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Securities Code 7735
June 4, 2021

To Those Shareholders with Voting Rights

Toshio Hiroe
Representative Director
President
Member of the Board
Chief Executive Officer
SCREEN Holdings Co., Ltd.
Tenjinkita-machi 1-1, Teranouchi-agaru
4-chome, Horikawa-dori, Kamigyo-ku,
Kyoto, Japan

NOTICE OF THE 80th ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially notified of the 80th Ordinary General Meeting of Shareholders of the Company. The Meeting will be held as described below.

In order to prevent the spread of COVID-19 infection, we request that you refrain from attending the General Meeting of Shareholders and instead exercise your voting rights in writing or through electromagnetic devices (Internet, etc.) by 5:00 p.m. (JST) on June 23, 2021 (Wednesday).

1. **Date and Time:** Thursday, June 24, 2021 at 10:00 a.m. (JST)
2. **Place:** 5th Floor of the Head Office Building, SCREEN Holdings Co., Ltd.
Tenjinkita-machi 1-1, Teranouchi-agaru 4-chome, Horikawa-dori,
Kamigyo-ku, Kyoto, Japan

3. Agenda of the Meeting:

- Matters to be reported:** (1) The Business Report, the Consolidated Financial Statements, and results of each audit of the Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors for the 80th fiscal term (from April 1, 2020 to March 31, 2021)
- (2) The Non-consolidated Financial Statements for the 80th fiscal term (from April 1, 2020 to March 31, 2021)

Proposals to be resolved:

- Proposal No. 1:** Appropriation of Surplus
- Proposal No. 2:** Election of Eight Directors
- Proposal No. 3:** Revision of Amount and Details of Share Compensation, etc., for Directors

Notes:

1. Of the documents to be included in this Notice of Convocation, the “Consolidated Statements of Changes in Shareholders’ Equity” and “Notes to the Consolidated Financial Statements” of the Consolidated Financial Statements and the “Statements of Changes in Shareholders’ Equity” and “Notes to the Non-consolidated Financial Statements” of the Non-consolidated Financial Statements are posted on the Company’s website (www.screen.co.jp/) in accordance with laws and regulations and Article 16 of the Articles of Incorporation of the Company, and are not included in the attached documents of this Notice of Convocation. The Consolidated Statements of Changes in Shareholders’ Equity, the Notes to the Consolidated Financial Statements, the Statements of Changes in Shareholders’ Equity and the Notes to the Non-consolidated Financial Statements are a subset of the Consolidated Financial Statements and the Non-consolidated Financial Statements audited by the Accounting Auditor and Corporate Auditors during preparation of the Audit Reports.
2. In the event that the Business Report, the Consolidated Financial Statements, the Non-consolidated Financial Statements and the Reference Documents for the General Meeting of Shareholders are modified, the Company will post such modification on its website (www.screen.co.jp/).
3. For those attending, please hand in the enclosed Voting Rights Exercise Form at the reception desk on arrival at the Meeting.

*Live streaming of this General Meeting of Shareholders on the Internet will be available.

Live streaming is for viewing the General Meeting of Shareholders, which does not constitute attendance under the Companies Act, and therefore you cannot exercise your voting rights or ask questions via live streaming. You are requested to exercise your voting rights in writing or via the Internet, etc. in advance.

Management Conditions Briefing Session

The Management Conditions Briefing Session will be held at the same venue after the General Meeting of Shareholders.

Live streaming of the Management Conditions Briefing Session will also be available.

Guidance on Exercise of Voting Rights

Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by the following methods.

In order to prevent the COVID-19 infection, we request that you refrain from attending the meeting in person and instead exercise your voting rights in writing or via the Internet, etc.

Shareholders Who Are Exercising Their Voting Rights in Writing or via the Internet, etc.

Exercise of Voting Rights in Writing (Postal Mail)

Please indicate your vote for or against each of the proposals on the enclosed Voting Rights Exercise Form and return it so that it is received by the following deadline.

