



Manufacturing

- Solve Social Issues Through Our Business -



Recently, SDGs and other initiatives aimed at the realization of a sustainable society are becoming widespread around the world. In addition, there are increasing needs for preparedness and resilience in order to protect and support safety and security in people's lives, due to the impact of natural disasters caused by climate change and infectious diseases such as COVID-19. There is a wide range of areas where our manufacturing can contribute to building a sustainable and resilient society. The Group's products, including shutters, doors, and partitions, are designed to prevent, protect, and separate. We will strive to solve social issues through our technology and quality while sustainably improving our corporate value.

ESG Materiality	Implemented Measures	Targets and Issues
Mitigate/adapt to climate change, prevent disaster loss through products and services	Development, improvement, and launch of products that contribute to climate change responses and disaster prevention (Four products in the Taifu (wind-resistant) series were released during fiscal 2020.)	Establishment and disclosure of sales targets (KPIs) for products that contribute to climate-change responses and disaster prevention
Quality assurance and enhancement	Continuous improvement of quality control structure and measures Implementation of customer satisfaction surveys	Elimination of product accidents and customer complaints

Ensuring and improving quality

The Group works to improve quality and safety, the primary responsibilities of a manufacturer, in all processes from development to sales, production, installation and maintenance. We recognize it is essential to ensure the quality of installation and maintenance, in addition to the quality of the products themselves, in order to ensure that each customer and user can continue to use our access systems, such as shutters and doors, with peace of mind. We will continue with our efforts to improve quality by conducting quality audits and improvement activities, strengthening our management structure and enhancing our skill levels.

The Group, which has a diverse range of global products, lacks uniformity in terms of the characteristics of its business and the products it handles. Therefore, we use product accident numbers, complaint numbers and the amount of related losses as quality indicators in Japan, and the ratio of complaint cost to net sales as quality indicators overseas. Based on these indicators, we strive to make improvements by promoting specific measures such as IT-based quality control, cross-divisional quality meetings, and education and training programs.

In fiscal 2020, we also conducted a customer satisfaction survey among users of our repair request receiving service. We will utilize the results of this survey to improve the quality of our services, including repair services, and further enhance customer satisfaction.

The Sanwa Group's Quality Objectives

1. Improve product safety
2. Improve the quality of products and installation quality
3. Improve the quality of services and business etiquette
4. Increase traceability

Customers who chose "very good, good, or somewhat good" for the overall service evaluation in the repair service customer satisfaction survey

89.3%

Research period: January - December 2020
Survey target: Users of Sanwa Shutter Corporation repair service (n=1180)

A History of Value Creation	Strategies for Securing Competitive Advantage	ESG Materiality Initiatives	Financial Section and Corporate Data
Manufacturing	Environment	People	Management Foundation of the Group

(Manufacturing and quality improvement)

CASE 1

Performance Test Center supporting manufacturing with the latest equipment and high testing quality



The Group's Performance Test Center conducts tests on the Group's products as well as products procured domestically and overseas to assess quality, performance, and safety, and to evaluate manufacturing technology. Various product tests can be conducted in our own facility utilizing the latest large-scale equipment, enabling the timely development and improvement of products based on requests from customers and society. In addition to acquiring the ISO/IEC17025 certification (an international standard that certifies the technical capabilities of testing laboratories), we centralize and manage highly accurate testing data for use in research and development. We also provide tours from external companies, government agencies, and industry groups, as well as training programs for new employees. We will continue our efforts to raise the level of testing quality to contribute to improved quality in product development and manufacturing.



With one of the world's largest refractory furnaces, the Performance Test Center conducts fireproof performance tests (preliminary tests for certification and research tests) for fireproof equipment and specified fireproof equipment. Smoke generated in fire resistance tests is discharged after passing through a secondary incinerator to reduce environmental impact.

(Manufacturing and value creation)

CASE 2

Continuing to make architectural history with 100 years of stainless-steel technology and manufacturing capabilities



As a pioneer in the field of metal construction products in Japan, Sanwa Tajima, founded in 1918, has been providing entrances, curtain walls, and fittings made of various metals, including stainless steel, copper alloys, aluminum, and titanium, to enhance the value of buildings and improve the appearance of urban areas.

Today, we are also involved in the restoration of historical buildings, for which there are no blueprints, and decorative metalwork for religious buildings, requiring skilled craftsmanship.

These are made possible by the power of manufacturing backed by the technology and experience that Sanwa Tajima has cultivated over the years. We will continue to challenge ourselves with our mastery of technology and new ideas and strive to develop and create architectural spaces.



In collaboration with Kidsdoor, a non-profit organization that provides learning support to families in need, design department staff of Sanwa Tajima have been teaching art classes to children every year since fiscal 2016. In fiscal 2020, we held activities online, due to the impact of COVID-19, to make Christmas wreaths.



Manufacturing - Solve social issues through our business -

A History of Value Creation	Strategies for Securing Competitive Advantage	ESG Materiality Initiatives	Financial Section and Corporate Data
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Mitigate/adapt to climate change, prevent disaster loss through products and services

Basic approach

The Group addresses the issue of climate change from two approaches: "mitigation" to reduce emissions of CO₂ and other greenhouse gases, and "adaptation" to respond to various phenomena that arise as a consequence of climate change. We believe that developing and providing products based on these two approaches will enable us to respond to the risks and create new markets for changing

needs. Floods and wind damage are said to be becoming riskier as climate change progresses. In addition to addressing them, we believe that solving the issues of fires, earthquakes, and other disasters that interfere with our mission a "safe, secure, and convenient" society through our products and services will lead to the realization of sustainable and livable communities.

Products that contribute to addressing climate change



The "mitigation" of climate change is to curb the progress of global warming by reducing emissions of greenhouse gases.

We are contributing to energy reduction in factories and warehouses around the world by developing products that meet the needs of each region in Japan, the U.S., Europe, and Asia. These products include **high-speed sheet shutters** that improve the air-conditioning efficiency of factories and warehouses with their fast opening and closing speeds, and **dock levelers** that match the height of truck beds at receiving docks to control the inflow of outside air and the outflow of indoor air. Because strict energy-saving and heat-insulating performance are required for Europe, almost all NF Group sectional doors have excellent heat-insulating performance through the use of heat-insulating materials and double-layered panels.

Sanwa Shutter Corporation also offers a lineup of **freestanding garages with rooftop greening systems** that not only enhance the landscape, but also absorb carbon dioxide, as well as **shutter gates for residential use that open and close using solar energy**.



High-speed sheet shutters



Dock levelers



"Coffret Garden" rooftop greening system



The "adaption" to climate change refers to responding to the impact of climate change and making preparations to avoid or reduce the damage.

Flooding damage caused by large-scale typhoons and localized downpours is increasing due to the impact of climate change. Sanwa Shutter Corporation and SUZUKI SHUTTER CORPORATION offer a wide range of **waterproof products such as shutters, doors, and panels** designed for inundation depth and installation location.

