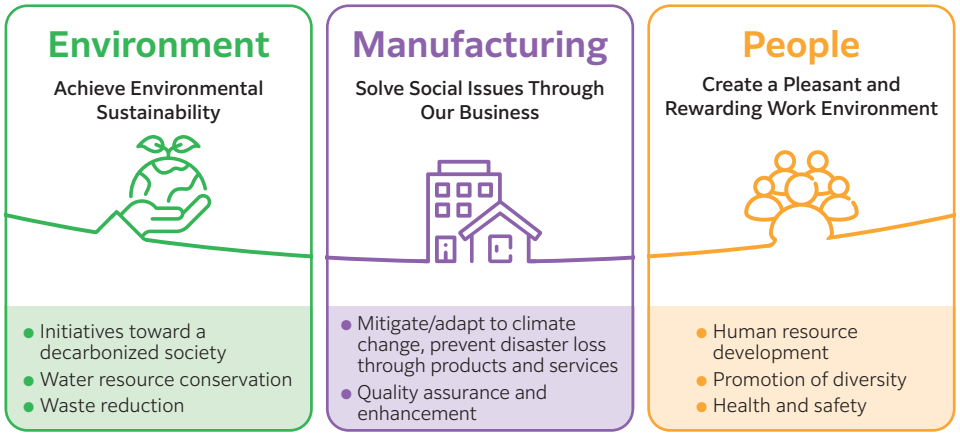
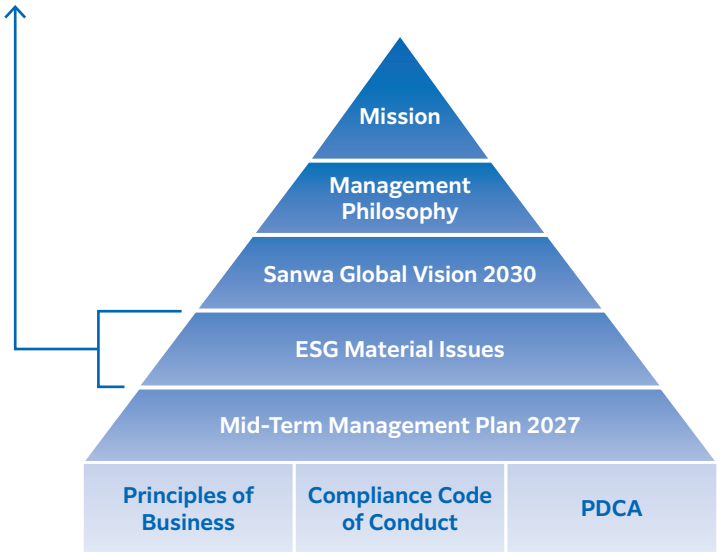
ESG Material Issues

Identifying material issues to achieve our desired state in 2030

For a company to grow sustainably in the face of a rapidly changing environment, it is important for it to move its business forward at the same time as contributing to solving social issues, and to respond and transform to keep one step ahead of changing trends. Even in an era of great uncertainty, to receive the support of stakeholders and continue creating value that is useful to society, the Group is advancing a variety of initiatives toward achieving the Sanwa Global Vision 2030. To guide these efforts, we have established 11 ESG material issues, consisting of the three themes of Manufacturing, Environment, and People, internal and external factors that have a particularly significant impact on the Group, as well as the Management Foundation that supports these themes.

Within the three themes, the Sanwa Group will create distinctive value by linking our Environment and People initiatives around the core axis of our Manufacturing initiatives.





Creating value by linking Manufacturing and Environment

Reducing environmental impact with products and services

We are developing products that reduce CO_2 emissions around the world. By increasing the airtightness of building entranceways and the efficiency of air conditioning, our products contribute to energy savings, which in turn help to reduce environmental impact.

Integrating climate change response and improved profitability

By matching our technological capabilities (seeds) to global environmental conservation issues (needs), we aim to contribute to the climate change response and improve profitability.

Creating value by linking Manufacturing and People

Improving job satisfaction

By providing society with products and services that contribute to the safety and security of communities and of everyday life, our employees can feel a sense of pride and accomplishment in their work.

Harnessing technological and development capabilities

The expertise, technological and development capabilities each employee possesses are the driving forces behind our business advancement and the source of our value creation.

Here at the Sanwa Group, we will further accelerate our efforts to tackle the three themes in accordance with this approach and framework. By doing so, we will increase our sustainable corporate value and fulfill our responsibilities as a company by carrying out our mission of safety, security, and convenience.

ESG Material Issue Identification Process and Promotion Structure

To promote sustainable management, the Group has identified 11 ESG material issues (consisting of the three themes of Manufacturing, Environment, and People, as well as the Management Foundation that supports these themes). We will move forward with measures to achieve the KPIs we have set with the aim of realizing the Sanwa Global Vision 2030, and we will strive to improve corporate value through dialogue and collaboration with stakeholders.

Process of identifying ESG material issues

In 2025, we partially revised our KPI items and raised our numerical targets in conjunction with the formulation of our Medium-Term Management Plan 2027.

Periodic review

STEP 1 Identify ESG Issues

We identify ESG issues, comprehensively taking international frameworks, external initiatives and guidelines related to sustainability into consideration.

STEP 2 Perform a 2-axis Evaluation of Importance

In relation to each ESG issue, we evaluate the level of importance to stakeholders on the vertical axis, based on evaluation weightings from research organizations including FTSE, MSCI, and SASB. Through a management review, we evaluate the level of importance to the Group on the horizontal axis and create a material issue map.

STEP 3 Identify ESG Material Issues

Taking elements derived from the material issues map, we add elements related to People (who support our business activities and drive growth) and identify 11 ESG material issues. We then organize them into the three themes and the Group's Management Foundation.

STEP 4 Set Targets (KPIs) and Disclose Results

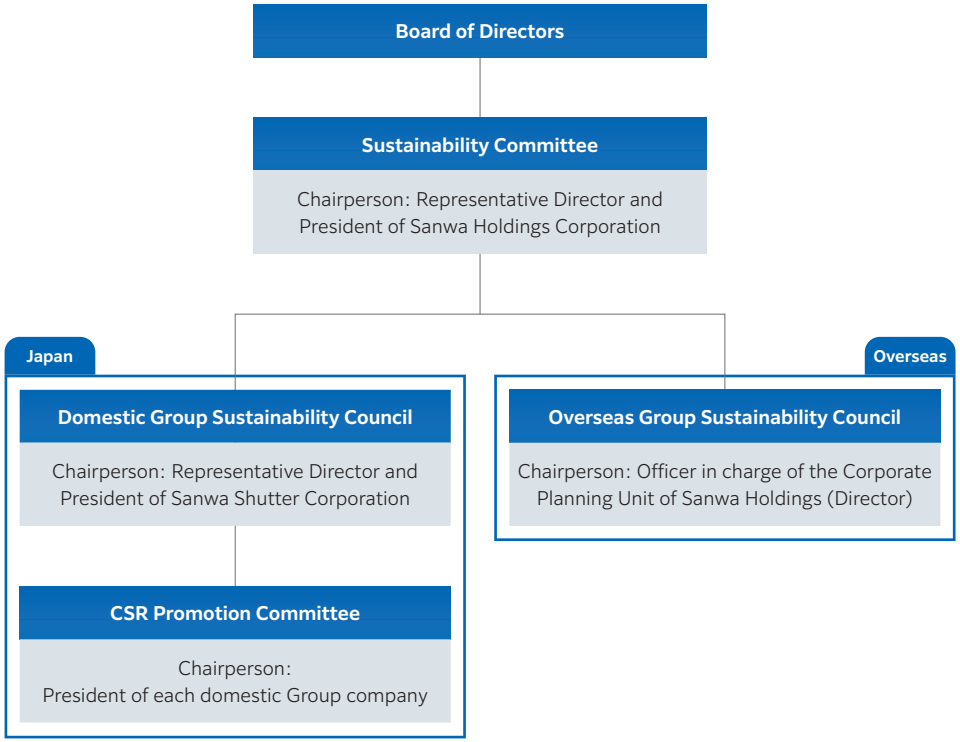
We set medium- to long-term targets (KPIs) linked to each ESG material issue, and disclose progress toward the targets every year.