Deadline for Exercise of Voting Rights: 5:00 p.m. on Wednesday, June 23, 2021

Exercise of Voting Rights via the Internet, etc.

Please use your smartphone or PC and exercise your voting rights using either of the methods described below.

1) Scan the QR Code

You can exercise your voting rights by scanning the “Voting Rights Exercise Website Login QR Code for Smartphones” stated on the enclosed Voting Rights Exercise Form. This does not require the use of the “Voting Rights Exercise Code” or “Password.”

Deadline for Exercise of Voting Rights: 5:00 p.m. on Wednesday, June 23, 2021

*QR Code is a registered trademark of DENSO WAVE INCORPORATED.

2) Enter the ID and Password

Please access the Company’s designated website for exercise of voting rights (www.web54.net), use the “Voting Rights Exercise Code” and “Password” stated on the enclosed Voting Rights Exercise Form, and follow the instructions on the screen to indicate your vote for or against the proposals.

Deadline for Exercise of Voting Rights: 5:00 p.m. on Wednesday, June 23, 2021

(Note) If you wish to change your vote after exercising your voting rights, you will need to scan the QR code again and enter the “Voting Rights Exercise Code” and “Password” stated on the Voting Rights Exercise Form.

(Note) Internet service provider and telecommunications carrier fees (connection fees, etc.) when using the Internet shall be borne by the shareholder.

Shareholders Who Are Attending the Meeting

Please submit the enclosed Voting Rights Exercise Form at the reception.

Date and Time: 10:00 a.m. on Thursday, June 24, 2021

Handling the Exercise of Voting Rights

- If your voting rights are exercised in duplicate in writing (postal mail) and via the Internet, etc., the vote exercised via the Internet, etc. shall be the vote deemed valid.
- If you exercise your voting rights multiple times via the Internet, or exercise your voting rights in duplicate using a personal computer and smartphone, only the last vote exercised shall be deemed valid.

Inquiries Concerning the Operation Procedures of Personal Computers, etc.

Sumitomo Mitsui Trust Bank Stock Transfer Agency web support (exclusive number)

Toll Free Number: 0120-652-031 (9:00 a.m. to 9:00 p.m. (JST))

For Institutional Investors

Institutional investors may also exercise voting rights through electromagnetic means using the “Electronic Voting Rights Exercise Platform” operated by ICJ, Inc. for this Ordinary General Meeting of Shareholders.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal No. 1: Appropriation of Surplus

The SCREEN Group works to secure the retained earnings necessary for growth investment and the sound maintenance of a financial base able to respond to future changes in the business environment. Considering this aim and other factors, the SCREEN Group's basic policy is to provide a total consolidated shareholder return ratio of 25% or above.

Based on the policy above, it is proposed that year-end dividends for the 80th fiscal term be distributed as follows:

- (1) Matters concerning the distribution of dividend property to shareholders and its aggregate amount
90 yen per share of common stock of the Company, or 4,208,005,440 yen in an aggregate amount
- (2) Date on which the dividend of surplus becomes effective
June 25, 2021

Proposal No. 2: Election of Eight Directors

The terms of office of eight Directors, namely Messrs. Eiji Kakiuchi, Toshio Hiroe, Soichi Nadahara, Yoichi Kondo, Kimito Ando, Shigeru Saito, Makoto Yoda, and Hidemi Takasu will expire at the close of this Meeting. Accordingly, the Company proposes election of eight Directors.

