impact of its business operations.

■ Lintec Group Quality and Environmental Policy

Operations that combine quality and the environment are needed to carry out global environmental activities. The Lintec Group combined its existing Lintec Environmental Charter and Lintec Quality Policy and established a new Lintec Group Quality and Environmental Policy on April 1, 2012.

Lintec Group Quality and Environmental Policy

● Basic Policy

All employees in the Lintec Group are dedicated to the company motto, "Sincerity and Creativity," and management philosophy, and practice fair and innovative corporate activities that fulfill our responsibilities to society. The following "Quality Policy," "Environmental Policy," and "Action Guidelines" were established to ensure the practical execution of these activities.

● Quality Policy

Starting from "manufacturing" based on "quality," "consideration for the environment," and "safety," we endeavor to develop, manufacture, and sell products through business activities that gain and maintain the trust of all stakeholders.

Action Guidelines

1. Contribute to personal living environments and the global environment while complying with domestic and international laws and regulations.
2. Foster "human resources" and a "corporate culture" that work in harmony with different cultures and regions, and contribute globally by providing the highest possible quality.
3. Immediately and accurately understand customers' needs with a spirit of craftsmanship, and share the information wherever required.
4. Constantly conduct analyses of current conditions with a spirit of craftsmanship, and continuously perform thorough improvement activities.
5. In order to stably offer better products at reasonable prices, promote innovation and improvements in daily services and operations.
6. Conduct thorough design reviews and build quality into products beginning from the development stage.
7. Apply statistical methods for all aspects of operations, including production and quality control, to improve data evaluation and management systems.
8. Construct a systematic in-house education system that fosters employees capable of expressing originality in craftsmanship.

● Environmental Policy

In order to pass down a healthy planet to the next generation, we prioritize the creation of environmentally friendly products, and actively work to help protect the global environment.

Action Guidelines

1. We comply with relevant laws and regulations in Japan and all other countries, and seek to protect the global environment.
2. We strive to develop environmentally friendly products.
3. We work to promote effective use of the planet's resources, and to implement the 3Rs (reduce, reuse, and recycle).
4. We strive to protect biodiversity.
5. We take active initiatives for environmental enhancement, and work to continuously improve our activities using the PDCA (plan, do, check, act) cycle.

Environmental Charter established April 10, 1992
Quality Policy established August 10, 1998
Quality and Environmental Policy established April 1, 2012

Akihiko Ouchi, President and CEO

■ Environmental Management System: Efforts to Obtain Integrated Certification

The Lintec Group started efforts to obtain integrated certification for its environmental management system based on ISO 14001 in March 2006. The company's head office, ten plants in Japan, the Research Center, and Tokyo Lintec Kako operate an integrated system. In May 2010, Lintec (Suzhou) Tech Corporation was integrated, followed by Lintec (Tianjin) Industry in March 2011 and Lintec Indonesia, Lintec Korea, and Lintec Industries (Malaysia) in March 2012. The group will continue pursuing the acquisition of integrated global ISO 14001 certification*1 for group companies outside Japan.

■ Internal Environmental Auditing

Lintec conducts site internal audits and mutual site audits between sites to ensure proper operation of environmental management systems and to equalize the level of operation. At present, site internal audits are conducted at sites outside Japan that have obtained integrated global ISO 14001 certification. In the future, the group will conduct mutual site audits throughout the entire group, including sites outside Japan.



Site internal audit at Ina Technology Center

■ Environmental Compliance

The Lintec Group's business operations are subject to a broad array of environmental laws and regulations. In fiscal 2011, the EMS*2 Office of the Lintec Group conducted a legal audit on all sites in Japan to confirm the status of the company's legal compliance. Moreover, legal compliance has been incorporated into the environmental management system of each site in and outside Japan and the status is monitored periodically.

Disseminating Information on Biodiversity Protection

The company is conducting awareness-building efforts to deepen employees' understanding by introducing such information as the background and definition of biodiversity in the *Lintec Econews*.

Disseminating information on biodiversity through *Lintec Econews*



*1 Integrated global ISO 14001 certification: ISO 14001 certification covering multiple business sites worldwide as a single organization.

*2 EMS: environmental management system

Developing Environmentally Friendly Products

As a responsible manufacturing enterprise, the Lintec Group strives to develop products that reduce environmental impact. The group also works to reduce impact on the environment from resource extraction and the procurement of raw materials through production processes to disposal by including life-cycle assessments (LCA)*³ right from the design stage.

■ Guidelines for Environmentally Friendly Products

In February 2010, Lintec established guidelines for environmentally friendly products. Based on these guidelines, environmental impact is assessed at the design stage for a product's entire life cycle, from the procurement of raw materials through product manufacturing to disposal. In fiscal 2011, the company developed 15 products based on LCA standards. From here on, Lintec will follow these guidelines to develop products with lower environmental impact.

■ Developing Products that Help Reduce Environmental Impact

The Lintec Group has positioned environmental and energy businesses as an important focus. Some of the main products are window films that contribute to energy conservation through high thermal insulating capacity, environmentally friendly adhesive materials, and backsheets that increase the durability of photovoltaic cells. Going forward, the group will continue focusing on the development of products that help reduce environmental impact and save energy.

Architectural Window Films that Increase Air Conditioning Efficiency

In April 2012, Lintec combined its architectural window films that provide energy-saving effects and glass shatter-proofing effects under a single brand name: WINCOS. The WINCOS Heat Cut product has an excellent solar control effect while maintaining high transparency, with visible light transmission of at least 73 percent. It also cuts 99 percent of ultraviolet rays and includes glass shatter-proofing effects.



Building with architectural window film installed

Label Material Made Using Environmentally Friendly Adhesive

Lintec launched a new brand of label material that can be removed cleanly from cosmetics containers and bottles: the REPOP series. The first product in the series, launched in June 2012, uses a new adhesive that holds strong but that can be repeatedly released. The product has a high degree of adhesion during use and can be removed cleanly, making it perfect for reusing and recycling plastic containers. What is more, the product contributes to the reduction of environmentally harmful substances, as the adhesive does not contain organic solvents.



New label with an adhesive that comes off cleanly, leaving little glue behind

Backsheets for Photovoltaic Modules

Backsheets protect the back side of photovoltaic cells and are an important material that influences the weight of modules and their safety and reliability. Lintec's LIPREA series can withstand long-term outdoor use thanks to a proprietary design and a layered structure made using advanced composite material manufacturing technology. The company will promote the spread of the LIPREA series to support the effective utilization of natural energy through photovoltaic cells.



