Management Team

Directors



Yasushi Takayama
Representative Director, President Chief Executive Officer

Attendance at Board of Directors' meetings	100%
Attendance at Nomination & Compensation Committee meetings	100%
Number of company shares held	516,877 shares

Reasons for appointment

Since joining the Company in 2006, Mr. Yasushi Takayama has served in important positions, including General Manager of Total Cost Reduction (TCR) Dept. and General Manager of Structural Reform Dept., where he promoted a wide range of management reforms throughout the Company Group. After assuming office as President in 2017, he has promoted global group management both in Japan and overseas, laying the foundation for the Company to become a major global player. Based on his extensive experience and track record, the Company has determined that he remains qualified to be a Director.



Hiroyuki Yamazaki
Director, Senior Managing Executive Officer Responsible for Corporate Planning Unit

Attendance at Board of Directors' meetings	80%
Attendance at Nomination & Compensation Committee meetings	100%
Number of company shares held	33,891 shares

Reasons for appointment

Mr. Hiroyuki Yamazaki held important positions at a trading company, a system development company, and other organizations before joining the Company in 2017. At the Company, he has contributed to the growth of the Company Group in terms of both attacking and defensive aspects, by utilizing his extensive experience and acumen to promote management strategy and global personnel strategy, as well as strengthen risk management and so forth. Based on his experience and acumen, the Company has determined that he remains qualified to be a Director.



Toshiaki Doba
Director, Senior Managing Executive Officer Responsible for Global Business Unit

Attendance at Board of Directors' meetings	100%
Number of company shares held	22,697 shares

Reasons for appointment

After holding important positions at a trading company and a foreign-owned enterprise, Mr. Toshiaki Doba joined the Company in 2014. At the Company, he has been mainly involved with North America business, making a substantial contribution to expanding the sales of the US subsidiary and improving its profitability. From 2022, he was responsible for Global Business Unit, where he led the Company's business strategy in Europe and Asia, as well as North America, contributing to the growth of the Company's global business. Based on his experience and track record, the Company has determined that he remains qualified to be a Director.



Meiji Takayama
Director (Part-time)

Attendance at Board of Directors' meetings	100%
Number of company shares held	712,840 shares

Reasons for appointment

Mr. Meiji Takayama held important positions at Sanwa Shutter Corporation, the core business company of the Company Group, such as General Manager of Sales Promotion Dept. and Head of the Building Materials Div., before assuming office as Representative Director, President of that company in 2017. Drawing on his experience and knowledge of the field of construction and the construction materials industry, he has driven the domestic business and contributed to the development of the Company Group. Based on his experience and strong leadership, the Company has determined that he remains qualified to be a Director.



Masanaka Yokota
Independent Outside Director

Attendance at Board of Directors' meetings	100%
Attendance at Nomination & Compensation Committee meetings	100%
Number of company shares held	6,600 shares

Reasons for appointment

As a consultant for many years at JMA Consultants Inc., Mr. Masanaka Yokota provided advice and guidance for improvements and reforms in areas such as management strategy, production & manufacturing, and personnel development. Since he assumed office as an Outside Director in 2020, he has utilized his experience as a consultant and as the president of an overseas subsidiary, etc., to provide advice and suggestions on management as a whole, while also providing impartial opinions as a member of the Nomination & Compensation Committee. The Company expects him to utilize this extensive experience and knowledge to continue to provide supervision and advice in relation to the execution of duties by Directors of the Company.



Hiroko Ishimura
Independent Outside Director

Attendance at Board of Directors' meetings	100%
Number of company shares held	1,500 shares

Reasons for appointment

After first being employed by The Mitsubishi Bank, Ltd., Ms. Hiroko Ishimura joined Cincom Systems Japan Ltd. in 1991, where she held important positions, including those of Marketing Manager, Managing Director, and Representative Director. Since she assumed office as Outside Director of the Company in 2022, she has utilized her deep knowledge of solving business problems using IT and digital technologies, etc., and extensive experience as a corporate manager to provide advice and suggestions on management as a whole. The Company expects her to utilize this deep knowledge and extensive experience to continue to provide supervision and advice in relation to the execution of duties by Directors of the Company.



Tsunekatsu Yonezawa
Independent Outside Director (Audit & Supervisory Committee Member)

Attendance at Board of Directors' meetings	100%
Attendance at Audit & Supervisory Committee meetings	100%
Attendance at Nomination & Compensation Committee meetings	100%
Number of company shares held	— shares

Reasons for appointment

Mr. Tsunekatsu Yonezawa served as General Manager of Thin Plate Department I, ITOCHU Corporation, and General Manager of Oceania, ITOCHU Corporation, before being appointed as a member of the Board of Marubeni-Itochu Steel Inc. in the ITOCHU Group. Subsequently he assumed office as Outside Corporate Auditor of the Company in 2015, and Director serving as Audit and Supervisory Committee member in 2016. Since June 2025, he has served as Chairperson of the Audit and Supervisory Committee of the Company. Based on his experience as a corporate manager both in Japan and overseas and his deep knowledge of economics and management, he has provided appropriate opinions and advice while also providing impartial opinions as Chairperson of the Nomination & Compensation Committee. The Company expects him to utilize his experience and knowledge to continue to provide appropriate supervision of execution of business by the Company.



Naoto Yamaoka
Director
(Audit & Supervisory Committee Member)

Attendance at Board of Directors' meetings	100%
Attendance at Audit & Supervisory Committee meetings	100%
Number of company shares held	1,900 shares

Reasons for appointment

Mr. Naoto Yamaoka held important positions at Sanwa Shutter Corporation, the core business company of the Company Group, such as General Manager of Human Resources and General Affairs Dept. and Senior Executive Officer, before assuming office as Corporate Auditor of that company in 2023. In 2025, he was appointed as a Director serving as Audit and Supervisory Committee Member at the Company. He possesses many years of experience in human resources, labor, human resource development, and general affairs operations, as well as broad knowledge of the Company Group's business. Based on his extensive experience, the Company expects him to provide appropriate opinions and advice, and has determined that he is qualified to be a Director serving as Audit and Supervisory Committee Member.



Michael Morizumi
Independent Outside Director (Audit & Supervisory Committee Member)

Attendance at Board of Directors' meetings	86%
Attendance at Audit & Supervisory Committee meetings	83%
Number of company shares held	— shares

Reasons for appointment

Mr. Michael Morizumi has knowledge of corporate analysis, investment decisions, and finance and accounting from his many years of experience as a securities analyst, as well as extensive knowledge of domestic and international corporate management from his experience as a representative of Pacific IR Co., Ltd. The Company expects him to utilize his experience, knowledge, and global perspective and to provide appropriate supervision of execution of business by the Company.