The nominees for Directors are as follows:

No.	Name	Position and responsibility in the Company	Attendance at Meetings of the Board of Directors
1	Eiji Kakiuchi <u>Reelection</u>	Representative Director Chairman Member of the Board	100% (12/12 meetings)
2	Toshio Hiroe <u>Reelection</u>	Representative Director President Member of the Board Chief Executive Officer	100% (12/12 meetings)
3	Yoichi Kondo <u>Reelection</u>	Senior Managing Director Member of the Board Chief Financial Officer Chief Officer of IR & PR	100% (12/12 meetings)
4	Kimito Ando <u>Reelection</u>	Managing Director Member of the Board General Affairs & Human Chief Officer of Resources Strategy Chief Officer of Tokyo Representative	100% (12/12 meetings)
5	Shigeru Saito <u>Reelection</u> <u>Outside</u> <u>Independent</u>	Director Member of the Board	100% (12/12 meetings)
6	Makoto Yoda <u>Reelection</u> <u>Outside</u> <u>Independent</u>	Director Member of the Board	100% (12/12 meetings)
7	Hidemi Takasu <u>Reelection</u> <u>Outside</u> <u>Independent</u>	Director Member of the Board	100% (12/12 meetings)
8	Hiroko Okudaira <u>New candidate</u> <u>Outside</u> <u>Independent</u>	-	-

No. 1	Eiji Kakiuchi	■ Profile, position and responsibility in the Company	
	<div> <div>Reelection</div> <div>Date of Birth</div> <div>April 3, 1954</div> <div>Number of shares of the Company held</div> <div>24,976</div> </div>	<div> <div>April 1981</div> <div>April 2005</div> <div>April 2006</div> <div>April 2007</div> <div>April 2011</div> <div>June 2011</div> <div>April 2014</div> <div>April 2016</div> <div>June 2019-present:</div> </div>	<div> <div>Joined the Company</div> <div>Corporate Officer</div> <div>Corporate Officer (Senior)</div> <div>Corporate Executive Officer</div> <div>Chief Officer of IR, Security Export Control, GPS and Group G10</div> <div>Director</div> <div>Representative Director</div> <div>President</div> <div>Chief Executive Officer (CEO)</div> <div>Representative Director, Chairman, Member of the Board</div> </div>
		■ Reasons for selection as a candidate for Director Mr. Eiji Kakiuchi is currently Chairman and Member of the Board, and has a wealth of management experience and wide insights in domestic and overseas business divisions of the Company, and the Company has judged that he can fulfill his responsibilities and duties as Director to improve corporate value of the Company, and requests his continued election as Director.	
No. 2	Toshio Hiroe	■ Profile, position and responsibility in the Company	
	<div> <div>Reelection</div> <div>Date of Birth</div> <div>May 5, 1959</div> <div>Number of shares of the Company held</div> <div>13,367</div> </div>	<div> <div>April 1983</div> <div>April 2006</div> <div>April 2007</div> <div>October 2009</div> <div>April 2011</div> <div>April 2014</div> <div>August 2014</div> <div>April 2019</div> <div>June 2019-present:</div> </div>	<div> <div>Joined the Company</div> <div>Vice President, Semiconductor Equipment Company</div> <div>Corporate Officer</div> <div>Deputy General Manager, R&D Center</div> <div>Corporate Officer (Senior)</div> <div>President, FPD Equipment Company</div> <div>President, SCREEN Finetech Solutions Co., Ltd.</div> <div>Chairman, SCREEN Finetech Solutions Co., Ltd.</div> <div>Representative Director, President, Member of the Board, the Company</div> <div>Chief Executive Officer (CEO)</div> </div>
		■ Significant concurrent positions Director, SCREEN Semiconductor Solutions Co., Ltd. Director, SCREEN Graphic Solutions Co., Ltd. Director, SCREEN Finetech Solutions Co., Ltd. Director, SCREEN PE Solutions Co., Ltd. Director, SCREEN Advanced System Solutions Co., Ltd. Director, SCREEN IP Solutions Co., Ltd.	
		■ Reasons for selection as a candidate for Director Mr. Toshio Hiroe is currently President and Member of the Board, and has a wealth of experience and wide insights in domestic and overseas business and technology divisions, and the Company has judged that he can fulfill his responsibilities and duties as Director to further improve corporate value of the Company, and requests his continued election as Director.	

