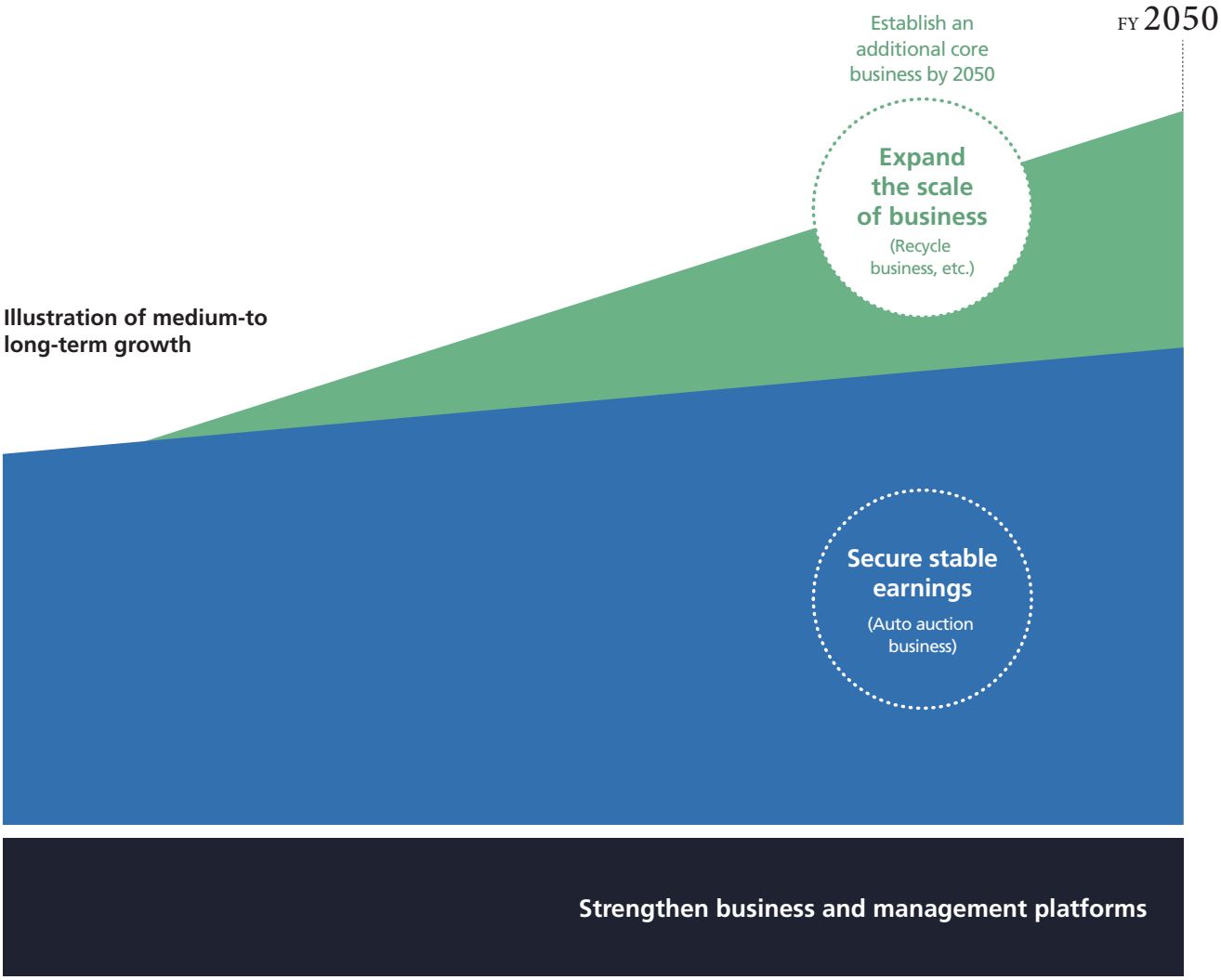
**Purpose**

Ensure the auto auction market remains fair and equitable while always striving for even greater convenience

**Long-term vision**

Create new frameworks to ensure fair and equitable business dealings and resource recycling and sustainably enhance corporate value

**Illustration of medium-to long-term growth**



## Policy and strategy

ROE target: 15 or higher

FY 2022 results: 16.2%

→Pp. 23–24

| Policy | Main strategies | Materiality |
|---|---|---|
| **Expand the scale of business** (Creation of new businesses)<br>SMART business<br>Net sales target ¥10 billion<br>→Pp. 37–38 | **Expand the recycle business**<br>• Expand the recycling business will promote plant recycling through SMART Inc. →Pp. 37–38 | Resource recycling |
| | **Business alliances and M&A**<br>• Develop peripheral business around the Auto Auction Segment (a new auto loan service jointly with GMS, etc.) →P. 17 | Poverty |
| **Secure stable earnings** (Auto auction business)<br>Auto auction Share target 50%<br>→P. 15 | **Human resource development**<br>• Appoint junior employees as human resources to run auction sites →P. 21<br>• Expedite inspector training to increase the number of vehicles in auctions →P. 52 | Human resources management |
| | **Respond to changes in the automotive business environment**<br>• Increase the number of charging stations for electric vehicles<br>• Research and develop appraisal criteria and inspection systems for electric vehicles →P. 34 | Climate change |
| | **Promote a digital transformation**<br>• Update core auto auction systems →P. 16<br>• Effectively use auction vehicle and bidding data (big data) →P. 17 | Information management |
| **Strengthen platforms**<br>Material issues Success in reaching KPI targets<br>→Pp. 29–30 | **Reduce the environmental impact of our businesses**<br>• Promote waste recycling →P. 60<br>• Reduce greenhouse gas emissions (Set reduction targets adhering to the SBT standards) →P. 56 | Resource recycling<br>Climate change |
| | **Strengthen governance**<br>• Regularly disclose information in accordance with all corporate governance codes →Pp. 39–40<br>• Continue to utilize an officer remuneration policy that incorporates ESG indicators →Pp. 41–43 | Fair and equitable business dealings |