LIPREA series backsheets for photovoltaic modules

Voice 7

RTO-type Exhaust-Gas Treatment Equipment Installed

Zhang Xudong
Assistant Manager, Engineering Department
Lintec (Suzhou) Tech Corporation

On the back of the strengthening of environmental regulations in China in recent years, exhaust-gas treatment equipment has become an essential condition. In June 2012, Lintec (Suzhou) Tech Corporation installed RTO*⁴-type exhaust-gas treatment equipment when we added more adhesive coating machines. The equipment incorporates local exhaust with a low gas concentration into the dryer air supply line so that it can be treated together with the dryer exhaust.

*³ LCA: 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 CO₂ and hazardous chemical substance emitted throughout a product's lifecycle.

*⁴ RTO: regenerative thermal oxidizer. A device that combusts and disintegrates VOCs and foul odors at a high efficiency.

Environmental Report

Fighting Climate Change

Always pursuing a balance between economic and environmental performance, the Lintec Group conducts its business operations with the commitment to reducing environmental impact expected of a responsible materials manufacturer. The group strives to save energy in addition to carrying out initiatives aimed at reducing carbon dioxide (CO₂) emissions from both manufacturing and distribution.

■ Efforts in Manufacturing

Status of Compliance with Japan's Energy Conservation Law

Energy use by the entire Lintec Group in Japan*¹ exceeds 1,500 kL of crude oil equivalent each year. As a result, in October 2010 the group was designated a "Specified Business Operator," pursuant to the provisions of Japan's Act on the Rational Use of Energy (Energy Conservation Law), and required to improve its energy use per production unit by 1 percent per year.

In fiscal 2011, the Lintec Group in Japan implemented a variety of energy-saving measures ranging from efforts in offices, such as reducing standby energy use, to site-wide efforts, such as the recovery and utilization of waste heat. These initiatives resulted in a 3.8 percent reduction in total energy use compared to fiscal 2010.

Energy Savings Promotion Committee

Beginning in January 2012, the Energy Savings Promotion Committee, an activity-focused organization in the Lintec Group in Japan, has been conducting patrols related to energy management, mainly at Designated Energy Management Factories.*²

The committee indicates areas where the plants could be improved, and, based on those observations, the plants are then able to improve their energy-saving initiatives.



Patrol by the Energy Savings Promotion Committee at the Agatsuma Plant

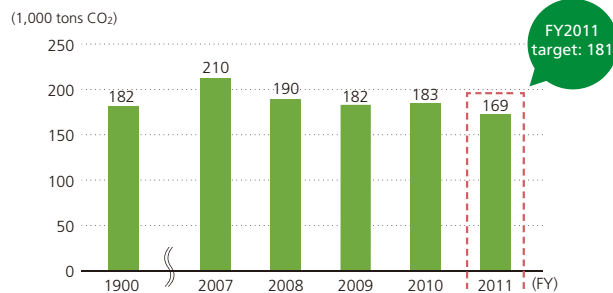
Complying with the Saitama Prefecture Ordinance on the Promotion of Global Warming Countermeasures

Lintec's Kumagaya Plant, Research Center, and Ina Technology Center are all subject to the Saitama Prefecture Ordinance on the Promotion of Global Warming Countermeasures. The Kumagaya Plant and Research Center, which are large-scale business sites,*² are carrying out initiatives aimed at achieving CO₂ emission reduction targets (6-percent reduction for the Kumagaya Plant and 8-percent reduction for the Research Center, on a yearly average, from April 2011 to March 2014) voluntarily set in April 2011. The Kumagaya Plant has completed a full fuel shift and will now make improvements mainly through the recovery of waste heat. In fiscal 2012, the plant plans to enhance energy-monitoring equipment and install equipment to display the status of energy use in each worksite under the theme of "energy conservation by the manufacturing department on the production floor."

CO₂ Emissions and Total Energy Use

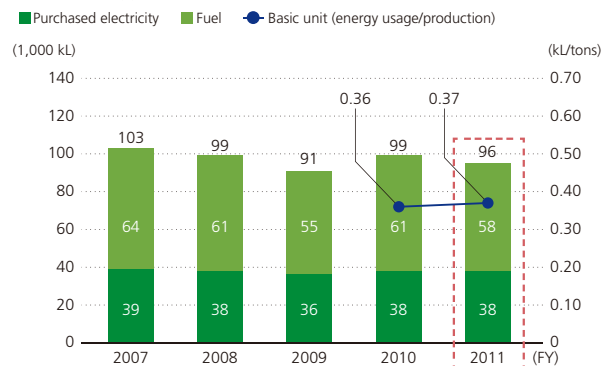
With 169,000 tons of CO₂ emissions in fiscal 2011, the Lintec Group in Japan achieved the target for the year of no more than 181,000 tons. Total energy use (crude oil equivalent) decreased by 3.8 percent, compared to fiscal 2010, to 96,000 kL. The decrease in total energy use was a direct response to the request to save energy as a result of the power shortage and a decline in production demand that started with the Great East Japan Earthquake of March 2011, in addition to the usual energy-saving efforts. Nevertheless, energy use per unit of production increased 0.01 kL per ton to 0.37 kL per ton over fiscal 2010, with the effect of a decline in production volume.

CO₂ Emissions



- Notes: 1. The amount of CO₂ emissions is calculated by applying a CO₂ emission coefficient to the amounts of electricity and fuel used.
 2. The CO₂ emission coefficient used for fiscal 2006 to 2008 was one revised in March 2006, based on the coefficient established by the enforcement order for Japan's Act on Promotion of Global Warming Countermeasures. The emission coefficients provided by the power companies that supply electricity to the facilities concerned were used as the purchased electricity coefficients. The coefficient revised in March 2010, based on the same enforcement order, was used for fiscal 2009 to 2011. For purchased electricity, the same coefficients were used from fiscal 2006 to 2008.
 3. The emissions shown above are CO₂ emissions from fossil fuels.

Total Energy Use (Crude Oil Equivalent)



Note: Fuel means kerosene, Bunker-A oil, liquid natural gas (LNG), liquid petroleum gas (LPG), and utility gas.

*1 Lintec Group in Japan: Lintec Corporation and its sales offices; Tokyo Lintec Kako; Osaka Lintec Kako, Inc.; Printec, Inc.; Lintec Service; Lintec Commerce, Inc.; and Renri, Inc.

*2 Designated Energy Management Factory/large-scale business site: Factories and sites with an energy use of 1,500 kL crude oil equivalent or more per year receive this designation under the Energy Conservation Law.

Efforts to Reduce CO₂ Emissions: Fuel Shift to LNG

During the five years from fiscal 2006 to fiscal 2010, Lintec moved forward with the conversion of fuel for boilers used to produce steam, shifting from heavy oil and kerosene to utility gas and LNG, which have lower CO₂ emissions. With the completion of second replacement for the fuel facility at the Agatsuma Plant, fuel conversion for boilers at Lintec's plants in Japan has been completed. These fuel conversions have led to a reduction in CO₂ emissions of about 39,000 tons per year. Going forward, the company will work at reducing CO₂ emissions through energy saving initiatives such as effective utilization of waste heat and efficient operation of boilers.