No. 3	Yoichi Kondo	■ Profile, position and responsibility in the Company	
		April 1982	Joined The Bank of Tokyo, Limited (Currently MUFG Bank, Ltd.)
	Reelection	June 2010	Corporate Officer, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Currently MUFG Bank, Ltd.)
	Date of Birth	June 2013	Joined the Company
	September 25, 1958		Corporate Officer (Senior)
	Number of shares of the Company held 4,954	April 2014	General Manager, General Administration Division
		June 2014	Managing Director, Member of the Board
		June 2014-present:	Chief Financial Officer (CFO)
		April 2021-present:	Senior Managing Director, Member of the Board Chief Officer of IR & PR
		■ Significant concurrent positions	
		Director, SCREEN Semiconductor Solutions Co., Ltd.	
		■ Reasons for selection as a candidate for Director	
		Mr. Yoichi Kondo is currently Senior Managing Director and Member of the Board, and has a wealth of experience in domestic and overseas areas and expertise regarding finance and accounting, and the Company has judged that he can fulfill his responsibilities and duties as Director of the Company, and requests his continued election as Director.	
No. 4	Kimito Ando	■ Profile, position and responsibility in the Company	
		April 1981	Joined the Company
	Reelection	April 2006	President, Human Resources Company
	Date of Birth	April 2011	Corporate Officer
	December 25, 1958	April 2014	Corporate Officer (Senior)
	Number of shares of the Company held 6,541	August 2014	Director, SCREEN Semiconductor Solutions Co., Ltd.
		April 2016	Corporate Executive Officer, SCREEN Semiconductor Solutions Co., Ltd.
		June 2017	Director of the Company
		June 2017-present:	Chief Officer of General Affairs & HR Strategy Chief Officer of Tokyo Representative
		June 2019-present:	Managing Director Member of the Board
		■ Reasons for selection as a candidate for Director	
		Mr. Kimito Ando is currently Managing Director and Member of the Board, and has a variety of experience and wide insights in the Company's businesses and its General Administration Division. As he has made significant contributions to the development of the Company's businesses and its General Administration Division, the Company has judged that he can fulfill his responsibilities and duties as Director, and requests his continued election as Director.	

No.
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Shigeru Saito

■ Profile, position and responsibility in the Company

Reelection	November 1979	Joined TOSE CO., LTD.
Outside		Head of Development Division, TOSE CO., LTD.
Independent	October 1985	Director, TOSE CO., LTD.
Date of Birth	February 1987	President, TOSE CO., LTD.
	September 2004	President and CEO, TOSE CO., LTD.
	June 2013-present:	Director of the Company
		Member of the Board
Number of shares of the Company held	December 2015-present:	Chairman and CEO, TOSE CO., LTD.
	June 2017-present:	Outside Director, Wacoal Holdings Corp.

1,539

■ Significant concurrent positions

Chairman and CEO, TOSE CO., LTD.
Outside Director, Wacoal Holdings Corp.

■ Reasons for selection as a candidate for Outside Director and overview of the expected role

Mr. Shigeru Saito is currently Outside Director and Member of the Board, and serves as Chairman and CEO at another company. Based on his profuse knowledge and many years of management experience, the Board of Directors has received useful proposals from various perspectives such as software development. It is expected that he will continue to contribute to strengthening of the management supervision function and give advice from a wide range of management perspectives. Therefore, the Company requests his continued election as Outside Director.

