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Securities Code: 7735  
June 2, 2025

## To Shareholders with Voting Rights

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

## Notice of the 84th Ordinary General Meeting of Shareholders

You are cordially notified of the 84th Ordinary General Meeting of Shareholders of the Company. The Meeting will be held as described below.

If you are not attending the General Meeting of Shareholders, you may exercise your voting rights in writing or electronically. Please see the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:00 p.m. (JST) on Thursday, June 19, 2025.

- 1. Date and Time:** Friday, June 20, 2025 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 audit of the Consolidated Financial Statements by the accounting auditor and the Board of Corporate Auditors for the 84th fiscal term (from April 1, 2024 to March 31, 2025)
    - (2) The Non-consolidated Financial Statements for the 84th fiscal term (from April 1, 2024 to March 31, 2025)
  - Proposals to be resolved**
    - Proposal No. 1:** Appropriation of surplus
    - Proposal No. 2:** Election of eight directors
    - Proposal No. 3:** Partial amendment to the performance-linked share compensation system

## **Notes on the electronic provision of documents**

### **1. Electronic provision of documents for general meetings of shareholders**

For the convening of this General Meeting of Shareholders, information in the documents prepared for the event has been made electronically available and is posted as “Notice of the 84th Ordinary General Meeting of Shareholders” on the websites indicated below. Please access either website to find the information.

The Company’s website

<https://www.screen.co.jp/en/ir/shareholder-meetinginfo>

Tokyo Stock Exchange website (TSE Listed Company Search)\*

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

\* On the TSE website, enter “SCREEN” in the “Issue name (company name)” field or the Company’s securities code, “7735,” in the “Code” field and click “Search.” Select “Basic information” and then “Documents for public inspection/PR information.”

### **2. Non-inclusion of certain matters in the paper copy delivered to shareholders**

The paper copies of the documents sent to shareholders upon request do not include the matters listed below in accordance with relevant laws and regulations and Article 16 of the Articles of Incorporation of the Company.

- 1) “Accounting auditor” and “Systems for ensuring the properness of operations” in the Business Report
- 2) “Consolidated statements of changes in shareholders’ equity” and “Notes to the consolidated financial statements” of the Consolidated Financial Statements
- 3) “Balance sheets,” “Statements of income,” “Statements of shareholders’ equity” and “Notes to the non-consolidated financial statements” of the Non-consolidated Financial Statements
- 4) “Audit report by the accounting auditor” of the Audit Report

Notes: 1. 1) above is included in the Business Report audited by corporate auditors during preparation of the Audit Report.  
2. 2) and 3) above are included in the Consolidated Financial Statements and the Non-consolidated Financial Statements audited by the accounting auditor and corporate auditors during preparation of the Audit Report.  
3. 2), 3), and 4) above are included in the digitally provided Japanese language materials only.

### **3. In the event of modifications to the electronically provided documents**

In the event that the documents provided electronically are modified, the Company will provide notice of such fact and post such modification on the Company’s website and the TSE website indicated above.

## **Guidance for shareholders**

### **Live streaming**

Live streaming of this General Meeting of Shareholders will be available online.

Since it does not constitute attendance under the Companies Act, you cannot exercise your voting rights or ask questions via live streaming. You are requested to exercise your voting rights in writing or electronically in advance.

### **Acceptance of advance questions**

Prior to the General Meeting of Shareholders, the Company will accept questions on its website. On the day of the meeting, the Company will respond to questions on topics in which shareholders are highly interested from among those received in advance.

### **Financial briefing**

A financial briefing will take place at the same venue after the General Meeting of Shareholders.

Live streaming of the briefing session will also be available.

### **Notice of resolutions**

Please note that the results of the resolution will be posted on the Company's website below in Japanese.

<https://www.screen.co.jp/en/ir/shareholder-meetinginfo>

Note: They will not be sent via mail.

### **Barrier-free measures**

If you need assistance at the venue, please contact us by Friday, June 13, 2025 to give us sufficient time for preparation.

Contact:

IR Unit, Corporate Communications Department

SCREEN Holdings, Co., Ltd.

Tel: +81-75-414-7233

Online form: <https://contact.screen.co.jp/form/pub/screen/ir-en>

## **Guidance on Exercise of Voting Rights**

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

### **Exercise of voting rights by attendance**

Please indicate your approval or disapproval for each of the proposals on the Voting Rights Exercise Form provided with this notice and submit it at the reception on the day of the meeting.

Date and time: 10:00 a.m. on Friday, June 20, 2025

### **Exercise of voting rights in advance**

#### **1. Postal mail**

Please indicate your approval or disapproval for each of the proposals on the Voting Rights Exercise Form provided with this notice and return it to the sender by the following deadline.

Deadline: Must arrive by 5:00 p.m. on Thursday, June 19, 2025

#### **2. Online**

You may exercise your voting rights online. For details, refer to the next page.

Deadline: 5:00 p.m. on Thursday, June 19, 2025

- If an approval or disapproval is not indicated on the Voting Rights Exercise Form that the Company receives, it will be treated as an indication of a vote of approval for that proposal.
- If your voting rights are exercised in duplicate in writing (postal mail) and online, only the latter will be deemed valid.
- If you exercise your voting rights multiple times online or exercise your voting rights in duplicate using a personal computer and smartphone, only the last vote exercised will be deemed valid.
- Institutional investors may also exercise voting rights electronically using the electronic voting platform operated by ICJ, Inc. for this Ordinary General Meeting of Shareholders.

## **Procedures for Exercising Voting Rights Online**

### **By scanning the QR code (Smart Exercise)**

- 1) Scan the QR code at the bottom right of the Voting Rights Exercise Form.
- 2) Follow the instructions on the screen to indicate your approval or disapproval of the proposals.

Exercising of voting rights by Smart Exercise is available only once.

To exercise voting rights a subsequent time, please refer to the explanation below.

### **By entering the voting rights exercise code and password**

- 1) Access the Company's designated website for the exercise of voting rights (<https://www.web54.net>).
- 2) Enter the code and password specified on the enclosed Voting Rights Exercise Form.
- 3) Follow the instructions on the screen to indicate your approval or disapproval of the proposals.

Notes: 1. QR code is a registered trademark of DENSO WAVE INCORPORATED.

2. Internet service provider and telecommunications carrier fees (connection fees, etc.) for the exercise of voting rights online shall be borne by the shareholder.

### **Inquiries concerning the exercise of voting rights online**

Support hotline (provided by Sumitomo Mitsui Trust Bank Stock Transfer Agency)

Toll-free number: 0120-652-031, available 9:00 a.m. to 9:00 p.m. (JST) in Japan only

## 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 maintenance of a sound financial base 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 consolidated dividend payout ratio of 30% or above.

Based on the policy above, it is proposed that year-end dividends for the 84th fiscal term be distributed as follows:

- (1) Distribution of dividends to shareholders and the total amount thereof  
¥188 per share of common stock of the Company, or ¥18,022,186,284 in total
- (2) Date on which the dividend of surplus becomes effective  
Monday, June 23, 2025

- Notes:
- 1. The Company paid an interim dividend of ¥120.00 per share, and therefore annual dividends will be ¥308.00 per share (for total annual dividend payments of ¥29,732,939,844).
  - 2. Based on the financial strategy of the medium-term management plan, Value Up Further 2026, SCREEN conducted share buybacks in the fiscal year ended March 31, 2025, resulting in a consolidated total shareholder return ratio of 48.9% for the fiscal year.

**Proposal No. 2: Election of eight directors**

The terms of office of eight directors, namely Messrs. Eiji Kakiuchi, Toshio Hiroe, Yoichi Kondo, Yoshihisa Ishikawa, Hidemi Takasu, Ms. Hiroko Okudaira, and Messrs. Seiji Narahara and Fumikazu Sato, will expire at the close of this Meeting. Accordingly, the Company proposes the 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	Toshio Hiroe <u>Reelection</u>	Representative Director Member of the Board President Chief Executive Officer	100% (14/14 meetings)
2	Masato Goto <u>New candidate</u>	—	—
3	Yoichi Kondo <u>Reelection</u>	Representative Director Member of the Board Senior Managing Director Chief Financial Officer	100% (14/14 meetings)
4	Yoshihisa Ishikawa <u>Reelection</u>	Director Member of the Board	100% (14/14 meetings)
5	Hidemi Takasu <u>Reelection</u> <u>Outside</u> <u>Independent</u>	Director Member of the Board	100% (14/14 meetings)
6	Hiroko Okudaira <u>Reelection</u> <u>Outside</u> <u>Independent</u>	Director Member of the Board	100% (14/14 meetings)
7	Seiji Narahara <u>Reelection</u> <u>Outside</u> <u>Independent</u>	Director Member of the Board	100% (14/14 meetings)
8	Fumikazu Sato <u>Reelection</u> <u>Outside</u> <u>Independent</u>	Director Member of the Board	100% (10/10 meetings)

Note: The attendance at meetings of the Board of Directors for Mr. Fumikazu Sato pertains to the meetings of the Board of Directors held following his assumption of office on June 21, 2024.

No.  
1

## Toshio Hiroe

### ■ Profile, position, and responsibility in the Company

#### Reelection

#### Date of birth

May 5, 1959

#### Shares of the Company held

26,734

#### Years in office as director (at the close of this Meeting)

6

#### Attendance at meetings of the Board of Directors

100% (14/14)

April 1983	Joined the Company
April 2006	Vice President, Semiconductor Equipment Company
April 2007	Executive Officer
October 2009	Deputy General Manager, R&D Center
August 2014	President, SCREEN Finetech Solutions Co., Ltd.
April 2016	Representative Director and President, SCREEN Finetech Solutions Co., Ltd.
June 2019–present	Representative Director, Member of the Board, President and Chief Executive Officer (CEO)

### ■ 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.

### ■ Reasons for nomination as a director

Mr. Toshio Hiroe has a wealth of experience and achievements in engineering through his engagement in technological development in the semiconductor production equipment business over many years. He has profound management experience, including the management of a R&D company in the United States as the deputy general manager of the R&D Center and of the display business as the in-house company president. Currently, as representative director, president, member of the Board, and chief executive officer (CEO) of the Company, he is promoting the long-term enhancement of corporate value based on the Management Grand Design and has led the Company to the achievement of record-high performance for four consecutive years. The Company has judged that he can fulfill his responsibilities and duties and requests his continued election as director.

### Message to shareholders

Since assuming the office of president and CEO in 2019, by achieving the targets of our previous medium-term management plan, I have implemented ROIC-oriented management and built a sound financial foundation. In addition, while creating frameworks for sustaining research, technological development, and investment necessary for growth, I have worked to clarify our corporate purpose and develop a corporate culture that values taking on ambitious challenges. To further enhance corporate value, I also presided over the launch of a new medium-term management plan, Value Up Further 2026, in April 2024. Following this ordinary general meeting of shareholders, as chairman of the Board, I will strive to enhance the effectiveness of the Board of Directors and reinforce overall group governance while continuing to work toward the ongoing improvement of the SCREEN Group's corporate value. As always, I will do my utmost to earn the continued trust and support of all our stakeholders over the long term.