Emiko Suzuki
Independent Outside Director (Audit & Supervisory Committee Member)

Attendance at Board of Directors' meetings	— %
Attendance at Audit & Supervisory Committee meetings	— %
Number of company shares held	— shares

Reasons for appointment

Ms. Emiko Suzuki has extensive practical experience at financial institutions and audit firms, as well as professional expertise as a certified public accountant, and possesses deep knowledge of corporate accounting, internal controls, and risk management. In addition, through her experience as an outside corporate auditor of listed companies and as a supervisory director of an investment corporation, the Company expects her to contribute to the enhancement of its corporate governance by exercising appropriate supervisory and audit functions from an independent standpoint. Although she has had no direct involvement in company management, the Company has determined that, based on the above experiences and expertise, she will be able to appropriately perform her duties as an Outside Director.

Executive Officers

Katsumi Fujii
Senior Executive Officer
Head of North America Business, Global Business Unit

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

Strong Potential as a Global Enterprise, with Talent Acquisition and Further Brand Enhancement Presenting Future Challenges



Michael Morizumi
Outside Director
(Audit & Supervisory Committee Member)

After many years as a securities analyst at multinational securities firms, he established Pacific IR Co., Ltd. as a finance and investor relations specialist. He also serves as an outside director and outside corporate auditor at Japanese companies. He was appointed as an Outside Director (Audit & Supervisory Committee Member) of the Company in June 2025.

Contributing to High-Quality Discussions Through Experience as a Securities Analyst and Expertise in Finance and Investor Relations

For many years, I worked as a securities analyst at foreign securities firms, engaging in corporate analysis, investment strategy, and other areas. I am now an independent finance and IR specialist and also serve as an outside director and auditor at several Japanese companies, giving me extensive involvement in corporate governance. One particularly valuable experience was serving as an outside corporate auditor at a restaurant company. Given the nature of its food-related business, I was involved not only in ensuring compliance with stringent safety standards but also in carefully examining its restaurant opening strategy based on rigorous risk-return analysis.

Although I have extensive business experience in Japan, I am originally from the United States and have built my career in an internationally diverse environment. I therefore make a conscious effort to offer different perspectives by drawing on my global outlook, experience as a securities analyst, and expertise in finance and IR. I also consistently emphasize discussions grounded in objective and rational market analysis and decision-making criteria, as well as transparent processes. I see my role as helping to further improve the quality of corporate governance from the perspectives of diversity, expertise, and objectivity.

High Regard for Sanwa as a Global Enterprise for Its Outstanding Quality and Unwavering Commitment to Service

I had long associated Sanwa with shutters and doors and had encountered Group products in many settings. I previously viewed it primarily as a leading company in Japan, but when I became Outside Director, I learned that overseas sales account for more than half of total sales and that foreign investors also hold a high proportion of its shares. This deepened my recognition of the Company as a global enterprise. It has placed particular emphasis on its overseas M&A strategy. On a personal level, I was surprised to discover that Genie,* a brand familiar to me from my youth in the United States, was part of the Group, and this made me feel a closer connection to Sanwa.

In assessing the Company, I see its key strengths as its thorough commitment to quality and service and its successful globalization through overseas M&A. Its globally diversified risk profile is particularly valuable amid a highly uncertain business environment. The Company's high PBR can be attributed to its strong capital efficiency, as indicated by ROE and ROIC, and its ability to generate earnings globally. For overseas investors in particular, whether a Japanese company can address the maturation of its domestic market is an important consideration.

I also see considerable social value in the Company's strategy of developing products that help solve social issues, including disaster preparedness, safety, and environmental challenges. When I visited the Ota Door Plant in Gunma Prefecture, the main production site for lightweight doors, I toured the on-site testing center and witnessed rigorous safety assessments and quality tests

covering fire resistance, wind pressure resistance, waterproofing, and other performance criteria. With the response to torrential rain, flooding, and other natural disasters intensified by climate change becoming an urgent social issue, the Company's development and provision of distinctive disaster-preparedness products have a major impact on society while enhancing the competitiveness and brand strength of its products. It is exciting simply to consider the solutions that the Company could create in the field of access systems by also leveraging AI and digital technologies.

Meanwhile, as uncertainty rises worldwide, current performance appears to have reached something of a plateau compared with the past three years, when the Company had repeatedly achieved record results. Nevertheless, the Global Vision is progressing smoothly overall, and solid performance in the domestic market continues to provide support. This can also be viewed as evidence that the benefits of diversification are taking effect.

* Genie is a brand of the door operator business of ODC in the United States.

An Open Corporate Culture That Encourages Candid Communication and a Highly Transparent Governance Structure

I also view Sanwa's highly open corporate culture, which encourages candid communication, very positively. Having observed the management of many companies, I believe this is a common characteristic of growing companies.

I also believe that governance over management is functioning effectively. Outside Directors account for half of the Board of Directors, while the Audit & Supervisory Committee and the Nomination & Compensation Committee are both chaired by Outside Directors, ensuring sufficient independence and transparency. Meetings allow for open and lively discussion, and the support provided to Outside Directors is also comprehensive. What matters particularly to me is whether the environment facilitates communication and whether the information required for high-quality discussions is available. I am very satisfied on both counts.

Future Challenges Include Securing Talent, Accelerating Growth Investment, and Strengthening the Brand

As Japan faces population decline and labor shortages, I see addressing these issues as one of Sanwa's highest priorities. The Company must identify the challenges shared by nearly all Japanese companies in such areas as personnel systems, compensation structures, and productivity, and consider whether fundamental reforms are required. Given Japan's shrinking population, I also believe it is increasingly important for Sanwa to focus on new business opportunities in overseas markets. Developing and securing global and DX talent will be essential to achieving Sanwa's goal of becoming a global leader of smart entrance solutions.

The Company is also pursuing an aggressive growth investment strategy that includes M&A. Increasing the speed and precision of these investments and maximizing post-investment performance will be crucial to its future growth. At the same time, growing global uncertainty and expansion into emerging markets make it necessary to further strengthen global governance and risk management. The Company must pursue both growth and safeguards simultaneously. I believe that stronger communication with overseas subsidiaries that have joined the Group through M&A will benefit not only governance but also the business itself. In addition to pursuing synergies, the Company has much to learn from their knowledge and expertise, and such communication should also have a positive effect on identifying and developing talent.

I believe there remains considerable room to strengthen the Company's brand. Its brand strength does not yet fully reflect the quality and functionality of its products, suggesting that substantial potential could be unlocked through more compelling brand storytelling and stronger communications. In that regard, further expanding English-language communications, including IR communications for overseas investors, is another priority for strengthening engagement with overseas investors.



As the Company looks ahead to its 80th anniversary and then its 100th, I believe the direction of the Global Vision is highly rational and achievable. The key to future success will be to respond flexibly to rapidly changing market trends while preserving the values the Company has long upheld, including its commitment to quality and service and its determination to address social issues.