In addition, as countermeasures against the risk of wind damage associated with the progression of climate change, Sanwa Shutter Corporation is reducing disaster risk at various openings with **high-strength shutters** and **high wind pressure-resistant window shutters** that use wind-resistant hooks and wind-resistant guide rails, and ODC with **garage doors** and **wind-resistant window products** that have obtained building standard certifications in Florida, a hurricane-prone region.



Waterproof shutters



Taifu (wind-resistant) Guard, high-strength shutter



Wind-resistant window products

Products that contribute to disaster prevention measures



Fires can destroy precious homes, property, and sometimes lives in an instant. It is crucial to minimize damage in the event of a fire.

The Group's **fireproof shutters, fireproof doors**, and other fire prevention equipment, as well as **fireproof glass partitions**, contribute to preventing the spread of fire and creating safe spaces in the event of a fire in office buildings, commercial facilities, schools, hospitals, and other places worldwide where large numbers of people gather.

The **horizontal sliding fireproof doors** of Won-Door, which joined the ODC Group in April 2021, can be used for openings with complex shapes including curves.

In Japan, in response to a legislated **periodic inspection report system for fire prevention equipment**, we are striving to maintain the disaster prevention functions of social infrastructure by securing and training fire prevention equipment inspectors.



Horizontal sliding fire door (ODC)



NovoFire® (NF) door system for fireproof partitions

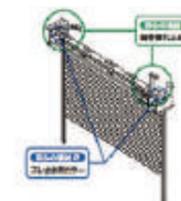


Periodic inspection report system for fire prevention equipment



Although large-scale earthquakes such as a Nankai Trough Earthquake are expected to cause even more serious damage than that caused by the Great East Japan Earthquake, it is impossible for anybody to predict when and where such major earthquakes will occur.

In Japan, an earthquake-prone country, it is crucial to have regular countermeasures in place to reduce damage risks. Sanwa Shutter Corporation's **heavy-duty shutters** are equipped with anti-sway braces on the shaft bearings and anti-sway collars on both sides of the take-up shaft as standard specifications, in order to reduce the risk of shutter curtains falling. We also have a lineup of **earthquake-proof sliding entrance doors** that can be opened even if the door frame is bent by an external force such as an earthquake, and **self-assembly partitions** that ensure privacy in evacuation centers.



Earthquake countermeasures for heavy-duty shutters



Sliding entrance door for indoor hallway with earthquake-proof specifications



Self-assembly partition Famipla



Power outages can occur when flying objects damage electric cables, power poles collapse due to landslides or lightning damages electric cables. It is essential to make regular preparations for lifelines.

Power outages are inevitable during various natural disasters such as earthquakes, typhoons, and downpours.

Sanwa Shutter Corporation's **shutter power supply system** enables users to open the electric shutters even in the event of a power outage by a connection to a battery or power generator. This system can be utilized as a business continuity plan (BCP) measure.

Furthermore, in California, which is prone to natural disasters, it is mandatory for garage door openers to have a battery backup installed. ODC's battery backup product complies with this regulation.



Shutter power supply system for opening shutter, E Connect



Garage door opener battery backup



Environment

- Achieve Environmental Sustainability -



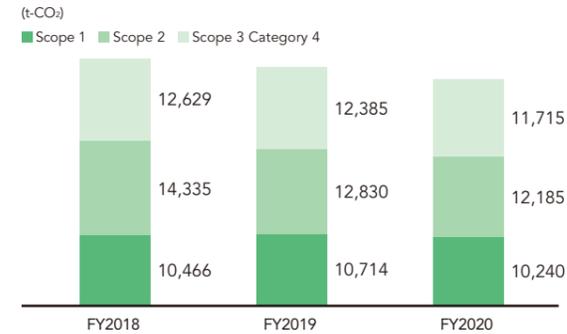
As the world takes a major step toward decarbonization, the Group, which operates in 26 countries and regions around the world, recognizes the importance of taking responsibility for the impact of our business activities on the global environment and taking measures to reduce them. We will promote initiatives to reduce our global environmental impact such as decarbonization, water resource conservation, and waste reduction in all aspects of our business activities. We will also promote scenario analysis of climate change risks and opportunities based on TCFD recommendations, which will lead to increased corporate value over the medium and long term.

ESG Materiality	Implemented Measures	Targets and Issues
Initiatives for a decarbonized society	Publication of CO ₂ reduction targets	Endorsement of TCFD recommendations and disclosure of information
Water Resources Conservation	Efficient water use	Establishment and disclosure of water use targets (KPI)
Waste Reduction	Continued thorough separation of waste and improvement of painting equipment	Consideration of methods to reduce the increasing amount of sludge and wood waste

Environmental initiatives <https://www.sanwa-hldgs.co.jp/english/csr/effort/environment/>

Initiatives for a decarbonized society

Trends in emissions by scope at Sanwa Shutter Corporation (t-CO₂)



*Calculated based on the amount of fuel used for the transportation by shippers (part of Category 4: Transportation/Logistics (Upstream))

Our environment has changed dramatically, and the movement toward a decarbonized society is accelerating, in response to the Paris Agreement in December 2015 and the 2050 Declaration on Carbon Neutrality announced by the Japanese government in October 2020. As a manufacturer with 63 production sites around the world, the Group is working to reduce energy consumption and

improve efficiency by establishing and operating an environmental management system based on ISO 14001 to reduce greenhouse gas emissions in its business activities.

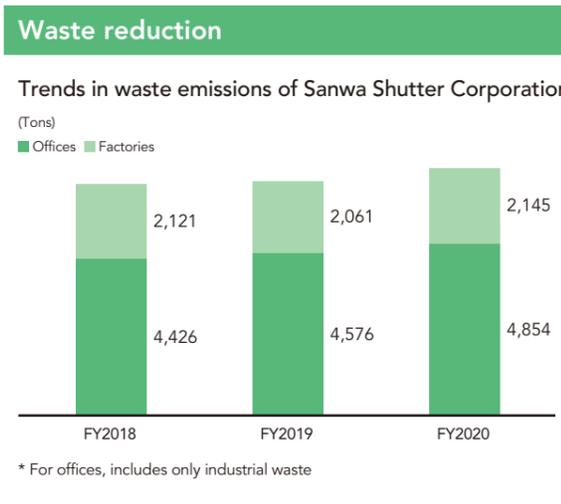
In the NF Group, the Riexinger Plant in Germany, the NF Door Plant in Poland, the Robust Plant in Sweden, and the sales company Vertriebs in Germany have acquired the ISO 14001 certification and are working to reduce energy consumption. In 2020, the Riexinger Plant switched all of its lighting to LED. This is expected to result in an annual reduction of approximately 520 tons of CO₂.