No.  
2

## Masato Goto

### **New candidate**

#### **Date of birth**

May 23, 1962

#### **Shares of the Company held**

24,986

#### **Years in office as director (at the close of this Meeting)**

—

#### **Attendance at meetings of the Board of Directors**

—

### **■ Profile, position, and responsibility in the Company**

September 1990

Joined the Company

January 2011

Vice President, Semiconductor Equipment Company

April 2011

Executive Officer

April 2014

Senior Executive Officer

August 2014

Director, SCREEN Semiconductor Solutions Co., Ltd.

April 2016

Director, Managing Executive Officer, SCREEN

Semiconductor Solutions Co., Ltd.

February 2019

Representative Director and President, SCREEN

Semiconductor Solutions Co., Ltd.

April 2024

Senior Managing Executive Officer

Head of Corporate Strategy

April 2025–present

Senior Managing Executive Officer, in charge of special mission

### **■ 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.

### **■ Reasons for nomination as a director**

Since joining the Company, Mr. Masato Goto has built up a wealth of experience in overseas field engineering, manufacturing, technological development, and other areas within the semiconductor production equipment business. Since February 2019, as president of Group's business operating company in this field, he has contributed greatly to increasing profitability and business growth by improving productivity. Since April 2024, as senior managing executive officer and head of corporate strategy at SCREEN Holdings, he has been involved in business portfolio management and headed group-wide corporate strategy, demonstrating leadership. The Company has judged that he can fulfill his responsibilities and duties and requests his election to increase corporate value and accelerate sustainable growth.

### **Message to shareholders**

As business operating company president in the semiconductor production equipment business, I helped drive business growth, leading overall business management spanning development, production, sales, and post sales amid dramatic changes in the industry. Since April 2024, as head of corporate strategy at SCREEN Holdings, I have contributed to the portfolio management of group businesses. Going forward, as president and CEO, I will aim to achieve the targets of the medium-term management plan while advancing efforts to increase profitability and develop new businesses in pursuit of further group business expansion and corporate value enhancement.

**Yoichi Kondo****■ Profile, position, and responsibility in the Company****Reelection****Date of birth**

September 25, 1958

**Shares of the Company held**

9,908

**Years in office as director (at the close of this Meeting)**

11

**Attendance at meetings of the Board of Directors**

100% (14/14)

April 1982

June 2010

June 2013

April 2014

June 2014

April 2021

June 2023–present

Joined The Bank of Tokyo, Limited\*

Corporate Officer, The Bank of Tokyo-Mitsubishi UFJ, Ltd.\*

\*Currently MUFG Bank, Ltd.

Joined the Company

Senior Executive Officer

General Manager, General Administration Division

Managing Director, Member of the Board,

Chief Financial Officer (CFO)

Senior Managing Director, Member of the Board, CFO and

Chief Officer of IR &amp; PR

Representative Director, Member of the Board, Senior

Managing Director and CFO

**■ Significant concurrent position**

Director, SCREEN Semiconductor Solutions Co., Ltd.

**■ Reasons for nomination as a director**

Mr. Yoichi Kondo has a wealth of knowledge and a high level of expertise in finance, accounting, and risk management gained through his experience in these fields in and outside Japan. He also has experience in constructive dialog with institutional investors. Currently, as representative director, senior managing director, member of the Board, and chief financial officer (CFO) of the Company, he is promoting the establishment of a robust financial position as the basis for investment for growth, with focus on reinforcing cash flows and ROIC. He is also working to enhance transparency through appropriate disclosure. The Company has judged that he can fulfill his responsibilities and duties and requests his continued election as director.

**Message to shareholders**

The financial strategy of our medium-term management plan focuses on building a risk-resilient financial foundation that can support business growth. Accordingly, we are working to simultaneously increase both the equity ratio and ROIC. In March 2025, the Japan Credit Rating agency raised our long-term issuer rating to its highest-ever level, A+ (outlook: Stable). We have also changed our target for shareholder returns from a total consolidated shareholder return ratio of 30% or above to a consolidated dividend payout ratio of 30% or above, and we conducted share buybacks beginning in February 2025. Going forward, I will continue working toward the medium-term management plan targets while striving to enhance corporate transparency through appropriate disclosure and promoting shareholder returns.

No. 4	<b>Yoshihisa Ishikawa</b>	<b>■ Profile, position, and responsibility in the Company</b>
		April 1986      Joined the Company
		April 2016      Executive Officer
		April 2019      Senior Executive Officer
		Chief Officer of Corporate Strategy
	<b>Reelection</b>	
	<b>Date of birth</b>	April 2021      Managing Executive Officer
	August 7, 1962	June 2022      Director, Member of the Board, Chief Officer of General Affairs & Human Resources Strategy
	<b>Shares of the Company held</b>	June 2022–present      Director, Member of the Board
	8,862	
	<b>Years in office as director (at the close of this Meeting)</b>	<b>■ Reasons for nomination as a director</b>
	3	Mr. Yoshihisa Ishikawa was worked in international sales, marketing, and financial departments and served as general manager of the PR & IR Department. He has a variety of experience and wide insights. Currently, as director and member of the Board responsible for human resources strategy, he is leading efforts to promote the penetration of the corporate philosophy. He is also driving human resources initiatives aimed at organizational motivation and the personal growth of employees. The Company has judged that he can fulfill his responsibilities and duties and requests his continued election as director.
	<b>Attendance at meetings of the Board of Directors</b>	
	100% (14/14)	
	<b>Message to shareholders</b>	
	Under the medium-term management plan, I am advancing HR strategy and facility strategy linked with corporate strategy, aiming to build business foundations to support long-term growth. Our HR strategy is to create a vibrant corporate culture and encourage individual growth. We are working to enhance the talent portfolio through recruitment, development, and retention measures, and to boost employee engagement. Under our facility strategy, meanwhile, we have expanded facilities at the Hikone Site and made preparations for the establishment of a new business site with an eye toward future business growth. Going forward, focusing on HR and facilities, I will continue working toward the ongoing enhancement of group corporate value.	

No.  
5

## Hidemi Takasu

**Reelection**

**Outside**

**Independent**

**Date of birth**

January 5, 1948

**Shares of the  
Company held**

3,300

**Years in office as  
director  
(at the close of this  
Meeting)**

6

**Attendance at  
meetings of the  
Board of Directors**

100% (14/14)

### ■ Profile, position, and responsibility in the Company

March 1971

Joined Toyo Electronics Industry Corporation  
(Currently ROHM Co., Ltd.)

June 1997

Director and Deputy General Manager, ULSI Research &  
Development Headquarters, ROHM Co., Ltd.

June 2009

Managing Director and General Manager, LSI General  
Headquarters, in charge of Research & Development  
Headquarters, ROHM Co., Ltd.

October 2009

Managing Director and General Manager, Research &  
Development Headquarters, ROHM Co., Ltd.

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 and Member of the Board of the Company

October 2020–present

Outside Director, Samco Inc.

### ■ Significant concurrent position

Outside Director, Samco Inc.

### ■ Reasons for nomination and expected roles as an outside director

Mr. Hidemi Takasu has profound management experience, including in overseas business, and expertise as an officer in charge of the technological development of semiconductor devices at a semiconductor-related company. He concurrently serves as a director of another company. He has close relationships with universities in Japan and overseas. Currently, as outside director and member of the Board of the Company, he is providing useful advice to the Board of Directors from diverse perspectives. It is expected that he will continue to contribute to strengthening management supervision and give advice from a wide range of technological development perspectives. Therefore, the Company requests his continued election as outside director.

### Message to shareholders

For SCREEN to continue to lead the way forward in cutting-edge fields, we must constantly embrace new technologies, including making full use of AI. To this end, I believe it is essential that our engineers proactively work with a variety of professionals in and outside the Group, especially in other fields, to broaden their perspectives and foster diverse collaborations. Leveraging my experience as an officer in charge of technological development at a semiconductor company and the professional network I have cultivated in and outside Japan, I will continue to engage in open discussion with our engineers as I do my utmost to foster R&D synergies.

No.  
6

**Hiroko  
Okudaira**

**Reelection  
Outside  
Independent**

**Date of birth**  
July 18, 1980

**Shares of the  
Company held**  
1,300

**Years in office as  
director  
(at the close of this  
Meeting)**  
4

**Attendance at  
meetings of the  
Board of Directors**  
100% (14/14)

■ **Profile, position, and responsibility in the Company**

March 2009	Completed Ph.D. 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, Graduate School of Business, Doshisha University
June 2021–present	Director and Member of the Board of the Company

■ **Significant concurrent position**

Associate Professor, Graduate School of Business, Doshisha University

■ **Reasons for nomination and expected roles as an outside director**

As associate professor (labor economics, applied microeconometrics, etc.) of the Graduate School of Business, Doshisha University, Ms. Hiroko Okudaira has a wealth of knowledge and outstanding research achievements on wide-ranging themes concerning the social structure, such as the increase in elderly workers and how companies adjust. Currently, as outside director and member of the Board of the Company, she is providing useful advice to the Board of Directors from diverse perspectives, including on new work styles, the empowerment of women, compliance, and diversity. Although she has no experience of direct involvement in corporate management, it is expected that she will continue to contribute to strengthening management supervision and give advice from a wide-ranging and objective perspective. Therefore, the Company requests her continued election as outside director.

**Message to shareholders**

Over the years, working in academia, I have been involved in a variety of research in such fields as labor economics and personnel economics. I see my role as applying the findings and insights gained through my experience as an academic researcher to corporate management. I believe that there are many opportunities for me to contribute to management from an independent standpoint, such as in promoting human resource strategy and women's professional empowerment. I am committed to enhancing corporate management and governance from a multifaceted perspective.

## Seiji Narahara

**Reelection**

**Outside**

**Independent**

**Date of birth**

October 17, 1956

**Shares of the  
Company held**

600

**Years in office as  
director  
(at the close of this  
Meeting)**

2

**Attendance at  
meetings of the  
Board of Directors**

100% (14/14)

### ■ Profile, position, and responsibility in the Company

January 1988	Joined Toyobo Co., Ltd.
April 2010	Executive Officer, Toyobo Co., Ltd.
June 2011	Director and Executive Officer, Toyobo Co., Ltd.
April 2014	Representative Director, President and Chief Operating Officer, Toyobo Co., Ltd.
June 2016	Chairman, Japan Spinners' Association
July 2017	Chairman, Japan Chemical Fibers Association
April 2021–present	Chair of the Board and Director, Toyobo Co., Ltd.
June 2023–present	Director and Member of the Board of the Company

### ■ Significant concurrent position

Chair of the Board and Director, Toyobo Co., Ltd.

### ■ Reasons for nomination and expected roles as an outside director

Mr. Seiji Narahara served as representative director and president of a materials company for many years after serving as an officer of its overseas group companies and in managerial roles for business administration and financial management. In addition to a wealth of knowledge in management, he has experience serving as the head of external organizations, such as chairman of the Japan Chemical Fibers Association. Currently, as outside director and member of the Board of the Company, he is providing useful advice to the Board of Directors based on his wealth of knowledge and expertise from diverse perspectives. It is expected that he will continue to contribute to strengthening management supervision and give advice from a wide range of management perspectives. Therefore, the Company requests his continued election as outside director.

