



Challenge to Next Stage

The Leader in Japan's Auto Auction Industry

USS, which stands for Used car System Solutions, has created a fair and transparent used vehicle market as the leader in the Japan's auto auction industry and remains dedicated to taking on new challenges to build on this leading position.

Corporate Philosophy

- Creating a fair market**
 To make the used-vehicle distribution market more fair and transparent, USS creates new solutions and provides an open marketplace based on free market principles, which helps to enhance the social status of the used-vehicle sector as a whole.
- Serving members better**
 USS continues to improve its ability to operate auto auction systems because of the commitment to providing member companies with an even more convenient and useful marketplace.
- Providing services for consumers**
 Based on the belief that auto auctions should be structured for the benefit of end-users; USS establishes standard market prices for used vehicles. This also helps us to gain the trust of more and more consumers.
- Passing profit on to shareholders**
 Over the years, USS has placed priority on maintaining a suitable level of earnings and returning a significant share of earnings to shareholders.
- Respecting employees**
 USS always respects its employees. We are stepping up efforts to establish an environment where all employees can maximize their capabilities. In addition, USS has fair evaluation and compensation systems that demonstrate the value we place on employees' contributions, and we will work even harder to reflect their ideas in the management of business operations.
- Contributing to local communities**
 Through proactive mutual exchanges with local communities, USS continues to contribute to regional development as a good corporate citizen.



Integrated Report 2021

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Corporate Strategy

- 1 We will provide services as a diversified used car distribution organization that is widely recognized as an outstanding corporate citizen.
- 2 Our organization will always be trusted by both our customers and the public.
- 3 We will leverage all of our strengths and knowhow to adapt to ongoing changes in our markets.
- 4 We will build a team of self-reliant individuals who can continue to support and manage the USS Group's growth for many years.
- 5 We will always incorporate the interests of our shareholders in our business operations and decisions.

● Editorial Policy

USS is issuing its first integrated report this year. This publication includes information for shareholders, investors and other stakeholders about management policies, business strategies, results of operations and activities for the long-term growth of corporate value. We hope this information provides a basis for more dialogues with all our stakeholders.

The management policy we call Challenge to the Next Stage is the central theme of this report. Based on key issues (materiality) that we have identified, this report is structured to supply both financial and non-financial information about the USS Group. Information in the CEO message and other sections of this report demonstrates our dedication to the long-term creation of corporate value and the establishment of a sustainable society. Furthermore, our goal was to make this report easy to read and understand in order to facilitate more communication with stakeholders and people outside the USS Group. Another important part of this report is a corporate governance section with even more information about this important subject.

The International Integrated Reporting Council (IIRC) disclosure framework was used as reference guidelines for the preparation of this report. More financial and other information about the USS Group can be found on the USS website and the Securities Report.

Period covered by this report

Period: Fiscal 2020 (April 1, 2020 to March 31, 2021)

* Also includes some information about other periods and recent or current activities

Coverage: USS and its consolidated subsidiaries

Guidelines used as reference:

International Integrated Reporting Council

ISO 26000 (Social responsibility)

■ Precaution concerning forward-looking information

This report includes forecasts and outlooks about the future plans, strategies and results of operations of the USS Group. These statements are not historical facts. All forecasts and outlooks are based on assumptions and beliefs that use information currently available. In addition, forward-looking statements incorporate risk factors and uncertainties involving the economy, demand for the services of the USS Group, taxes, laws and regulations, the weather, and other items. As a result, actual results of operations may differ from the forecasts and outlooks in this report.