Before the switch to LED lighting | After the switch to LED lighting

Environmental targets and achievements of Sanwa Shutter Corporation			
[2030 targets]			
30% reduction in Scope 1 + Scope 2 CO ₂ emissions compared with FY2020			
Theme	Environmental targets for FY2020	FY2020 Results	FY2021 Targets
Reduce	Reduce logistics energy consumption units ¹ by 2% compared with fiscal 2018	Factories 0.0512 (Target 0.0513) Offices 0.0238 (Target 0.0237)	Factories 0.0507 Offices 0.0235
	Reduce facility energy consumption units ² by 2% compared with fiscal 2018	Factories 0.1197 (Target 0.1146)	Factories 0.1135
	Reduce industrial waste units ³ by 3% compared with fiscal 2017	Offices 24.34 (Target 22.99)	Offices 22.75
	Reduce waste units ⁴ by 2% compared with fiscal 2018	Factories 38.25 (Target 35.14)	Factories 34.77
Create	Commercialize eco-products	Four themes (target: three or more themes)	Three or more themes
	Study and research eco-products	Four themes (target: four or more themes)	Four or more themes
	Commercialize eco-friendly design products	Ten themes (target: ten or more themes)	Ten or more themes
Purchase	Promote green procurement	Switch to 4M ⁵ in six projects (target: four or more projects)	Four or more projects

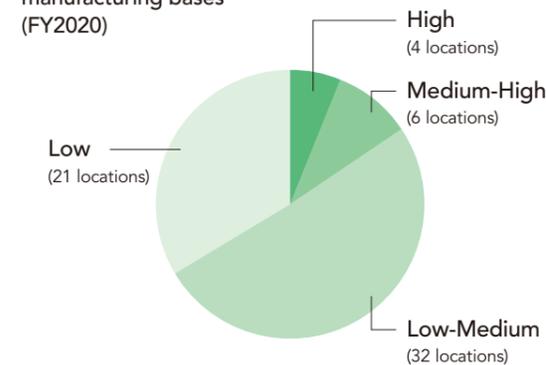
*1 Amount of energy used (crude oil kl equivalent) / value of goods shipped (¥ million)
 *2 Offices: Amount of energy used (crude oil kl equivalent) / total floor area (m²)
 Factories: Amount of energy used (crude oil kl equivalent) / value of goods shipped (¥ million)
 *3 Amount of industrial waste (kg) / net sales (¥ million)
 *4 Amount of waste (kg) / value of goods shipped (¥ million)
 *5 Man, Machine, Method, Material



The Group strives to reduce its environmental impact by reducing waste emissions and promoting recycling in all business processes in order to make effective use of limited global resources and realize a recycling-oriented society. We believe that efforts to reduce waste will lead to more efficient use of raw materials and energy resources, as well as contribute to cost reduction and energy and greenhouse-gas reductions during disposal.

Water resources conservation

Breakdown(63 locations) of water risk assessment for manufacturing bases (FY2020)



Due to global climate change and the growing demand for water as a result of rapid population growth, the depletion of water resources and shortages are becoming serious issues for society. As the Group is continually growing globally, we recognize the importance of the preservation and effective use of water resources. For this reason, we are taking the initiative to help preserve these resources. We are working to decrease the volume of water consumed at every production base by strengthening the management of water use, improving production processes,

and reusing water. Further, we work to comply with all local laws and regulations on wastewater quality control.

Due to the nature of our production activities, in which we mainly cut, form and assemble metal parts, our water consumption may be regarded as low in light of our production volume. However, some processes, such as painting, require the use of a certain amount of water. Sanwa Shutter Corporation's plants are striving to reduce water consumption through the effective use of water circulation systems for painting equipment and chillers that circulate chilled tank water, as well as the integration of piping.

CLOSE-UP

JAPAN

Since 2012, the Sanwa Group Social Contribution Club, a volunteer organization for officers and employees that engages in donation activities, has been making ongoing donations to JEAN, a general incorporated association that works on initiatives to solve the issues of marine debris through litter collection campaigns, surveys of residents, and public awareness raising through performances and workshops.



People

- Create a Pleasant and Rewarding Work Environment -



To ensure that our products function properly as access systems, numerous resources are required, including our stakeholders such as partner companies and installers, from development and production to installation and maintenance. People are our source of competitiveness and our most important management resource, as the Company's growth and innovation are based on the combination of customer needs, diverse knowledge and know-how, and values accumulated by each employee. Through efforts to respect human rights and diversity, ensure health and safety, and develop human resources, we will pursue worker-friendliness and fulfillment in work for people involved with the Group, thereby continuously improving corporate value through maximizing the power of people and the organization.

ESG Materiality	Implemented Measures	Targets and Issues
Respect for human rights	Revision of the Sanwa Group Compliance Code of Conduct	Implementation of human-rights due diligence
Human resources development	Implementation of sales skill improvement training (100% of standards achieved)	Strengthening of training for installers
Promotion of diversity	Review of working conditions for senior employees	Increasing the ratio of female managers
Health and safety	Systematic education at manufacturing and installation sites	Eradication of occupational accidents

Social initiatives <https://www.sanwa-hldgs.co.jp/english/csr/effort/social/>

Human resources development

Annual training hours per person in fiscal 2020

24.23 hours

(Sanwa Shutter Corporation)

The Group views human resources as its most important management resource and focuses on the development of human resources capable of creating value by enhancing systems and a work environment that enable each and every employee to maximize their capabilities.

Through efficiency improvements in line with the promotion of digitalization including automated processing of routine tasks, NF Germany aims to maximize the utilization of human resources by transferring resources previously spent on routine tasks to high value-added tasks, such as the development of a training system that will lead to increased corporate value.

In addition, the smartphone application Novo Docu introduced in 2019 covers about 3,000 pieces of information, including catalogs, installation manuals, videos, CAD screens, and product reference prices for all products handled by NF Germany. The application allows employees and installers to smoothly access the information they want, regardless of time or location, and assists them in acquiring knowledge and improving work efficiency.

Sanwa Shutter Corporation is making efforts to pass on the skills of experienced senior workers by having them accompany younger employees on installation and repair visits. Sanwa Shutter is also working to quickly develop its in-house technical staff, whose recruitment began in 2013.

In addition, as part of our global competence development efforts, we are systematically developing human resources who can play active roles on a global scale through our overseas trainee system and the dispatch of employees to overseas Group companies.

Health and safety

Total number of participants in occupational safety and health training in fiscal 2020

652

(Sanwa Shutter Corporation)

As a company engaged in manufacturing, the Group recognizes that ensuring the health and safety of all people involved in our business activities, including employees, affiliated companies' employees, and installers is fundamental to our sustainability and our responsibility as a Company.

In order to provide safe, secure, and convenient products and services to customers throughout the world, we believe it is important that our employees and their families are able to lead healthy as well as fulfilling lives, both in their private and working lives.

In order to achieve the priority target of "eliminating all serious injuries and fatalities" and to eradicate occupational accidents, the Group is striving to provide safety education and ensure adherence to rules in line with the annual health and safety action plan, share incidents that nearly become accidents, and improve the work environment to reduce workloads.

At ODC, safety meetings are held monthly to be attended by safety personnel from each plant, where indicators such as the number of occupational accidents are shared and active discussions are held on the causes and countermeasures for accidents that have occurred.