Sustainability Committee

We aim to increase medium- to long-term value by implementing sustainability practices. In order to do so, the Sustainability Committee (chaired by the Representative Director and President of Sanwa Holdings) meets once per quarter, to deliberate on and drive the Group's sustainability policies and other related issues.

Regular reports are also made to the Board of Directors, building a sustainability management system in coordination with various Japanese and overseas meeting bodies.

Sustainability Promotion Structure



ESG Material Issues and KPIs

Material issue themes	Vision	ESG material issues	Items	FY2025 results	Medium-Term Management Plan 2027 KPIs	Scope
Manufacturing Solve Social Issues Through Our Business ▶ pp. 35–36	The Group has been contributing to the realization of safe, secure, and convenient societies around the world by providing entrance products designed to prevent, protect, and separate, such as shutters, doors, and partitions, protecting lives and properties from disasters and crimes. We help solve social issues with reliable technologies and quality to meet society's diversifying needs and ensure its sustainability.	Mitigate/adapt to climate change, prepare for disaster loss through products and services	Net sales of climate change response-related products (mitigation)	¥107.9 billion	¥112.0 billion (FY2027)	Consolidated
			Net sales of climate change response-related products (adaptation)	¥27.9 billion	¥28.0 billion (FY2027)	
			Net sales of disaster preparedness products	¥83.0 billion	¥90.0 billion (FY2027)	
			Net sales in the maintenance and service business	¥91.3 billion	¥102.0 billion (FY2027)	
		Quality assurance and enhancement	Achieve quality targets in line with each company's quality policy	—	—	
Environment Achieve Environmental Sustainability ▶ pp. 37–38	As a Group that utilizes natural capital in the course of its business activities, we will work to reduce CO_2 emissions and contribute to the realization of a carbon-neutral society. We will also take steps to reduce our water consumption and waste emissions by using water and raw materials more efficiently, thereby reducing our environmental footprint.	Initiatives toward a decarbonized society	Reduction of CO_2 emissions (Scope 1 + 2)	Reduce by 16.9% compared to FY2019	Reduce by 20% compared to FY2019 (FY2027) Reduce by 30% compared to FY2019 (FY2030)	Sanwa Shutter Corporation
		Preserving water resources	Reduction of water usage intensity (at plants and offices)	Reduce by 25.6% compared to FY2020	Reduce by 30% compared to FY2020 (FY2030)	
		Reduction of waste	Reduction of waste intensity (at plants and offices)	Reduce by 60.6% compared to FY2020	Reduce by 60% compared to FY2020 (FY2030)	
People Create a Pleasant and Rewarding Work Environment ▶ pp. 39–42	We respect the diversity of all people involved in the Group, who support our business activities and drive growth, and provide them with a safe work environment. We maximize corporate value by ensuring the growth of both individuals who can act independently from the perspective of overall optimization, and an organization that is both pleasant to work in and rewarding to work for.	Human resource development	Annual training hours per employee	31.1 hours	38 hours (2027)	Sanwa Shutter Corporation
			Digital education (fundamentals) participation rate	83.8%	90% (FY2027)	
			Digital education (application) participants	81	70 (FY2027)	
		Promotion of diversity	Ratio of female employees	20.9%	25% or higher (FY2030)	Consolidated
				14.7%	15% or higher (FY2030)	Sanwa Shutter Corporation
			Ratio of female new graduate hires	26.6%	30% or higher (Every fiscal year)	Sanwa Shutter Corporation
			Ratio of female managers	15.2%	20% or higher (FY2030)	Consolidated
			Ratio of male employees taking childcare leave	73.3%	70% or higher (FY2027)	Sanwa Shutter Corporation
					100% (FY2030)	
		Health and safety	Obesity rate (BMI of 25 and above)	35.5%	30% (FY2030)	Domestic Group companies
			Smoking rate	29.1%	25% (FY2030)	
			Rate of high-risk persons undergoing screening*	65.6%	100% (FY2030)	Sanwa Shutter Corporation
			Rate of taking annual paid leave	56.8%	70% (FY2027)	
Management Foundation ▶ pp. 49–58	As a Group that operates globally, with businesses in Japan, North America, Europe, and Asia, we are committed to corporate governance to build a fair management system, actions for human rights at the foundation of our business activities, and internal controls to regulate our business activities through an appropriate and sound system. By doing so, we will seek to achieve sustainable growth and enhance our corporate value over the medium to long term.	Corporate Governance	Ensuring the diversity of the Board of Directors	Appointed one female director Appointed one foreign-national director	Response to board diversity (FY2027)	Sanwa Holdings Corporation
			Number of times stakeholder dialogues held	377	350 (FY2027)	
		Respect for human rights	Identification, elimination, and prevention of human rights risks	Conducted human rights due diligence	Implementation and improvement of human rights due diligence (FY2027)	Japan/Asia
		Compliance	Number of participants in compliance training	10,332	8,000 (FY2027)	Domestic Group companies
			Participation rate in compliance training	99.7%	100% (FY2027)	

* Rate of high-risk persons undergoing screening: persons who underwent testing and started treatment/persons with a higher risk of developing severe lifestyle-related diseases

Risks and Opportunities

Business-related Risks
https://www.sanwa-hldgs.co.jp/english/ir/management/risk.html

The Group ensures stable business operations by implementing a Groupwide risk management system and working to predict potential risks, as well as by responding appropriately through measures to counter risks as required for business continuity. Details about risks are provided on the Business Risks page of our website.