LNG satellite facility at the Mishima Plant

Efforts to Reduce CO₂ Emissions: Doi Plant

In February 2012, the Doi Plant attached to RTO-type exhaust-gas treatment equipment a waste heat boiler that uses heat generated during the treatment of VOCs to produce steam. The VOC gas in the RTO is combusted, rendering it harmless, with heat applied from an internal heat reservoir and then released to the atmosphere. Excess heat not needed for combustion used to be released to the atmosphere at the same time. Reusing that heat to produce steam will lead to reductions in LNG use of 360 tons per year and CO₂ emissions of 975 tons per year. As the production of steam fluctuates with the status of production, the plant will reconsider the RTO operating load to continue pushing its energy-saving efforts forward.



Waste heat boiler at the Doi Plant

Reducing Power Used for Lighting: Lintec (Suzhou) Tech Corporation

Lintec (Suzhou) Tech Corporation used to use high-pressure sodium lamps in existing rooms with a high ceiling. The company has upgraded to LED lighting to save energy, stabilize the intensity of illumination, and prevent fires. In a second warehouse that was added later, the company used LED lighting right from the beginning.



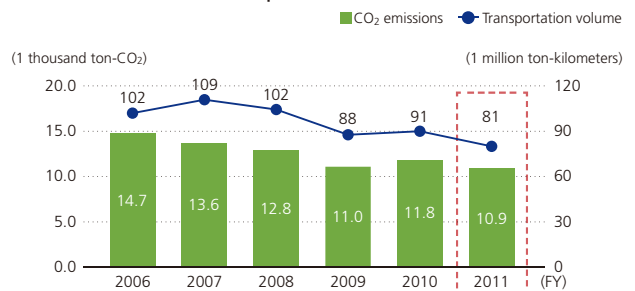
Interior with LED lighting


Efforts in Distribution

Lintec has no distribution or transportation department, but it is a Designated Shipper under Japan's Revised Energy Conservation Law, because it consigns the transport of more than 30 million ton-kilometers annually. This law requires designated shippers to improve their transport-related energy efficiency. It also requires the submission of an annual transport-related energy conservation plan. In fiscal 2011, CO₂ emissions from transportation were 10,900 tons, which was down about 7.6 percent from the previous year and down about 25.9 percent, compared to fiscal 2006. Energy use was 4,085 kL (crude oil equivalent), a decrease of about 8 percent from the previous year. Energy use per unit of sales was 0.0252 kL per million yen, the same as the year before. Lintec is doing its part in the fight against climate change by striving to increase transport efficiency, improve the transport load efficiency between plants, improve delivery routes and methods for line hauls, and revise transportation frequency.

 Energy usage
<http://www.lintec-global.com/csr/environment/warming/logistic/>

CO₂ Emissions and Transportation Volume





Voice 8

Energy Saving Efforts at the Mishima Plant

Seiji Takemura
Managing Executive Officer,
Assistant General Manager of the Production Division,
and General Manager of Mishima Plant

The Mishima Plant attempts to monitor energy use on the production floor, using a communication network in the plant in order to discover wasted energy. We are building an optimal energy system through observation of instantaneous values and management of integrated values and also working to reduce energy use during non-production times as well as production times. We are also making efforts to improve energy use per unit of production by pushing further ahead with steam drains and waste heat recovery and increasing the efficiency of energy use.

Environmental Report

Reducing Waste

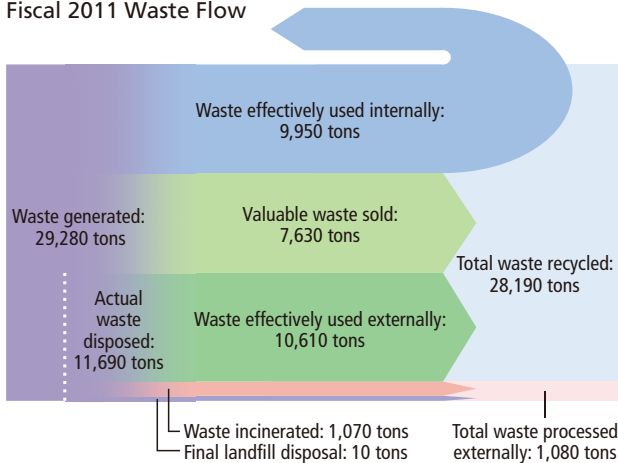
The Lintec Group constantly endeavors to make effective use of resources and to reduce waste by working aggressively at the 3Rs, to help create a recycling-oriented society.

Amounts of Waste Generated and Effectively Used

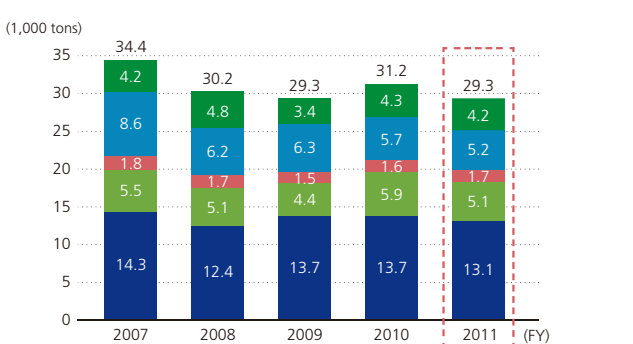
In fiscal 2011, the amount of waste generated, including manufacturing loss, was 29,280 tons. This was down about 1,900 tons from the previous year, as a result of a decrease in production and improvement in yield rate. The amount of waste output (amount of waste generated minus the amount effectively used internally and the amount sold as valuable resources) was 11,690 tons, a decrease of about 3.3 percent from fiscal 2010. Of the amount of waste output, 10,610 tons were effectively used externally. The remaining 1,080 tons were consigned to waste treatment companies and combusted (1,070 tons) or buried (10 tons), as appropriate. The target of 0.2 percent or less for the final landfill disposal rate*1 was achieved in fiscal 2011, with a rate of about 0.03 percent. Zero emissions*2 were therefore achieved, as has been done since fiscal 2007. In the future, Lintec will continue to maintain zero emissions and also further reduce the final landfill disposal of waste.

In accordance with the revised Waste Management and Public Cleansing Law that came into effect on April 1, 2011, the Kumagaya Plant, which has an incinerator, discloses for inspection information on its maintenance and management, upon request from local residents.

Fiscal 2011 Waste Flow



Waste Generated



3R Efforts

Efforts to Reduce

The manufacturing department at each plant in the Lintec Group attempts to increase productivity in order to limit the generation of waste.