### Message to shareholders

At Toyobo Co., Ltd., I have supported portfolio restructuring and been involved in various decision-making processes. I hope to help reinforce SCREEN's portfolio management by making the most of my knowledge and many years of experience as a corporate manager. I will make every effort to help solve issues in risk management, such as those in manufacturing site safety, by leveraging my outside perspective. In this way, I aim to contribute to corporate value in terms of both sustainable growth and sound corporate governance.

No.  
8

## Fumikazu Sato

**Reelection**

**Outside**

**Independent**

**Date of birth**

October 12, 1962

**Shares of the  
Company held**

300

**Years in office as  
director  
(at the close of this  
Meeting)**

1

**Attendance at  
meetings of the  
Board of Directors**

100% (10/10)

### ■ Profile, position, and responsibility in the Company

April 1988

July 1999

May 2008

July 2015

July 2016

July 2018

July 2019

October 2021

April 2024–present

June 2024–present

Joined the Ministry of International Trade and Industry

First Secretary, Japanese Mission to the European Union,  
Ministry of Foreign Affairs (Belgium)

Vice-governor, Akita Prefectural Government

Director, Minister's Secretariat, Ministry of Economy, Trade  
and Industry

Deputy Director-General, Minister's Secretariat, Ministry of  
Economy, Trade and Industry

Deputy Director-General for Science, Technology and  
Innovation, Cabinet Secretariat, Cabinet Office

Councillor, Cabinet Secretariat, Cabinet Office

General Manager, Secretarial Office, Japan Alcohol Trading  
Co., Ltd.

Professor, Institute of Mathematics for Industry, Kyushu  
University

Specially Appointed Professor, Center for Co-Creation  
Strategy, Tohoku University

Director and Member of the Board of the Company

### ■ Significant concurrent positions

Professor, Institute of Mathematics for Industry, Kyushu University

Specially Appointed Professor, Center for Co-Creation Strategy, Tohoku  
University

### ■ Reasons for nomination and expected roles as an outside director

Mr. Fumikazu Sato has a wide range of knowledge on AI, quantum technology, standardization, etc., mainly in the field of mathematics, as a professor at the Institute of Mathematics for Industry, Kyushu University. Having served as an officer of Japan Alcohol Group, he also has experience in management. Currently, as outside director and member of the Board of the Company, based on his wealth of knowledge and expertise as well as his track record of promoting innovation in government offices, he is providing useful advice to the Board of Directors from diverse perspectives. It is expected that he will continue to contribute to strengthening management supervision and give advice leveraging a wide range of insights on technological development. Therefore, the Company requests his continued election as outside director.

### Message to shareholders

I believe that my role is to provide clear advice on the direction this new era is taking and social trends from a fair and impartial standpoint. In recent years, we have seen the emergence of new advanced technologies such as AI, optical devices, and quantum technology, and collaboration between industry, academia, and government has become essential. My aim is to leverage my technical background, my experience in central and local government, and my many years of overseas work experience, along with my knowledge developed in private industry and at universities, to contribute to the enhancement of SCREEN's corporate value.

- Notes:
1. Mr. Hidemi Takasu, Ms. Hiroko Okudaira, Mr. Seiji Narahara, and Mr. Fumikazu Sato are nominated as outside directors. The Company has reported Mr. Hidemi Takasu, Ms. Hiroko Okudaira, Mr. Seiji Narahara, and Mr. Fumikazu Sato to Tokyo Stock Exchange, Inc. as independent directors. They will continue to serve as independent directors if they are elected as proposed.
  2. There is no special interest between the director nominees and the Company.
  3. Limitation of liability agreements  
The Company has concluded limitation of liability agreements with Mr. Hidemi Takasu, Ms. Hiroko Okudaira, Mr. Seiji Narahara, and Mr. Fumikazu Sato to limit their liability for damages 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 agreements, their liability for damages shall be limited within the amount prescribed by laws and regulations. If Mr. Hidemi Takasu, Ms. Hiroko Okudaira, Mr. Seiji Narahara, and Mr. Fumikazu Sato are elected as proposed, the agreements will be renewed.
  4. The Company has concluded a directors and officers liability insurance contract with an insurance company. The said insurance contract covers damage including compensation for damages and litigation expenses to be borne by the insured. If the nominees are elected as proposed, they will be the insured under the said insurance contract. The Company intends to renew the said insurance contract with the same content at the time of the next renewal.
  5. The name of Ms. Hiroko Okudaira in the domiciliary register is Hiroko Kimura.
  6. At Toyobo Co., Ltd., where Mr. Seiji Narahara served as representative director and president, discrepancies in the chemical composition and performance of certain products from the data registered with a certification organization were discovered during the period from October 2020 to March 2021. After the issue was detected, Underwriters Laboratories (UL) certification from a third-party U.S. certification organization for the product line in question was rescinded and ISO 9001 certification granted to certain organizations of Toyobo Co., Ltd. was cancelled or temporarily suspended. The start of the occurrence of this issue predated Mr. Narahara's assumption of office as director, and he was unaware of it until the detection of the issue. From his assumption of office as representative director and president in 2014, he aimed to establish social trust in the company, emphasizing CSR and compliance, and promoted the pursuit of such values. Since the detection of the issue, he has led efforts to clarify the facts of the issue and formulated and implemented effective measures for preventing recurrence, including the strengthening of quality assurance departments and enhancement of compliance training.
  7. Director candidate Toshio Hiroe plans to resign from the positions of director of the companies listed under "Significant concurrent positions," above, as of their respective ordinary general meetings of shareholders for the current fiscal year. Director candidate Masato Goto is planned to take office as director of SCREEN Advanced System Solutions Co., Ltd. following the approval of said company's ordinary general meeting of shareholders for the current fiscal year. Director candidate Yoichi Kondo is planned to take office as director of SCREEN Graphic Solutions Co., Ltd., SCREEN Finetech Solutions Co., Ltd., and SCREEN PE Solutions Co., Ltd. following the approval of said companies' ordinary general meetings of shareholders for the current fiscal year.



### Proposal No. 3: Partial amendment to the performance-linked share compensation system

1. Reasons for the proposal and the Company's belief that the compensation therein is appropriate  
The introduction of a performance-linked share compensation system (hereinafter, the "System") using a trust for directors (excluding outside directors) was approved at the 76th Ordinary General Meeting of Shareholders held on June 27, 2017. Subsequently, a revision to the System was approved at the 80th Ordinary General Meeting of Shareholders held on June 24, 2021. The System has remained in effect since then. In order to address issues caused by the rise in the Company's share price and other changing circumstances since the 80th Ordinary General Meeting of Shareholders, the Company now proposes revising the amount and other details of compensation under the System as described in 2., below. The Company plans to delegate responsibility for determining the details of such compensation within the parameters described under 2., below, to the Board of Directors.

As explained at the 80th Ordinary General Meeting of Shareholders, the purpose of the System is to better link compensation with the Company's corporate performance and the value of its shares. The System is designed to ensure that recipients share both the benefits and risks of fluctuations in the share price with shareholders, thereby motivating them to improve corporate performance and value over the long term.

As before, compensation under the System will be separate from the compensation limits approved at the 82nd Ordinary General Meeting of Shareholders held on June 23, 2023 (up to ¥800 million annually, including up to ¥100 million for outside directors).

The purpose of the change of the maximum amount of compensation and other details of the System is as described above. The Board of Directors decided the policy for determining the details of compensation for each director at its meeting on February 26, 2021. An overview of this policy can be found in the Business Report under 4. (4) "Compensation for directors and corporate auditors" (and the Company does not plan to change this policy even if this proposal is approved). Because this proposal aligns with said policy, the Company judges its content to be appropriate. 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.

#### 2. Amounts and details of compensation under the System

The amounts and details of compensation under the System after the proposed changes will be as follows. Note that the only changes are to the maximum amount (see (2), below) to be additionally entrusted by the Company to the Trust (defined in (1), below) as funds for the additional acquisition of shares of the Company needed for granting to directors and to the maximum number of points to be granted to directors (see (3), below) under the System; all other aspects of the System will remain unchanged.

##### (1) Outline of the System

The System is a share compensation system wherein a trust, which the Company established by contributing funds (hereinafter, the "Trust"), acquires shares of the Company, and individual directors are granted the shares in accordance with the number of points granted to them by the Company.

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

1)	Persons eligible for the System	Directors of the Company (excluding outside directors)
2)	Allowed periods of extension of the applicable period	From three to five fiscal years
3)	Upper limit of funds to be contributed by the Company during an extension of the applicable period defined in 2), above, to acquire shares of the Company necessary for granting shares to eligible persons defined in 1), above	<u>Before amendment</u> ¥250 million multiplied by the number of fiscal years of the extension of the applicable period <u>After amendment</u> ¥1,360 million multiplied by the number of fiscal years of the extension of the applicable period
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 the eligible persons defined in 1), above	<u>Before amendment</u> 25,000 points per fiscal year* <u>After amendment</u>

		The number of point calculated by multiplying the number of fiscal years of each extension of the applicable period by 34,000 points,* to be granted as compensation for the duties carried out by directors during the period of said extension (per extension of the applicable period)
6)	Criteria for granting points	Points are granted according to the individual's position and the degree of achievement of the performance targets, etc.
7)	Timing of granting of shares of the Company to the eligible persons defined in 1), above	At the time of retirement, in principle

\* The Company implemented a share split of common stock in the ratio of 2 for 1 on October 1, 2023. Following this split, as described in (3) 2), below, two shares are to be granted per point (rather than one, as before the split).

(2) Maximum amount of funds contributed by the Company

The 80th Ordinary General Meeting of Shareholders approved the period from the fiscal year ended March 31, 2021 to the fiscal year ended March 31, 2024 as the applicable period of the System (hereinafter the "Applicable Period"), along with the following conditions.

- A) Compensation will be paid under the System to directors who are in office during the Applicable Period
- B) By decision of the Board of Directors, the Applicable Period may be extended by a period of three to five fiscal years per extension (the same applies after each extension)
- C) In the case of an extension per B), above, during the extension 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, the maximum amount of which is calculated by multiplying the number of fiscal years of the extension of the Applicable Period by ¥250 million
- D) Based on internal rules on the grant of shares formulated by the Board of Directors, points are granted to each director according to their position and the degree of achievement of performance targets, etc., on a day during the Trust Period determined by said rules, within an upper limit of 25,000 points total per fiscal year

By resolution of the Board of Directors on May 22, 2024, the Company has extended the Applicable Period to the fiscal year ending March 31, 2027 (an extension of three fiscal years).

However, since the 80th Ordinary General Meeting of Shareholders, the Company's share price has risen. As a result, the maximum amount specified in C), above, is no longer sufficient for the Trust to acquire the necessary shares of the Company to be granted to directors under the System.

Accordingly, the maximum amount specified in C), above, will be changed to that calculated by multiplying the number of fiscal years of the extension of the Applicable Period by ¥1,360 million.

Note: The actual additional funds entrusted by the Company to the Trust will be the total of the amount necessary for acquiring shares of the Company in order to grant 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, the Company will additionally entrust the funds necessary for acquiring shares of the Company for granting shares to directors of the Company's subsidiaries under a system for such subsidiaries that is similar to the System.

