

May 8, 2018
SCREEN Holdings Co., Ltd.

Summary of the Results of the Evaluation of the Effectiveness of Board of Directors

SCREEN Holdings Co., Ltd. (hereinafter referred to as “The Company”) has carried out an evaluation of the effectiveness of the board of directors for the fiscal year ended March 31, 2018 towards raising the company value by enhancing the Board’s functionality and effectiveness. The Company hereby discloses the summary of the results of this evaluation.

The Company intends to make necessary initiatives and take actions based on the following analysis and evaluation.

1. Method of Evaluation

The Company distributed questionnaire as well as gave supplementary explanation for its purpose to all Directors and Auditors, and conducted analysis and evaluation based on received responses through the questionnaire.

Content of questionnaire: the effectiveness of the Company’s Board of Directors held in the fiscal year ended March 31, 2018

How to answer: evaluation on a scale of 1 to 5 and open questions / anonymously

2. Summary of the results of analysis and evaluation

(1) As a result of the analysis and evaluation regarding the effectiveness of the Board of Directors, it was confirmed that the Board fulfilled its roles and responsibilities as a whole and functioned with particular effectiveness in relation to the following points.

- The Board fulfills its role and responsibility of oversight over management in that it has an appropriate composition in terms of the number of Directors and Auditors, and the number of independent outside Directors and Auditors, and secures necessary knowledge.
- Outside Directors and Auditors are given an opportunity to exchange views with the Company Executives, and receive up-to-date information from the CEO and other Operating Officers at Board meetings. This enables outside Directors and Auditors to express their opinions freely from different viewpoints and has enhanced the effectiveness of the structure of the Board, of which one-third of the members are outside Directors.

(2) By contrast, in the following aspects, continuous discussion and further improvement shall be carried out by the Board.

- To fulfill its role and responsibility, the Board shall expand discussion to ensure its diversity.
- Efforts shall be made to increase and improve information provided to outside Directors and Auditors, to offer more opportunity for communication so that they can deepen their understanding and make an appropriate decision on items to be discussed, and to ensure that the Board has sufficient time for deliberation.

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