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Whom it may concern

Company Name: Olympus Corporation

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Outline of Evaluation Results on the Effectiveness of the Board of Directors of the Company

The Company conducted self-evaluation of the Board of Directors based on “Basic Policy for Corporate Governance”[※] of the Company and analyzed/evaluated the effectiveness of the Board of Directors. Outline of the results is as follows:

※ “Basic Policy for Corporate Governance”

https://www.olympus.co.jp/company/governance/pdf/basic_policy_for_corporate_governance_jp.pdf

1. **Background of implementation and announcement of the evaluation of the Board of Directors**

With the aim of realizing effective corporate governance, “Basic Policy for Corporate Governance”[※] of the Company was established in June 2015.

With respect to item 4. Obligations of the Board of Directors, etc., ⑬Evaluation of the Board of Directors under the Basic Policy, the Company evaluates the effectiveness of the whole Board of Directors and publishes the outline of the results every year.

The Company has conducting evaluation of the effectiveness, etc. of the Board of Directors and Nominating Committee/Compensation Committee/Compliance Committee centering on directors’ and Audit and Supervisory Board members’ self-evaluation by way of a questionnaire form, and has been sharing issues to improve the effectiveness for enhancement since 2015, and this is the sixth evaluation.

In accordance with “Transform Olympus,” a corporate transformation plan that was implemented to leap forward and become a truly global med-tech company, Olympus changed its organizational design in June 2019 from a Company with Audit and Supervisory Board to a Company with a Nominating Committee, etc., aiming to further separate execution from supervision, make quicker decisions on business execution, strengthen governance and enhance transparency. As the FY2019 evaluation of the Board of Directors’ effectiveness is the first evaluation since the change of the organizational design, we have conducted it with cooperation from an outside consultant to confirm whether we have established an appropriate governance structure as a Company with a Nominating Committee, etc. and produced operational results, and to objectively identify matters to be improved, etc. that can enhance

the effectiveness of the Board of Directors and each Committee (i.e., Nominating Committee, Compensation Committee, and Audit Committee).

2. Evaluation method

The evaluation was conducted by questionnaires and interviews with 15 directors, and the Board of Directors discussed based on the analysis results.

The questionnaire was conducted based on the knowledge of external consultants in order to understand whether or not the directors and committees are aware of the issues regarding the composition, operation, and agenda of the committees.

The interview was also conducted by an external consultant with the purpose of objectively grasping the direction for further improving the effectiveness based on the results of the questionnaire. After that, the Board of Directors discussed measures to improve the effectiveness of the Board of Directors, based on the analysis results compiled by the external consultant.

3. Outline of analysis and evaluation results

As a result of our analyses and evaluations, we have confirmed that the Board of Directors of Olympus shares an awareness of sustainable growth and mid- to long-term corporate value enhancement while Directors understand the corporate philosophy and management strategies and hold in-depth and constructive discussions based on a relationship of mutual trust created with the Execution side in a tense atmosphere, and that as an achievement of the governance reform, Olympus has firmly implemented a structure where 50% or more of the Directors are Outside Directors, one of whom serves as the Chair, and the Board of Directors effectively fulfills its management supervision functions. Our evaluations also show that since the transition to a Company with a Nominating Committee, etc., a new governance structure has been appropriately constructed and operated with cooperation from outside professionals whenever necessary (e.g., the Committees have fulfilled their respective job responsibilities relating to nomination, compensation and auditing). In addition, we have confirmed that efforts have been made to enhance the Board of Directors' functions through various operational measures and improvement activities, regardless of whether they are related to board operations (e.g., as feedback (opinions) given by Outside Directors, the Board Chair effectively notifies the Execution Side of the results of discussions at meetings held among Outside Directors only). In summary, although there are still some issues that the Board of Directors and each Committee must solve to further enhance their effectiveness, they are considered to be effectively functioning to help Olympus steadily grow, leap forward and become a truly global med-tech company.

4. Future initiatives based on the evaluation result of the effectiveness of the Board of Directors

To help Olympus leap forward and become a truly global med-tech company and to further contribute to sustainable growth and mid- and long-term corporate value enhancement, the Board of Directors and each Committee of Olympus will implement the following measures.

- I. Aim to improve management performance even more in terms of quality and speed by having the Execution Side better understand the viewpoints of the Supervisory Side and gain management viewpoints (e.g., clarification of the respective job responsibilities of the Execution Side and the Supervisory Side, improvement of the quality of strategic discussions at the Board of Directors meetings, and increased opportunities for the Executive Officers to directly listen to Directors' opinions).
- II. Board composition: To consider business strategies from multiple perspectives more than ever before, the Nominating Committee and the Board of Directors will continuously consider ensuring not only global diversity but also gender diversity. It enables us to identify necessary experience and expertise in consideration of factors such as the business characteristics and management strategies of us, to hold more in-depth discussions at meetings.
- III. Continuously devising new ways of conducting operations to enable the Board of Directors and each Committee to make the best strategic and operational decisions in business areas for which they bear long-term responsibilities (e.g., monitoring of strategically important issues, and enhancement of global risk management as a prerequisite for an effective supervisory structure).

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