(3) Method of calculation and upper limit of the number of the Company's shares to be granted to directors

1) Method of granting points to directors

As described in (2) D), above, based on internal rules on the grant of shares formulated by the Board of Directors, points are granted to each director according to their position and the degree of achievement of performance targets, etc., on a day during the Trust Period determined by said rules, within an upper limit of 25,000 points total per fiscal year.\*

However, in light of changes in the composition of the Board of Directors, the economic climate, and the operating environment, among other relevant conditions, the abovementioned upper limit on the number of points is no longer sufficient to grant the directors the number of points necessary under the

System.

Accordingly, the upper limit of points granted for each extension of the Applicable Period will be changed to a number of points calculated by multiplying the number of fiscal years of the extension by 34,000 points, to be granted as compensation for the duties carried out by directors during the period of said extension.

\* In accordance with the provisions described in 2), below, due to the share split of common stock effective October 1, 2023, two shares of the Company are granted for every one point. Accordingly, the abovementioned numbers of points (25,000 and 34,000) are equivalent to 50,000 and 68,000, respectively.

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

Directors receive shares of the Company according to the number of points granted as described in 1), above, in accordance with the procedure described in 3), below. However, in the event that a director retires for personal reasons, etc., some or all the points granted up to that point are forfeited, and the director does not receive the Company shares that correspond to the forfeited points.

Two shares of the Company are granted for each point. However, in the case of a share split of Company shares, reverse share split of Company shares, or other event in which it is deemed reasonable to adjust the number of shares of the Company to be granted for each point, such adjustment will be made accordingly.

3) Granting of shares of the Company to directors

In principle, upon retirement from office, each director will gain the beneficiary right to the Trust after completing a certain beneficiary confirmation procedure and will thus 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, instead, after such shares are sold and converted into cash by the Trust. Furthermore, 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 an accepted tender offer 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, no voting rights associated with the shares of the Company held in the Trust shall be exercised. This is in order to ensure neutrality toward management with respect to the exercise of the voting rights associated with the shares of the Company held in the Trust.

(5) Handling of dividends

The dividends of the shares of the Company held in the Trust will be received by the Trust to be used for the acquisition of 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**

Candidates for director and corporate auditor positions are selected in accordance with the Company's internal criteria and approved by the Board of Directors after seeking the advice of the Nomination and Compensation Advisory Committee, which consists of outside directors (who hold a majority) and the chairman of the Board of Directors. The criteria for nominating the said candidates are as follows.

### **Criteria for nominating candidates for directors**

- (1) Candidates must be equipped with sufficient business experience and robust expertise in the area of their specialty to be capable of living up to stakeholder expectations and contributing 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 impartial to any section and be equipped with risk management abilities.
- (3) Candidates must be able to secure sufficient time and effort 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 be subject to any of the conditions disqualifying directors under Article 331-1 of the Companies Act.
- (6) Candidates for outside director positions must fulfill the Company's internal 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 nominating candidates for corporate auditors**

- (1) Candidates must be equipped with abundant experience and capable of conducting audits from a neutral and objective viewpoint impartial to any section.
- (2) Candidates must be independent from those charged with business execution and well positioned to maintain a fair and impartial standing.
- (3) Candidates must be able to secure sufficient time and effort 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 be subject to 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 the Company's internal criteria for independence of outside directors and outside corporate auditors.
- (7) Candidate 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 procedures regarding the nomination of director and corporate auditor candidates from the *Corporate Governance Report* (last updated November 15, 2024), which is posted on the Company's website.

## Reference: Skills matrix of directors and corporate auditors (1)

Based on the purpose redefined in the corporate philosophy, the Group has charted a 10-year vision as part of the Management Grand Design and is implementing the medium-term management plan as a step toward the goals of said vision. The Company's board members play the following important roles in achieving the targets set out in the Management Grand Design and medium-term management plan and in continuously enhancing corporate value.

- (1) Deciding important management matters
- (2) Deciding management strategy and management plans
- (3) Executing business and the mutual supervision of directors

The Group has designated the following skill categories as required for these roles.

Skills and experience	Definition*	Reasons for designation
Management	Experience in management as a representative in a company, etc. (including SCREEN group companies)	To sustainably enhance corporate value through strategy development, decision making, and organizational leadership from a comprehensive, long-term perspective
Global	Overseas management experience	To achieve sustainable growth through the pursuit of optimal solutions from a global perspective based on an understanding of international affairs and diverse values and cultures
Sales and marketing	Experience in sales and/or marketing	To accurately grasp market trends and customer needs and to continuously enhance relationships of trust with clients through sales and marketing, including branding
R&D, technology, production, and innovation	Experience in R&D, technology, production, new business creation, and/or business transformation	To create and add value to technologies, services, and products through R&D and manufacturing based on in-depth understanding of technological trends and client needs
Finance	Experience in finance, accounting, and/or M&A	To sustainably enhance corporate value through the formulation and implementation of capital policies and execution of M&A, using a high level of expertise in finance and accounting
Sustainability	Experience in environmental management, risk management, legal affairs, human resources, and/or IT	To strengthen the management foundation that supports sustainable growth through appropriate risk management and human resources strategies in addition to reducing environmental impact and ensuring legal compliance

\* The nominee must have approximately three years of experience in an executive or equivalent role in their specialized field, including research in academia.

## Reference: Skills matrix of directors and corporate auditors (2)

If Proposal No. 2 is approved as proposed, the major skills and experience of the directors and corporate auditors will be as shown below.

		Skills and experience					
		Management	Global	Sales and marketing	R&D, technology, production, and innovation	Finance	Sustainability
<b>Directors</b>							
Internal	Toshio Hiroe	●	●	●	●		
	Masato Goto	●	●		●		
	Yoichi Kondo	●	●			●	●
	Yoshihisa Ishikawa					●	●
Outside	Hidemi Takasu		●		●		
	Hiroko Okudaira		●*				●*
	Seiji Narahara	●	●			●	
	Fumikazu Sato		●		●		●
<b>Corporate auditors</b>							
Internal	Hirofumi Ota					●	
	Masao Tomonaga	●	●	●			●
Outside	Tetsuo Kikkawa	●					●
	Seiji Yokoyama		●			●	●

Note: The above table is not intended as an exhaustive list of the skills and experience of the directors and corporate auditors.

## Reference: Criteria for independence of outside directors and outside corporate auditors

SCREEN Holdings Co., Ltd. judges outside directors, outside corporate auditors, and candidates to be independent when they are found to not fall under any of the following items as a result of investigations conducted by the Company within a reasonably feasible extent.

- (1) A person who has been a director (excluding an outside director), a corporate auditor (excluding an outside corporate auditor), or an executive officer (hereinafter collectively referred to as “Executive”) or an employee of the SCREEN Group in the past 10 years before assuming the office of outside director or corporate auditor.
- (2) A person who is/has been an Executive or an employee of a legal entity that is a major shareholder\* of the SCREEN Group, or a legal entity for which the SCREEN Group is a major shareholder, currently or in the past five fiscal years.  
\* A “major shareholder” refers to an entity that is entitled to 10% or more of the total voting rights of a company.
- (3) A person who is an Executive or an employee of a major business partner\* of the SCREEN Group.  
\* A “major business partner” refers to a client or a supplier of the SCREEN Group 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 approximately 2% or more of the consolidated net sales of either the SCREEN Group or the client/supplier company (including its parent company).
- (4) A person who is/has been, currently or in the past three fiscal years, an executive or an employee of a financial institution that is indispensable for the Company to raise funds and that the Company depends on to the extent that it is irreplaceable.
- (5) An 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” refers to donations in excess of either ¥10 million per year on average or 30% of annual expenses of the recipient entity on average for the past three fiscal years, whichever is greater.
- (6) An Executive of a company that has a director or corporate auditor from the SCREEN Group (whether standing or non-standing).
- (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 or in the past three fiscal years.
- (8) 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” refers to an annual payment amounting to ¥10 million or more for individuals, or an annual payment that represents more than 2% of the consolidated net sales for organizations, on average over the past three fiscal years.
- (9) A spouse, a relative within two degrees of kinship, or a relative living together with any of the following individuals:
  - An individual who is an Executive or an important employee\* of the SCREEN Group currently or in the past five fiscal years
  - An individual who is disqualified to serve as outside director or outside corporate auditor under the aforementioned items (2) to (8)  
\* An “important employee” refers to an employee holding the position of department head or higher.
- (10) A person who is deemed to have specific reasons that may cause a conflict of interest with the Company besides the above items.

## Business Report

(April 1, 2024–March 31, 2025)

### 1. Current status of the corporate group

#### (1) Business progress and results

Business performance of the Group in the fiscal year ended March 31, 2025

During the fiscal year ended March 31, 2025, the global economy showed overall recovery, despite concerns caused by such factors as continued high interest rates, mainly in the United States, and the stagnation of the real estate market in China. Nevertheless, uncertainty remained due to the impact of U.S. trade policy and other factors.

Regarding the business conditions surrounding the SCREEN Group, in the semiconductor industry, to support the expansion of generative AI applications and the advancement of DX, the development of energy-efficient and high-speed semiconductors, such as chiplet integration and miniaturization, is increasingly important. Consequently, investment in advanced logic and memory remained strong. By region, investment for mature nodes was robust in China, while AI-related investment expanded in Taiwan. Meanwhile, in the flat panel display industry, demand began to recover, leading to increased capital investment.

Under these circumstances, for the fiscal year ended March 31, 2025, the SCREEN Group posted consolidated net sales of ¥625,269 million, an increase of ¥120,352 million (23.8%) from the previous fiscal year. On the earnings front, as the result of the increase in net sales and other factors, operating income totaled ¥135,683 million, an increase of ¥41,519 million (44.1%) from the previous fiscal year. In addition, ordinary income amounted to ¥138,265 million, an increase of ¥43,986 million (46.7%) year on year. As a result, net income, or profit attributable to owners of parent, totaled ¥99,467 million, up ¥28,887 million (40.9%) from the previous fiscal year.

Performance by reportable segment is explained below.

#### Semiconductor production equipment (SPE)

In the SPE business, sales to foundry, logic, and memory manufacturers increased year on year. By region, sales to Taiwan and China rose, while sales to the United States declined. As a result, net sales amounted to ¥519,511 million, up 24.4% year on year. Operating income came to ¥136,975 million, up 41.1% year on year, mainly reflecting the increase in sales.

#### Graphic arts equipment (GA)

In the GA business, net sales amounted to ¥53,010 million, up 11.0% year on year, due to steady sales of POD equipment and increased recurring business sales, mainly of ink. Despite the increase in sales, operating income was ¥4,292 million, down 0.1% year on year, mainly reflecting an increase in fixed costs.

#### Display production equipment and coater (FT)

In the FT business, equipment sales increased and, as a result, net sales amounted to ¥35,829 million, up 54.1% year on year. Operating income came to ¥3,053 million, compared with operating loss of ¥425 million in the previous fiscal year, due mainly to the increase in sales.

#### PCB-related equipment (PE)

In the PE business, due to a decrease in sales of direct patterning systems, net sales amounted to ¥14,174 million, down 3.4% year on year. Operating income came to ¥1,069 million, down 42.5% year on year, mainly reflecting the decrease in sales and an increase in fixed costs.



