

# Corporate Governance

## Basic Approach and Policy

### Basic Approach

The Olympus Group strives to realize better health and happiness for people by being an integral member of society, sharing common values, and proposing new values through its business activities. This is “Social IN” and it describes the basic Olympus philosophy underlying all our activities.

Based on this, we have designed a corporate governance structure to secure the efficiency and efficacy of the Group as well as the integrity and credibility of our financial reports, and we are continually working to improve this framework.

### Basic Idea Regarding Corporate Governance

Olympus has formulated its Basic Policy for Corporate Governance, in accordance with the principles of the Corporate Governance Code.

Based on our fiduciary responsibility to shareholders and our responsibility to stakeholders including clients, employees and local communities, etc. as well as the above corporate philosophy, our company has implemented all the principles of the Corporate Governance Code and developed this policy with the aim of realizing effective corporate governance. The content of this policy has been approved by the Board of Directors.

Basic Policy for Corporate Governance

[http://www.olympus-global.com/en/common/pdf/basic\\_policy\\_for\\_corporate\\_governance\\_2016.pdf](http://www.olympus-global.com/en/common/pdf/basic_policy_for_corporate_governance_2016.pdf)

## Promotion Structure

### Corporate Governance Structure

The Board of Directors consists of 11 members, a majority (six) of whom are outside directors. In principle, the Board of Directors meets once per month and approves important management proposals made by the president, the highest authority for executive management, while exercising appropriate oversight of business execution. Olympus fills the position of chairman of the Board of Directors with a director that does not have business execution responsibilities.

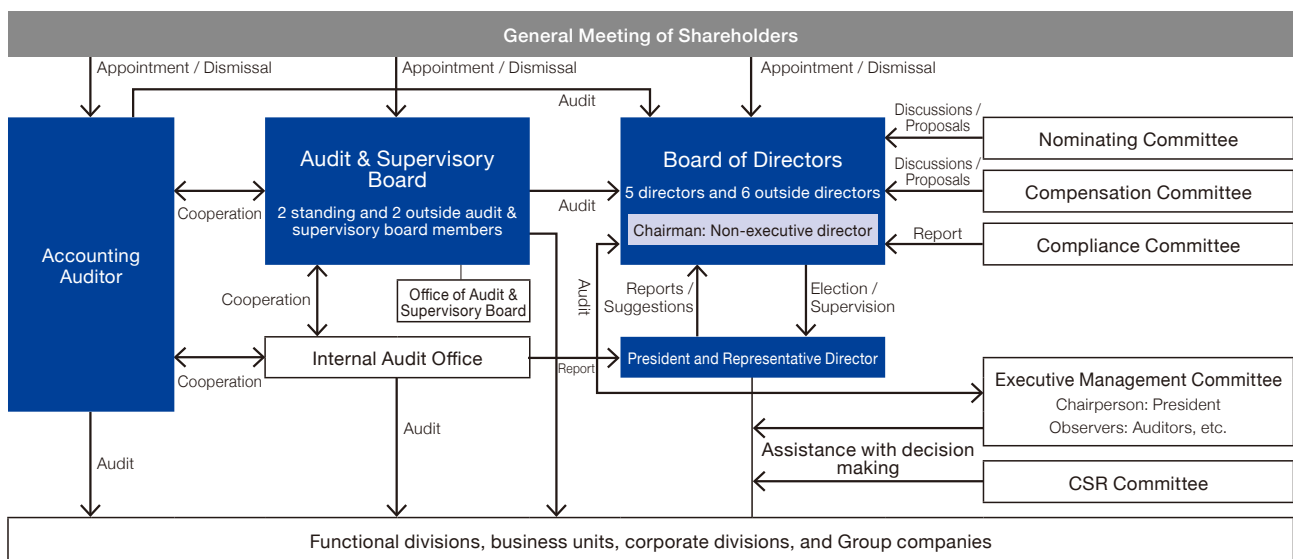
Olympus expects the six outside directors to apply their specialized expertise in management by engaging in decision making and oversight of the Board of Directors from an independent perspective. Furthermore, the Board of Directors requests reports on matters that are decided by the Executive Management Committee or by the president. In this manner, we are strengthening governance from the perspectives of sharing information and monitoring, thereby creating systems for better ensuring the soundness of management.

Olympus employs an executive officer system, which segregates the decision-making function and supervisory function of the Board of Directors from the business execution function of the executive officers. In addition, we have set a maximum tenure period for the president and a maximum age for directors and executive officers. These restraints are in place to prevent inappropriate activities from occurring due to extended tenures of corporate officers.

Overview of the Corporate Governance Structure (As of 28 June 2017)

Format	Board of Company Auditors system
Adoption of executive officer system	Yes
Directors	11
Of whom, outside directors	6
Term of directors	1 year
Audit & supervisory board members	4
Of whom, outside audit & supervisory board members	2
Independent officers	8
Participation of outside directors in determination of remuneration	Yes
Board of Directors convened (2016)	23 times
Results-linked remuneration	Yes

Corporate Governance Structure



For more details on Olympus' corporate governance, please refer to the 2017 annual report, One Olympus Report 2017. <http://www.olympus-global.com/en/ir/data/annualreport/2017/index.jsp>