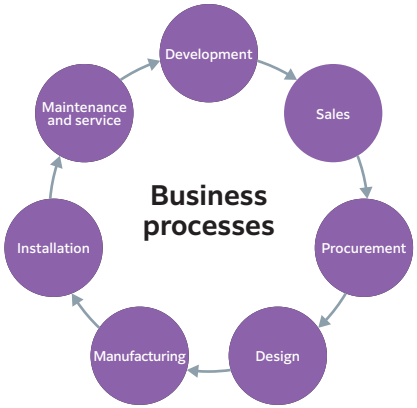
Material issue theme	Risk category	Likelihood	Impact	Major risks	Major opportunities
Manufacturing	Major disasters /Infectious-disease-related risks	Medium	High	• Business continuity risks due to large-scale disasters (typhoons, torrential rains, earthquakes, etc.) • Crisis in terms of continuation of business activities due to spread of infectious diseases (pandemics) and outbreaks of clusters	• Expand profit opportunities through product differentiation, e.g., disaster preparedness and climate change response products and easy-to-install products, and solution proposal sales • Expand maintenance and service business • Continue to provide products by achieving stable procurement • Improve production and logistics systems by leveraging our network
	Quality risks (Manufacturing/installation/ design/sales/inspection)	High	High	• Quality defects attributable to manufacturing, installation, and design • Occurrence of fire incidents attributable to installation • Complaints attributable to the content of proposals to customers and inadequacies in meetings, etc. • Accidents caused by failure to conduct regular inspections	
	R&D risks	Medium	Medium	• Delays in responding to product development needs and insufficient safety measures	
	Raw material prices and procurement risks	High	High	• Soaring raw material prices and rising auxiliary material and logistics costs • Stagnation of shipping due to difficulties in procuring parts, materials, etc.	
	Production and logistics risks	High	High	• Failure of product delivery systems • Responding to regulations limiting overtime work (difficulty securing truck drivers, etc.)	
	Occupational accident risks	High	High	• Occurrence of accidents and occupational injuries at plants and installation sites	
Environment	Environmental and climate change risks	High	High	• Increased costs due to the imposition of a carbon tax • Increase in R&D expenses associated with eco-friendly products • Impact of climate change on production activities and shipments, and decrease in productivity at production and installation sites due to rising temperatures • Increase in energy costs and waste disposal costs • Loss of trust due to failure to achieve greenhouse gas emission, water consumption, and industrial waste reduction targets	• Achieve growth through expansion of climate change response (mitigation) products
People	Human capital risks	Medium	High	• Decrease in operational efficiency due to loss of competent human capital and lack of appropriate personnel • Negative impact on employment and loss of trust due to delays in diversity initiatives	• Build a robust organizational structure through enhanced engagement • Increase competitiveness by securing talented human capital • Enhance organizational capabilities by promoting diversity • Improve productivity by creating a comfortable work environment
	Personnel and labor risks	High	High	• Insufficient management of employee health and safety • Losses from mistakes due to reduced concentration caused by overwork, decline in operational efficiency • Loss of trust due to violations of overtime work agreement, etc.	
The Group's Management Foundation	Management risks (Geopolitical, economic-trend-related, Financial and accounting related)	Medium	High	• Outbreak of terrorism, riots, wars, conflicts in overseas locations • Deterioration in business performance due to decreased demand resulting from economic recessions, impact of foreign exchange rate and interest rate fluctuations, funding procurement risks • Bankruptcy due to the business failure of partner companies, bad debt due to the discontinuation of business, and bad debt losses	• Improve trust from society by strengthening governance • Increase credibility by preventing accidents and incidents before they occur
	Corporate governance-related risks	Medium	High	• Loss of trust due to inadequate governance structure	
	Human rights risks	Medium	Medium	• Deterioration of the work environment due to human rights violations and loss of trust due to disputes between labor and management, lawsuits, etc.	
	Compliance risks (Fraud/scandal/legal violation/ traffic accident)	Medium	High	• Loss of trust due to inadequate internal controls • Loss of trust due to problems arising from fraud, scandals, legal violations, internal rule violations, etc. • Decrease in business operations and increase in damages awarded due to personal injuries from traffic accidents • Loss of trust due to drink driving incidents	
	Information security risks	Medium	High	• Loss of opportunities and trust due to cyberattacks, and increased restart costs • Loss of trust due to information leakage	

Manufacturing | Contributing to Sustainability Through Our Core Business

Basic approach

For 70 years since its founding, the Sanwa Group has supported communities and lifestyles by providing a wide range of metal fittings centering on building entrance products. We believe that our products and services designed to prevent, protect, and separate can make contributions in a wide range of fields, and that we are called upon to tackle an ever-expanding range of issues. The Group believes that developing and providing products that address climate change issues will enable us to respond to changing needs and create new markets. We also believe that by using our products and services to solve issues including fires, earthquakes, and other disasters, we can help communities become sustainable and resilient.

In addition, we are committed to pursuing quality and safety, which is our primary responsibility as a manufacturer. We strive to improve quality and safety in all processes, from development to sales, production, installation, and maintenance. As we possess a diverse range of global products, the characteristics of each business and the products handled are not consistent throughout the Group. For this reason, while the quality indicators we use in Japan are the number of product accidents, number of complaints and the amount of related losses, the quality indicator we use overseas is the ratio of complaint cost to net sales. Based on these indicators, we are moving forward with specific measures to make improvements. Furthermore, we aim to balance solving social issues and achieving sustainable growth through diligent research and development.



Governance and risk management

The Sanwa Group has established the following Sanwa Group Quality Objectives in pursuit of quality and safety, which is our primary responsibility as a manufacturer: 1) Improve product safety; 2) Improve the product quality and installation quality; 3) Improve the quality of service and business etiquette; and 4) Increase traceability. Furthermore, in Japan, North America, Europe, and Asia, we have set quality targets that meet the needs of customers in each region, and are promoting initiatives on a global basis. Progress, measures, and initiatives for these regional targets are reported and discussed twice a year by the Domestic Group Sustainability Council for Group companies in Japan, and by the Overseas Group Sustainability Council for overseas Group companies, and are also reported to the Sustainability Committee.

Strategy

Mitigate/adapt to climate change, prepare for disaster loss through products and services

To confront the urgent issue of climate change, the Sanwa Group offers products worldwide that support both mitigation, which entails reducing greenhouse gas emissions such as CO_2, and adaptation, which addresses the various impacts of climate change. Through these initiatives, we contribute to building a sustainable society by achieving both lower greenhouse gas emissions and reduced social vulnerability.

Furthermore, in response to disasters such as fires and earthquakes that threaten the realization of a safe, secure, and convenient society—our Group's mission—we help create resilient communities through maintenance and services that preserve the disaster preparedness functions of buildings, including products such as shutters and doors.

▶ **p. 36 Contributing to sustainability through our core business**

Quality assurance and enhancement

The Sanwa Group Test Center assesses the quality, performance, safety, and manufacturing technology of both the Group's products and items sourced domestically and internationally. This is done with a range of performance testing methods, including fire resistance and fireproofing, wind pressure resistance, airtightness, and watertightness tests. Certified under the international standard ISO/IEC 17025, which sets the requirements for quality management and technical competence in testing laboratories, the center ensures the reliability of its test results. The Group's products, including shutters, doors, and partitions, are semi-finished at the plant stage and only become finished products upon installation by installers; therefore, improving installation quality as well as maintenance and service standards is essential for customers to use our products with confidence over the long term. For this reason, we remain dedicated to training and advancing the skills of our installers.

▶ **p. 45 FOCUS 3: Developing the next generation of installers and in-house technicians**



The Sanwa Group Test Center

Manufacturing | Contributing to Sustainability Through Our Core Business

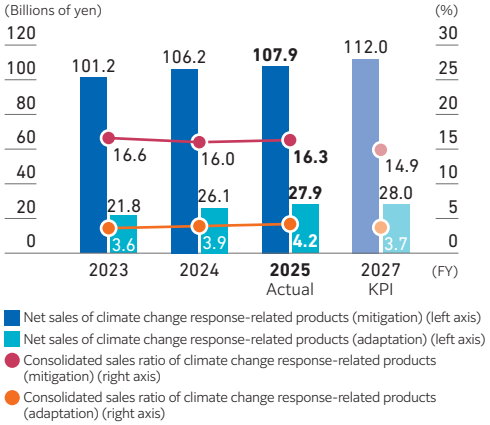
The Sanwa Group seeks to provide solutions to social issues such as climate change and disaster preparedness through its wide range of entrance products, while also enhancing corporate value, competitiveness, and social contribution through its business activities. In May 2022, we introduced the Sanwa Global Vision 2030, our Long-Term Vision, and the Mid-Term Management Plan 2024. These established key performance indicators that include net sales of climate change response products (mitigation and adaptation), net sales of disaster preparedness products, and net sales in the maintenance and service business, clearly affirming that our core business contributes directly to sustainability.
Looking ahead, we will accelerate product development and sales growth in response to social issues and needs, aiming for sustainable growth by helping to resolve climate change issues and improving our profitability.

Contributing to climate change response (mitigation and adaptation)

The Sanwa Group is addressing climate change by offering a wide range of products worldwide through two key approaches: mitigation, which focuses on reducing greenhouse gas emissions such as CO_2, and adaptation, which involves responding to the various effects of climate change.

As for net sales of climate change response-related products, we have set higher targets for fiscal 2027 in our Medium-Term Management Plan 2027 (see the graph on the right).

Trends and KPIs in net sales of climate change response-related products (consolidated)



Mitigation

To reduce greenhouse gas emissions, we develop and sell products such as high-speed sheet shutters that improve air conditioning efficiency at plants and warehouses, sectional doors with heat insulation properties, and heavy-duty steel doors made with low-CO_2 steel.