## (2) Status of financing

The Group self-funded its activities in the fiscal year ended March 31, 2025. To ensure stable financing in the future, the Group has entered into commitment line agreements totaling ¥60.0 billion with multiple financial institutions.

## (3) Status of capital expenditures

Capital expenditures totaled ¥29,729 million in the fiscal year ended March 31, 2025. The main expenditures were the construction of a new factory at the Hikone Site for the hydrogen-related business and the expansion of R&D facilities for the SPE business.

## (4) Issues to be addressed

As a solution creator, the Group will continue focusing on CSV, creating new value that helps solve social issues by realizing both social value and economic value in order to further enhance corporate value and sustainably generate profit and shareholder returns.

### Medium-term management plan, Value Up Further 2026

The outline and main initiatives of Value Up Further 2026, the medium-term management plan for the fiscal years from April 1, 2024 through March 31, 2027, are as follows.

#### 1. Basic concept

Further enhance our presence through the growth of each individual and by enhancing competitiveness as a solution creator

#### 2. Outline

Over the three fiscal years covered by the medium-term management plan, Value Up Further 2026, our focus is on enhancing business foundations to support long-term growth by reinforcing investment in growth while maintaining the high level of growth and profitability achieved under the previous medium-term management plan, Value Up 2023. We aim to further improve corporate value through the combination of business growth strategy, business foundation enhancement strategy, and shared strategies.\*

\* Shared strategies: Strategies that encompass both business growth and business foundation enhancement

#### Basic strategies

Business growth strategies	Shared strategies	Business foundation enhancement strategies
<ul style="list-style-type: none"><li>● Portfolio strategy: Combining business and product portfolio management</li><li>● Business growth strategy: Increasing our presence in the industries we serve to raise our corporate value further</li><li>● Innovation management: Introducing new technologies and products to the market and launching new businesses with net sales of ¥10 billion</li><li>● IP strategy: Building an IP portfolio aligned with our business and R&amp;D strategies</li></ul>	<ul style="list-style-type: none"><li>● Sustainability strategy: Pursuing ESG (environmental, social, and governance) activities across the value chain</li><li>● Brand strategy: Establishing a presence as a global brand</li></ul>	<ul style="list-style-type: none"><li>● HR strategy: Creating a vibrant corporate culture and encouraging individual growth</li><li>● Financial strategy: Building a risk-resilient financial foundation that can support business growth</li><li>● Digital strategy: Enhancing cybersecurity and promoting digital transformation (DX) to drive productivity</li><li>● Facility strategy: Developing facilities to support business growth and R&amp;D</li></ul>

Specific initiatives based on the basic strategies are described below.

(1) Main business growth strategy initiatives

- In terms of our portfolio strategy, we are using the twin axes of growth and ROIC to understand where our businesses currently stand and seeking to enhance both by improving operations and by reinforcing and transforming our business structure. In the semiconductor production equipment business and graphic arts equipment business, to reinforce our businesses and promote the selection and concentration of resources, we are implementing M&A as part of efforts to enhance profitability and efficiency.
- Under our business growth strategy, in our mainstay semiconductor production equipment business, we are planning the establishment of an overseas R&D site to reinforce elemental technology and product development. By doing so, we aim to maximize synergies with the R&D divisions at the Hikone Site and promote joint projects with clients as well as collaboration with research institutes and business partners. Furthermore, in single wafer cleaning equipment, while our market share is improving, we are working to expand it further.
- We are pursuing innovation management with the aim of developing solutions that will help create new businesses and reinforce existing businesses. In April 2024, we transitioned the advanced packaging project from the cultivation phase into the commercialization phase, and we are investing in development and reinforcing the production management framework. In addition, in the hydrogen-related business, a SCREEN project to mass produce catalyst-coated membranes (CCMs) for water electrolysis was selected to receive subsidy funding under a Ministry of Economy, Trade and Industry program to promote the creation of green transformation (GX) supply chains. We will continue to advance ongoing investments in development in this area.

(2) Main business foundation enhancement strategy initiatives

- Under our human resource strategy, aiming to create a vibrant corporate culture and encourage individual growth, we are working to enhance the talent portfolio in line with corporate and business strategy while enhancing employee engagement.
- In terms of financial strategy, we are working to improve both the equity ratio and ROIC. By steadily generating profit, we improved the equity ratio to 62.7%. In addition, in light of our improved profitability and sustained increases in cash flow generation, the Japan Credit Rating Agency upgraded our long-term issuer rating from A to A+ (outlook: Stable).
- Based on our digital (IT) strategy, we are advancing digital transformation (DX) and working to reinforce the information security management system.
- Under our facility strategy, we have begun operations at the new S<sup>3</sup>-6 factory at the Hikone Site, securing additional space for hydrogen-related business component manufacturing and aiming to generate innovation in the semiconductor production equipment business. We also decided to acquire land in Yasu, Shiga Prefecture, as part of efforts to proactively make efficient and agile preparations for future growth.

(3) Main shared strategy initiatives

- For information about sustainability strategy initiatives (part of the shared strategies), please refer to the next section, “Sustainable Management.”

### 3. Financial and non-financial targets

#### 1) Financial targets

	Value Up Further 2026 targets (FY2025/03–FY2027/03)	First year results (FY2025/03)
Net sales	¥1.8 trillion or more in total	¥625.2 billion
Operating margin	19% or above over three years	21.7%
ROIC	15% or above in the final year	24.7%
Shareholder returns	Consolidated dividend payout ratio of 30% or above	Consolidated dividend payout ratio of 30.1%

Note: The above figures are predicated on organic growth.

#### **Buybacks of company shares**

By resolution of the February 14, 2025 meeting of the Board of Directors, based on comprehensive consideration of the progress of investment in growth and the Company's cash position, SCREEN decided to implement share buybacks, which were completed on April 7, 2025. Details are as follows.

1. Type of shares acquired: Common stock
2. Period of acquisition: February 17, 2025 to April 7, 2025 (contract basis)
3. Total shares acquired: 2,979,300  
(of which, 1,736,800 were acquired in FY2025/03)
4. Total acquisition cost: ¥29,999,819,435  
(of which, ¥18,926,603,477 was recorded in FY2025/03)

#### 2) Non-financial targets

	Value Up Further 2026 targets (FY2025/03–FY2027/03)	First year results (FY2025/03)
Employee engagement	Engagement survey positive response rate <sup>1</sup> of 70% or above	65%
GHG emissions from the company's business activities (Scope 1+2)	70% or greater reduction compared with FY2019/03 <sup>2</sup>	56.4% reduction (preliminary figure)
GHG emissions from the use of sold products (Scope 3)	48% or greater reduction compared with FY2019/03 <sup>3</sup>	55.7% reduction (preliminary figure)

1. Based on employee surveys to ascertain the degree to which employees understand and resonate with the Company's vision and direction and proactively contribute to their achievement. Calculated as the rate of responses indicating either of the top two most positive grades on a five-grade scale.
2. Total emission volume
3. Per unit of gross profit

## Sustainable management

The SCREEN Group promotes sustainable management aimed at ongoing growth. As we endeavor to enhance corporate value, we regard sustainability strategy as part of our shared strategies applicable both to business growth and business foundation enhancement.

Specifically, we have formulated Sustainable Value 2026, our sustainability medium-term plan, laying out initiatives to globally address environmental, social, and corporate governance (ESG) issues throughout our value chain. Through these initiatives, we will live up to the expectations and confidence of our diverse stakeholders and contribute to the sustainable development of society.

### HIGHLIGHT: Social contribution activities

We collaborate with the national government, local communities, universities, and other educational institutions to conduct a variety of activities that contribute to society.

- SCREEN has displayed the works of artists who are members of Genius Art Kyoto (a research organization for the promotion of art by people with disabilities) at the Head Office on an ongoing basis since April 2022.
- As part of Kyoto Prefecture's Kyoto Model Forest initiative, we are implementing "SCREEN Forest" initiatives in Kameoka City. We work with local communities to grow rice and donate the harvest to children's group homes.

Click [here](#) to learn more about SCREEN's social contribution activities

### Main ESG initiatives

#### Environment (E)

Click [here](#) to learn more about SCREEN's environmental initiatives

- Achieved our targets for the first year of Value Up Further 2026 in line with our SBTi-based greenhouse gas emission reduction plan (Scope 1+2, Scope 3)
- Achieved 100% renewable electricity usage at group business sites in Japan (eight locations, comprising mainly major business sites)

#### Social (S)

Click [here](#) to learn more about SCREEN's social initiatives

- Implemented measures to increase awareness of the corporate philosophy by promoting dialogue between top management and employees
- Implemented an employee engagement survey at group companies in Japan

#### Governance (G)

Click [here](#) to learn more about SCREEN's corporate governance initiatives

- Enhanced BCP-based drills on a global basis
- Hikone Site achieved Platinum Status in an RBA VAP audit\*

\* RBA: The Responsible Business Alliance. The world's largest industry coalition dedicated to the responsible corporate management of global supply chains. The RBA Code of Conduct is a set of standards designed to ensure working conditions are safe and workers are treated with dignity and respect, and that business activities are conducted ethically with regard to their environmental impact. VAP audits are conducted by RBA-approved third-party auditors to evaluate organizational practices.

### HIGHLIGHT: Health and productivity management

The president and CEO assumes the ultimate responsibility for the Group's health and productivity management. By promoting physical and mental wellness at both the individual and workplace levels, we strive to enhance overall performance.

- Selected as a Health & Productivity Stock for a second consecutive year
- Certified as a Health and Productivity Management Outstanding Organization for a third consecutive year

Click [here](#) to learn more about SCREEN's wellness initiatives

(5) Assets and income

(Millions of yen)

	FY2022/03	FY2023/03	FY2024/03	FY2025/03 (Fiscal year under review)
Net sales	411,865	460,834	504,916	625,269
Operating income	61,273	76,452	94,164	135,683
Ordinary income	59,438	77,393	94,279	138,265
Profit attributable to owners of parent	45,481	57,491	70,579	99,467
Basic earnings per share (yen)	488.27	608.16	742.10	1,023.54
Total assets	459,305	562,816	676,808	671,287
Net assets	247,788	299,926	371,911	420,694

Notes: 1. The Company implemented a share split of common stock in the ratio of 2 for 1 on October 1, 2023. Basic earnings per share have been calculated on the assumption that the share split was conducted at the beginning of the fiscal year ended March 31, 2022.

2. Figures are truncated.

(6) Significant subsidiaries

1) Status of significant subsidiaries

Company name	Capitalization	Voting rights	Principal business
SCREEN Semiconductor Solutions Co., Ltd.	¥310 million	100.0%	Development, manufacture, and sale of semiconductor production equipment
SCREEN Graphic Solutions Co., Ltd.	¥100 million	100.0%	Development, manufacture, and sale of graphic arts equipment
SCREEN Finetech Solutions Co., Ltd.	¥100 million	100.0%	Development, manufacture, and sale of display production equipment and coaters
SCREEN PE Solutions Co., Ltd.	¥100 million	100.0%	Development, manufacture, and sale of PCB-related equipment
SCREEN SPE Tech Co., Ltd.	¥480 million	100.0%	Development and manufacture of semiconductor production equipment
SCREEN GP Japan Co., Ltd.	¥300 million	100.0%	Sale of graphic arts and PCB-related equipment
SCREEN SPE Taiwan Co., Ltd.	215,000 thousand Taiwanese dollars	100.0%	Sales support and maintenance services of semiconductor production equipment

2) Progress and results of business combination

The SCREEN Group consists of SCREEN Holdings Co., Ltd., 51 consolidated subsidiaries, six non-consolidated subsidiaries, and two affiliated companies.