Supporting Sustainable Growth by Appropriately Overseeing the Progress of Proactive Global Expansion and Investment Strategies

My first year in office involved the occasional bout of trial and error as I found my footing. As my understanding deepened, however, the areas requiring oversight and advice became clearer. Because proactive global expansion and growth investment are central to the Company's strategy, I recognize the importance of the role I must fulfill.

I will continue to promote discussions based on objective and rational market analysis and investment decisions while closely monitoring progress in the areas I have identified as priorities, including human capital and investment strategy, collaboration with overseas subsidiaries, and global governance. Drawing on my experience and expertise, I also intend to offer proposals from a range of perspectives to strengthen product and solution development, which will drive future value creation, and enhance the Company's brand. By continuing to leverage my individual strengths, I am committed to helping improve corporate value and meeting the expectations of stakeholders.

Corporate Governance

Basic Policy on Governance and Its Evolution

Basic approach

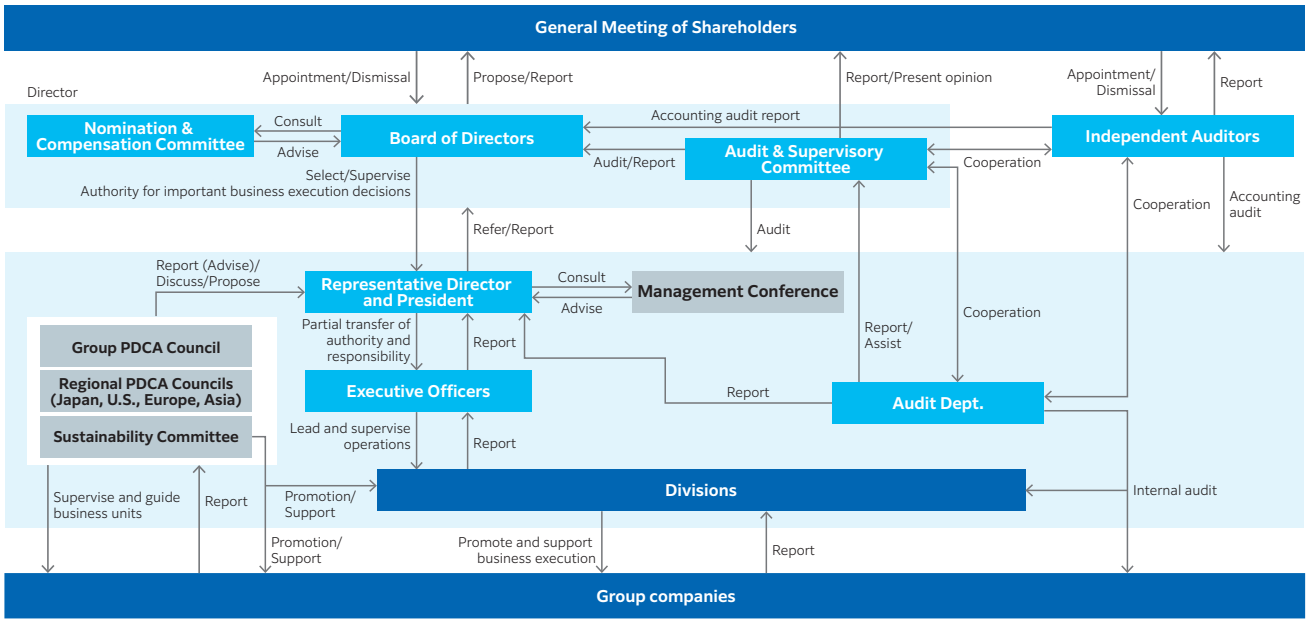
As a global access systems company that is developing business in 28 countries and regions in North America, Europe and Asia as well as in Japan, Sanwa Holdings Corporation achieves business growth through good faith and fair business activities on the basis of the Company's Mission, Our Values, Principles of Business and Compliance Code of Conduct while aiming to instill two kinds of reliability (reliable business performance and reliable management). Continuing to grow and improve corporate value, the Company will also contribute to the sustainable development of society while positioning corporate governance, which forms its foundation, as an important management issue.

Governance Structure and Decision-Making

Corporate Governance Structure

The details of specific measures to enhance our business execution and supervisory functions are set out below. By adopting this system, we believe that we can establish a system to ensure the appropriateness of operations and enhance corporate governance.

The Sanwa Group's Corporate Governance Structure



Enhancement Process of Corporate Governance

2000	Adopted Executive Officer system	
	Appointment of one outside Audit & Supervisory Board member	
2003	Established Group Strategy Committee	
	Established Domestic Business/Overseas Business PDCA Council (Regional PDCA Councils)	
2005	Established the Group CSR Promotion Council	
2006	Appointment of two outside Audit & Supervisory Board members	
2007	Adopted holding company system	
2008	Appointment of one Outside Director	Ratio of Outside Directors 10.0%
2016	Transition to a company with an Audit & Supervisory Committee	
	Established the Management Conference	
	Appointment of three Outside Directors	Ratio of Outside Directors 27.3%
2021	Established the Nomination & Compensation Committee	
	Established the Sustainability Committee	
	Introduction of restricted stock compensation	
2022	Appointment of one female Outside Director	Ratio of Outside Directors 40.0%
2023	Established shareholding guidelines	
2024	Chair of the Nomination & Compensation Committee becomes an Outside Director	Ratio of Outside Directors 44.4%
2025	Chair of the Audit & Supervisory Committee becomes an Outside Director Appointment of one non-Japanese Outside Director	Ratio of Outside Directors 50.0%
2026	Appointment of one additional female Outside Director (total: 2)	Diversity Ratio 30.0%
	Addition of third-party assessment to the effectiveness evaluation of the Board of Directors	
	Change to compensation proportions	

Board of Directors

The Board of Directors consists of ten Directors (including four Directors who are Audit & Supervisory Committee members), of whom five (50.0%) are designated as independent Outside Directors. In principle, the Board of Directors meets at least once every three months to make important managerial decisions in a timely manner, as well as to oversee the execution of duties by the Directors, thereby ensuring that the Company is managed in a legal and appropriate manner. In addition, we have adopted an Executive Officer system as a means to separate management decision-making by the Board of Directors and business execution by Executive Officers, thus streamlining management and enhancing the ability of Directors to oversee the execution of business by Executive Officers.

FY2025 Board of Directors meetings	**Number of meetings held: 8** **Items on the agenda: 26** **Matters reported: 34** **Duration (average): 2 hours 48 minutes**

Specifically, the Board of Directors mainly deliberated and reported on the following matters.