A heavy-duty steel door made with low-CO_2 GX Steel (Sanwa Shutter Corporation)

▶ p. 43 FOCUS 1: New value pioneered by YAG Doors

Adaptation

We develop and sell waterproof products that guard against flood damage caused by climate change, high-strength shutters that reduce the risk of wind damage, and sectional doors and wind-resistant window products from ODC that are designed to withstand hurricanes.



Water Guard waterproof shutter (Sanwa Shutter Corporation)
An electric panel shutter with industry-first waterproofing

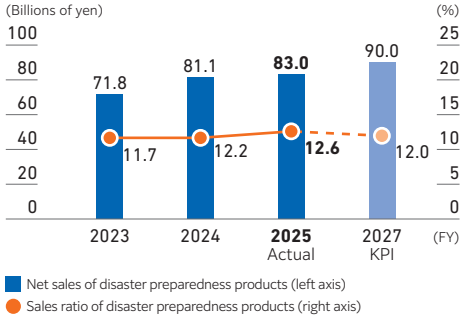
Contributing to Addressing Climate Change through Products and Services
https://www.sanwa-hldgs.co.jp/english/csr/environment/products.html

Contributing to disaster preparedness (fire, earthquakes, power outages)

The Sanwa Group provides a broad range of products globally that help minimize damage from disasters such as fires and earthquakes, while also supporting recovery efforts, such as through measures against power outages.

We have set a net sales target for disaster preparedness products of 90.0 billion yen for fiscal 2027 in our Medium-Term Management Plan 2027 (see the graph to the right).

Trends and KPIs in net sales of disaster preparedness products (consolidated)





"Shakunetsu Guard" (Sanwa Shutter Corporation)
A fire protection door that provides heat-shielding performance for 60 minutes in addition to flame-retardant performance



Smood Yuraku with seismic-resistant design (Sanwa Shutter Corporation)
A sliding entranceway door for hallways, suitable for seniors' condominiums

Maintenance and service

In Japan, we contribute to maintaining disaster prevention functions as part of social infrastructure through services such as Sanwa Shutter Corporation's 24-hour full-time service (FTS) and compliance with the regular inspection reporting system for fire prevention equipment. Overseas, we contribute to this area by expanding our service capabilities through ODC and the Novoferm Group.

Service Business Net Sales

FY2025 results	FY2027 target
¥91.3 billion	¥102.0 billion

Contributing to Disaster preparedness through Products and Services
https://www.sanwa-hldgs.co.jp/english/csr/social/consumers.html

Environment | Achieve Environmental Sustainability

Basic approach

The Sanwa Group, which operates in 28 countries and regions around the world, recognizes that concerns about the stable supply of energy, water and other natural resources pose a risk to its business foundation. At the same time, we see taking measures to reduce the global environmental impact of our business activities as an extremely important mission. We will move forward with initiatives to reduce our environmental impact by lowering our CO_2 emissions, water consumption and waste emissions, and to enhance our information disclosures. With these measures, we will increase our medium- to long-term corporate value.

Governance and risk management

The Sanwa Group has been working to promote environmental management and improve environmental performance through the acquisition of ISO 14001 and other environmental management system certifications at Japanese and overseas Group companies, with the aim of developing environmental conservation activities systematically and continuously in line with its environmental policy. Initiatives in each region are reported and discussed twice a year by the Domestic Group Sustainability Council for Group companies in Japan, and by the Overseas Group Sustainability Council for overseas Group companies, and are also reported to the Sustainability Committee.

Strategy

Initiatives toward a decarbonized society

In the Sanwa Global Vision 2030 and Medium-Term Management Plan 2024 announced in May 2022, the Sanwa Group set forth its policy for achieving carbon neutrality, aiming for net zero CO_2 emissions from business activities by 2050. We are moving forward with a variety of initiatives based on this policy.

In terms of our efforts to reduce Scope 1 emissions, we are actively switching to ecocars, in addition to working to upgrade to more energy-efficient equipment. In the Novoferm Group, company-owned vehicles at Novoferm Germany and Novoferm UK are being converted to electric vehicles or plug-in hybrids.

In terms of our efforts to reduce Scope 2 emissions, we are promoting the transition to renewable energy. We have installed solar power generation facilities at three locations in Japan, three in Europe, and two in Asia, and we are also utilizing electricity generated from renewable energy sources. In addition, at ODC, Won-Door has switched to LED lighting and upgraded to energy-efficient air conditioning systems.

We began calculating Scope 3 emissions in fiscal 2023, based on the recognition that reducing not only our own CO_2 emissions but also those of our entire supply chain is a necessary step in realizing a carbon-neutral society. Since fiscal 2024, we have expanded the scope of calculation categories, among which we have obtained third-party verification from JMASusC for emissions in categories 1, 3, and 11.

In addition, to reduce our environmental impact throughout the entire product lifecycle, we are introducing products such as doors made from GX Steel, a low-CO_2 steel that reduces CO_2 emissions at the raw material procurement stage.

▶ p. 43 FOCUS 1: New value pioneered by YAG Doors



Solar carports at the Ota Door Plant

Water resource conservation

Sanwa Shutter Corporation has been carrying out various initiatives to achieve its water usage intensity reduction targets for fiscal 2030. These include making effective use of a water circulation system for painting equipment and chillers that circulate chilled tank water, and reducing water waste at painting booths by using an overspray treatment agent. As a result, the water usage intensity for fiscal 2025 was reduced by 25.6% compared to fiscal 2020.

Waste reduction

Sanwa Shutter Corporation has been working on initiatives to achieve its waste intensity reduction targets for fiscal 2030, including thorough sorting and recycling, reduction of paint waste and reuse of wooden pallets. As a result, the waste intensity for fiscal 2025 was reduced by 60.6% compared to fiscal 2020, achieving the fiscal 2030 target of a 60% reduction from fiscal 2020.

As part of our efforts to reduce the plastic waste that we generate, we have set unit reduction targets and are conducting thorough waste sorting and employee training.

Environment | Achieve Environmental Sustainability

Climate-related Disclosures (TCFD Recommendations)
https://www.sanwa-hldgs.co.jp/english/csr/environment/climate_risk.html

Climate-related disclosure (TCFD)

Recognizing that climate-related risks and opportunities are important management issues, the Group expressed its endorsement of the TCFD recommendations in December 2021. As defined in our Long-Term Vision, we will strive to enhance our corporate value by expanding the lineup of climate change response products, promoting our ESG material issues ("mitigate/adapt to climate change, prevent disaster loss through products and services" and "initiatives toward a decarbonized society"), and enhancing our information disclosure.

Governance and risk management

The Sanwa Holdings Group has established the Sustainability Committee, chaired by the Representative Director and President of Sanwa Holdings, as an organization to promote sustainability management. The committee meets four times a year to set policies and promote initiatives on all ESG-related themes. Addressing climate change risks is positioned as an important issue for the Sustainability Committee, and the committee reviews the progress of activity policies and checks activity direction.

Strategy (scenario analysis)

Sanwa Shutter Corporation, the core business company of the Group, was selected for analysis and analyzed using the IEA's 1.5˚C scenario and the Intergovernmental Panel on Climate Change (IPCC)'s 4˚C scenario, and risks and opportunities as of 2030 were summarized. As a result, we confirmed that in each case the diverse lineup of climate change response-related products demonstrates a high degree of resilience, enabling us to contribute to climate change mitigation and adaptation while capturing abundant business opportunities.