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Makoto Yoda

■ Profile, position and responsibility in the Company

Reelection	March 1972	Joined Japan Storage Battery Co., Ltd.
Outside		(Currently GS Yuasa International Ltd.)
Independent	June 2004	President, GS Yuasa Power Supply Co., Ltd.
Date of Birth		(Currently GS Yuasa International Ltd.)
	June 2006	President, GS Yuasa Corporation
	October 2007	Chief Executive Officer (CEO), GS Yuasa Corporation
	May 2013	Chairman, BATTERY ASSOCIATION OF JAPAN
Number of shares of the Company held	June 2015	Chairman, GS Yuasa Corporation
		Chairman, GS Yuasa International Ltd.
	May 2016	Chairman, Kyoto Industrial Association, Inc.
	June 2017	Advisor, GS Yuasa Corporation
	June 2018-present:	Director of the Company
		Member of the Board

1,100

■ Reasons for selection as a candidate for Outside Director and overview of the expected role

Mr. Makoto Yoda is currently Outside Director and Member of the Board. He has a wealth of knowledge as a manager for many years. This includes overseas sales at other companies and management experience at subsidiaries in China. Moreover, he also gained a wide range of experience as a director of other companies and as the chairman of the BATTERY ASSOCIATION OF JAPAN. The Board of Directors has received useful proposals from various perspectives. It is expected that he will continue to contribute to strengthening of the management supervision function and give advice from a wide range of management perspectives. Therefore, the Company requests his continued election as Outside Director.

Hidemi Takasu ■ Profile, position and responsibility in the Company

Reelection	March 1971	Joined Toyo Electronics Industry Corporation (Currently ROHM Co., Ltd.)
Outside	June 1997	Director and Deputy General Manager, ULSI Research & Development Headquarters, ROHM Co., Ltd.
Independent	June 2009	Managing Director and General Manager, LSI General Headquarters, in charge of Research & Development Headquarters, ROHM Co., Ltd.
Date of Birth	January 5, 1948	
Number of shares of the Company held	October 2009	Managing Director and General Manager, Research & Development Headquarters, ROHM Co., Ltd.
1,200	May 2013	Managing Director in charge of Quality and General Manager, Research & Development Headquarters, ROHM Co., Ltd.
	July 2013	Managing Director in charge of Business Creation and Quality, ROHM Co., Ltd.
	August 2017	Advisor, Samco Inc.
	October 2018	Substitute Corporate Auditor, Samco Inc.
	June 2019-present:	Director of the Company Member of the Board
	October 2020-present:	Outside Director, Samco Inc.

■ Significant concurrent position

Outside Director, Samco Inc.

■ Reasons for selection as a candidate for Outside Director and overview of the expected role

Mr. Hidemi Takasu is currently Outside Director and Member of the Board. In addition to having profuse management experience and expertise as a director in charge of technology development of semiconductor devices at other companies, he has profound relationships with universities in Japan and overseas, and the Board of Directors has received useful proposals from various perspectives. It is expected that he will continue to contribute to strengthening of the management supervision function and give advice from a wide range of technological development perspectives. Therefore, the Company requests his continued election as Outside Director.

No.
8

Hiroko Okudaira

New candidate
Outside
Independent

Date of Birth

July 18, 1980

Number of shares of the Company held

100

■ Profile, position and responsibility in the Company

March 2009	Completed Doctoral Program, Graduate School of Economics, Osaka University
April 2009	Associate Professor, Graduate School of Humanities and Social Sciences, Okayama University
January 2015	Senior Research Associate at University College London as a JSPS Fellow
April 2018-present:	Associate Professor, Doshisha Business School, Doshisha University

■ Significant concurrent position

Associate Professor, Doshisha Business School, Doshisha University

■ Reasons for selection as a candidate for Outside Director and overview of the expected role

As Associate Professor ((labor economics, applied microeconometrics, etc.) of Doshisha Business School, Doshisha University, Ms. Hiroko Okudaira has a wealth of knowledge and has outstanding research achievements on wide-ranging themes concerning the social structure, such as empowerment of women and work-style reforms including work from home. Although she has no experience of involvement in corporate management, it is expected that she will contribute to strengthening of the management supervision function by expressing opinions contributing to management from an objective perspective based on her wealth of knowledge, including practical empirical research of companies conducted in academia. Therefore, the Company requests her election as Outside Director.