Main Deliberation Items at FY2025 Board of Directors Meetings

- Matters concerning the General Meeting of Shareholders
- Matters concerning shares, capital, etc.
- Matters concerning corporate governance, management policies, and plans
- Matters concerning financial results
- Matters concerning the Board of Directors and Directors
- Matters concerning human resources
- Matters concerning the acquisition and disposal of assets and funding
- Matters concerning business restructuring and organization
- Matters concerning the establishment, revision, and abolition of important rules
- Other matters concerning the execution of business

Management Conference

In accordance with the transition to a company with an Audit & Supervisory Committee structure in fiscal 2016, from the perspective of speeding up management decisions a Director (President) was entrusted to make "significant decisions concerning business execution," excluding matters prescribed by law. Consequently, set up as an advisory body to the delegated Director, a Management Conference reports on important management issues, and assists that Director in making decisions and strengthening the flexibility of business execution. Under this system, we strive to ensure swift and efficient management decision-making in conjunction with the Board of Directors.

Audit & Supervisory Committee

The Directors who are Audit & Supervisory Committee members monitor the status of business execution by Directors who are not Audit & Supervisory Committee members and other Executive Officers, and report and express their opinions. In this way, we work to ensure legal and appropriate corporate management. We believe the transition to a company with an Audit & Supervisory Committee has contributed to improving the supervisory function and transparency of the Board of Directors, and thus demonstrates the effectiveness of the Board.

Nomination & Compensation Committee

The Company established the Nomination & Compensation Committee in January 2021 as an advisory body (voluntary) to the Board of Directors to enhance the fairness, transparency, and objectivity of procedures related to the nomination and compensation of Directors (excluding Directors serving as Audit & Supervisory Committee members) and Executive Officers. The Committee, a majority of whose members are Outside Directors and which is chaired by an Outside Director, deliberates in response to consultations from the Board of Directors on matters such as nomination proposals for candidates for the position of Director, etc., as well as calculation methods, etc. for compensation for Directors, etc. and for individual compensation, and advises based on the results of its deliberations to the Board of Directors.

Group and Regional PDCA Councils

Group and Regional PDCA Councils consist of Directors, Executive Officers and other senior management officers (independent Outside Directors excluded). At the councils, Directors oversee the progress of management plans and provide guidance on management issues, while the Directors who are Audit & Supervisory Committee members audit the status of business execution by Executive Officers.

FY2025 Meeting Body Status and Major Agenda Items

Name of the meeting body	Frequency of meetings/the number of meetings held/attendance rate	Agenda items
Management Conference	Once a month, as a general rule (Fiscal 2025: 10 times) Attendance rate: 100%	● Deliberates on matters deemed necessary by the President from among matters concerning important business execution decisions delegated by the Board of Directors to the President ● Deliberates on matters deemed necessary by the President from among the Board of Directors' meeting agenda items ● Deliberates on other important, management-related matters
Audit & Supervisory Committee	At least once every three months, as a general rule (Fiscal 2025: 8 times) Attendance rate: 96%	● Reports and expresses their opinions on the audit of the status of business execution by Directors who are not Audit & Supervisory Committee members and other Executive Officers
Nomination & Compensation Committee	Twice a year, as a general rule (Fiscal 2025: 2 times) Attendance rate: 100%	● Proposals for the election of Directors, excluding Directors serving as Audit & Supervisory Committee members and Executive Officers ● Matters concerning the compensation for Directors, excluding Directors serving as Audit & Supervisory Committee members, etc., and the calculation method for individual compensation
Group PDCA Council	Once a month, as a general rule (Fiscal 2025: 8 times) Attendance rate: 100%	● Reports, confirms, and provides guidance on the progress of Groupwide plans (for each business unit) ● Reports, confirms, and provides guidance on the progress of important projects of each business unit ● Considers and coordinates new management issues across business units
Regional PDCA Councils (Japan, U.S., Europe, Asia)	Once every three months, as a general rule (Fiscal 2025: 4 times each) Attendance rate: 100%	● Considers the plans and budgets of each business company ● Reports, confirms, and provides guidance on the progress of the plans of each business company
Sustainability Committee ▶ p. 32 Sustainability Committee	Once every three months, as a general rule (Fiscal 2025: 4 times) Attendance rate: 100%	● Deliberates on and promotes Groupwide sustainability policies, etc., including the Group's quality, risk management, compliance, social contribution, global environment conservation, respect for human rights, work-style reforms, and gender equality

Effectiveness Evaluation of the Board of Directors

About the Evaluations

Since fiscal 2017, the Company has conducted an annual evaluation of the effectiveness of the Board of Directors following the final Board meeting of each fiscal year. For fiscal 2025, to further enhance the objectivity and transparency of the evaluation, the Company engaged an external third-party organization to conduct an analysis and evaluation through a questionnaire and individual interviews. Based on the third-party organization's analysis and advice, the Company will pursue initiatives to further improve the effectiveness of the Board of Directors.

Analysis and Evaluation Process

(1) Analysis and evaluation by an external organization (April 2026)

- The third-party organization conducted an anonymous questionnaire of the Directors and individual interviews to directly ascertain their views regarding their responses.
- The organization compiled and analyzed the questionnaire responses and individual interview findings to determine key issues and future response policies concerning the effectiveness of the Board of Directors.

(2) Deliberations by the Board of Directors (May–June 2026)

- At the Company's Board of Directors meeting on May 14, 2026, the external organization reported the results of the Board effectiveness evaluation. The Board discussed future response policies at that meeting and at its meeting on June 24, 2026.

Overview of Analysis and Evaluation Methods

- Persons evaluated: All ten Directors
- Evaluation methods: Questionnaire and individual interviews
- Main questionnaire items:
  1. Composition of the Board of Directors
  2. Roles of and deliberations/oversight by the Board of Directors
  3. Operation and support system for the Board of Directors
  4. Nomination & Compensation Committee
  5. Audit & Supervisory Committee
- Interview topics:
  Individual interviews focused on exploring in depth potential issues identified through the questionnaire.

Evaluation Results and Future Response Policies

The evaluation of the effectiveness of the Board of Directors confirmed that the Directors generally viewed the current state of the Board and committees favorably, and that active discussions involving Outside Directors were taking place under a well-balanced Board composition. Meanwhile, the following matters were identified as issues to be addressed to further improve effectiveness. By taking action to address each issue, the Company aims to further improve the effectiveness of the Board of Directors.

Issues Identified through the Effectiveness Evaluation and Direction of Initiatives

Issues	Direction of response
Clarifying the role of the Board of Directors	**Reviewing and adjusting the Board composition for optimization** Continually optimize the Board composition from the perspective of Board diversity to help enhance corporate value
Enhancing Board operations	**Strengthening the secretariat structure supporting Board operations** Improve the expertise and effectiveness of Board operations by strengthening the secretariat structure
Clarifying the role of the Nomination & Compensation Committee	**Improving the effectiveness of the Nomination & Compensation Committee** Clarify the Committee's roles and functions to help strengthen governance

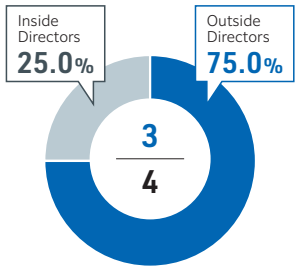
Appointment and Development of Directors

Policy for Appointing Directors

The Company's criteria for appointing Directors are based on whether the individual in question possesses the abilities, knowledge, and experience necessary to monitor and supervise the Company's management from a global perspective, and to make important decisions concerning the Company's business operations.