ODC safety meeting

Respect for human rights

Number of human-rights violation cases in fiscal 2020

0

(consolidated basis, including global)

The Group stands firmly for the respect of human dignity, and recognizes the diverse worth in individuals. We respect individual character and personality, and conduct business bearing in mind the human rights of our customers, shareholders, employees and all stakeholders. We go beyond the requirements of the law in avoiding discrimination. In addition, we do not permit child labor or forced labor. The Sanwa Group Compliance Code of Conduct clearly states that we will encourage suppliers and distributors not to infringe on human rights and to work together to promote respect for human rights. We are working to prevent human rights violations by identifying negative impacts of new businesses on human rights, and conducting regular audits in existing businesses.

Promotion of diversity

Percentage of female managers in fiscal 2020

11.2%

(consolidated basis, including global)

The Group believes that it can create new value that contributes to the resolution of customer and social issues by nurturing an organizational culture that respects and embraces the diversity of each employee. We promote the utilization of diverse human resources, including women, global employees, and senior workers, who can flexibly adapt to the ever-changing times and become the growth drivers of the Group, both in terms of tangible aspects such as frameworks and systems, and intangible aspects such as the nurturing of working environments and organizational culture, in order to maximize the power of our organization.

In addition, with an eye on post-COVID-19 society, we are striving to improve productivity and secure talented employees by developing a diverse working environment, including the use of mobile PCs and expansion of telework.

CLOSE-UP

ASIA

Shanghai Baosteel-Sanwa Door in Asia and Novoferm Shanghai have acquired the ISO 45001 certification, an occupational safety and health management system, and are striving to create a comfortable work environment and improve the level of occupational safety and health. Novoferm Shanghai holds monthly safe production meetings to discuss such matters as including safe forklift driving, safe welding operations, and traffic safety education. In fiscal 2020, the factory floor was repainted in bright colors to improve work efficiency and safety.



Before painting



After painting

Management Foundation of the Group

Corporate Governance

Basic Approach to Corporate Governance

As a global access systems company that is conducting business in 26 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.

FY2020 HIGHLIGHTS

Number of Directors (of whom are independent outside directors)	9(3)
Number of Board of Directors Meetings / Attendance Rate	9/100%
Number of Audit & Supervisory Committee Members (of whom are independent outside directors)	3(2)
Number of Audit & Supervisory Committee Meetings / Attendance Rate	9/100%

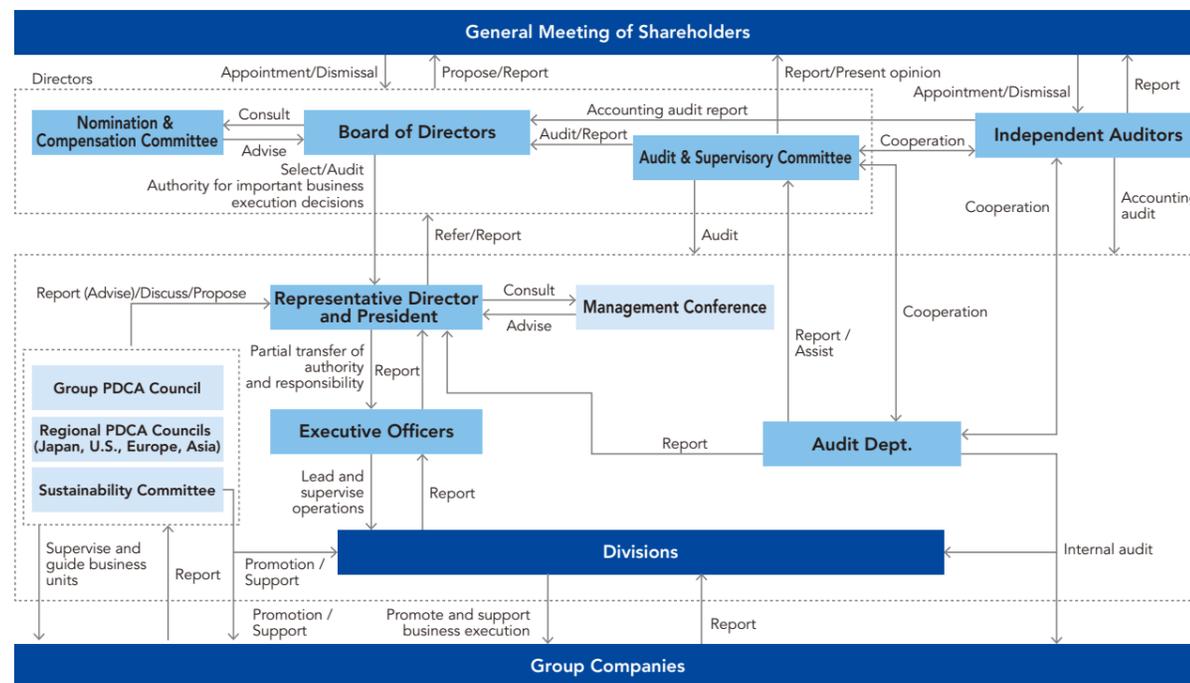
Corporate Governance Structure

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.

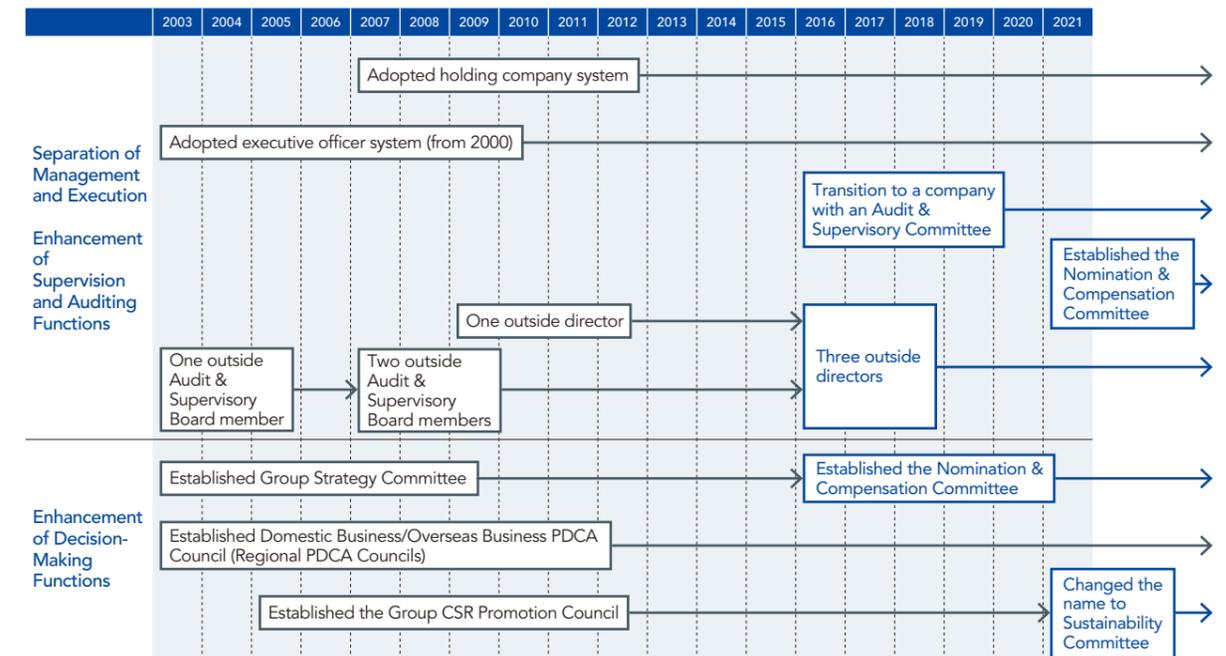
Key Points of Corporate Governance Reforms

1. Established a voluntary **Nomination & Compensation Committee** to strengthen fairness, transparency, and objectivity
2. Introduced restricted stock compensation to provide incentives for sustainable improvement
3. Established a **Sustainability Committee** to enhance deliberations and the promotion of sustainability policies, etc.

