

## **SCREEN Holdings Co., Ltd.**

### **Criteria for Independence of Outside Directors and Outside Corporate Auditors**

SCREEN Holdings Co., Ltd. (hereinafter referred to as “The Company”) considers outside directors, outside corporate auditors and candidates for them to be independent when they do not fall into any of the following items as a result of reasonably possible investigation by the Company.

(1) A person who has been a director (excluding an outside director), an corporate auditor (excluding an outside corporate auditor), a corporate officer (hereinafter collectively referred to as the “Executives”) or employees of the SCREEN Group in the past 10 years before being an outside director or an corporate auditor.

(2) A person who is/has been the Executive or an employee of a legal entity that is a major shareholder\* of the Company or a legal entity for which the Company is a major shareholder currently/in any fiscal year of the past five years.

\*A “major shareholder” means a company that is entitled to 10% or more of the total voting rights of the Company.

(3) A person who is the Executive or an employee of major business partners\* of the SCREEN Group

\*A “major business partner” means a customer or a supplier of the SCREEN Group, and whose payments to the SCREEN Group or payments received from the SCREEN Group in the current fiscal year or any of the previous three fiscal years represent more than approximately 2% of the consolidated net sales of either the SCREEN Group or the customer/supplier company (this also includes its parent company)

(4) A person who is/has been the Executive or an employee of a financial institution currently/in the past three years, that is indispensable for the SCREEN Group to raise funds and on that the SCREEN Group depends to the extent that it is irreplaceable.

(5) Be the Executive or an employee of any legal entity or organization that receives a large amount of donations\* from the SCREEN Group.

\*A “large amount of donations” means yearly donations of either in excess of 10 million yen or over 30% of yearly expenses of the recipient entity on average for the past three fiscal years.

(6) Be the Executive of a company which accepted a director or corporate auditor from the SCREEN Group (whether full-time or part-time).

(7) A person who is/has been a representative, an employee, a partner or other staff member of an accounting auditor for the SCREEN Group currently/in any fiscal year of the past three years.

(8) Be an attorney, certified public accountant, consultant or other agent who receives a large amount of monetary consideration\* and/or other property from the SCREEN Group, besides the compensation for directors and corporate auditors.

\*A “large amount of monetary consideration” means a yearly consideration amounting to 10 million yen or more for individuals, and in the case of an organization, a yearly consideration that represents 2% or more of the consolidated net sales of the relevant organization, on average for the past three fiscal years.

(9) Be a spouse, a relative within two degrees of kinship or a relative living together with any of the following individuals;

- The Executive or a core employee\* of the SCREEN Group currently or in any of the past five years
- An individual who is not qualified for outside directors or outside corporate auditors in the above-mentioned items from (2) to (8)

\*A “core employee” means an employee holding the position of senior general manager or higher

(10) A person who has justifiable reason to be interested in the Company besides the above items.

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