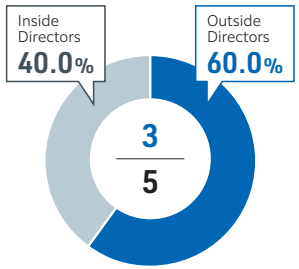
Ever since we created and disclosed a skill matrix for Directors in 2021, we have been reviewing it from time to time in light of the management issues we face. We have selected the areas described in the table on the right after deliberations by the Board of Directors with a view to achieving Sanwa Global Vision 2030, our Long-Term Vision, and the Medium-term Management Plan 2027.

Ratio of Outside Directors (Audit & Supervisory Committee)



* Chaired by an Outside Director

Ratio of Outside Directors (Nomination & Compensation Committee)



* Chaired by an Outside Director

Expected Skills

Corporate management	Experience as a representative Director or an executive with a broad scope of managerial duties equivalent to those of a representative Director in a company
Industry knowledge, Industry experience	Management skills of a kind that will contribute to the growth of the Company by leveraging knowledge and experience of industry
Global experience	Experience of conducting business outside of Japan or managing a company with global operations
Sales, Marketing	Foresight to create business opportunities in a rapidly-changing business environment
Manufacturing and engineering, Development and quality assurance	Expertise in manufacturing (production, technology, and development) and quality assurance needed to earn the trust of customers
IT, Digital	Expertise in how to apply digital technology to transform and streamline businesses and operations
Finance and accounting, Monetary	Knowledge of finance and accounting required to build a management foundation that balances investment in growth, sound finances, and shareholder returns
Personnel and labor, Personnel development	Skills and experience to oversee the situation surrounding the implementation of human capital management, including human resource development linked to management strategy and other matters
Legal affairs, Risk management, Compliance	Expertise in how to respond promptly and appropriately from the standpoints of legal affairs, corporate governance, and risk management so as to secure the trust of stakeholders

Skill Matrix of the Board of Directors

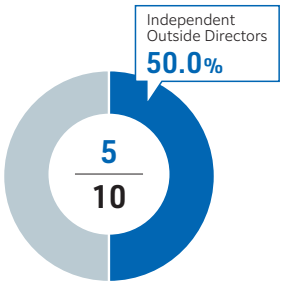
	Name	Skills (ability, knowledge, experience etc. which the Company expects)									Diversity	
		Corporate management	Industry knowledge, Industry experience	Global experience	Sales, Marketing	Manufacturing and engineering, Development and quality assurance	IT, Digital	Finance and accounting, Monetary	Personnel and labor / Personnel development	Legal affairs, Risk management, Compliance	Foreign nationality	Female
Directors (excluding Directors serving as Audit & Supervisory Committee members)	Yasushi Takayama	●	●				●	●	●	●		
	Hiroyuki Yamazaki	●		●			●	●	●	●		
	Toshiaki Doba	●	●	●	●			●				
	Meiji Takayama	●	●		●	●		●	●			
	Masanaka Yokota Outside Independent	●		●		●			●			
	Hiroko Ishimura Outside Independent	●		●	●		●					●
Directors serving as Audit & Supervisory Committee members	Tsunekatsu Yonezawa Outside Independent	●	●	●	●							
	Naoto Yamaoka		●					●	●	●		
	Michael Morizumi Outside Independent	●		●				●			●	
	Emiko Suzuki Outside Independent						●	●		●		●

Note: The above matrix does not indicate all skills, knowledge, experience, etc., possessed by the Directors.

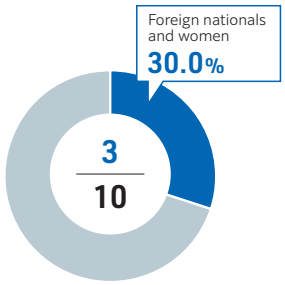
Independent Outside Directors

The five Outside Directors each provide management advice based on their extensive experience and expertise. In doing so, they audit and supervise the Directors in the execution of their duties from a neutral standpoint that is independent of the execution of business, thus fully enhancing the oversight function of the Board of Directors. Going forward, we will continue to consider increasing the ratio of Outside Directors as necessary with a view to ensuring the effectiveness of the Board of Directors and further improving governance.

Ratio of Independent Outside Directors



Diversity Ratio



Appointment Process

The Board of Directors selects Directors who possess broad knowledge and extensive experience in the Company's business operations and can contribute to its sustainable growth and the enhancement of corporate value over the medium to long term. Selection is based on individual abilities, insight, and experience as well as in consideration of the balance and diversity of the overall Board of Directors and the Audit & Supervisory Committee. (At least one person who is an expert in finance and accounting is appointed as a Director serving as an Audit & Supervisory Committee Member.) A decision is made on the candidates by the Board of Directors in deliberations following verification by the Audit & Supervisory Committee.

Furthermore, Director candidates are selected by the Board of Directors after receiving advice requested from the Nomination & Compensation Committee. The reasons for the selection of individual Director candidates are provided in the convocation notice of the General Meeting of Shareholders. The selection and dismissal of executives (excluding Directors) use the same procedure, with a decision made after deliberation by the Board of Directors.

Comment from the New Outside Director

Corporate Governance for Sustainable Growth

The Sanwa Group positions corporate governance as an important management issue and actively works to strengthen it. Drawing on my more than 20 years of experience auditing listed companies at a major audit firm as a certified public accountant, I will work to further strengthen corporate governance. I will promote greater transparency, rigorous risk management, and effective internal controls, thereby helping earn the trust of shareholders and other stakeholders. Acting with integrity and fairness, I will contribute to the Company's sound management and sustainable growth and work to enhance corporate value.



Emiko Suzuki
Outside Director (Audit & Supervisory Committee member)

Officer Compensation and Linkage to Performance

Policies, etc., for Determining Details of Officer Compensation, etc.

At the Board of Directors' meeting held on June 22, 2021, the Company resolved a policy for determining the details of the individual compensation, etc., of Directors (excluding Directors serving as Audit & Supervisory Committee members; hereinafter referred to simply as "Directors"). Compensation of Directors, etc., is intended to contribute to continual improvement of the Company's business performance and corporate value. The Company designs its compensation system so that the level and structure of compensation are in accordance with the roles and responsibilities required of the Company's Directors, and enable the recruitment and retention of well-qualified people. Compensation of Directors consists of base compensation, performance-linked compensation, and restricted stock compensation. However, compensation of Directors serving as Audit & Supervisory Committee members and Outside Directors consists only of base compensation. Furthermore, as a general rule, compensation is not paid to part-time Directors (who are paid compensation from consolidated subsidiaries). The total amount of base compensation and performance-linked compensation and the total amount of restricted stock compensation shall each be within the total amount determined at General Meetings of Shareholders.