The Sanwa Group's Corporate Governance Structure



Timeline of Corporate Governance Reforms



Evaluations of Board of Directors' Effectiveness

The Company has been conducting a questionnaire on the effectiveness of the Board of Directors after the conclusion of the last Board of Directors' meeting of each fiscal year since the end of fiscal 2017. In fiscal 2020 as well, we obtained responses from all directors, and at the first Board meeting in the following fiscal year, they analyzed and evaluated effectiveness based on the response results. As a result, although there were issues raised, we evaluated that our Board of Directors is functioning effectively. Going forward, we will continue to make improvements to enhance the effectiveness of the Board of Directors.

Ensuring flexibility



Results of Questionnaire Survey of Directors

Board of Directors' Evaluation Implementation Guidelines

Subjects of evaluation: All nine fiscal 2020 directors
 Implementation method: Anonymous survey (freedom to express own opinions)
 Question content: 28 questions in all, related to the degree of deliberation at Board of Directors' meetings, the status of ensuring the effectiveness of the Board of Directors, the status of the Board of Directors' management, and the self-evaluation of Company and outside directors, etc.
 Evaluation method: Compilation of questionnaire results, implementation of comparative aggregation with previous year

(Content that could be evaluated)

- The management of the Board of Directors meetings is evaluated highly.
- Each director is proactive in ensuring lively discussions.
- It was confirmed that the Board of Directors is functioning effectively.

(Points to be improved)

The Nomination & Compensation Committee established in January 2021 should become a highly regarded committee in its future operations.

(Other opinions expressed)

Although the current Board of Directors has a diverse composition, there was an opinion on the need to create greater diversity.

The results of the questionnaire were reported at a Board of Directors' meeting and, based on the response results, the evaluation with regard to the Board's effectiveness was confirmed.

Based on the above results, we will continue to work to maintain and strengthen the effectiveness of the Board of Directors to ensure that it is most suited to the Company.

Specific Measures for Enhancing Business Execution and Supervisory Function

Management Conference

In accordance with the transition to a company with an Audit & Supervisory Committee structure, from the perspective of speeding up management decisions a director 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 deliberates and reports on important management issues, and assists the Executive Officer, President in making decisions and strengthening the flexibility of business execution. Discussing (1) matters concerning important business execution decisions delegated by the Board of Directors to the Executive Officer, President, (2) matters deemed necessary by the Executive Officer, President from among the Board of Directors' meeting agenda items, and (3) other important, management-related matters deemed necessary by the Executive Officer, President, the Management Conference works in conjunction with the Board of Directors in the making of quick and efficient management decisions.

Audit & Supervisory Committee

The Audit & Supervisory Committee met a total of 9 times in fiscal 2020. 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 Nomination & Compensation Committee was established as an advisory body to the Board of Directors for the purpose

of strengthening the fairness, transparency, and objectivity of procedures related to the nomination and compensation of directors who are not Audit & Supervisory Committee members and executive officers.

The committee, which was established in January 2021, consists of three or more members selected by resolution of the Board of Directors, and the majority of the members are independent outside directors. The committee, in response to consultation from the Board of Directors, advises the Board of Directors on matters concerning proposals for the election of candidates for directors, etc., the compensation of directors, etc., and the calculation method for individual compensation.

Detailed Supervision/Audits of Business Execution by Group and Regional PDCA Councils

Group and Regional PDCA Council consists of directors, executive officers and other senior management officers (independent outside directors excluded). At the councils, which convene on a quarterly basis, 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.

Sustainability Committee

The Sustainability Committee is chaired by the Representative Director and President and consists of senior management including directors and executive officers. The committee works to deliberate and promote Group-wide sustainability policies, etc., by focusing on the Group's quality, risk management, compliance, and social contribution, as well as the increasingly important issue of global environment conservation, and sustainability issues (medium- to long-term sustainability on a global scale) including respect for human rights, work-style reforms, and gender equality.

Name of the meeting body	Frequency of meetings	Agenda items
Management Conference	Once a month, as a general rule (Fiscal 2020: 12 times)	<ul style="list-style-type: none"> 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 2020: 9 times)	<ul style="list-style-type: none"> 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
Newly established Nomination & Compensation Committee	Twice a year, as a general rule (Fiscal 2020: 1 time)	<ul style="list-style-type: none"> Proposal for the election of directors and executive officers Matters concerning the compensation of directors, etc., and the calculation method for individual compensation
Group PDCA Council	Once a month, as a general rule (Fiscal 2020: 10 times)	<ul style="list-style-type: none"> Reports, confirms, and provides guidance on the progress of Group-wide 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, and Asia)	Once every three months, as a general rule (Fiscal 2020: 3 times each)	<ul style="list-style-type: none"> Considers the plans and budgets of each business company Reports, confirms, and gives instructions on the progress of the plans of each business company
Change of name Sustainability Committee (Former Group CSR Promotion Council)	Once every 3 months, as a general rule (Fiscal 2020: 4 times)	<ul style="list-style-type: none"> Deliberates on and promotes Group-wide 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

Compensation of Directors

Compensation of Directors

	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	¥100 million or less per year		

Matters Related to Policies for Determining Amounts of Compensation of Officers or Calculation Methods Thereof

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. The compensation of directors consists of base compensation, performance-linked compensation, and restricted stock compensation. However, the compensation of directors serving as Audit & Supervisory Committee members and independent 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 be within the total amount determined at the General Meetings of Shareholders.

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

a. 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. Performance-linked compensation

Performance-linked compensation is monetary compensation for business execution during the term of office (one year) of directors. A standard amount is set for each executive 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 current fiscal year. As far as serving as a reward that functions as a sound incentive for sustainable growth that reflects the Company's business performance is concerned, consolidated operating income has been selected as the primary indicator of performance-linked compensation.

c. 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 independent 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, by making a contribution in kind of all monetary compensation claims to be provided for granting restricted stock each fiscal year, receive an allotment of common stock of the Company. Furthermore, restricted stock compensation shall be granted as compensation for duties performed during the term of office (one year) of directors within one month after the conclusion of the Ordinary General Meeting of Shareholders that elects the directors. 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 on proportion of amounts of compensation paid to individual directors for base compensation, performance-linked compensation, and non-monetary compensation
For the proportion of different types of compensation paid to directors, the voluntary Nomination & Compensation Committee is consulted, based on the compensation level benchmarks of companies with similar business scales and those belonging to the same industry and business category as the Company. The Representative Director and President, delegated by the Board of Directors, receives the details of the advice from the Nomination & Compensation Committee and decides the details of the compensation, etc. for individual directors referencing the proportions of compensation for each type of compensation shown in the advice.

e. Matters concerning decisions on the details of compensation, etc. for individual directors
Based on a resolution by the Board of Directors, the Representative Director and 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 and President appropriately uses this authority, the Board of Directors will consult the Nomination & Compensation Committee on matters concerning the calculation method, etc. for individual compensation and receive advice from the committee. The delegated Representative Director and President will then consider the details of this advice and decide.