Efforts to Reuse

Roll cores are used in production processes, since most of Lintec's products are manufactured in rolls. The cores are shipped together with product, but some are collected and reused in the manufacturing process. Some plastic pallets used in the shipping of product are also collected and reused.

Efforts to Recycle

In fiscal 2011, the Lintec Group continued to work at material recycling*3 and thermal recycling.*4 The Tatsuno and Kumagaya plants take paper waste that is unfit for material recycling and make it into a solid fuel for thermal recycling.

Additionally, waste generated at each plant is used as recyclable resources. For example, Lintec Industries (Sarawak) sells scrap generated during cutting to a recycling company as valuable material.



Solid fuel

Reusing Pallets at the Tatsuno Plant

The Tatsuno Plant used to consign the sorting of wooden pallets returned from clients to pallet makers. Now it has reduced the purchasing of new pallets by separating pallets into ones that can be reused and ones that need to be recycled. The plant is also making efforts to switch to plastic pallets, which are highly reusable, as a measure to further reduce the purchasing of new pallets. Going forward, the plant aims to keep increasing its rate of reuse, which currently stands at about 25 to 30 percent.



Tatsuno Plant's pallet collection station, where pallets are sorted for reuse or recycling

*1 The final landfill disposal rate is a value found using the following formula: Final landfill disposal rate = Final landfill disposal amount / Amount of waste generated × 100.

*2 Zero emissions: Lintec's standard is a final landfill disposal rate of no more than one percent.

*3 Material recycling: the recycling of waste as a raw material, such as using recovered paper as a raw material for recycled paper or turning empty cans into metal and PET bottles into synthetic fiber material; does not include thermal recycling.

*4 Thermal recycling: the recycling of waste as a source of energy, recovering heat and electricity from it and turning it into a fuel, instead of simply incinerating it.

Measures to Reduce Water Usage and Effluent

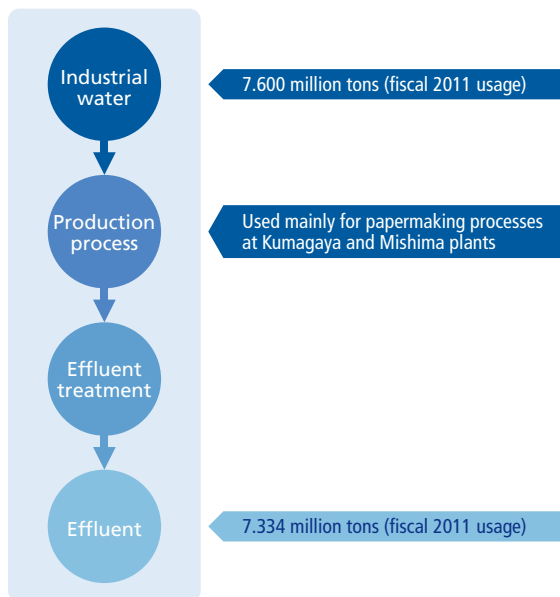
Recognizing that water is a limited resource, each plant in the Lintec Group strives to save water and reuse recovered water. The group also complies with wastewater standards and pays adequate attention to effluent quality in order to limit impact on the surrounding environment.

Water Usage and Water Conservation Measures

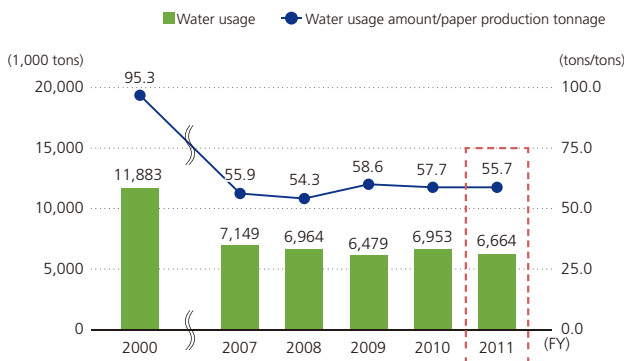
In fiscal 2011, Lintec used 7.600 million tons of water. Of this amount, about 88 percent was used by the Kumagaya and Mishima plants, which are Lintec's papermaking facilities. Together, these two plants used 6.664 million tons of water, which was a decrease of about four percent from the previous year. This decrease was the result of decreased production, plus efforts to reduce water usage. In fiscal 2011, the two plants' water usage per unit of paper production was 55.7 tons per ton, a decrease of 2.0 tons per ton compared to fiscal 2010.

As a water conservation measure, the papermaking division is reducing water usage in each process. It has also implemented measures to prevent water leaks in an effort to reduce water usage. Further, it is attempting to reduce water use and effluent by reusing recovered water.

Process from Water Intake to Effluent



Water Usage (Kumagaya and Mishima Plants)



*5 SS (suspended solid): material suspended in water, making it murky.
*6 COD (chemical oxygen demand): amount of oxygen needed to oxidize oxidation reactants in water.

Reducing Effluent and Improving Effluent Quality

The entire amount of effluent produced by Lintec in fiscal 2011 was 7.334 million tons. About 89 percent of this (6.527 million tons) was released from the Kumagaya and Mishima plants. In order to maintain and improve effluent quality in the papermaking process, efforts are being made to reduce SS*5 by changing the retention aid and to reduce raw material runoff through control of rejects from pulp cleaners. In the management of water quality, such as with COD*6 and nitrogen, the company strictly adheres to internal standards, which are set even lower than reference values.



Effluent treatment facility at the Kumagaya Plant

Effluent Water Quality (Fiscal 2011)

Kumagaya Plant

Item	Wastewater standards	Results	
		Maximum value	Average value
pH	5.8-8.6	6.7-8.5	7
Regulations on emission concentration	SS (mg/L)	60 (50) or less	30
	BOD*7 (mg/L)	20 or less	19
	COD (mg/L)	-	34
Regulations on total emissions	COD (tons/day)	0.858 or less	0.163
	Nitrogen (tons/day)	0.4068 or less	0.1888
	Phosphorous (tons/day)	0.0418 or less	0.0117

Mishima Plant

Item	Wastewater standards	Results	
		Maximum value	Average value
pH	5.8-8.6	6.1-7.7	7
Regulations on emission concentration	SS (mg/L)	80 (60) or less	35
	COD (mg/L)	90 (65) or less	79
Regulations on total emissions	COD (tons/day)	0.9431 or less	0.5500
	Nitrogen (tons/day)	0.3961 or less	0.1998
	Phosphorous (tons/day)	0.0405 or less	0.0032

Notes: 1. Figures in parentheses are the daily average values. The regulations for each plant are as follows:
Kumagaya Plant: The regulation value shown for BOD is based on a value agreed upon with the city of Kumagaya. The values shown for pH, SS, COD (total emission), nitrogen, and phosphorus are based on the environmental protection ordinances and notices of Saitama Prefecture.
Mishima Plant: The regulation values shown for pH, SS, and COD (emission concentration) are based on the Water Pollution Control Law, while the values for COD (total emissions), nitrogen, and phosphorus are based on notices from Ehime Prefecture.
2. In the column showing the maximum values of the results, the minimum to maximum values are shown for pH and the total value is shown for regulations on total emissions.