	Base compensation	Short-term incentive Performance-linked compensation	Long-term incentive Restricted stock compensation
Directors (excluding directors serving as Audit & Supervisory Committee Members) (excluding outside directors)	¥380 million or less per year	¥280 million or less per year	¥80 million or less per year
Outside Directors (excluding Audit & Supervisory Committee members)			
Directors serving as Audit & Supervisory Committee members	¥150 million or less per year		

The details of the policy for determining the compensation, etc., for individual Directors are as follows.

a. Policy for base compensation

The base compensation for each Director is set for each position based on consolidated performance with reference to the compensation levels of other companies presented by a specialized outside organization and is paid monthly.

b. Policy for performance-linked compensation

For performance-linked compensation, as monetary compensation for business execution during the term (one year) of Directors, a standard amount is set for each position based on the Company's consolidated performance with reference to the compensation levels of other companies presented by a specialized outside organization. The standard amount of this type of compensation is determined by taking into account standard amount indicators and the levels of contribution of each Director, evaluated quantitatively and qualitatively, and the compensation is paid during the fiscal year following the fiscal year under review.

As far as it serves as a reward that functions as a sound incentive for sustainable growth and reflects the Company's business performance, consolidated operating profit has been selected as the primary indicator for performance-linked compensation.

The amount of performance-linked compensation is determined as the amount calculated by multiplying the number of points specified for each position by the unit price of points, and then by individual evaluation that reflects the evaluation of each Director.

Individual evaluations are conducted by setting multiple priority targets for each Director individually and evaluating them quantitatively and qualitatively through the PDCA (Plan, Do, Check, Action) cycle. In addition to these individual priority targets, items that contribute to the sustainable growth of the Company, such as "revitalization of the organization, compliance, and creation of a comfortable working environment," are set as common priority targets for all Directors. The unit price of points for the fiscal year under review is calculated by multiplying the unit price of points for the previous fiscal year by the percentage change in consolidated operating income from the previous fiscal year (percentage derived by dividing consolidated operating income for the fiscal year under review by consolidated operating income for the previous fiscal year) by the amplification factor set to raise incentives, and is determined by approval of the Board of Directors.

In addition, the individual evaluation of each Director is made and determined by the Representative Director and President, who is delegated by the Board of Directors to evaluate the performance and contribution of each Director quantitatively and qualitatively, by ±25% for each evaluation item.

Performance-linked compensation for each individual Director = Number of points × Per-point price × Individual evaluation

Number of points	Determined for each position
Per-point price	Unit price of points for the previous fiscal year x percentage change from the previous fiscal year x amplification factor
Individual evaluation	±25%

Actual Compensation Amount for FY2025

Classification	Total compensation (millions of yen)	Total compensation by type (millions of yen)			Number of officers eligible
		Base compensation	Performance-linked compensation	Non-monetary compensation	
Directors (excluding directors serving as Audit & Supervisory Committee members and outside directors)	297	110	129	57	3
Directors (Audit & Supervisory Committee Members) (excluding outside directors)	34	34	—	—	2
Outside Directors (excluding Audit & Supervisory Committee members)	25	25	—	—	2
Outside Directors (Audit & Supervisory Committee members)	64	64	—	—	3

(Note)
1. The amount paid to directors does not include the portion of employee's salary for those directors who concurrently serve as employees.
2. Performance-linked compensation adopts the Company's consolidated operating income as the performance indicator to explicitly reflect profitability of the business activity in the fiscal year under review, and the said compensation is calculated by determining a base amount for each position based on consolidated operating income compared to the previous year, then adding or subtracting the contribution of each director within a range of ±25% to the base amount.
3. Non-monetary compensation is included in the amount recorded in the current fiscal year related to restricted stock compensation. Under the restricted stock compensation plan, the Company's common stock allocated under restricted stock allocation contracts shall not be transferred, pledged or disposed in other ways from the allocation date to the day on which the Directors or persons in any other positions designated by the Board of Directors of the Company lose their positions. If an eligible Director ceases to hold a position designated by the Company's Board of Directors before the end of a period separately specified by the Board, the Company will automatically acquire, without consideration, the restricted shares allotted to that Director unless the Board recognizes a justifiable reason. Furthermore, if the eligible Director commits any act that constitutes a breach of legal compliance or internal regulations, etc., as stipulated in the restricted stock allocation contract, the Company shall automatically acquire the restricted stock allocated to the eligible Director without consideration.

c. Policy for non-monetary compensation (restricted stock compensation)

The restricted stock compensation plan is a stock compensation plan aimed at providing incentives to Directors for sustainable improvement of the corporate value of the Company as well as promoting further value sharing between Directors and shareholders.

Directors, excluding Outside Directors and Directors serving as Audit & Supervisory Committee members, are eligible, and the specific allocation to each eligible Director is decided based on a resolution by the Company's Board of Directors.

Each eligible Director shall pay all claims for monetary compensation to be paid for granting restricted stock in the form of properties contributed in kind each fiscal year and shall receive allotment of common stock of the Company. Furthermore, restricted stock compensation shall be granted as compensation for duties performed during the term (one year) of Directors within one month after the conclusion of the Ordinary General Meeting of Shareholders in which the Directors were elected. The allotment will be made through the disposition of treasury stock

The transfer restriction period shall be the period from the date of delivery of restricted stock to the time that Directors lose their positions as Director of the Company or any other positions determined by the Board of Directors of the Company.

d. Policy for proportion of amounts of compensation, etc.

The proportion of different types of compensation paid to Directors is based on compensation level benchmarks of companies with similar business scales as the Company and belonging to related industry and business categories and through consultation with the voluntary Nomination & Compensation Committee, and is determined by the Board of Directors based on the advice of the committee.

The model case for the proportion of base compensation, performance-linked compensation and nonmonetary compensation is 35% : 45% : 20%. However, the actual proportions paid may vary by individual.

Base compensation (35%)	:	Performance-linked compensation (45%)	:	Non-monetary compensation (20%)

e. Policy for deciding the details of compensation, etc. for individual Directors

Based on a resolution by the Board of Directors, the Representative Director, President is delegated authority to decide the specific details of the amounts of individual compensation. The scope of that authority covers the amount of base compensation for each Director and the evaluation and allocation of performance-linked compensation based on the business performance of the business for which the individual Director is responsible. However, so that the Representative Director, President appropriately uses this authority, the Board of Directors will consult with the Nomination & Compensation Committee on items related to the calculation method, etc., of individual compensation and receive advice from the committee. The delegated Representative Director, President will then consider the details of this advice and decide.