Notes:

1. Of Director nominees, Messrs. Shigeru Saito, Makoto Yoda and Hidemi Takasu and Ms. Hiroko Okudaira are nominated as Outside Director. The Company has reported Messrs. Shigeru Saito, Makoto Yoda and Hidemi Takasu to Tokyo Stock Exchange, Inc. as an independent director/auditor. They will continuously serve as independent director/auditor if they are elected as proposed. Additionally, if Ms. Hiroko Okudaira is elected as proposed, the Company intends that she will also serve as an independent director/auditor.
2. There is no special interest between the Director nominees and the Company.
3. The number of years for which the Outside Director nominees have served as Director of the Company
 - (1) Mr. Shigeru Saito will have served as Director of the Company for eight years at the close of this Meeting.
 - (2) Mr. Makoto Yoda will have served as Director of the Company for three years at the close of this Meeting.
 - (3) Mr. Hidemi Takasu will have served as Director of the Company for two years at the close of this Meeting.
4. Limitation of Liability Agreement with Outside Directors
The Company has concluded a Limitation of Liability Agreement with Messrs. Shigeru Saito, Makoto Yoda and Hidemi Takasu to limit their liability as prescribed in the provision of Article 423, Paragraph 1 of the Companies Act pursuant to Article 427, Paragraph 1 of the Companies Act. Under the agreement, their liability for damages shall be limited within the amount prescribed by laws and regulations. If Messrs. Shigeru Saito, Makoto Yoda and Hidemi Takasu are elected as proposed, the agreement will be renewed. Additionally, if Ms. Hiroko Okudaira is elected as proposed, the Company intends to enter into a similar agreement to limit her liability for damages.
5. The Company has concluded a directors and officers liability insurance contract with an insurance company. The said insurance contract covers damages including compensation for damages and litigation expenses to be borne by the insured. The Director nominees will be the insured under the said insurance contract. The Company intends to renew the said insurance contract with the same contents at the time of the next renewal.
6. The name of Ms. Hiroko Okudaira in the domiciliary register is Hiroko Kimura.

Proposal No. 3: Revision of Amount and Details of Share Compensation, etc., for Directors

1. Reason for proposal and reason why the Company believes that the compensation system under the proposal is appropriate

At the 76th Ordinary General Meeting of Shareholders held on June 27, 2017, the introduction of a performance-linked share compensation system (hereinafter the “System”) for Directors (excluding Outside Directors) was approved as a system covering every three-year period. The System has been effective to date. In line with the extension of the period covered by the Medium-term Management Plan “Value Up 2023” from the usual three years to four years, the Company proposes revising the System as described below and continuing the System.

The purpose of the System is to tighten the link between compensation paid to recipients and corporate performance, including the share value, of the Company and its subsidiaries. The System is designed to ensure that recipients share both the benefits and risks of fluctuations in share price with regular shareholders, thereby sharpening their motivation to improve corporate performance and value over the medium to long term. Therefore, the Company believes that the System is appropriate.

Compensation under the System will be paid to Directors (excluding Outside Directors; hereinafter the same applies.) separate from the compensation limits (within the range of 480 million yen annually) approved at the 64th Ordinary General Meeting of Shareholders held on June 28, 2005. Additionally, if Proposal No. 2 “Election of Eight Directors” is approved in its original form, the number of Directors subject to the System will be four persons.

Further, a performance-linked share compensation system similar to the System has already been introduced for Directors of the Company’s subsidiaries and for Corporate Officers of the Company and its subsidiaries, and if this proposal is approved in its original form, similar revisions will be made to the system and it will be continued.

2. Amounts and details of compensation, etc. under the System

(1) Outline of the System

The System is a share compensation system where a trust, which the Company established by contributing funds (hereinafter the “Trust”), will acquire the Company’s shares, and Directors will be granted the shares based on the points granted to each Director by the Company.

In principle, the shares will be granted to Directors at the time of their retirement.