*7 BOD (biochemical oxygen demand): amount of oxygen consumed when microorganisms break down organic matter in the water.

Environmental Report

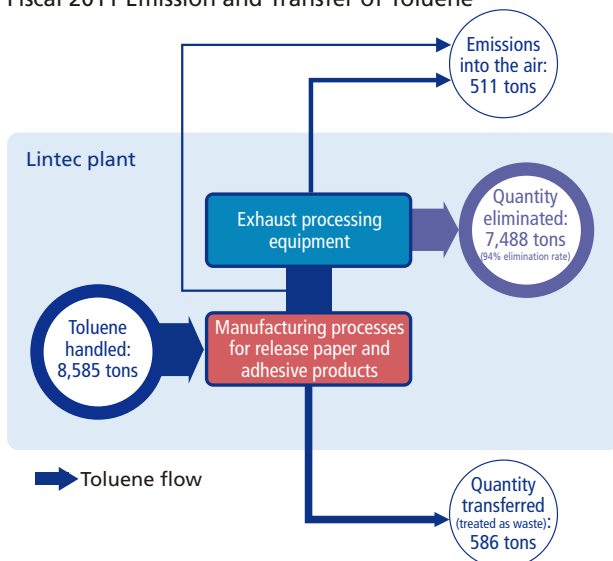
Reduction of Chemicals with Environmental Impact

The Lintec Group complies with relevant laws and regulations in and outside Japan and strives to reduce its use of chemical substances that have an impact on the environment.

PRTR Compliance

In fiscal 2011, Lintec used seven substances that are subject to PRTR*¹ reporting. The total quantity of PRTR chemicals was 8,667 tons. Toluene accounted for the largest portion of this amount, at 8,585 tons, down 522 tons from the previous year (9,107 tons). Emissions of toluene into the atmosphere were 511 tons, down 44 tons from the previous year (555 tons), and the transferred amount was 586 tons, down 52 tons from the year before (638 tons).

Fiscal 2011 Emission and Transfer of Toluene



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

Complying with EU Regulations

Under the EU's REACH Regulation*² on chemical substances, companies are required to provide information about using substances of very high concern (SVHC). In June 2012, the candidate list for required authorization of SVHCs was brought up to a total of 84 substances. Lintec performs investigations pertaining to the inclusion of substances in its procured items that have an environmental impact and communicates the necessary information to customers. The company is working to eliminate some candidates for required authorization from its products. It is also conducting the report procedures for the EU's CLP Regulation*³ and revising MSDSs*⁴ to make them compliant with the CLP Regulation, as it is implemented gradually through June 1, 2015. The company has established a policy regarding organotin compounds regulations*⁵ and is complying by improving products that contain prohibited substances (reducing or eliminating prohibited substances) and prohibiting the sale of some products.

Proper Storage and Management of Polychlorinated Biphenyl (PCB)

Lintec is vigilant about properly storing and managing waste containing PCBs.*⁶ In fiscal 2011, treatment was completed for the 19 units stored at the Mishima Plant. An inspection of electrical equipment at the Tatsuno Plant identified one additional unit of low-concentration PCB-containing electronic equipment.

Status of Proper Storage and Management of PCB in Fiscal 2011

Site name	Number of stored units of PCB waste	Treatment facility	Year of registration for consignment treatment	Expected processing completion
		JESCO		
Mishima Plant	0	Kitakyushu office	2005	Completed in fiscal 2011
Agatsuma Plant	1	Undetermined because it is low-concentration waste	Undetermined	Undetermined
Kumagaya Plant	22	Tokyo office	2005	Fiscal 2012 or later
Tatsuno Plant	1	Undetermined because it includes low-concentration waste and fluorescent ballasts	Undetermined	Undetermined
	6	Osaka office	2006	Fiscal 2012 or later
Tokyo Lintec Kako	8	Tokyo office	2005	Fiscal 2012 or later

- Notes 1. Up through fiscal 2011, Lintec reports indicated the year of registration for consignment treatment as fiscal 2006 for PCB wastes held at the Tatsuno Plant. This time, an extra unit of PCB waste was added, but the treatment facility and year are undetermined.
2. Since the Japan Environmental Safety Corporation does not handle the treatment of low-concentration PCBs, Lintec intends to register with other disposal contractors, including private companies.
3. In fiscal 2011, the Kumagaya Plant mistakenly reported that it was holding 20 units of PCB waste; the correct number was 22 units.
4. In fiscal 2011, Tokyo Lintec Kako mistakenly reported that it was holding 7 units of waste; the correct number was 8 units.

Status of Chemical Substance Management

In March 2012, as part of its management of chemical substances in raw materials, Lintec updated its List of Substances Subject to Investigation for Inclusion as a Substance that Has an Impact on the Environment, following an increase in the chemical substances subject to regulation. The company conducts these investigations and manages raw materials appropriately. Additionally, the company is preparing to make MSDSs for applicable products GHS*⁷ compliant, based on the Industrial Safety and Health Act.

Drills for Disasters and Chemical Substance Leaks

Each plant in the Lintec Group conducts emergency drills. The Komatsushima Plant conducted two evacuation drills: one in preparation of an earthquake and the other in the event of leakage of chemicals into an onsite drain pipe. The Mishima Plant conducted a drill to respond to the leakage of LNG gas, while the Tatsuno Plant conducted a drill for toluene leakage.



Drill at the Komatsushima Plant

*1 PRTR (Pollutant Release and Transfer Register): a system for ascertaining, aggregating, and publishing data on the amounts of chemical substances released and transferred. The system is based on Japan's Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof.

*2 REACH Regulation: a chemical substance regulation in the EU on the "Registration, Evaluation, Authorization and Restriction of Chemicals." Registration is required when

exporting a chemical substance into EU states in quantities of one metric ton or more per year. Notification must also be submitted to the authorities when a chemical substance falling under the category of "candidate for required authorization" is present in a product at more than 0.1 percent of the mass of the object.

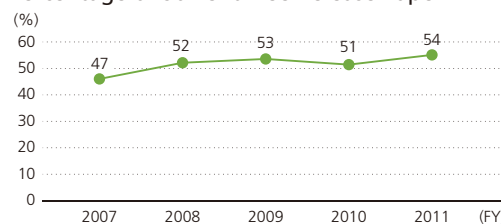
*3 CLP Regulation: regulation on the Classification, Labeling and Packaging of substances and mixtures.