The amount of compensation for individual Directors is reported to the Nomination & Compensation Committee and validated by the committee, thereby ensuring its fairness, transparency, and objectivity.

Officer Shareholding Guidelines

On April 1, 2023, the Company established the following shareholding guidelines with the aim of having Directors share the merits and risks of stock price fluctuations with shareholders, and further increasing motivation of Directors to improve business performance by encouraging Directors of the Company (excluding outside Directors, part-time Directors and Directors serving as Audit & Supervisory Committee members) to hold the Company's shares.

Shareholding Guidelines

Each Director shall endeavor to hold the Company's shares in accordance with the basic amounts presented below.

Chairperson/President/Senior Advisor:
An amount equivalent to 2 x base compensation (annual amount) within four years after assuming office of one of the said positions

Other Directors:
An amount equivalent to 1 x base compensation (annual amount) within four years after assuming office as Director

Internal Control System

In accordance with the provisions of the Companies Act, the Company passed a resolution on its "Basic Policy for Building a System to Ensure the Appropriateness of Operations" at a Board of Directors' meeting and has appropriately established an internal control system based on that basic policy. Also, every year, we check the execution status of the internal control system and report the results to the Board of Directors and, via business reports, to shareholders. We will continue to strengthen corporate governance by making improvements.

Group Governance

The Group operates globally and, while respecting the independent and autonomous management of each Group company, promotes sound and efficient corporate group activities through Group-wide compliance, quality assurance, risk management, and other systems to ensure the proper conduct of business based on total Group optimization.

Group Management Structure

- To ensure and promote the appropriateness of operations at each company of the Sanwa Group, the director responsible for each Group company monitors the operational decisions and status of business execution at each company, provides guidance, issues recommendations and regularly reports to the Board of Directors to improve business management transparency.
- Regional PDCA Council meetings and other meetings are held to formulate management policy, management targets and yearly business plans based on pertinent two-way discussions with each group company.
- The Sanwa Group requires Group companies to seek preliminary consultation or approval on certain matters concerning business execution, as well as to submit follow-up reports, in accordance with the Group Company Management Regulations and the standards of respective regulating authorities for companies in Europe, the United States and Asia.
- The Audit Department conducts internal audits related to the status of business execution, compliance and risk management at the Sanwa Group companies that do not have their own internal auditing function.

Dialogue with Investors

We recognize that the understanding and support of our shareholders and investors are essential to achieving sustainable growth and enhancing our corporate value over the medium to long term. Through IR and SR activities, we strive to disclose accurate information in a fair manner, continue constructive dialogue, and build long-term relationships based on trust.

We also share the opinions and requests obtained through constructive dialogue with shareholders and investors with management and relevant departments and use them to improve management strategies and business operations.

FY2025 Major Dialogue Sessions with Investors

Sessions Held

Financial results briefings for institutional investors and securities analysts: 2

Individual meetings for institutional investors and securities analysts: 324

Explanatory sessions for individual investors: 2

Conferences held by securities companies: 3

Roadshows for investors in North America and Europe: 2 (1 NA, 1 EU)

Main Dialogue Topics

Business performance

- Operating profit ratios in each region
- Market conditions in each region
- Share of sales in each region
- Standards for business withdrawal in each region
- ROIC by region

Finance

- Appropriate benchmark for the shareholders' equity ratio
- Cash allocation
- Financial leverage

Sustainability

- Expanding the scope of environmental data and enhancing disclosure
- Disclosure of the impact of climate change mitigation products
- Metrics related to women and paid leave uptake
- Formulation of a succession plan
- Nomination & Compensation Committee
- Board diversity

Information Shared with Management

- Investor relations activity results and reports on the stock market's view of the Company to the Board of Directors (four times a year)
- Reports to senior management on the Company's stock price (quarterly)
- Reports to senior management on dialogue with institutional investors and securities analysts during overseas investor relations activities and financial results announcements

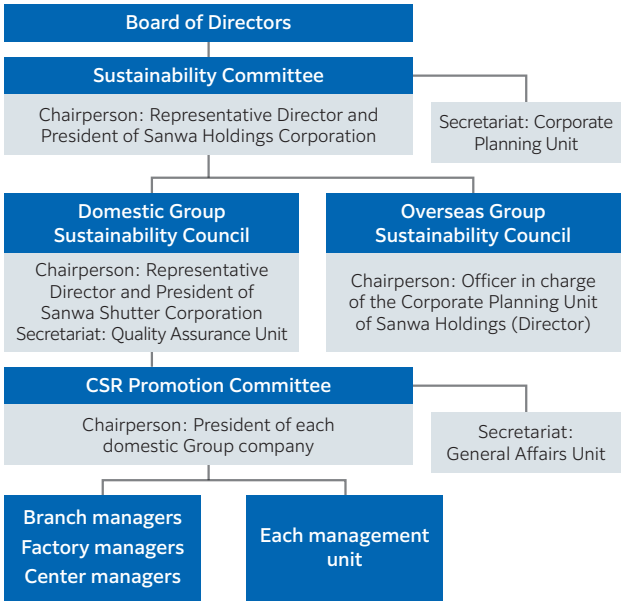
Risk Management

Implementing Risk Management

The Sanwa Group identifies, analyzes and evaluates business execution-related risks, and undertakes measures required to avoid and/or mitigate risks. As an organization dedicated to promoting risk management, the Sustainability Committee reports and deliberates on the Sanwa Group's basic risk management policies, risk management-related plans and the progress of initiatives. In addition, the Domestic Group Sustainability Council (part of the Domestic Business Unit), each Group company's CSR Promotion Committee, and the Overseas Group Sustainability Council (part of the Overseas Business Unit) manage risks by appropriately and rapidly responding to risks that occur during the course of each company's business activities.

Number of themes implemented as risk countermeasures in FY2025	25

Sustainability Promotion Structure



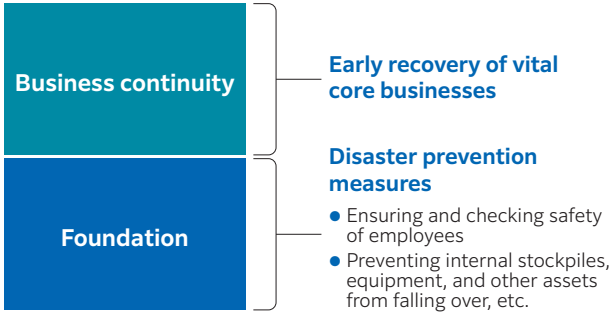
Business Continuity Plan (BCP) Initiatives

Basic approach

The Sanwa Group's BCP is based on disaster prevention measures to protect employees' lives and the Company's assets, with the aims of business continuity and recovering as soon as possible.