Scenario analysis

Classification	Category	Impact	Risks	Impact on business	Our response
Transition risks Mainly assuming 1.5˚C scenario	Policies and regulations	High	• Introduction of carbon tax • Tightening of emissions target regulations	• Increase in costs of fuel, electricity, etc. used in plants and offices due to introduction of carbon tax • Transition costs incurred as part of emissions reductions in business activities	• Use of renewable energy • Switch to energy-saving, high-efficiency equipment • Switch to eco-friendly cars
		Medium	• Tightening of regulations such as ZEB, ZEH, energy conservation standards, etc.	• Elimination of specific products due to tightening standards • Mandatory use of alternative and recycled materials	• Strengthening of development, sales, and production of products for ZEB and ZEH
	Market changes	High	• Rising raw material prices	• Increase in prices of key materials due to carbon tax and other regulations	• Securing of profit through high value-added products and services • Cost reduction through self-help efforts and appropriate reflection in prices
	Reputation	Medium	• Changes in investor and consumer behavior	• Deterioration of reputation due to delays in information disclosure and countermeasures • Expansion of consumption behavior that takes environmental impact into consideration	• Enhancement of information disclosure • Promotion of environmental measures • Development of technologies and products that contribute to climate change mitigation
Physical risks Assuming 4˚C scenario	Acute/ chronic	High	• Frequent occurrence of extreme weather events (torrential rains, typhoons, floods, etc.)	• Suspension of sales activities and production due to damage to the Company • Suspension of supply of materials and labor due to damage to suppliers	• Periodic checks using hazard maps, etc., and response to flooding risks • Preparation of alternative procurement methods for materials and parts • Strengthening BCP measures
	Chronic	High	• Rising average temperatures	• Increased health risks at plants and installation sites • Decline in labor productivity	• Labor-reducing installations through reviewing construction methods and utilizing robots

Metrics and targets

We have set targets for both reducing CO_2 emissions produced during our business activities and expanding our climate change response-related products business, and are moving forward with initiatives to mitigate the effects of climate change and maximize opportunities.

CO_2 emissions (produced during business activities) reduction target (Scope 1 + 2) (Scope: Sanwa Shutter Corporation)

FY2027	**20% reduction** from FY2019 level
FY2030	**30% reduction** from FY2019 level
FY2050	Sanwa Group aims to achieve **net zero** CO_2 emissions produced during business activities

Net sales targets for climate change response-related products (Scope: consolidated)

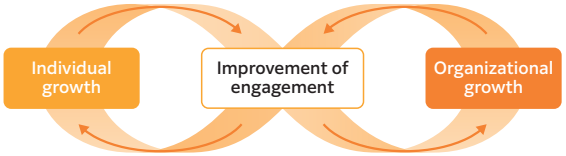
FY2027	Climate change response products (mitigation): **¥112.0 billion** Climate change response products (adaptation): **¥28.0 billion**

People | Create a Pleasant and Rewarding Work Environment

Basic approach

While labor shortages are a challenge in many economies, we believe that people are the source of our value creation and competitiveness, as all of our business activities rely on them. During the previous Medium-Term Management Plan period, while progress was made to a certain extent on the materiality themes of Manufacturing, Environment, and the Group's Management Foundation, many challenges remained regarding People. Therefore, to achieve sustainable growth and fulfill our mission, we have fundamentally reviewed our initiatives related to People. To realize our vision of becoming the global leader in high-performance entrance solutions as outlined in the Sanwa Global Vision 2030, we have formulated a human capital strategy aligned with the Medium-Term Management Plan 2027. We will focus on employee development to enable our employees to maximize their potential, and we will strive to sustainably enhance corporate value through initiatives such as respecting diversity and ensuring occupational health and safety. Our human capital strategy is designed to improve employee engagement and transform the Sanwa Group into a rewarding and attractive company through the joint growth of individuals who think and act autonomously and organizations that provide both facilitative and fulfilling workplaces. This creates a virtuous cycle in which each person works with energy and a willingness to contribute, increasing labor productivity and corporate value, which in turn leads to stronger external recognition and the ability to attract new talent. This virtuous cycle will drive the achievement of goals in both our Medium-Term Management Plan and our Long-Term Vision.

Increasing engagement through individual and organizational growth, become a rewarding and attractive company to work for



1. Securing talents, strategic personnel deployment and development, linked to regional business strategies
2. Creating safe and healthy workplaces and promoting wellbeing
3. Maximizing organizational performance through improved engagement

Governance and risk management

We promote such things as the development of human capital to maximize individual abilities, respect for diversity, equal opportunities for growth and fair evaluations irrespective of gender or age, and a safe and comfortable work environment. In this area, the Sustainability Committee regularly deliberates on the Group's policies, efforts to achieve KPIs, progress, and other matters.

Major agenda items at FY2025 meetings of the Sustainability Committee

Session 1	● ESG materiality KPIs and fiscal 2024 results ● Initiatives to improve engagement ● Direction for compliance with the SSBJ Standards for sustainability disclosure
Session 2	● Third-party verification of CO_2 emissions and fiscal 2024 results ● Health management initiatives ● Progress of risk countermeasures and compliance training
Session 3	● Report on the engagement survey and proposals for future action ● Direction for compliance with the SSBJ Standards for sustainability disclosure ● Report on Compliance Month and BCP drills
Session 4	● Expansion of sustainability information in annual securities reports ● Report on ESG indices and external ratings ● Progress of risk countermeasures and compliance training

To sustainably create value

Investments supporting individual growth

Labor costs per employee

Labor costs / Number of employees

+

Organizational growth

Operating profit per employee

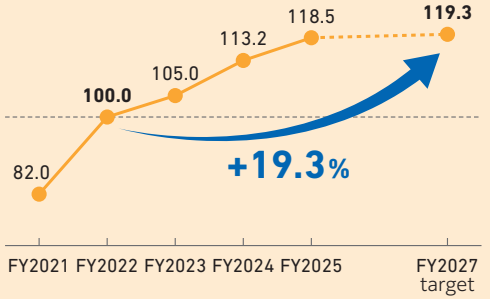
Operating profit / Number of employees

→

Labor productivity

Value added per employee (consolidated)

(Index: FY2022 = 100)



At the Sanwa Group, we take a holistic view that integrates labor costs and other investments in human capital with our operating profit performance. Therefore, we have defined the metric of value added per employee as the sum of labor costs per employee and operating profit per employee. Centered on the strengthening of human capital outlined in our Medium-Term Management Plan 2027, we aim to achieve a 19.3% increase in this metric in fiscal 2027 versus fiscal 2022, with the goal of establishing a virtuous cycle that enables sustainable value creation.

People | Create a Pleasant and Rewarding Work Environment

Strategy 1 Securing talents, strategic personnel deployment and development, linked to regional business strategies

Challenges recognized

Ongoing Japanese population decline is expected to result in a gradually shrinking construction market over the long term. To expand our business under these conditions, it is essential to accurately capture market needs, incorporate them into our product development, and take integrated action from go-to-market to sales expansion.

For example, in response to the increasing severity of natural disasters, the growing number of environmentally friendly buildings, and heightened security demands, we must further strengthen products that contribute to disaster preparedness and mitigation, as well as products with advanced functionality. Aging social infrastructure and labor shortages are also social challenges that require maintenance services and new solutions.

To develop and expand sales of products that meet these diverse market demands, optimizing personnel allocation, securing personnel, and building capabilities are vital. In particular, as installers age, training younger generations has become an urgent priority. Moreover, environmental and other emerging domains require talent with strong proposal capabilities to uncover and stimulate customer needs.

In response to these circumstances, Sanwa Shutter Corporation holds Human Capital Development Enhancement Meetings and subcommittees, chaired by a manager in charge of corporate strategy, to discuss training plans and recruitment and retention efforts, and to follow up on human capital development in detail. We also opened specialized training facilities to build a nationwide base for training installers.

Meanwhile, in the United States, a tight labor market has made it difficult to secure personnel for manufacturing and technical positions, which poses a challenge when combined with the higher turnover rate compared to Japan. Labor shortages are also emerging in Europe, particularly for skilled workers in Germany, which accounts for approximately 30 percent of the Novoferm Group's sales, and measures are being implemented in each region to address these issues.