■ Reduction of VOCs

Transitioning to Solvent-free Release Agent

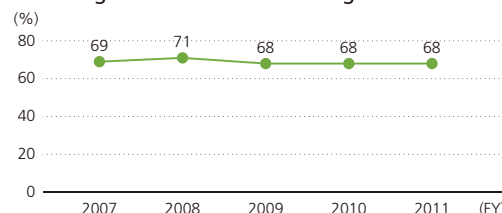
Lintec is working on switching to a solvent-free release agent for its release paper and solvent-free adhesive for printing-related adhesive products, to reduce the amount of organic solvents it uses. In fiscal 2011, the percentage of solvent-free release paper (production basis) was 54 percent, up 3 percent over fiscal 2010. The percentage of solvent-free printing-related adhesive products (production basis) was 68 percent, the same as in fiscal 2010. The company has carried out measures to reduce VOCs from two angles: formulation and equipment to treat exhaust gases. The switchover to solvent-free agents has been completed for the main products that can be switched. The installation of exhaust gas treatment equipment has also been completed. Numerical values will continue to be monitored as part of the company's environmental protection activities.

Percentage of Solvent-free Release Paper



Note: Percentage of solvent-free release paper = quantity of solvent-free release paper produced / quantity of all release paper produced x 100

Percentage of Solvent-free Printing-related Adhesive Products



Note: Percentage of solvent-free printing-related adhesive products = quantity of solvent-free printing-related adhesive products sold / quantity of all printing-related adhesive products sold x 100

Environmental Accounting

Lintec uses environmental accounting to ascertain the costs and benefits of environmental protection, and will continue to carry out environmental protection initiatives as effectively and efficiently as possible.

Calculation Basis

1. The scope of data collection covers Lintec Corporation and Tokyo Lintec Kako. Other affiliates are not included.
2. The data is for the period from April 1, 2011, to March 31, 2012.
3. The *Environmental Accounting Guidelines* (2005) from the Japanese Ministry of the Environment were used as a reference.

Fiscal 2011 Environmental Conservation Costs

(Unit: ¥1 million)

Category	Equipment to be subjected	Investments	Details of main initiatives	Expenses	
1. Business area cost	① Pollution prevention cost				
	a. Preventing air pollution	Exhaust processing equipment installation	177	Management and maintenance of equipment to prevent air pollution	582
	b. Preventing water pollution	Effluent processing equipment installation	13	Management and maintenance of equipment to prevent water pollution	102
	c. Preventing overall pollution	-	-	PCB and sludge treatment	19
	② Global environmental conservation cost				
	a. Preventing global warming	Fuel conversion equipment installation	12	Fuel conversion	206
b. Energy conservation	Installation of cogeneration equipment and photovoltaic system	58	Management and maintenance of in-house power generation equipment	406	
③ Resource circulation cost	a. Efficient utilization of resources	Wastepaper processing equipment installation	18	Management and maintenance of wastepaper processing equipment	302
	b. Treating, reducing, and recycling waste	Paper sludge drying equipment installation	14	Management and maintenance of incinerator and boiler equipment; waste processing	374
2. Upstream/downstream cost	① Collecting, recycling, and reusing byproducts	-	-	Collecting, recycling, and reusing pallets and roll cores	16
	② Green procurement and purchasing	-	-	Purchasing environmentally friendly office supplies	4
	③ Environmental education	-	0	Participating in seminars and courses	0
3. Administration cost	② Monitoring and measuring environmental impact	Equipment for monitoring and measuring air and water	-	Analysis of product, air, and water quality	30
	③ Constructing environmental management systems and obtaining certification	-	-	ISO 14001 and forest certification investigation	5
	④ Organizational management for environmental conservation measures	-	-	Environmental preservation management	309
	⑤ Environmental information disclosure	-	-	Preparation of the <i>CSR Report</i> ; participation in the Eco-Products fair	27
4. R&D cost	-	-	R&D relating to environmental protection	354	
5. Environmental improvement cost	-	-	On-site beautification	3	
6. Environmental remediation cost	-	-	Payment of pollution load levy	38	
Total	-	292	-	2,777	

Note: Investment in exhaust processing equipment installation includes spare parts and miscellaneous work.

Environmental Accounting (environmental conservation effects)
<http://www.lintec-global.com/csr/environment/account/>

*4 MSDS (Material Safety Data Sheet): a document pertaining to the composition, properties, toxicity, and handling of chemical substances.
 *5 Organotin compounds regulations: The EU had already been regulating organotin compounds for a long time when it strengthened its regulations of organotin compounds contained in products in June 2009. Various regulations have become effective since June 2010.

*6 PCB (polychlorinated biphenyl): The Act on Special Measures concerning Promotion of Proper Treatment of PCB Wastes (PCB Special Measures Law) mandates the proper storage, management, and disposal of wastes containing PCBs.
 *7 GHS (Globally Harmonized System of Classification and Labelling of Chemicals): a system for labeling and providing safety data sheets with chemical substances categorized according to the type and degree of danger and toxicity following global rules.

Environmental Report

Environmental Activities of Eight Group Companies Outside Japan

The Lintec Group puts effort into environmental protection activities at group companies outside Japan to fulfill its responsibility as a global company.



1 LINTEC (SUZHOU) TECH CORPORATION

Lintec (Suzhou) Tech received guidance from the Suzhou Environmental Protection Bureau to install emergency wastewater tanks for firefighting purposes in the plant (with capacity to feed a fire hydrant for three hours) and to prevent the discharge of solvents offsite.



Construction of an emergency wastewater tank for preventing discharge

Accordingly, it installed one 410-m³ water tank in each of the two plant buildings. Water quality regulations for effluent have become stronger in China, requiring more effluent treatment than ever before.

Company Overview

Location: Suzhou New District, Jiangsu Province, China
 No. of employees: 220 (as of December 31, 2011)
 Main business activities: manufacture and sale of printing materials, industrial materials, and products related to processing material

2 LINTEC (TIANJIN) INDUSTRY CO., LTD.

On April 13, 2012, Lintec (Tianjin) Industry participated in firefighting knowledge training and hose discharge practice, conducted by the local fire department. The training was conducted with 10 companies from the same industrial park and 18 companies from another industrial park. The company will interact with the community through participation in these activities and strive to establish a better framework for cooperation.



Firefighting drill conducted at the site of the Tianjin Plant

Company Overview

Location: Nankai District, Tianjin, China
 No. of employees: 237 (as of December 31, 2011)
 Main business activities: manufacture and sale of products relating to printing materials and industrial materials

3 LINTEC SPECIALITY FILMS (TAIWAN), INC.

In fiscal 2010, Lintec Speciality Films (Taiwan) installed an automatic monitoring and measurement device for VOCs and has been reporting the results to the Environmental Protection Administration once a year. It is also reducing the generation of waste by improving yield rate in production processes and recycling resources through separation. In fiscal 2012, it is making the switchover to LED lighting and striving to reduce electricity use.