Results for the fiscal year under review are described in “(1) Business Progress and Results.”

(7)Principal business

Category	Principal business
Semiconductor production equipment business	Development, manufacture, sale, and maintenance services of semiconductor production equipment
Graphic arts equipment business	Development, manufacture, sale, and maintenance services of graphic arts equipment
Display production equipment and coater business	Development, manufacture, sale, and maintenance services of display production equipment and coaters
PCB-related equipment business	Development, manufacture, sale, and maintenance services of PCB-related equipment
Other	Development, manufacture, and sale of products in new business areas related to semiconductor advanced packaging, life science, and hydrogen; planning and production of documents; development and sale of software; and other businesses

(8) Principal business locations

Company Head Office Tenjinkita-machi 1-1, Teranouchi-agaru 4-chome, Horikawa-dori, Kamigyo-ku, Kyoto 602-8585 Japan

Site or company name		Principal function	Location
Domestic locations	Rakusai Site	Development, manufacturing, and sales	Fushimi-ku, Kyoto
	Kumiyama Site	Development and manufacturing	Kumiyama-cho, Kyoto
	Yasu Site	Development and manufacturing	Yasu, Shiga
	Hikone Site	Development and manufacturing	Hikone, Shiga
	Taga Site	Manufacturing	Taga-cho, Shiga
	Monzennakacho Site	Sales	Koto-ku, Tokyo
Overseas locations	SCREEN SPE USA, LLC	Sales support and maintenance services	United States.
	SCREEN GP Americas, LLC	Sales and maintenance services	United States
	SCREEN SPE Germany GmbH	Sales support and maintenance services	Germany
	SCREEN GP Europe B.V.	Sales and maintenance services	The Netherlands
	SCREEN SPE Korea Co., Ltd.	Sales support and maintenance services	Korea
	SCREEN Electronics Shanghai Co., Ltd.	Sales support and maintenance services	China
	SCREEN SPE Taiwan Co., Ltd.	Sales support and maintenance services	Taiwan

(9) Employees

Total employees: 6,415 (+151 from March 31, 2024)

Note: Total employees excludes secondees from the Company or its consolidated subsidiaries to outside organizations and includes secondees from outside organizations to the Company or its consolidated subsidiaries.

(10) Principal lenders and amount of borrowings

(Millions of yen)	
Lender	Borrowings
Nippon Life Insurance Company	668
Development Bank of Japan Inc.	660

Note: Figures in millions of yen are truncated at the unit shown.

(11) Other matters concerning the status of the Company

In the course of the accounting auditor's interim audits for the fiscal year ended March 31, 2025, it was found that improper accounting regarding the timing of revenue recognition may have occurred at a SCREEN subsidiary in the fiscal year ended March 31, 2024. Accordingly, a Special Investigation Committee, comprising the Company's outside corporate auditors and outside experts, was formed to conduct an investigation. The investigation confirmed that improper accounting procedures resulting from inappropriate actions had been conducted. However, in light of the limited scope of impact and the lack of material significance to the consolidated financial statements, the Company will not issue corrections to the securities reports for previous fiscal years.

After receiving recommendations from the committee, the Company formulated recurrence prevention measures, which were approved by resolution of the Board of Directors and published on February 28, 2025. Going forward, the Company will steadily implement the recurrence prevention measures and do its utmost to repair the trust of stakeholders.

In connection with this matter, the Company delayed the submission of its interim securities report; this report was submitted on January 14, 2025 with an unqualified interim review report from the accounting auditor.

## 2. Shares of the company

(1) Authorized shares	360,000,000
(2) Shares issued	101,589,732 (including 5,727,039 shares of treasury stock)
(3) Total shareholders	51,305
(4) Major shareholders (top 10)	

Shareholder name	Shares held	Shareholding ratio
	Thousands of shares	%
The Master Trust Bank of Japan, Ltd. (Trust Account)	18,924	19.74
Custody Bank of Japan, Ltd. (Trust Account)	8,687	9.06
Nippon Life Insurance Company	3,661	3.81
The Bank of Kyoto, Ltd.	2,692	2.80
JPMorgan Securities Japan Co., Ltd.	2,106	2.19
SCREEN's Business Partners Shareholders' Association Synchronize	1,848	1.92
Resona Bank, Limited	1,825	1.90
The Shiga Bank, Ltd.	1,696	1.76
STATE STREET BANK WEST CLIENT - TREATY 505234	1,653	1.72
MUFG Bank, Ltd.	1,569	1.63

Notes: 1. SCREEN Holdings holds 5,727,039 shares of treasury stock but is excluded from the list of major shareholders.  
2. Numbers of shares are truncated at the unit shown.  
3. Treasury stock has been excluded from the calculation of the shareholding ratios. Ratios are truncated at the place shown.  
4. Treasury stock does not include the 229,000 shares of the Company owned by Custody Bank of Japan, Ltd. trust account for the performance-linked share compensation system for directors, etc.

(5) Status of shares granted to company officers during the fiscal year in consideration of performance of duties

Not applicable

(6) Other important matters regarding shares

Based on a resolution of the February 14, 2025 Board of Directors meeting, the Company conducted buybacks of company shares. For details, please refer to "Buybacks of company shares" under 1. (4), "Issues to be addressed."



### 3. Share acquisition rights, etc., of the Company

Overview of share acquisition rights attached to the bonds with share acquisition rights issued in accordance with a resolution of the Board of Directors meeting held on May 24, 2018

EUR/JPY denominated bonds with convertible bond type share acquisition rights subject to call due 2025 (Issued on June 11, 2018)	
Number of share acquisition rights	32
Number and type of shares to which share acquisition rights apply	54,338 shares of common stock
Amount of cash payment for share acquisition rights	No cash payment is required in exchange for share acquisition rights
Exercise period for share acquisition rights	From June 25, 2018 to May 28, 2025
Conversion price	¥5,889.0
Conditions for exercising share acquisition rights	Partial exercise of the share acquisition rights is not allowed. Prior to March 11, 2025, share acquisition rights may be exercised from the first day to the last day of the following quarter only if the closing price of the Company's shares of common stock exceeds 130% of the applicable conversion price on the last trading day of the quarter on 20 consecutive trading days ending on the last trading day of the quarter.
Balance of bonds with share acquisition rights	¥320 million

Note: In line with the approval of the proposal for appropriation of surplus (payment of year-end dividends of ¥140 per share) at the 83rd Ordinary General Meeting of Shareholders held on June 21, 2024, the conversion price from April 1, 2024 onward was adjusted to ¥5,913.4 in accordance with the conversion price adjustment clause. Moreover, in line with the decision of the Board of Directors meeting held on October 31, 2024 on the dividend of surplus (interim dividend) of ¥120 per share, the conversion price from October 1, 2024 onward was adjusted to ¥5,889.0 in accordance with the conversion price adjustment clause. The impact of such adjustment of the conversion price is reflected in the number of shares to which share acquisition rights apply indicated.

#### 4. Company officers

##### (1) Names and other information of directors and corporate auditors

(As of March 31, 2025)

Name	Position and responsibility	Significant concurrent positions
Eiji Kakiuchi	Chairman Member of the Board	Outside Director, KYOCERA Corporation
Toshio Hiroe	Representative Director Member of the Board President Chief Executive Officer	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.
Yoichi Kondo	Representative Director Member of the Board Senior Managing Director Chief Financial Officer	Director, SCREEN Semiconductor Solutions Co., Ltd.
Yoshihisa Ishikawa	Director Member of the Board	
Hidemi Takasu	Director Member of the Board	Outside Director, Samco Inc.
Hiroko Okudaira	Director Member of the Board	Associate Professor, Graduate School of Business, Doshisha University
Seiji Narahara	Director Member of the Board	Chair of the Board and Director, Toyobo Co., Ltd.
Fumikazu Sato	Director Member of the Board	Professor, Institute of Mathematics for Industry, Kyushu University Specially Appointed Professor, Center for Co-Creation Strategy, Tohoku University
Hirofumi Ota	Senior Corporate Auditor (Standing)	
Masao Tomonaga	Corporate Auditor (Standing)	
Tetsuo Kikkawa	Corporate Auditor	President and Attorney-at-Law, Kyoto Mirai Law Firm Outside Corporate Auditor, Kosei Kensetsu Co., Ltd.
Seiji Yokoyama	Corporate Auditor	Director, Seiji Yokoyama Public Certified Accountant Office Outside Director (Audit and Supervisory Committee Member), O-WELL CORPORATION

- Notes: 1. Directors Mr. Hidemi Takasu, Ms. Hiroko Okudaira, Mr. Seiji Narahara, and Mr. Fumikazu Sato are outside directors. The Company has reported them to Tokyo Stock Exchange, Inc. as independent directors.
2. Corporate auditors Mr. Tetsuo Kikkawa and Mr. Seiji Yokoyama are outside corporate auditors. The Company has reported them to Tokyo Stock Exchange, Inc. as independent auditors.
3. Regarding the corporate auditors, Mr. Hirofumi Ota has been involved in the accounting operations of the Company for many years, and Mr. Seiji Yokoyama is a licensed Certified Public Accountant. They both have substantial knowledge of finance and accounting.
4. The following changes were made to the Company's directors and corporate auditors during the fiscal year ended March 31, 2025.

(1) Assumed office on June 21, 2024

Director	Fumikazu Sato
Member of the Board	
Corporate auditor	Masao Tomonaga

(2) Left office on June 21, 2024

Director	Makoto Yoda
Member of the Board	

(3) Left office on June 21, 2024 (resigned during term of office)

Corporate auditor	Akio Umeda
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5. Effective from June 21, 2024, corporate auditor Seiji Yokoyama took office as outside director (Audit and Supervisory Committee member) of O-WELL CORPORATION.

(2) Overview of limitation of liability agreements

The Company has concluded limitation of liability agreements with its outside directors and outside corporate auditors to limit their liability for damages 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 agreements, their liability for damages shall be limited within the amount prescribed by laws and regulations.

(3) Overview of directors and officers liability insurance contract

The Company has concluded a directors and officers liability insurance contract, as stipulated in Article 430-3, Paragraph 1 of the Companies Act, with an insurance company. The said insurance contract covers damage including compensation for damages and litigation expenses to be borne by the insured.

The insured parties of the said insurance contract are all officers (directors, corporate auditors, executive officers, and other important employees under the Companies Act) of the Company and its subsidiaries. The entire premium is borne proportionally by the Company and its subsidiaries, in principle.

Exemptions for insurance coverage under the said insurance contract include damage caused as a result of criminal acts or actions taken with the knowledge that they were in violation of laws and regulations.