Strategies for acquiring and developing human capital

In talent acquisition, we draw from a diverse pool through methods such as internships, referrals, and alumni recruitment.

For human capital development, we pursue two approaches: upskilling and reskilling. In upskilling, we provide training tailored to each employee's job title and rank, strengthening sales expertise and improving installation quality. In reskilling, we are focusing on developing digital talent and promoting digitalization across the Group.

Furthermore, to ensure optimal human capital assignments, we use a self-assessment system to gather information on employees' current situations, preferences, and qualifications. This allows us to assign employees and carry out capability development initiatives that respect their individual strengths. Additional programs include the free agent system and open recruitment for digital talent, where we promote autonomous career development and skill enhancement.

In North America, ODC is committed to creating an attractive work environment by fostering a corporate culture, offering a competitive compensation structure and benefits package, improving operational efficiency and productivity through training, and strengthening safety programs, all with the goal of becoming a company preferred by its employees.

At the Novoferm Group in Europe, the Novoferm Vision 2030 identifies people as a core element, and the organization is building capabilities tailored to regional characteristics, advancing digital transformation, cultivating corporate culture, and making improvements to the workplace environment.

Training system (Domestic Group companies)

	Level-specific training	Goal-specific training				Personal development
		Next-generation/Career	Division-specific skills	Digital	Global	
Senior management						
Managers	Training for onboarding new employees New manager training	Sanwa Management Training School Training to strengthen management skills	Job type-specific training (sales/ engineering/design, etc.) based on skill maps	Digital skills training (fundamentals/ application) IT literacy training	Training for global assignments Practical global training TOEIC IP e-learning	Correspondence courses, recommended reading, etc.
Mid-level employees	Next-generation leader training Mid-level employee training OJT leader training	Life planning seminars Career enhancement training Career development training (for female employees)				
New employees	Follow-up training New employee training (Sanwa Professional Human Capital Training Plan)					

Initiatives at each location

An Ho Metal Industrial Co., Ltd.: Level-specific training



Taiwan-based An Ho Metal Industrial Co., Ltd., which celebrates its 38th anniversary in 2026, operates under the philosophy that a company is defined by its people. The company conducts level-specific training to help employees acquire the knowledge and skills necessary for their respective positions, thereby supporting the professional development of each individual.

People | Create a Pleasant and Rewarding Work Environment

Strategy 2 Creating safe and healthy workplaces and promoting wellbeing

Promotion of diversity

The Sanwa Group believes that promoting diversity is essential for securing talented human capital, fostering innovation, and improving responsiveness to diverse customer needs and we therefore take a variety of proactive measures in this area. These measures are aimed at creating an environment where each of our diverse employees realizes their full potential.

In Japan, to ensure gender equality and diversity, we have been conducting career development training for female employees with at least 10 years of service since fiscal 2022. This program supports the cultivation of management candidates and assists their proactive career development. In addition, we encourage our female employees to participate in external seminars to foster female executives and stimulate self-leadership skills.

In North America, ODC is committed to equal employment opportunities and affirmative action, and is committed to creating a workplace where a diverse workforce—including women, minorities, people with disabilities, and veterans—can thrive.

In Europe, the Novoferm Group is committed to fostering a corporate culture that values openness and mutual respect, as well as designing organizational structures that promote teamwork through mutual recognition of diversity and strengthening collaboration among its group companies.

Creation of a comfortable working environment

The Sanwa Group takes actions to provide a working environment where employees can work flexibly while balancing responsibilities such as childcare and nursing care.

Sanwa Shutter Corporation is enhancing workplace systems to ensure the retention and success of diverse employees through such measures as telework, providing paid nursing care leave for employees raising children up through the sixth year of elementary school, introducing paid leave in hourly increments, and broadening the scope of shorter working hours for employees raising children. In addition, in response to legal revisions taking effect in April 2025, we have expanded nursing care leave eligibility to include family members requiring care level 1. Furthermore, to encourage men's participation in childcare, we have newly established partial paid leave during the childcare leave period.

The Sanwa Group is committed to eliminating occupational accidents. We strive to ensure the safety of our employees by providing safety training and thoroughly enforcing rules, sharing case studies of near-misses, and improving the environment to reduce workloads, raising awareness of and thoroughly implementing heat stroke prevention measures.

Promotion of health management

In Japan, to address health challenges such as employee obesity and smoking rates that exceed the national average, we are implementing initiatives such as actively encouraging medical examinations, holding walking campaigns, and implementing a smoking cessation support program.

Additionally, in March 2024, we defined employees at high risk of developing severe lifestyle-related diseases as high-risk employees and set a KPI aiming for a 100% participation rate in testing and starting treatment. Through targeted support, we aim to promote behavioral change and improve employee health.

Furthermore, starting in fiscal 2025, we expanded the stress check items in the Shinjuku and Itabashi office areas from the previous 57 items to 80 items. By adding and measuring presenteeism (a state of reduced productivity due to health issues) and work engagement (a state of positive feelings and fulfillment regarding work), we are identifying physical and mental burden and using this information to improve the work environment. In fiscal 2025, the presenteeism rate was 78.4%, and the work engagement score was 3.13 points.

Initiatives at each location

Genie/Horton: Matamoros plants continue their long accident-free streaks



As of the end of March 2026, the Genie plant in Matamoros, Mexico, has maintained an accident-free streak for over 1,600 days, while the Horton plant in the same location has maintained one for over 1,000 days. This achievement is the result of each employee's high safety awareness and daily efforts; it has been highly praised by third-party organizations and has earned various certifications and awards. Ongoing efforts by the Matamoros teams are making significant contributions to the improvement of safety culture across the entire ODC Group.

Novoferm (Manuregion): Safety Day



In October 2025, all Manuregion employees gathered in Reims, France, for Safety Day, an event aimed at preventing accidents and raising safety awareness. Throughout the day, employees participated in five workshops to learn about safe behaviors to practice on a daily basis.

Genie: 5k Run / 1-Mile Walk



Genie, ODC's door operator division, hosts an annual five-kilometer run and one-mile walk for charity. Entry fees and donations collected on the day of the event are donated to the American Cancer Society to help eradicate cancer and improve local healthcare. In 2025, marking the 14th annual event, approximately 900 employees from various ODC locations participated, contributing not only to social good through a donation of $8,000 but also to improved employee engagement.

People | Create a Pleasant and Rewarding Work Environment

Strategy 3 Maximizing organizational performance through improved engagement

The Sanwa Group regards improving employee engagement as a key priority, as it not only enhances individual capabilities and productivity but also leads to greater overall organizational performance and employee retention.

Starting in April 2025, Sanwa Shutter Corporation introduced a scholarship repayment support program with a maximum term of 10 years, creating an environment where young employees repaying scholarships can continue to work with peace of mind. Additionally, for upper management, the Company introduced a restricted stock grant program to deepen their understanding of the Group's management strategies and policies and to foster a sense of participation in corporate management.

The increased engagement resulting from these initiatives improves operational efficiency and the quality of work, which in turn contributes to higher sales and greater customer satisfaction. By reducing turnover, these initiatives also lead to reduced recruitment and training costs, while increased psychological safety stimulates innovation.

In Japan, the Group conducted an engagement survey in 2025 and will continue to assess the current situation and work on improvements going forward.

▶ p. 44 FOCUS2: Using dialogue and co-creation to build better organizations and support human capital management

In North America, ODC conducts a full engagement survey, designed to gain a comprehensive understanding of employee engagement, and a pulse survey, which tracks progress on key priority areas, in alternating years. In 2025, ODC achieved a response rate of 90% among the 4,789 eligible employees. The Novoferm Group in Europe is also gradually expanding its employee satisfaction survey and plans to conduct it for all employees in fiscal 2026.