Actual Compensation Amount for FY2020

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, etc.	
Directors (excluding directors serving as Audit & Supervisory Committee members and outside directors)	317	187	102	27	5
Directors serving as Audit & Supervisory Committee members (excluding outside directors)	33	33	—	—	1
Outside directors (excluding Audit & Supervisory Committee members)	10	10	—	—	2
Outside directors (Audit & Supervisory Committee members)	40	40	—	—	2

(Notes)
 1. The above includes two directors (including one outside director) who retired at the conclusion of the 85th Ordinary General Meeting of Shareholders held on June 24, 2020.
 2. The amount paid to directors does not include the portion of employee's salary for those directors who concurrently serve as employees.
 3. Performance-linked compensation is calculated by determining a base amount for each position based on the Company's 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.
 4. Non-monetary compensation, etc. is the amount recorded in the current fiscal year related to stock acquisition rights granted as stock options.
 5. The compensation limit for directors (excluding directors serving as Audit & Supervisory Committee members) is ¥680 million per year (as approved at the 81st Ordinary General Meeting of Shareholders held on June 28, 2016). The number of directors as of the close of this Ordinary General Meeting of Shareholders is eight (including one outside director).
 6. Separately from (5) above, the compensation limit for director stock options (excluding outside directors and directors serving as Audit & Supervisory Committee members) is within ¥60 million per year (as approved at the 81st Ordinary General Meeting of Shareholders held on June 28, 2016). The number of Directors (excluding outside directors and directors who are Audit & Supervisory Committee members) as of the close of this Ordinary General Meeting of Shareholders is seven.
 7. The compensation limit for directors serving as Audit & Supervisory Committee members is ¥100 million per year (as approved at the 81st Ordinary General Meeting of Shareholders held on June 28, 2016).

Internal Control System

In accordance with the provisions of the Companies Act, the Company passed a resolution on its "Basic Policy for Building an Internal Control System" at a Board of Directors' meeting and is appropriately establishing an internal control system based on that basic policy. Passed by resolution at the Board of Directors' meeting held on March 27, 2019, the basic policy has been partially revised, as a strengthening measure for the prevention of misconduct. 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 Company strives to strengthen governance of the Group by transferring authority to each Group company as deemed appropriate, and verifying the implementation status of the PDCA cycle for measures designed to heighten the "two kinds of reliability" (reliable business performance and reliable management) through the Regional PDCA Councils presided over by the director in charge of that region.

Each Group company autonomously manages itself as an independent enterprise and fulfills management responsibilities by complying with laws and internal regulations and rules. In addition, the director in charge of each region oversees the business decisions and the status of business execution of each company, providing guidance for improving the transparency of business management. This process ensures and promotes proper operations of the Group.

Functions as Corporate Pension Asset Owner

With regard to the pension management system, we established the Sanwa Shutter Corporate Pension Fund. In addition to a full-time managing director, management is undertaken by directors and representatives selected from each Group company. The management of the reserve fund is based on management guidelines established by the corporate pension fund, and important matters, such as decisions on asset allocation policy and recipients entrusted with assets, are resolved by a board of representatives using external consultants. The fund is managed and controlled in an appropriate manner to prevent conflicts of interest between pension beneficiaries and the Company. We carry out stewardship activities that can be implemented as corporate pension funds, such as the assigning of employees familiar with the practical side of the business to the full-time director, the Board of Trustees requiring that each investment institution entrusted with assets fulfills its stewardship responsibilities, and the receiving of reports on the results.

Dialogue with Shareholders and Investors

To increase the transparency of its corporate activities, the Group will endeavor to achieve sustainable growth and increase corporate value by disclosing information in a timely and appropriate manner and reflecting dialogue with shareholders and investors in management.

Risk Management and Compliance

Number of reports made using internal whistleblower system

Fiscal 2020: **107**

Number of participants in compliance training

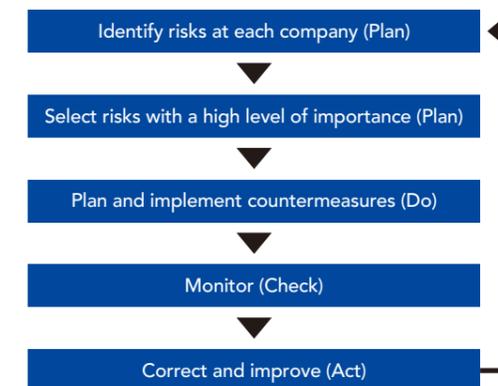
Fiscal 2020: **277**

Number of participants in Antitrust Law training

Fiscal 2020: **205**

Implementing Risk Management

The Sanwa Group identifies, analyzes, and evaluates business execution-related risks as well as 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 subordinate Quality, Environment and CSR Promotion Council and each Group company's CSR Promotion Council manage risks by appropriately and rapidly responding to risks that occur during the course of each company's business activities.



This cycle is repeated annually to identify and reevaluate risks.

In fiscal 2019, the Information Security Countermeasures Council was established to build an information security system from a global perspective. Furthermore, the purchasing, production, and engineering divisions at each Group company have been monitoring risks throughout the supply chain and providing guidance on improvements to business partners.

In fiscal 2020, in response to the COVID-19 pandemic, a Crisis Management Headquarters was established to gather information from each Group company, provide the necessary support, and give instructions on company-wide policies, including various working arrangements.

Ensuring Thorough Compliance

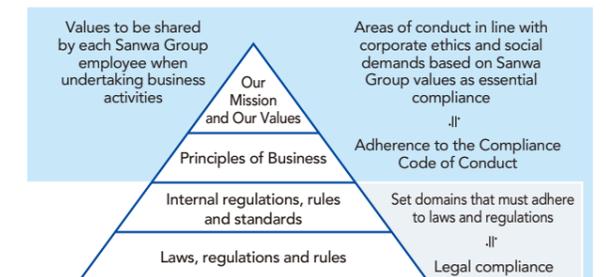
In order to maintain the trust of society, the Sanwa Group formulated in October 2005 the Compliance Code of Conduct, which outlines specific conduct that must be adhered to based on Our Mission, Our Values, Principles of Business, and the philosophy of the Group. In December 2020, the Compliance Code of Conduct was revised to meet the changing demands

of society, focusing on items such as respect for human rights, ethical behavior, and information security. The revised Compliance Code of Conduct and Case Study Booklet was distributed to all employees in April 2021.



