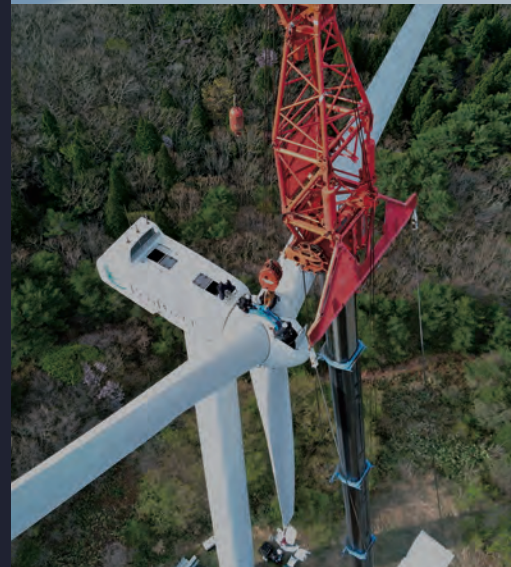


Toward a Circular Economy

The leader in Japan's auto auction industry

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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.

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

The USS Group publishes this integrated report to create a foundation for a constructive dialogue with not only its shareholders and other investors but also all of its stakeholders. Our third annual integrated report aims to provide a greater understanding of our approaches and initiatives to enhance medium to long-term corporate value. As a means to this end, we have made the changes below to enhance the information in this report.

- We introduce initiatives to bolster management resources in the future in "Strengths of USS (important management resources)."
- We disclose the specific process to identify priority issues alongside our key performance indicators (KPIs; quantitative targets and results) and results in "Priority subjects (materiality)."
- We added "Medium to long-term vision and strategy" as a new section to lay out our long-term vision and strategies as well as provide an overview of each measure.
- We include an interview with new executive officers to provide in depth insight into medium to long-term challenges and policies.
- We include more comprehensive information in the section about the environment, such as a climate-related transition plan.
- We disclose deliberations on important matters by the Board of Directors in the section on governance. This section also provides more comprehensive information about the officer remuneration policy, including the bonuses (performance-linked monetary compensation) targets and performance.

Period covered by this report

Period: Fiscal 2022 (April 1, 2022 to March 31, 2023)

Coverage: USS and its consolidated subsidiaries

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

Guidelines used as reference

International Integrated Reporting Framework published by the IFRS Foundation

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, natural disasters, and other items. As a result, actual results of operations may differ from the forecasts and outlooks in this report.