We formulated our BCP with a focus on putting disaster prevention measures in place, based on the idea that continuing to do business is impossible without knowing that our employees are safe.

Assuming the scenario and risks of an earthquake happening in (directly below) the Tokyo metropolitan area, core business company Sanwa Shutter Corporation and each other Group company with headquarters in the area formulated a BCP.



Basic principles

Aims

- Ensure the safety of employees, installers, internal partner companies and their families
- Resume business operations as soon as possible to avoid losing business opportunities and continue providing products and services to existing customers
- Cooperate with local residents near business sites and contribute to society

Core businesses targeted

- Supply and repair of shutters and doors

Information Security Countermeasures

In June 2019, we established the Information Security Countermeasures Council, chaired by the Officer in charge of the Corporate Planning Unit, for the purpose of strengthening and promoting security countermeasures in preparation for contingencies (occurrence of incidents). This council's purpose is to identify security risks for the entire Group, including overseas locations, and to study, plan, and implement various countermeasures to maintain and improve our level of security, as well as to develop security measures based on the latest data by obtaining information from external organizations, etc.

In fiscal 2020, we formulated our IT-BCP, and commenced the plan with the aim of preventing business interruptions due to information security incidents (e.g., cyberattacks). In addition, we raised awareness of the appropriate management and handling of personal information by focusing on the theme of personal information protection.

In fiscal 2025, we made partial revisions to our Information Security Regulations, which are applicable to all domestic Group companies, with the aim of strengthening our information security system, including clarifying how to handle confidential information and optimizing access rights to internal documents.

In addition, as an information security measure, we conduct web-based training and virus email training to improve IT literacy for all employees. Furthermore, we have established a security information portal site on our intranet, where we post information security-related regulations, guidelines for identifying and dealing with suspicious emails, and other security-related information to ensure thorough awareness and compliance with information security measures. Additionally, in alignment with the Japanese government's annual Cybersecurity Awareness Month campaign held from February to March, we communicate with all employees to remind them about rules for using internal information systems to enhance practical security levels.

Compliance

Respect for Human Rights

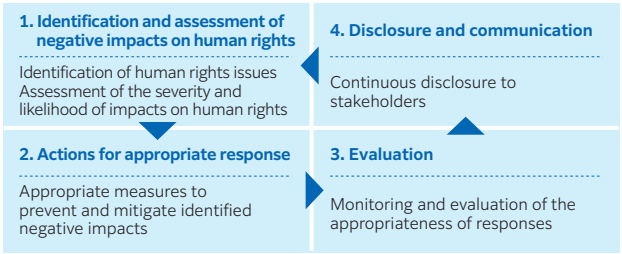
We believe that respecting the fundamental human rights of all people involved with our Group and ensuring their physical/mental health and safety is an important responsibility, and that they contribute to the stability of our business operations. As such, in November 2023, we established the Sanwa Group Human Rights Policy with approval from the Board of Directors. Going forward, we will continue to address human rights risks through such means as employee education and the enhancement of relief mechanisms.

Human Rights Due Diligence

The Sanwa Holdings Group has established and continuously operates a human rights due diligence framework to minimize adverse impacts on human rights.

Through this framework, we identify risks and work to prevent and mitigate them. The process is as shown in the figure below.

The Process of Human Rights Due Diligence



Since 2024, we have administered a questionnaire on human rights among major suppliers of Sanwa Shutter Corporation, our core operating company, as well as internal partner companies of our plants. In April of the same year, we opened a contact point on our website where people can provide information (including requests for redress) directly to the Company on human rights issues.

Number of companies subject to human rights due diligence in FY2025	57

Ensuring Thorough Compliance

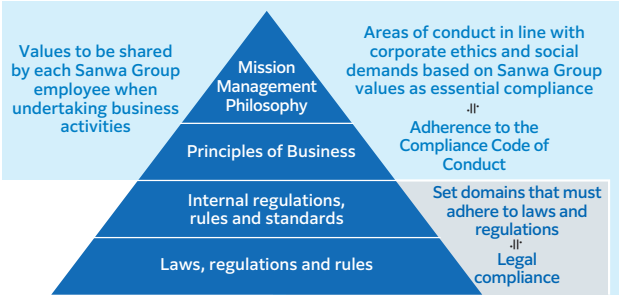
In order to maintain the trust of society, in 2005 the Sanwa Group formulated the Compliance Code of Conduct, which outlines specific conduct that must be adhered to based on Our Mission, Our Values, Principles of Business, and the philosophy of the Group. In 2025, the revised Compliance Code of Conduct and Case Study Booklet was distributed to all employees.

Instilling Compliance Awareness at Overseas Group Companies

In Asia, we are implementing ongoing compliance awareness activities for employees, including reading and discussing the Compliance Code of Conduct and Case Study Booklet, holding study sessions, providing access to this material on our intranet, and collecting signed pledges.

The Audit Department of Sanwa Holdings also conducts internal audits of overseas Group companies. In fiscal 2025, remote audits were conducted at seven overseas companies regarding accounting, manufacturing, engineering, human resources and labor, internal controls, governance, risk management, and other areas in accordance with local laws and regulations.

Compliance Code of Conduct: Conceptual Diagram



Compliance Month

In order to spread awareness of compliance and ensure that all domestic Group companies act in accordance with this spirit, we have designated November of each year as Compliance Month. During this month, we hold study sessions using the Compliance Code of Conduct and Case Study Booklet, and thoroughly refamiliarize ourselves with the Antitrust Law Guidebook and the Guidelines on Regulations Concerning Contact with Associates from Industry Peers.

Compliance Training

At domestic Group companies, compliance training for managers is conducted nationwide. This training features lectures on laws related to our business, such as the Antimonopoly Act, the Construction Business Act, and the Labor Standards Act. It also includes lectures concerning safety obligations, harassment, and risks relating to information security, respect for human rights, anti-bribery and corruption and other areas, and thereby fosters compliance awareness.

We also provide the same training for new employees, mid-career hires, and newly appointed managers. Since fiscal 2024, we have also provided e-learning for all employees.

Number of participants in compliance training in FY2025	10,332

Corporate Ethics Hotline (Internal Whistleblowing System)

The domestic Group established a corporate ethics hotline in October 2006 to deter misconduct and legal violations, identify risks that could lead to misconduct and legal violations at an early stage, and detect misconduct and legal violations at an early stage. We have also established whistleblower systems in North America (ODC) and Europe (NF). In July 2019, we introduced corporate ethics hotlines at six companies in Asia (as of the end of fiscal year 2025: 12 companies). We have posted multilingual posters and distributed cards to employees to ensure appropriate awareness. We also strive to improve trust by thoroughly ensuring confidentiality and anonymity of reports and prohibiting any adverse treatment of whistleblowers.

Number of reports made using the internal whistleblower system in FY2025	88 (of which 46 were made in Japan)