Compliance Code of Conduct and Case Study Booklet

Compliance Code of Conduct: Conceptual Diagram



At domestic Group companies, training on a nationwide basis is provided to managers of each Group company to further instill awareness of the importance of compliance. This training features lectures designed to brush up the participants' knowledge of laws related to our business, such as the Antitrust Law, Construction Business Act, Waste Management and Public Cleansing Act, and Labor Standards Act. It also includes lectures concerning safety obligations, harassment, and risks relating to information security, respect for human rights, anti-corruption and other areas, and thereby fosters compliance awareness.

In fiscal 2019, the Group Companies in Asia distributed the Sanwa Group Compliance Code of Conduct translated into local languages and also adopted an internal whistleblowing system (corporate ethics hotline).

Also in North America (ODC) and Europe (NF Group), whistleblowing systems have been established and compliance training is conducted for all employees.



Compliance training for the local employees of the three companies in Shanghai

Exercise Ratio of Voting Rights at 86th Ordinary General Meeting of Shareholders	Meetings for Institutional Investors	Number of Explanatory Sessions for Individual Investors
89.88%	Fiscal 2020: 168 times	Fiscal 2020: 2 1,093 participants

Please see the Company's website for detailed information regarding corporate governance. <https://www.sanwa-hldgs.co.jp/english/csr/effort/governance/>

Interview with an Outside Director



Akira Gokita

Independent Outside Director
Audit & Supervisory Committee Member

On improving the Board of Directors' effectiveness and establishing a Nomination & Compensation Committee

Sanwa Holdings delegates important business decisions to its President and Representative Director pursuant to the provisions of the Articles of Incorporation, based on the Companies Act, and resolutions of the Board of Directors. However, decisions by the President are based on the assumption that the Management Conference, consisting of the directors in charge of business execution, full-time directors, and Audit & Supervisory Committee members, has been consulted, and that the President's decisions on important business execution based on the Management Conference's reports have been deliberated on by the Board of Directors as reported matters. Although not being members of the Management Conference, outside directors, including myself, receive materials and minutes of the Management Conference prior to the meetings of the Board of Directors, which aid their understanding of issues and deliberations at the Management Conference and facilitate the discussions of the reported matters at the Board of Directors. Even though the President makes decisions on important business execution, the Management Conference is consulted and reports on such decisions and the Board of Directors deliberates on reported matters. This functions as a system of double checks.

Prior to the meeting of the Board of Directors, copious amounts of agenda materials are distributed to the outside directors, which enable them to fully consider the contents of agenda items before they attend the Board of Directors meeting. At Board meetings, the director in charge is sometimes confronted with harsh opinions, but discussions are always lively and constructive. Our role as outside directors is to take part in these deliberations on agenda items with transparency, as the closest thing to an external eye. I believe that, by following this process correctly, we can ensure the effectiveness of the Board of Directors and reasonable decision-making for business management.

In fiscal 2020, I feel that the relationship between the Board of Directors and the Management Conference, as well as qualitative aspects such as pre-distribution of materials and understanding of issues, have improved. This year, the Company has established a Nomination & Compensation Committee. Three of the five members are independent outside directors. The Board of Directors currently consists of nine directors, of whom five are also members of the Nomination & Compensation Committee. We have established this Nomination & Compensation Committee as a voluntary body, but with the majority of the members comprising independent outside directors, it substantially carries enough weight to match the standards of statutory Nomination & Compensation Committees. I expect it will ensure our decision-making process is transparent and fair.

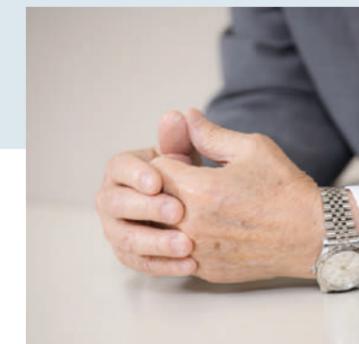
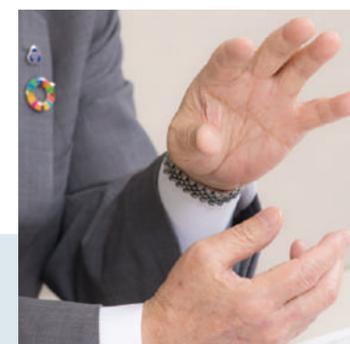
On risks and opportunities in the Group's growth

Corporate governance reforms were initially positioned as systems to improve the productivity and profit of Japanese companies and support management decisions that would enable them to prevail over global companies. In recent years, however, amid drastic changes to the industrial structure due to the Fourth Industrial Revolution, including IoT and AI, and increasing globe-spanning environmental changes caused by climate change and COVID-19, the working-age population and Japan's market continue to shrink due to the declining birthrate and aging population. In these current circumstances, we consider even greater world-class governance is required from Japanese companies in Japan.

Sanwa Holdings is a holding company with many subsidiaries in Japan and overseas. We believe that our Group management is expected to create synergies that are more than the simple numerical totals of the corporate values of each Group company, thereby maximizing these synergies.

From this perspective, under the heading of defensive governance, how do we improve the management effectiveness of each Group company? At overseas subsidiaries, we need to provide internal control systems and improve their effectiveness. However, a centralized form of internal control could impair the independence of each subsidiary and eventually damage the Group's corporate value. It is important that we carry out effective audits while allocating decision-making powers between the head office and subsidiaries and managing subsidiaries on a risk basis. To overcome the seeming trade-off between the strengthening and enhancing of internal controls and the cost of human resources, management, and auditing required for such ends, we will have to further utilize digital transformation (DX) in the future.

From the viewpoint of proactive management, we should also consider a flexible review of our business portfolio. Since we are expanding worldwide, we must consider concentrating investments of management resources in core business fields, expanding our business through aggressive M&A, and spinning off and selling non-core businesses in peripheral fields and those with low growth potential. We must achieve world-class governance on both the defensive side against various risks and the proactive side to increase corporate value.



Future initiatives, including ESG

The latest revision of the Corporate Governance Code makes a clear statement on sustainability including issues associated with society and the environment. This year, we have declared that we will incorporate TCFD into our disclosure framework and further promote SDGs, which are a global goal. As a company in the manufacturing industry, Sanwa can take various measures such as reducing the environmental burden when our products are manufactured and when they are used. There are still many things we can do in relation to climate change, energy issues, work styles and economic growth, technological innovation, and gender equality.

At the same time, we face some challenges. We need to carefully select what we can do and need to do, such as in-house promotion of work-style reforms, women's advancement, and health management including mental health.

Participation by female directors is one approach to improving diversity on the Board of Directors, but of course this does not mean merely appointing a certain number of women as outside directors. I believe that the quality of outside directors in supervisory roles, including myself, is being questioned now. Each outside director has an area of specialization and participates in the Board of Directors on that basis. However, given that outside directors depend on Company executives and employees to obtain the necessary information to fulfill their duties, they need to enhance their skills by deepening their expertise in specialized fields as well as broadening their understanding of fields outside of their specialty, and contribute to effective deliberations at the Board of Directors by making efforts to gather necessary information. I am a former public prosecutor, and now as a lawyer am serving as a member of the Audit & Supervisory Committee. I take part in the deliberations of the Board of Directors based on the information gleaned from the audit reports and internal audit reports of subsidiaries as well as the materials of the Management Conference and the Board of Directors. Going forward, I will continue to enhance my skills based on my expertise and experience as a lawyer and focus on understanding the Company's internal workings. As a diverse member of the Board of Directors, I am committed to strengthening and improving the Sanwa Group's governance, and thus raising its medium- to long-term corporate value.