Wastes separated for collection

Company Overview

Location: Shanhua District, Tainan City, Taiwan
 No. of employees: 96 (as of December 31, 2011)
 Main business activities: manufacture and sale of electronic- and optical-related products

4 LINTEC KOREA, INC.

Lintec Korea installed peak electricity monitoring equipment to reduce refrigerator electricity use during the summertime, when electricity usage is highest. Adjustments made to prioritize air conditioning equipment, so that the set peak electricity use is not exceeded, resulted in a savings of 8 million won per year on electricity bills for fiscal 2011.



Monitoring screen on installed peak electricity monitoring equipment

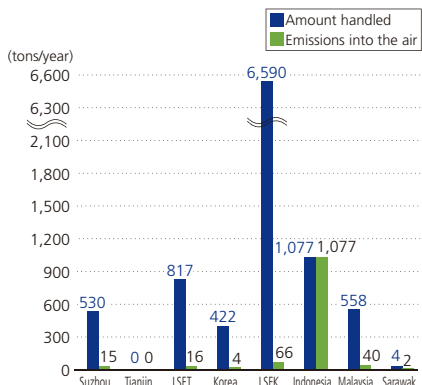
Company Overview

Location: Cheongwon-Gun, Chungcheongbuk-Do, Korea
 No. of employees: 94 (as of December 31, 2011)
 Main business activities: manufacture and sale of electronic- and optical-related products

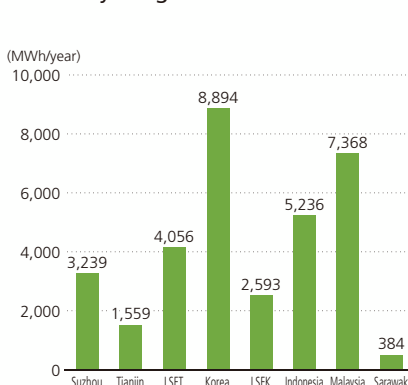
Environment Performance Data in Fiscal 2011

Period: January 1, 2011, to December 31, 2011

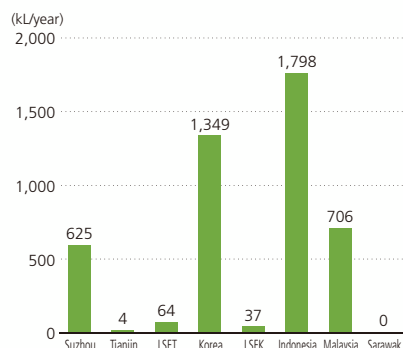
Amount of VOCs Handled and Emitted



Electricity Usage



Fuel (Light Oil and Natural Gas) Usage (Crude Oil Conversion)



- Notes: 1. VOCs = toluene and methyl ethyl ketone
 2. Figures stipulated in Article 4 of the enforcement regulations for Japan's Energy Conservation Act were used for the calorific value of each fuel used in order to calculate the crude oil equivalent of consumed fuel.
 3. LSFT = Lintec Speciality Films (Taiwan); LSFK = Lintec Speciality Films (Korea)

5 LINTEC SPECIALITY FILMS (KOREA), INC.

On April 6, 2012, Lintec Speciality Films (Korea) participated in an environmental beautification event held at the Poseung Industrial Complex. Companies located in the industrial park participate voluntarily with the purpose of managing the park's environment. The company is working to build relationships of trust with the community through participation in these kinds of environmental beautification activities.



Participating in the Poseung Industrial Complex environmental beautification campaign

Company Overview

Location: Pyeongtaek, Gyeonggi Province, Korea
 No. of employees: 117 (as of December 31, 2011)
 Main business activities: manufacture and sale of electronic- and optical-related products

6 PT. LINTEC INDONESIA

In November 2011, Lintec Indonesia underwent a review for obtaining integrated global ISO 14001 certification, which it received in March 2012. From here on, it will closely share information with other integrated sites and will carry forward initiatives toward further environmental protection.



Lintec Indonesia obtained integrated global ISO 14001 certification.

Company Overview

Location: Bogor, West Java, Indonesia
 No. of employees: 344 (as of December 31, 2011)
 Main business activities: manufacture and sale of products relating to printing materials and industrial materials

7 LINTEC INDUSTRIES (MALAYSIA) SDN. BHD.

In November 2011, Lintec Industries (Malaysia) underwent a review to obtain integrated global ISO 14001 certification, which it received in March 2012. Its employees have a high environmental awareness and have undertaken a variety of environmental initiatives (see page 19).



Lintec Industries (Malaysia) obtained integrated global ISO 14001 certification.

Company Overview

Location: Bukit Mertajam, Pulau Pinang, Malaysia
 No. of employees: 93 (as of December 31, 2011)
 Main business activities: manufacture and sale of electronic- and optical-related products

8 LINTEC INDUSTRIES (SARAWAK) SDN. BHD.

Lintec Industries (Sarawak) is aiming to obtain integrated global ISO 14001 certification during fiscal 2012. It has voluntarily practiced reuse of packaging materials and has a growing environmental awareness, including reducing the generation of waste.



