

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

SCREEN Holdings Co., Ltd.

The Board of Directors of SCREEN Holdings Co., Ltd. (hereinafter referred to as "the Company") regularly conducts a self-analysis and evaluation of its effectiveness and publishes a summary of the results. Its goal is to determine how the Board contributes to the effective implementation of corporate governance and to identify issues and make improvements. The Company hereby discloses a summary of the results of the analysis and evaluation of the Board's effectiveness for the fiscal year ended March 31, 2025. The analysis and evaluation were conducted with the advice of a third-party organization, referencing their comparison with other companies.

The Board intends to develop and implement remedies based on the analysis and evaluation results described below to enhance the functioning of the Board and thereby help the Company achieve sustainable growth and increase its corporate value over the medium and long term.

1. Method of evaluation and analysis

- (1) Date conducted: January 31 to March 4, 2025
- (2) Respondents: All directors and corporate auditors (12 people in total, including outside directors and corporate auditors)
- (3) Procedure: Self-evaluation through response to a questionnaire conducted by a third-party organization and individual interviews
 - 1) The third-party organization conducted an anonymous self-evaluation questionnaire and individual interviews.
 - 2) The third-party organization aggregated the questionnaire responses and analyzed the results along with the interview content.
 - 3) The Board examined and discussed a report received from the third-party organization.

(4) Outline of the questionnaire (40 questions)

- 1) Structure of the Board
- 2) Operation of the Board
- 3) Deliberations by the Board
- 4) Monitoring function of the Board
- 5) Performance of inside directors
- 6) Performance of outside directors
- 7) Support systems for directors and corporate auditors
- 8) Training
- 9) Nomination and Compensation Advisory Committee
- 10) Communication with shareholders (investors)
- 11) The individual respondent's efforts
- 12) Overall summary

The respondents answered each question by performing a self-evaluation on a scale of 1 to 5 and filling out an open-ended written comment section about issues such as what is needed to further enhance the effectiveness of the Board. They directly reported their responses and comments to the third-party organization.

2. Evaluation results

The results show that the Board of Directors is generally fulfilling its roles and functions appropriately. Evaluations particularly improved compared with the previous fiscal year with regard to specific deliberations of individual cross-shareholdings; explanations by internal directors of agenda items regarding the key management considerations, the points of potential disagreement, and sharing of related information at an appropriate time leading up to decision making by the Board; and the provision of opportunities for training necessary for directors and corporate auditors.

On the other hand, it was found that room for improvement remains in the areas of deciding and regularly reviewing group-wide business portfolio policy; the creation and oversight of a DX promotion framework; appropriate oversight of human resource strategy; oversight of the establishment and operation of internal control systems; and oversight of latent risks, relevant countermeasures, and crisis management systems.

3. Next steps

To address the five issues identified by the effectiveness evaluation, the Board of Directors will create opportunities, including its regular meetings and off-site meetings, for deeper discussion of the business portfolio, DX, human resource strategy, and other specific topics. In addition, the Board will further step up efforts to reinforce oversight with regard to internal control and risk.

Based on the evaluation results, the Board and relevant internal departments will make improvements with the goal of further enhancing the Board's effectiveness.

NOTE:

Issues identified in the evaluation of the fiscal year ended March 31, 2024, and subsequent actions

1. Deciding and regularly reviewing group-wide future business portfolio policy

The Company revised the business portfolio to be better aligned with the goals outlined in the medium-term management plan, Value Up Further 2026, and reports of these efforts were made at the Board of Directors.

2. Appropriate discussions of approaches to securing diversity in core human resources along with related targets and policies for human resource development and improving internal conditions

Regular reporting to the Board of Directors on human resource initiatives related to work style reform and enhancing engagement was continued, with two such reports made during the fiscal year.

3. Providing opportunities for training necessary for directors and corporate auditors

Meetings of the Board of Directors and tours were held at various business sites on an ongoing basis. In addition to meetings of the Board, the Company provided opportunities for dialogue among the directors and corporate auditors of SCREEN Holdings, the business operating companies, and the functional support companies in an effort to promote information sharing and discussion with executives.