#### (4) Compensation for directors and corporate auditors

##### 1) Policy for determination of the details of compensation for each director

The policy for the determination of the details of compensation for each director (hereinafter the “Policy”) was set by a resolution of the Board of Directors meeting held on February 26, 2021. This was in response to the proposal from the Nomination and Compensation Advisory Committee, which is composed of outside directors and the chairman of the Board of Directors.

Compensation for directors is determined on the basis of individual roles and responsibilities as an incentive to live up to stakeholder expectations and enhance long-term corporate value. Specifically, compensation consists of three elements: (a) fixed cash basic remuneration (b) a short-term performance-linked cash bonus, and (c) share compensation linked with the short- and long-term performance and corporate value (shareholder value). Outside directors receive only basic remuneration and a performance-linked cash bonus.

Responsibility for determining compensation for individual directors and related matters has been granted to the representative directors by the Board of Directors, with the understanding that such matters will be decided based upon the recommendations of the Nomination and Compensation Advisory Committee.

##### 2) Resolution of the General Meeting of Shareholders on compensation for directors and corporate auditors

The amount of monetary compensation for directors, capped at ¥800 million (including up to ¥100 million for outside directors) annually, was set by a resolution of the 82nd Ordinary General Meeting of Shareholders held on June 23, 2023. The number of directors was eight (including four outside directors) at the close of the said Ordinary General Meeting of Shareholders. At the 80th Ordinary General Meeting of Shareholders held on June 24, 2021, it was resolved that performance-linked share compensation shall be provided separately from the above, with an upper limit of ¥1,000 million for the initial four-year trust period. Moreover, it was resolved that, by decision of the Company’s Board of Directors, the trust period may be further extended by specifying a period ranging from three fiscal years to five fiscal years for every extension. Furthermore, it was decided that the Company shall 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. The number of directors was eight at the close of the said Ordinary General Meeting of Shareholders and the number of directors subject to the system, which excludes outside directors, was four.

The amount of monetary compensation for corporate auditors was set to be kept within the range of ¥100 million annually by a resolution of the 82nd Ordinary General Meeting of Shareholders held on June 23, 2023. The number of corporate auditors was four at the close of the said Ordinary General Meeting of Shareholders.

##### 3) Determination of the details of compensation for each director

By resolution of the Board of Directors, the Company has delegated the authority to determine the compensation for each director to Mr. Toshio Hiroe, Representative Director, Member of the Board, President and Chief Executive Officer (hereinafter to be referred to as the “CEO”), with the understanding that such decisions will be made in light of the proposal of the Nomination and Compensation Advisory Committee. Since the compensation for each director is determined after the said measures are taken, the Company considers the details of compensation to be in line with the Policy.

The Company delegated this authority to the CEO because the CEO was considered well qualified and positioned to keep track of the Company’s overall performance and evaluate each director’s roles and responsibilities.

#### 4) Total amount of compensation for directors and corporate auditors

(Millions of yen)

Officer category	Total amount of compensation	Breakdown			Eligible officers (persons)
		Basic remuneration	Performance-linked remuneration	Performance-linked share compensation	
Directors (of which, outside directors)	517 (63)	251 (42)	188 (21)	77 (—)	9 (5)
Corporate auditors (of which, outside corporate auditors)	66 (13)	66 (13)	—	—	5 (2)

- Notes: 1. Figures in millions of yen are truncated. As a result, the figures presented under “Breakdown” may not add up exactly to the figures presented under “Total amount of compensation.”
2. The numbers of individuals and the amounts of compensation include one director who left their position on June 21, 2024.
3. The numbers of individuals and the amounts of compensation include one corporate auditor who left their position on June 21, 2024.

#### 5) Performance-linked remuneration

Performance-linked remuneration (cash bonuses) is paid according to position and performance. Indicators for evaluating performance include the operating margin and ROIC in the context of strengthening the management base, as well as environmental and safety indicators in the context of enhancing social value. The level of achievement of each indicator is converted to a score to determine the amount of performance-linked remuneration, which may be up to approximately half the amount of basic remuneration. For the fiscal year ended March 31, 2025, the payment was made in accordance with the achievement status of the medium-term management plan.

The following table shows the criteria for the level of achievement of each indicator and the actual performance for the fiscal year ended March 31, 2025.

Performance indicator	Achievement benchmarks for calculating compensation	Actual performance
Operating margin	15.4% (minimum) to 17.9% (or above)	21.7%
ROIC	15.0% (minimum) to 17.9% (or above)	24.7%
Environmental and safety indicators	GHG emissions in business activities: 54.7% reduction from FY2019/03	56.4% reduction (preliminary figure)

## 6) Performance-linked share compensation

Our performance-linked share compensation system (hereinafter the “System”) is a share compensation system wherein a trust established by the Company contributing funds (hereinafter the “Trust”) acquires the Company’s shares, and directors (excluding outside directors) receive the shares on the basis of the points granted to each director by the Company. In principle, the shares are received by directors at the time of their retirement.

The maximum total number of points to be granted to directors by the Company is 25,000 for each fiscal year. The points are granted according to position and performance. The system is designed to grant points equivalent to up to approximately 40% of basic remuneration, but the exact monetary value of the points fluctuates with the share price.

The performance indicators used in the System and the reasons for the selection of said indicators are the same as those shown in 5), above. The level of achievement of each indicator is converted to a score to determine the number of points to be granted.

(5) Outside directors and corporate auditors

1) Main activities in the fiscal year ended March 31, 2025

Category	Name	Main activities
Director	Hidemi Takasu	He attended all of 14 Board of Directors meetings held in the fiscal year ended March 31, 2025. Taking advantage of a wealth of knowledge and expertise cultivated as an officer in charge of technology at other company, he expressed his views from diverse perspectives and fulfilled the role expected of him, including contributing to the enhancement of management supervision.
Director	Hiroko Okudaira	She attended all of 14 Board of Directors meetings held in the fiscal year ended March 31, 2025. With a wealth of knowledge, including that gained in microeconomic research conducted in academia, she expressed her views from an objective perspective and fulfilled expected the role expected of her, such as contributing to the enhancement of management supervision.
Director	Seiji Narahara	He attended all 14 Board of Directors meetings held in the fiscal year ended March 31, 2025. With a wealth of knowledge and expertise as a manager and a head of external organizations, he expressed his views from diverse perspectives and fulfilled the role expected of him, such as contributing to the enhancement of management supervision.
Director	Fumikazu Sato	He attended all 10 Board of Directors meetings held in the fiscal year ended March 31, 2025 after his assumption of office on June 21, 2024. With a wealth of knowledge as a university professor and experience in government office, he expressed his views from diverse perspectives and fulfilled the role expected of him, such as contributing to the enhancement of management supervision.
Corporate Auditor	Tetsuo Kikkawa	He attended all of 14 Board of Directors meetings and all of 17 Board of Corporate Auditors meetings held in the fiscal year ended March 31, 2025. With a wealth of experience as an attorney-at-law, he expressed his views from a neutral and objective perspective.
Corporate Auditor	Seiji Yokoyama	He attended all of 14 Board of Directors meetings and all of 17 Board of Corporate Auditors meetings held in the fiscal year ended March 31, 2025. With a wealth of experience as a certified public accountant, he expressed his views from a neutral and objective perspective.

Note: As the chair of the Special Investigation Committee mentioned in section 1. (11) of the Business Report, “Other matters concerning the status of the Company,” corporate auditor Seiji Yokoyama was involved in the analysis of the causes of the improper conduct and formulation of recurrence prevention measures mentioned therein. As a member of said committee, corporate auditor Tetsuo Kikkawa was similarly involved.

## 2) Significant concurrent positions and relationship with the Company

Category	Name	Significant concurrent positions	Relationship with the Company
Director	Hidemi Takasu	Outside Director, Samco Inc.	There is no special relationship
Director	Hiroko Okudaira	Associate Professor, Graduate School of Business, Doshisha University	There is no special relationship
Director	Seiji Narahara	Chair of the Board and Director, Toyobo Co., Ltd.	There is no special relationship
Director	Fumikazu Sato	Professor, Institute of Mathematics for Industry, Kyushu University	There is no special relationship
		Specially Appointed Professor, Center for Co-Creation Strategy, Tohoku University	There is no special relationship
Corporate Auditor	Tetsuo Kikkawa	President and Attorney-at-Law, Kyoto Mirai Law Firm	There is no special relationship
		Outside Corporate Auditor, Kosei Kensetsu Co., Ltd.	There is no special relationship
Corporate Auditor	Seiji Yokoyama	Director, Seiji Yokoyama Public Certified Accountant Office	There is no special relationship
		Outside Director (Audit and Supervisory Committee Member), O-WELL CORPORATION	There is no special relationship



## 5. Accounting auditor

(1) Accounting auditor's name  
KPMG AZSA LLC

(2) Amount of compensation

1) Amount of compensation for the fiscal year ended March 31, 2025  
¥110 million

2) Total amount of monetary or other benefits to be paid by the Company and its subsidiaries to the accounting auditor for the fiscal year ended March 31, 2025  
¥131 million

- Notes:
1. The Board of Corporate Auditors consented to the amount of compensation for the accounting auditor after reviewing the details of the accounting auditor's audit plan, the performance of accounting audit duties, and the basis for the calculation of estimated compensation, accepting them as reasonable.
  2. In the contract with the accounting auditor, the Company does not, and in practice cannot, draw a clear line between the amount of compensation for the accounting auditor's audits under the Companies Act and the amount of compensation for audits under the Financial Instruments and Exchange Act. Shown above is therefore the total amount of compensation for these audits.
  3. Among the Company's significant subsidiaries, SCREEN SPE Taiwan Co., Ltd. is audited by a certified public accountant (or auditing firm) other than the Company's accounting auditor.

(3) Policies for deciding dismissal or non-reappointment of the accounting auditor

If deemed necessary, such as in the event that the accounting auditor is unable to fulfill its responsibilities, the Board of Corporate Auditors will draft a proposal to dismiss or refuse to reappoint the accounting auditor, which will be submitted to the General Meeting of Shareholders.

In addition, in the event that the accounting auditor is deemed to fall under any of the items listed in Article 340, Paragraph 1 of the Companies Act, the Board of Corporate Auditors will, if necessary, dismiss the accounting auditor with the unanimous consent of all corporate auditors. In this case, a corporate auditor selected by the Board of Corporate Auditors will report, at the first General Meeting of Shareholders convened after the dismissal, on the dismissal of the accounting auditor and the reasons for the dismissal.

## **6. Systems for ensuring the properness of operations**

By resolution of the Board of Directors, the Company has determined the following matters related to the development of internal control systems to ensure that duties executed by directors comply with laws, regulations, and the Articles of Incorporation, as well as the development of other systems prescribed by the Ministry of Justice orders to ensure the proper business activities undertaken by a group of enterprises consisting of a company and its subsidiaries.

### **Details of the resolution**

SCREEN Holdings, along with other group companies, has established the SCREEN Group CSR Charter and Code of Conduct, a set of fundamental precepts formulated to ensure that all Group activities uphold the corporate philosophy, which consists of the corporate purpose and the Founder's Motto. Under these, all Group members are committed to maintaining strict legal compliance, high ethical standards, and transparent business dealings and to living up to stakeholder expectations and thereby contributing to the sustainable development of society.