Cleanup conducted at the plant every morning

Company Overview

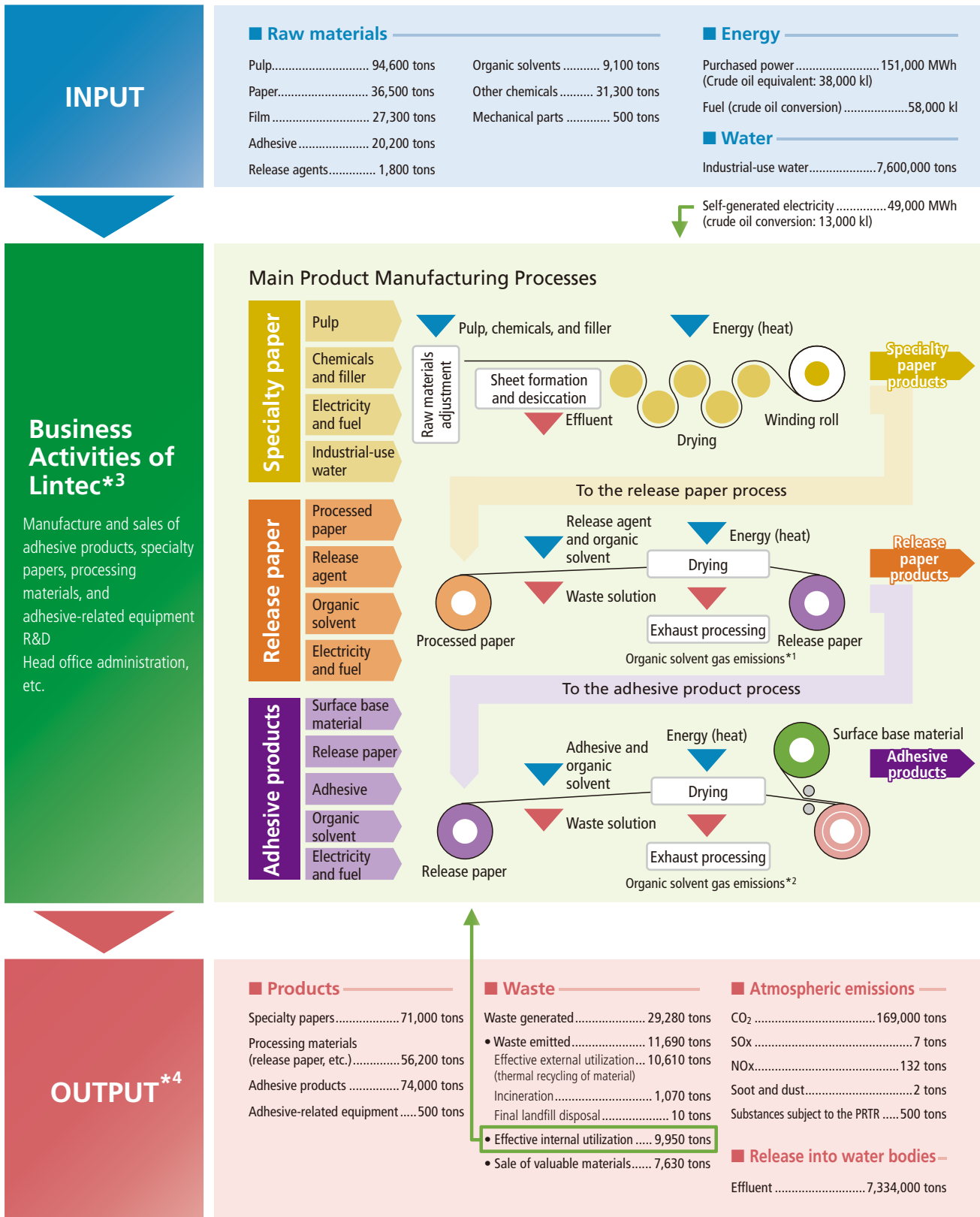
Location: Kuching, Sarawak, Malaysia
 No. of employees: 25 (as of December 31, 2011)
 Main business activities: manufacture and sale of electronic- and optical-related products

Environmental Report

Relationship between Lintec and the Environment

Lintec develops and manufactures various products, including adhesive products, specialty papers, processing materials such as release papers, and adhesive-related equipment. The company is working to improve its manufacturing methods and production efficiency in order to reduce the environmental impact caused by waste, CO₂, toluene, and other PRTR substances, and effluent released into the environment through these business activities.

Fiscal 2011 Material Flow (Japan only)



*1 If solvent-free silicone (release agent) is used, no organic solvent emissions are released.
 *2 If a solvent-free adhesive is used, no organic solvent emissions are released.

*3 "Input" and "Output" figures are calculated including sales offices.
 *4 Inside sales are not included in "Output" figures.

Third-Party Opinion



Hiroyuki Tada
Japan for Sustainability

Chief director of the non-profit organization Japan for Sustainability, visiting professor at Hosei University, professor at the Tohoku University Graduate School of Environmental Studies, and committee member in various government agencies

I read the *Lintec CSR Report 2012* alongside past reports. The reports paint a picture of the company steadily sowing the seeds of CSR activities diligently, one step at a time, and attempting to internalize CSR within its business.

The bottom-up feature of CSR has been sufficiently cleared within the sphere of the head office, thanks to the “sincerity” part of the company motto. Thus, holding briefings for the group outside Japan, which has accounted for 33 percent of whole sales, feels like an on-target effort. Simply sending CSR reports and other documents would not result in permeation of CSR. Conducting the briefings, while considering the unique characteristics of each region, was a very good thing, even in the sense of the head office practicing governance. I also feel it is the right direction to join the UN Global Compact, as the company is now expanding its business worldwide as a global enterprise. This should become a cornerstone for having a common CSR awareness, especially with countries other than Japan.

Regarding corporate governance, the company has established a helpline, but it would be good to disclose how many consultations are received and how the company responds. Communication with suppliers and employees is clearly understood from the Social Report, but the social trend of integrating financial information and non-financial

information is accelerating, and so I think effort is needed in the future to imbed CSR in IR information, as part of communication with shareholders and investors. As for the Environmental Report, the reduction of CO₂ is a pressing issue and I would like to see the company establish and work towards medium- to long-term targets for total emissions. I also felt that I would have liked to have heard from people working on product planning and design about the environmental friendliness of the products.

Just as sustainable growth is essential for companies, modern society must make the conversion to a sustainable society. Companies pursuing and putting into practice what they can toward that end is the real significance of CSR. Contributing in that way is where the other part of the company motto, “creativity,” is essential. The establishment of new relationships with diverse stakeholders and contributions to reducing global environmental impact through technical innovation—those kinds of things are needed to make the leap to more advanced CSR in the future. Please return to the starting point and hold thorough discussions inside the company about what kind of society is a sustainable society. I strongly hope that the company will soar to more essential CSR activities by clearly sharing this kind of social vision.

Response to Third-Party Opinion

The 2012 report is the first one for which we received a third-party opinion. We will take Mr. Tada’s opinions seriously and push ahead with CSR management.

I think that the CSR briefings held in and outside Japan are important opportunities for sharing awareness of the company motto as well as an attitude and motivation toward CSR. There were many calls for holding such meetings routinely, and we will consider holding them continuously in the future.

As Mr. Tada pointed out, we will make an effort to convey our CSR thinking and initiatives even more, when

in communication with shareholders and investors.

Further, addressing environmental issues is essential in pursuing social sustainability. We will state and work toward clear targets and will move ahead with the development of environmentally friendly products, which is proactive CSR conducted through our core business. We will also make an effort to communicate that process.

The Lintec Group will continue practicing CSR activities rooted in our company motto, “Sincerity and Creativity,” to help create a sustainable society.

Akihiko Ouchi
President and CEO

Editor’s postscript

The Highlight Section this year looked at CSR briefings held at group companies outside Japan. We were worried at the beginning how our colleagues in different countries, with different languages, would take the company motto, “Sincerity and Creativity,” and CSR, but the participants all listened with shining eyes. It seems difficult to clearly explain Japanese wholeheartedness and consideration in other languages, but we felt that even if the words are not understood, the feeling gets across. Local people know the local situation best of all, and we will strive to ensure that voluntary CSR activities are carried out in each location in the spirit of the company motto.

CSR Management Office



CSR Report 2012 production project members