Management Team



Toshitaka Takayama

Director, Chairman

Attendance at Board of Directors meetings	100%
Number of Company Shares Held	1,848,000 Shares

Reasons for appointment

As Director, Chairman of the Company, he has been providing advice and supervising operational execution regarding management, accurately and with a high level of knowledge underpinned by his abundant experience as CEO of the Sanwa Group for many years. Thus, the Company has determined that he is qualified as a Director, in order to achieve sustainable growth of the Sanwa Group going forward.



Yasushi Takayama

Representative Director, President
Chief Executive Officer

Attendance at Board of Directors meetings	100%
Number of Company Shares Held	119,187 Shares

Reasons for appointment

As a Director from 2012, he was responsible for the risk management division and various other divisions including development of global personnel, and has abundant experience and broad knowledge as a corporate manager. Having engaged in managerial decision-making for the Group as a whole from a global perspective, he was appointed Representative Director, President in 2017 and since then, he has contributed to promoting the management of the Sanwa Group aiming at becoming a major global player. Thus, the Company has determined that he is qualified as a Director.



Hiroatsu Fujisawa

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

Attendance at Board of Directors meetings	100%
Number of Company Shares Held	27,300 Shares

Reasons for appointment

Based on his knowledge and experience as a corporate manager in Japan and overseas, he has mastered his managerial duties as Director since 2014 and contributes to performance as the manager of Global Business Unit. He is capable of supervising and monitoring management from a global perspective, while displaying his ability and knowledge in vital decision-making regarding the Company's business. Thus the Company has determined that he is qualified as a Director.



Hiroyuki Yamazaki

Director, Senior Executive Officer,
Responsible for Corporate Planning Unit

Attendance at Board of Directors meetings	100%
Number of Company Shares Held	4,700 Shares

Reasons for appointment

Based on his experience as a corporate manager, since 2018 he has engaged in the work of the Corporate Planning Unit of the Company, as well as promoting the Sanwa Group's management strategy, personnel strategy, etc., and he has contributed to the enhancement of corporate value in areas such as risk management. Thus, the Company has determined that he is qualified as a Director.



Meiji Takayama

Director (Part-time)

Attendance at Board of Directors meetings	100%
Number of Company Shares Held	91,338 Shares

Reasons for appointment

As Director since 2017, he has participated in management, and as Representative Director of Sanwa Shutter Corporation, he has led the domestic business with his strong leadership. Thus, the Company has determined that he is qualified as a Director based on his achievement and a wealth of experience in the domestic business of a manufacturer.



Masanaka Yokota

Independent Outside Director

Attendance at Board of Directors meetings	100%
Number of Company Shares Held	3,500 Shares

Reasons for appointment

As an Outside Director, he has been providing appropriate advice and suggestions based on his abundant consulting experience and knowledge of fields ranging from management strategy and technical strategy to manufacturing and production, personnel development, and beyond, both in Japan and overseas. Thus, the Company has determined that he is qualified as a Director. Furthermore, based on his abundant consulting experience, he is expected to contribute to strengthening the functions of the Board of Directors by providing advice and suggestions contributing to enhance the corporate value of the Company along with highly effective supervision of management from an independent and objective standpoint.

Click here for brief biographies of the management team

<https://www.sanwa-hldgs.co.jp/english/corporate/organization.html>

Policy on appointment of Outside Directors

https://www.sanwa-hldgs.co.jp/english/csr/effort/governance/pdf/Independence_Criteria_for_Outside_Officers.pdf



Teiko Zaima

Director
Audit & Supervisory Committee Member

Attendance at Board of Directors meetings	100%
Attendance at Audit & Supervisory Committee meetings	100%
Number of Company Shares Held	23,400 Shares

Reasons for appointment

He has been engaged in accounting and finance business for many years, and possesses a wide range of knowledge about the Sanwa Group's business. As Corporate Auditor since 2015 and as Director serving as Audit & Supervisory Committee Member since 2016, he has displayed his knowledge regarding finance and accounting based on his experience, and thus the Company has determined that he is qualified as a Director Serving as Audit & Supervisory Committee Member.



Tsunekatsu Yonezawa

Independent Outside Director
Audit & Supervisory Committee Member

Attendance at Board of Directors meetings	100%
Attendance at Audit & Supervisory Committee meetings	100%
Number of Company Shares Held	— Shares

Reasons for appointment

He plays an appropriate role in the Board of Directors by providing advice on management based on his global experience and high level of insight on corporate management, business, and economics. In addition, as a member of the Nomination & Compensation Committee, he provides appropriate advice and oversight in the selection of candidates for the Company's Board of Directors and the review of the executive compensation system.



Akira Gokita

Independent Outside Director
Audit & Supervisory Committee Member

Attendance at Board of Directors meetings	100%
Attendance at Audit & Supervisory Committee meetings	100%
Number of Company Shares Held	— Shares

Reasons for appointment

As a former prosecutor and lawyer, he has played an appropriate role in the Board of Directors by providing advice based on his extensive experience and high level of insight as a legal expert. In addition, as a member of the Nomination & Compensation Committee, he provides appropriate advice and oversight in the selection of candidates for the Company's Board of Directors and the review of the executive compensation system.

Senior Executive Officers and Executive Officer

Senior Executive Officer	Toshiaki Doba	Subleader, Global Business Unit and Head of Europe and Americas Business
Senior Executive Officer	Kenichiro Motomachi	Subleader, Corporate Planning Unit
Executive Officer	Takenobu Hoizumi	(Head of Asia Business)

Name	Skill matrix								Committee participation status ●: Chair/Chairperson, ○: Observer			
	Corporate management, Governance	Industry knowledge, Industry experience	Global experience	Sales, marketing	Manufacturing and engineering, Development and quality assurance	Legal affairs, Risk management, Compliance	Personnel and labor, Personnel development	Finance and accounting, Monetary	Board of Directors	Management Conference	Group FDCA Council	Sustainability Committee
Toshitaka Takayama	○	○	○	○	○		○		○	○	□	
Yasushi Takayama	○	○				○	○	○	◎	◎	◎	◎
Hiroatsu Fujisawa	○	○	○	○	○			○	○	○	○	○
Hiroyuki Yamazaki	○		○	○		○	○	○	○	○	○	○
Meiji Takayama	○	○		○	○		○	○	○	○	○	○
Masanaka Yokota <small>Outside Independent</small>	○		○		○		○		○			○
Teiko Zaima	○	○				○	○	○	○	○		○
Tsunekatsu Yonezawa <small>Outside Independent</small>	○	○	○	○					○	○		
Akira Gokita <small>Outside Independent</small>	○					○		○	○			