In line with the policies described above, the Company aims to develop its internal control systems in the following manner.

### **(1) Systems for ensuring the properness of operations undertaken by the corporate group consisting of the Company and its subsidiaries**

- 1) As the holding company overseeing the affairs of the SCREEN Group, the Company develops and maintains a Group management structure that clearly defines basic policies for the Group's operations as well as roles and responsibilities assigned to each group company in line with the SCREEN Group Code of Management.
- 2) From the perspective of consolidated business management, the Company aims to secure the functional separation of business execution and supervision and to this end focuses on strategic planning for the entire Group, optimally allocating management resources and exercising management of and supervision over operations undertaken by each group company.
- 3) The Company develops and appropriately maintains systems for securing the propriety and reliability of its financial reporting in line with the group internal control policy for financial reporting.
- 4) The Company constantly assesses the Group's financial position and ensures appropriate financial and tax reporting by handling these affairs in accordance with the group accounting and financial policy and accounting standards.
- 5) In line with the group human resource management policy, the Company strives to nurture and better utilize diverse talent capable of achieving success on the global stage. To this end, the Company maintains a personnel system focused on clearly defining the roles of individual employees and accurately assessing their accomplishments while providing skill development programs and other assistance to help employees achieve personal growth in a way that respects their diverse backgrounds.
- 6) The Company develops and maintains the systems necessary to properly operate and manage IT infrastructure for the Group in accordance with the group IT management rules.
- 7) The Company develops and maintains systems for ensuring the timely and accurate disclosure of information on the Group's corporate activities in a manner that conforms with its basic disclosure policy.
- 8) The Company holds Consolidated Management Committee meetings attended by its directors, corporate auditors, and executive officers as well as presidents of group companies in an effort to ensure that all Group members firmly embrace its management strategies and operational policies while sharing a sense of unity that transcends organizational boundaries and helps them work as one.
- 9) The Company dispatches directors, executive officers, and its own employees or those of managing group companies to other group companies, where they assume positions as directors or corporate auditors in order to manage and/or supervise operations undertaken by these group companies.

- 10) The Company receives periodic reports on the status of group companies' marketing, financial position, and other operational conditions either directly from said companies or via their managing group companies.
- 11) Internal audit departments audit the status of internal control systems the Company and other group companies have put in place, while ensuring that departments subject to auditing make improvements based on audit findings, in the pursuit of even more robust internal control systems.

## **(2) Systems for ensuring the efficient execution of directors' duties**

- 1) The Company's Board of Directors meets monthly, holding additional special meetings as necessary, and is charged with making swift decisions on important matters in addition to supervising directors' execution of duties.
- 2) To ensure its directors possess the authority necessary to efficiently execute their duties, the Company defines tasks to be delegated to each director based on a resolution passed by its Board of Directors and mandates that other group companies follow similar practices.
- 3) Based on the internal responsibility and authority rules, the Company clearly defines the responsibilities to be borne by and the authority to be delegated to its directors, executive officers, and employees in the course of their duties and mandates that other group companies follow similar practices.
- 4) The Company maintains the Management Committee, which comprises the standing directors, presidents of business operating and functional support companies, as well as executive officers appointed by the chairman of the Committee. The Committee meets at least once a month to deliberate matters related to management and facilitate the decision making of the Board of Directors and representative directors.

## **(3) Systems for ensuring that duties executed by directors, executive officers, and employees comply with laws, regulations, and the Articles of Incorporation**

- 1) The Company ingrains the SCREEN Group CSR Charter and Code of Conduct into the hearts and minds of directors, executive officers, and all employees so that it can operate in a fair and transparent manner.
- 2) The Company maintains officers and departments in charge of legal affairs to confirm the status of various significant contracts and transactions affecting the Group in terms of compliance with laws, regulations, and the Articles of Incorporation.
- 3) The Company maintains the membership of outside directors in the Board of Directors to ensure the legal compliance of the execution of directors' duties and the rationality of directors' management decisions and to strengthen the Board's supervisory functions.
- 4) The Company develops and maintains a whistleblowing system for the entire SCREEN Group with the aim of preventing and detecting the occurrence of violations of laws and regulations, fraudulent activities, and other corporate misconduct at the earliest stages. The Company and other group companies tolerate no disadvantageous treatment of whistleblowers due to their actions in reporting on the violation of laws or other corporate misconduct.
- 5) The Company is determined to sever any relationships with anti-social forces and reject illicit demands from such forces and, to this end, takes a firm stand against them by acting in collaboration with external lawyers and police agencies. The Company also complies with prefectural and other local ordinances aimed at eliminating organized crime groups and in no way provides anti-social forces with any benefits that may facilitate or contribute to their activities and operations. Moreover, the Company mandates that other group companies follow similar practices.

#### **(4) Systems and rules for the management of risk and losses**

- 1) To minimize risks that may affect the Group's operations, the Company mandates that all business units within the Group develop and maintain risk management systems in conformity with the group risk management guidelines and relevant operational rules while periodically monitoring the status of such systems.
- 2) In the event that a critical risk materializes, the Company sets up an emergency headquarters led by the CEO to implement countermeasures and restore operations in line with the business continuity management (BCM) regulations.

#### **(5) Systems for storing and managing information related to the execution of directors' duties**

- 1) In accordance with laws, regulations, and its internal rules, the Company swiftly prepares, stores, and manages minutes of meetings and other important documents containing information related to duties executed by directors and executive officers while ensuring that these documents are always accessible to directors and corporate auditors.
- 2) The Company maintains a strict approach to information management and, to this end, abides by the group IT management rules as well as internal rules for securing confidential information and trade secrets.

#### **(6) Systems for securing the effectiveness of auditing by corporate auditors**

- 1) Corporate auditors are authorized to attend and freely voice their opinions at Board of Directors, Consolidated Management Committee, Management Committee, and other important group meetings.
- 2) The Company bears expenses incurred by corporate auditors in the course of executing their duties.

#### **(7) Systems for supporting reporting to corporate auditors**

- 1) SCREEN Holdings' directors, executive officers, and employees are obliged to report the status of operations, finance, compliance, risk management, and internal audits to corporate auditors and to report any incidents constituting a significant violation of laws or internal rules or potentially leading to significant damage to the Company in the course of their duties as soon as such incidents are recognized.
- 2) All directors, corporate auditors, executive officers, and other employees serving group companies are obliged to provide the Company's corporate auditors with reports on any incidents constituting the significant violation of laws or internal rules or potentially leading to significant damage to the Company in the course of their duties as soon as such incidents are recognized.
- 3) Departments in charge of compliance are obliged to provide corporate auditors with periodic reporting on the status of the SCREEN Group's whistleblowing system and other important matters.
- 4) The Company and other group companies tolerate no disadvantageous treatment of whistleblowers due to their actions in reporting on the violation of laws or other corporate misconduct to corporate auditors.

#### **(8) Matters related to individuals charged with assisting corporate auditors in their duties**

The Company maintains a specialized department that assists corporate auditors with the execution of their duties while allocating to them a dedicated staff equipped with sufficient knowledge and competencies to provide such assistance. This staff operates directly under the corporate auditors, and personnel transfer, performance evaluation, and other matters associated with the management of these individuals are not determined without the consent of the corporate auditors.

## **Overview of the implementation status**

To ensure that internal control systems are appropriately in place and functioning, SCREEN Holdings periodically inspects the status of internal control implemented by group companies, including business operating companies and functional support companies. Described below are important or notable matters regarding the implementation of internal control in the fiscal year under review.

### **(1) Management of group operations**

- 1) SCREEN Holdings systematically manages the operations of group companies based on their business segment in accordance with the roles and responsibilities assigned to each company as stipulated by the SCREEN Group Code of Management.
- 2) Operational status at each group company is managed and supervised by such means as dispatching directors, executive officers, or employees from the Company or the managing group company to serve as directors and corporate auditors of group companies.
- 3) Internal auditing departments are responsible for conducting internal audits covering business units across the Group based on internal audit plans.
- 4) In accordance with the internal responsibility and authority rules, important business decisions made by a group company require the prior approval of SCREEN Holdings or other relevant business operating companies or functional support companies. In addition, the SCREEN Group has introduced a system that enables the approval of specific business decisions in a cross-organizational manner within the Group.
- 5) The Chief Officer of Corporate Strategy appointed for the Company and an officer in charge of CSR appointed for each business operating company and functional support company are charged with the implementation of internal control at the levels of their respective organizations.

### **(2) Compliance**

- 1) The Group has established the SCREEN Group CSR Charter and Code of Conduct. With the aim of ensuring that all employees understand them, the Group implements staff education at each group company in Japan and overseas. The Group also provides compliance education on specific themes or targeting specific types of staff. The Group takes the improper accounting of sales recorded for shipped semiconductor production equipment and the resulting delay in the filing of the interim securities report that occurred during the fiscal year under review very seriously. Accordingly, the Group is implementing recurrence prevention measures, namely, clearly defining and thoroughly disseminating and enforcing related rules and business processes; strengthening internal check functions; and implementing additional education regarding revenue recognition standards and compliance.
- 2) For the Group's compliance hotline, the Group has adopted NAVEX Global, a global online reporting system accommodating multiple languages, in order to detect any misconduct in Japan or abroad at the earliest stages and to ensure that corrective measures are swiftly taken.

### **(3) Risk management**

- 1) In accordance with the SCREEN Group Code of Risk Management and other relevant internal rules, each group company engages in initiatives aimed at identifying and mitigating business risk. SCREEN Holdings implements risk mitigation measures centering on the key group risks selected for each fiscal year by the Group Risk Management Committee, which meets twice a year and is responsible for assessing the status of risk management for the entire Group. Moreover, the Group strives to maintain robust collaboration among SCREEN Holdings' administrative and engineering departments and the business operating companies to enhance the effectiveness of risk management.
- 2) SCREEN Holdings has designated emergency procedures in accordance with the BCM regulations. In the fiscal year under review, we worked to enhance the effectiveness of business continuity plans (BCPs) by conducting disaster response drills at SCREEN Holdings and overseas operating subsidiaries. In addition, we enhanced and reinforced the overall emergency response capabilities of the SCREEN Group by strengthening cooperation on BCPs with suppliers in Japan and conducting evacuation drills

based on factory fire scenarios.

**(4) Duties of directors**

- 1) The Board of Directors met 14 times during the fiscal year under review in order to make important decisions and to supervise the execution of duties by the directors.
- 2) The Company's Board of Directors consists of eight members, of whom four are outside directors. To ensure the legality of the execution of duties and strengthen the Board's supervision, the Rules of the Board of Directors stipulate that at least one-third of the directors must be outside directors.
- 3) The Company's Management Committee met 13 times during the fiscal year under review to deliberate management execution and provide assistance to the Board of Directors and the representative directors in making decisions.

**(5) Effectiveness of audits by corporate auditors**

- 1) Corporate auditors attend important meetings, such as Board of Directors and Management Committee meetings, in order to provide advice; they also receive reports from departments in charge of internal auditing, internal control, and compliance.
- 2) SCREEN Holdings has established a specialized department to support the duties of the corporate auditors, with dedicated staff operating under instructions from the corporate auditors.