1) Persons eligible for the System	Directors of the Company (excluding Outside Directors)
2) Applicable period	From the fiscal year ended March 31, 2021 to the fiscal year ending March 31, 2024
3) Upper limit of funds contributed by the Company during the applicable period in 2) above to acquire shares of the Company necessary for granting shares to eligible persons in 1) above	Total 1,000 million yen
4) Method for acquiring shares of the Company	By means of disposal of treasury stock or purchasing at the stock exchange (including after-hours trading)
5) Maximum total number of points to be granted to eligible persons in 1) above	25,000 points per fiscal year
6) Criteria for granting of points	Points will be granted according to position and the degree of achievement of the performance target etc.
7) Timing of granting of shares of the Company to the eligible persons in 1) above	At the time of retirement, in principle

(2) Upper limit of funds contributed by the Company

The Company will extend the trust period of the Trust and entrust additional funds to acquire shares of the Company necessary for granting shares to Directors under the System as compensation for Directors

who are in office during the four fiscal years from the fiscal year ended March 31, 2021 to the fiscal year ending March 31, 2024 (hereinafter the “Applicable Period”). The upper limit of funds to be contributed by the Company will be a total of 1,000 million yen for the Applicable Period, taking into consideration the purpose of the System and the number of fiscal years of the Applicable Period. The Trust will acquire shares of the Company using funds additionally entrusted by the Company and the funds remaining in the Trust by means of disposal of treasury stock or purchasing in the stock market (including after-hours trading). Directors will receive shares of the Company from the Trust as beneficiaries of the Trust as described in (3) 2) and 3).

(Note) The actual funds entrusted by the Company to the Trust will be the total of the amount necessary for acquiring shares of the Company for granting shares to Directors of the Company described above, as well as trust fees and an estimate of necessary expenses such as compensation for a trust administrator, etc. Moreover, if the compensation system for Directors of the Company’s subsidiaries, which is similar to the System, is continued, the Company will additionally entrust the funds necessary for acquiring shares of the Company for granting shares to Directors of the Company’s subsidiaries.

By the decision of the Company’s Board of Directors, the System may be continued. To continue the System, the Applicable Period will be further extended, by specifying a period, which will range from three fiscal years to five fiscal years, for every extension, and in line with the extension, the trust period of the Trust will further extended (including extension of the trust period by transferring the assets entrusted to the Trust to a trust to be established by the Company whose purpose is the same as that of the Trust; hereinafter the same applies.). In such case, during the extended period of the Applicable Period, as additional funds to acquire shares of the Company necessary for granting shares to Directors under the System, the Company will make an additional contribution of funds whose maximum amount is the amount calculated by multiplying the number of extended fiscal years of the Applicable Period by 250 million yen and will continue granting of points and granting of shares of the Company as described in (3) below.

Even if the Applicable Period is not extended and the System is not continued, if there are any Directors to whom points have been granted but who have not retired yet upon expiration of the trust period, the trust period of the Trust may be extended until the said Directors will retire and granting of shares of the Company to them will be completed.

(3) Method of calculation for number of the Company’s shares to be granted to Directors

1) Method of granting points to Directors and maximum amount of points to be granted

Based on the in-house rules on the grant of shares formulated by the Board of Directors, points will be granted to each Director according to position and the degree of achievement of performance targets, etc. on the day determined by the rules during the Trust Period.

However, the maximum total number of points to be granted to Directors by the Company will be 25,000 points for each fiscal year.

2) Granting of shares of the Company based on the number of granted points

Directors will receive shares of the Company according to the number of points granted as described in 1) above by following the procedure described in 3) below.

One share of the Company will be granted for each point. However, concerning shares of the Company, in the case that an event occurs such that it is deemed reasonable to adjust the number of shares of the Company to be granted for each point, such as share split or reverse share split, a reasonable adjustment shall be made in response to the relevant ratio of share split or reverse share split.