In celebration of its 70th anniversary in 2026, the Sanwa Group announced that it would grant shares to members of the Employee Stock Ownership Plan and presented commemorative gifts to partners who support our business. Moving forward, we will continue to enhance the engagement of our employees and partners, aiming to maximize our human capital through a virtuous cycle of individual and organizational growth.

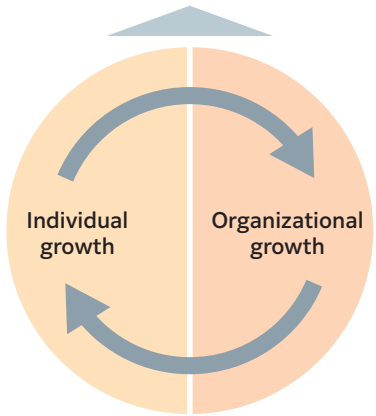
Virtuous cycle of individual and organizational growth

Individual growth

Proactive career development
- Upskilling
- Reskilling
- Self-assessments / free agent system

Learning through co-creation
- Collective training
- Learning from diverse human capital
- Formalizing know-how

Operational efficiency
- Utilizing digital tools
- Improving processes



Organizational growth

Instilling philosophy and clarifying strategy
- Sharing our Mission and Management Philosophy
- Aligning strategy with individual goals
- Developing new domains and technologies

Providing growth opportunities
- Visualizing skills using skill maps
- Strengthening level-specific training

Well-being
- Respecting diversity
- Promoting health management
- Reducing working hours by introducing digital tools

Initiatives at each location

ODC: Christmas Party hosted at headquarters



In December 2025, a Christmas party was held at ODC's Dallas headquarters in the U.S., with a total of 160 employees in attendance. Through various activities—including a catered lunch, a gift raffle, photo sessions with Santa, and Jenga—participants deepened their connections across team boundaries.

Alpha Deuren: 30th Anniversary Alpha Family Day



Netherlands-based Alpha Deuren held Alpha Family Day in September 2025 to celebrate its 30th anniversary. Over 500 attendees—including employees and their families—enjoyed a sunny day filled with activities, guided tours, and entertainment.

An Ho Metal Industrial: All-employee sports event



Taiwan-based An Ho Metal Industrial Co., Ltd. hosts a variety of engagement-building events, including all-employee sports events and social gatherings at its plants and offices.

FOCUS 1

New value pioneered by YAG Doors:

Decarbonization from the materials stage, achieved through proprietary technology and GX Steel

In recent years, efforts to reduce CO_2 emissions in the construction sector have been accelerating. Amid this, Sanwa Shutter Corporation has taken on a new challenge to start reducing environmental impact from the materials stage, rather than just during the product's use. As part of our efforts in this area, we have launched the new "YAG Door green flag" product, which combines our proprietary laser-based weight-reduction technology with NSCarbolex® Neutral, which is steel produced with reduced CO_2 emissions during manufacturing. This not only achieves CO_2 emissions reductions starting from the material stage but also establishes a mechanism that can quantitatively verify the extent of these reductions.

YAG Door green flag: Balancing Weight Reduction and Environmental Performance

Our YAG Doors use laser processing to reduce the thickness of surface materials and other components to 1.0 mm, resulting in a reduction of approximately 45% in steel usage compared to standard heavy steel doors. By achieving lighter weight, we have made these products easier to install and less resource-consuming, striving to balance functionality with environmental performance.

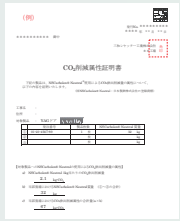
The newly developed YAG Door green flag product combines this weight-reduction technology with NSCarbolex® Neutral, a GX Steel offering from Nippon Steel that reduces CO_2 emissions during manufacturing, to lower environmental impact starting at the materials stage. Compared to standard steel doors, this product successfully reduces CO_2 emissions by approximately 139 kg-CO_2*1 per door.

Furthermore, we have established a mechanism that automatically calculates CO_2 emission reductions by entering door size and specifications into the system and issues the results as a certificate. This product not only visualizes efforts toward decarbonization but also contributes to reducing customers' Scope 3*2 emissions and managing emissions across the entire supply chain.



Visualizing CO_2 Emission Reductions with NSCarbolex® Neutral*3

NSCarbolex® Neutral is a kind of GX Steel (steel for green transformation) produced by Nippon Steel Corporation. It is the outcome of CO_2 emission reductions achieved through the transformation and improvement of steel manufacturing processes. Emission reduction amounts are verified by third-party organizations for each project, and the CO_2 emission reductions stated on issued certificates can be used by customers to calculate and report their Scope 3 emissions in accordance with the GHG Protocol. A major strength is that it can be applied to any product while maintaining the same quality and performance as conventional products. Through the use of materials with this environmental value, we will contribute to decarbonization across the entire supply chain in the building materials sector.



Certificate of CO_2 reduction attributes

*1 Based on calculations by Sanwa Holdings Corporation. For a door measuring W800 mm × H2,000 mm, single-leaf, without windows or louvers
*2 One category of corporate greenhouse gas (GHG) emissions, including CO_2. Excludes a company's direct emissions (Scope 1) and purchased electricity (Scope 2); refers to indirect emissions generated throughout the entire supply chain, including raw material procurement, logistics, use, and disposal
*3 NSCarbolex and its logo are registered trademarks of Nippon Steel Corporation.

Initiatives to reduce CO_2 emissions	Steel use reduced through laser processing and thinner sheet metal (conversion from SD to the YAG Door)		Reduction by adopting the NSCarbolex® Neutral GX Steel		Total Conditions: W800 mm × H2,000 mm; single-leaf door; no windows or louvers
CO_2 emission reductions	Approx. 72 kg-CO_2	+	Approx. 67 kg-CO_2	=	Approx. 139 kg-CO_2 (Equivalent to approx. 82% reduction)

Supporting the Decarbonization of Building Materials with GX Steel



Mr. Yoshihiro Sumida

General Manager,Head of Section
Structural Flat Products Marketing Section-2
Structural Flat Products Marketing Dept.
Flat Products Marketing Div.
Nippon Steel Corporation

The steel industry accounts for a significant portion of Japan's CO_2 emissions, making decarbonization a critical management issue for our company as well. Though we are working to develop new technologies such as hydrogen reduction steelmaking, it will take some time for these to be put into practical use. Against this backdrop, we have developed the NSCarbolex® Neutral product in the GX Steel family, which combines responsiveness with effectiveness. Its ability to quantitatively demonstrate emission reductions is of great significance in advancing emissions management across the entire supply chain.

The commercialization of YAG Door green flag, a product incorporating NSCarbolex® Neutral, is a pioneering example of translating Scope 3 reduction goals in the construction sector into concrete action. The fact that Sanwa Shutter Corporation has been able to so quickly commercialize this product through collaboration across its development, manufacturing, procurement, and sales teams demonstrates their strong commitment to leveraging decarbonization to enhance competitiveness.

Going forward, we at Nippon Steel will also continue to create value through both materials and products to support the decarbonization of the construction industry.

FOCUS 2

Using dialogue and co-creation to build better organizations and support human capital management
Maximizing organizational performance through improved engagement

Under the Sanwa Group's core strategy of enhancing sustainability management and human capital management, we are working to create an environment where diverse talent can maximize their potential. As part of this effort, we introduced an engagement survey across all domestic Group companies starting in fiscal 2025. With this, we are fostering the next generation of young employees and further leveraging the strengths of our nationwide sales and construction network to channel individual energy into improving the performance of the entire organization.



Becoming a Group with a fulfilling and attractive work environment, where each employee is more proactive and thriving

Masayuki Atarashi
Senior Executive Officer,
Head of Corporate Communication Department,
Corporate Planning Unit
Sanwa Holdings Corporation

At the Sanwa Group, as part of our human capital management initiatives, we are focusing on maximizing organizational performance through improved engagement. As a concrete measure, we conducted an engagement survey across all domestic Group companies in fiscal 2025, after conducting the survey in our businesses in North America and Europe. The survey's goal is to elevate the level of communication within the organization and further stimulate employees' motivation to contribute to their respective companies.

Our domestic Group is particularly noteworthy for possessing a nationwide sales and construction network. While this enables us to meticulously identify and address locally rooted needs, it also presents certain physical constraints when it comes to pooling the organization's collective strength. Although the domestic Group has continued to grow steadily while overcoming these challenges, in order to evolve further into a fulfilling and attractive Group where employees can take pride in their work, we must fully embrace the individual energy that springs from within the organization. Differences in values between supervisors and subordinates, such as a sense of accomplishment, career plans, and work-life balance, mean that unless both sides understand each other, the organization's maturity will not increase, nor will it lead to improved organizational performance. Moving forward, we will collaborate with our human resources units and regional talent development teams to utilize the engagement survey as a catalyst for behavioral change, thereby fostering a corporate culture that supports the growth of both individuals and the organization.

Overview of the FY2025 survey

Survey period	October 16–31, 2025
Target respondents	All employees of domestic Group companies (regular employees, mid-career hires, Mate employees, senior employees, and directly-hired employees)
Method	Anonymous online survey (multiple-choice format)
Number of questions	32
Response rate	97% (6,255 respondents of 6,421 target respondents)

Total engagement score
63 points

Components of the engagement survey score

Work drivers

Key driver	Sub-item
Job responsibilities	Fulfillment
	Autonomy
Personal growth	Sense of accomplishment
	Opportunities for growth
Health	Workload
	Stress response
Support	Job-related support
	Support for personal growth
	Clarity of mission and goals
	Support from colleagues during difficult times
Interpersonal relationships	Relationship with supervisors
	Relationship with coworkers
Recognition	Recognition for comments and opinions
	Recognition for achievements
	Satisfaction with evaluations

Organizational drivers

Key driver	Sub-item
Philosophy and strategy	Empathy with mission and vision
	Agreement with company policies and business strategies
	Pride in business and services
	Trust in management
Organizational culture	Provision of career opportunities
	Culture of taking on challenges
	Interdepartmental cooperation
	Appropriateness of praise
Environment	Satisfaction with the work environment
	Work-life balance
	Satisfaction with compensation

(Source) Excerpted from "Engagement Run! Training: Engagement Improvement Training" by SMBC Wevox, Inc.

Creating an environment where young employees can take on challenges with confidence



Tokyo Metropolitan Maintenance Branch No. 1
Solutions Business Division
Sanwa Shutter Corporation

Items earning particularly high scores

- Relationship with coworkers
- Support from colleagues during difficult times
- Relationship with supervisors
- Satisfaction with the work environment
- Provision of career opportunities

With high overall engagement and particularly high scores in interpersonal relationships, support, and job responsibilities, this branch entrusts young employees with tasks early on so they can gain experience interacting with customers independently, and is actively fostering an environment that encourages their independent thought and ambition. Supervisors monitor the situation closely while establishing support systems, such as team-based work and pairing junior staff with senior colleagues, to create a workplace where young employees can confidently tackle their duties and take on new challenges. The branch also provides full support for obtaining the various certifications required for their work. Daily communication and a system that allows employees to seek advice immediately when needed are well-established, and this culture of mutual support underpins the growth of the entire organization.

FOCUS 3

Developing the next generation of installers and in-house technicians

Strengthening installation and maintenance capabilities as the driving force for sustainable growth

A building's entranceway directly affects its safety and comfort; without proper installation and maintenance, entrance products cannot deliver their intended performance. The Sanwa Group's strength lies in its ability to properly install and maintain a wide variety of products, and this is made possible by the high technical skills of our installers. As customer needs continue to diversify across the industry and labor shortages on construction sites become a challenge, our Group has identified improving technical skills and multi-skilling among installation staff as key management priorities and we are systematically developing our installers to address these.

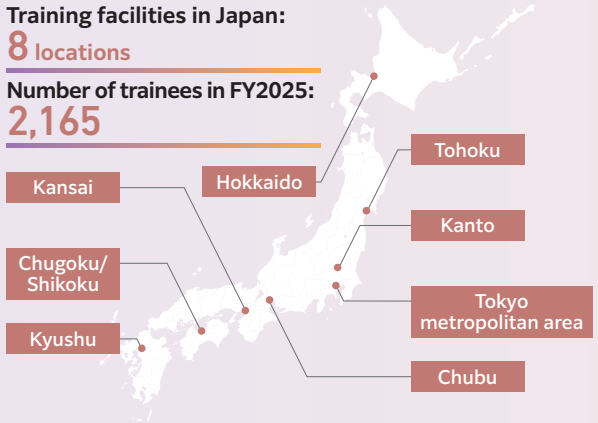
Systematic development through training, including on-the-job training

Installation work at the Sanwa Group is carried out by external partner installers and in-house technicians trained within the Group. Approximately 4,000 installers are registered across roughly 350 sales offices and departments nationwide, and we have about 300 in-house technicians on staff. At installation sites, specialized technical skills are essential to handle increasingly sophisticated products; however, as labor shortages become more severe, passing down these skills is becoming increasingly difficult. To ensure the reliable training of these installers and in-house technicians even under these circumstances, our Group established the Installation Training Center in 2008 as a foundation for this effort. Today, we conduct systematic installation training at eight training facilities nationwide.

Installation training facilities and number of trainees

Training facilities in Japan:
8 locations

Number of trainees in FY2025:
2,165



Training programs consist of two stages. The first stage, Basic Training (New Installer Training), is a 10-day in-person course. Installers and in-house technicians who meet the eligibility requirements and are selected by their respective business units obtain in-house certifications in arc welding and electrical circuitry, as well as installation certifications for four products that are particularly frequently handled. After obtaining these certifications, on-the-job training (OJT) is conducted to verify that the skills have been mastered.

The second stage, Product Installation Certification Training, grants installation certifications for products other than the four covered in Basic Training, organized into 105 products across 19 product types. Each department formulates a training plan based on the proficiency level of each installer and/or in-house technician, and through the acquisition of certifications in training and the consolidation of skills via OJT, we develop multi-skilled workers capable of installing multiple products.

System for training installers and in-house technicians

Improving installation and maintenance capabilities

Multi-skilling

Verifying skill retention with OJT

Certification (Product Installation Certification Training)

Obtainable qualifications
- Installation qualifications other than the four obtained in Basic Training (heavy-duty shutters, overhead doors, etc.)

Acquiring and retaining basic skills

Verifying skill retention with OJT

Basic Training (New Installer Training)

Obtainable qualifications
- In-house certifications (Electrical Circuit Specialist, Arc Welding Specialist)
- Product installation certifications (doors, lightweight shutters, steel partitions, toilet booths)

Linking the training cycle to improved installation quality



Koki Morifuji
Director, Installation Training Center
Sanwa Shutter Corporation

Our training is aimed at increasing installers and in-house technicians' safety awareness and ensuring product quality and safety. Training programs combine classroom instruction with hands-on practice and are designed to translate directly into on-site application. By participating in training with a clear sense of purpose and applying skills they have learned on the job, each employee acquires a strong foundation of skills. Since on-site experience is essential for mastering technical skills, we also place great importance on collaboration with the trainees' departments. This results in an emergent training cycle, one in which on-site work and training are closely linked. Going forward, we aim to further strengthen this cycle and, by developing the next generation of installers and in-house technicians, contribute to improving the installation capabilities and quality of the entire Sanwa Group.


The Installation Training Center


A training session in progress