3) Granting of shares of the Company to Directors

In principle, upon retirement from office, each Director will gain the beneficiary right of the Trust after completing a given beneficiary confirmation procedure and receive shares of the Company from the Trust as described in 2) above as a beneficiary of the Trust. However, a certain proportion of such shares may be granted in the form of cash in place of shares of the Company after such shares are sold and converted into cash by the Trust. Further, in the event that the shares of the

Company held in the Trust are converted to cash, such as in cases where settlement is made for the tender offer accepted for the shares of the Company held in the Trust, cash may be granted in place of shares of the Company.

(4) Non-exercise of voting rights

In accordance with instructions from the trust administrator, which is independent of the Company or any officer of the Company, voting rights associated with the shares of the Company held in the Trust shall not be exercised at all, in order to ensure neutrality towards the management of the Company with respect to the exercise of the voting rights associated with the shares of the Company held in the Trust.

(5) Handling of dividends

Dividends of the shares of the Company held in the Trust shall be received by the Trust to be used to acquire shares of the Company and for trust fees to be paid to the trustee with respect to the Trust.

[Reference] Policies and Procedures Regarding the Nomination of Director and Corporate Auditor Candidates

Regarding the nomination of candidates for Director and Corporate Auditor positions, candidates are selected in accordance with SCREEN Holdings' "Criteria for Appointing Candidates for Directors and Corporate Auditors" and approved by the Board of Directors after seeking the advice of the Nomination and Compensation Advisory Committee, which is comprised of Outside Directors and the Chairman of the Board of Directors (with the Outside Directors accounting for the majority of its members). Criteria for appointing candidates for Directors and Corporate Auditors are as follows respectively.

<Criteria for Appointing Candidates for Directors>

1. Candidates must be equipped with sufficient business experience and robust expertise in the area of their specialty and be capable of living up to stakeholder expectations and contributing to medium- to long-term growth in the SCREEN Group's corporate value.
2. Candidates must be capable of making fair judgment based on a neutral viewpoint without sectional partiality and be equipped with risk management abilities.
3. Candidates must be able to secure sufficient time and resources to appropriately fulfill their roles and responsibilities as directors.
4. Candidates must be knowledgeable individuals with integrity and high moral bearing.
5. Candidates must not fulfill any of the conditions disqualifying directors under Article 331-1 of the Companies Act.
6. Candidates for outside director positions must fulfill SCREEN Holding's "Criteria for Independence of Outside Directors and Outside Corporate Auditors."
7. Candidate selection must be undertaken with the intention of securing diversity in experience and specialty, thereby maximizing the Board of Directors' functional efficiency and effectiveness and maintaining a balanced composition that helps SCREEN Holdings exercise management oversight covering all business units.

<Criteria for Appointing Candidates for Corporate Auditors>

1. Candidates must be equipped with abundant auditing experience and capable of conducting audits from a neutral and objective viewpoint without sectional partiality.
2. Candidates must be independent from those charged with business execution and well-positioned to maintain fair and impartial standing.
3. Candidates must be able to secure sufficient time and resources to appropriately fulfill their roles and responsibilities during their term of office.
4. Candidates must be knowledgeable individuals with integrity and high moral bearing.
5. Candidates must not fulfill any of the conditions disqualifying directors under Article 331-1 of the Companies Act, which also apply to corporate auditors in accordance with Article 335-1 of said Act.
6. Candidates for outside corporate auditor positions must fulfill SCREEN Holding's "Criteria for Independence of Outside Directors and Outside Corporate Auditors."
7. Candidates selection must be undertaken with the intention of securing a balanced composition in terms of knowledge, experience and specialties. In addition, at least one corporate auditor must be equipped with considerable expertise in finance and accounting.

(Note) The above is an excerpt of policies and procedure regarding the nomination of Director and Corporate Auditor candidates from "Corporate Governance Report (updated on November 16, 2020)" that is posted on the Company's website.