



Activities with customers

Ensure the fairness and reliability of auto auctions

Responsible management of vehicle data

To evaluate automobiles to be auctioned, we have a 10-step scoring system that uses our own rigorous inspection standards. At all our auction sites, inspections are performed by individuals who have completed the strict USS certification process. Inspection results are entered in a database to allow members to perform searches to view real-time information.

USS employees carry out all of these inspections.



Odometer inspection and control system

The used vehicle market has had issues of odometer tampering, which has lost the confidence and trust of car buyers. USS has employed an approach since its founding that strives to eliminate these types of fraud. Illegal practices such as tampering with odometers led to the creation of the Nippon Auto Auction Association in 2001 and its odometer and inspection control system.

This system aggregates vehicle VIN numbers and mileage in a database for vehicles up for auction at auto auctions throughout Japan. By comparing the automobiles up for auction against this database, auto auctions can of course identify any odometer tampering and also verify a history of any flooding and repairs.

Prevention of illicit transactions

USS has succeeded in operating auto auctions that always offer people a fair and equal standing since its launch. We strictly control these auto auctions via various proprietary monitoring and other systems to prevent any auctions unjustly overriding a winning bid, which ensures proper business transactions.

Proper management of member information

All participants in USS used car auctions are registered members and many are businesses that sell used cars. Since the information provided by members includes personal information, we handle this information very carefully in accordance with our personal information protection policy. In March 2022, JIPDEC granted USS license to use the PrivacyMark as a business operator. USS also holds regular training sessions to teach all employees how to properly handle sensitive personal information.

ARBIZ also acquired the ISO 27001 information security management system certification in the fiscal year ended March 31, 2012. Since its initial certification, the Company has maintained this certification for 14 consecutive years through the fiscal year ended March 31, 2025.

There were no issues with inappropriate handling of personal information during the fiscal year ended March 31, 2025.

Greater convenience at auto auctions

Auto auction operating structure

There are three ways to participate in our auto auctions. The first way is to directly attend an auction held at any of 19 USS sites throughout the country. The second way is via USS JAPAN, which broadcasts auto auctions in real time and allows members to participate by renting a dedicated terminal. The third way to participate is via "CIS" which streams auto auctions in real time over the internet on the USS members website.

Communication with USS members

Each auto auction site provides a wide range of information to members. Our members rave about our services for taking the chance to provide information according to their needs as an opportunity to help resolve business concerns and difficulties.

Appealing auto auction sites

USS auto auction sites categorize sections for auctions by the type of used vehicle and price range. For example, an area dedicated to hybrid, EV and other eco-automobile auctions gives members an easy way to auction and bid on various eco-vehicles. These types of auctions responding to changes in the market also help differentiate USS from its competitors.

Members who take part in these events can also choose a gift from local specialty products or one that helps support the reconstruction of disaster-afflicted areas. This is one of many initiatives that strives to enhance member satisfaction. These gifts are even sent to members who request them on occasion.

Need-driven adoption of equipment and systems

USS always strives to ensure smooth transactions. We accept the inspection and registered seal certificates, proof of transfers, and other various documentation necessary to transfer the title of a vehicle during an auction. USS also verifies the payments for vehicles.

USS is also currently in the process of rebuilding and renovating its old auction sites. The construction and renewals are not only focusing on the building itself but also the tables, chairs, and the rest of the interior design. Every aspect is intended to transform the old venue into a more accommodating and welcoming auto auction site.

Members who visit each USS auto auction of course come to bid on a vehicle. However, many also have a need for an informational exchange with other members. USS has set up couch and café spaces to facilitate this type of open communication. Moreover, our restaurants serve food free of charge to accommodate the many members who spend a long period of time at our auction sites. USS has even set up a massage and other relaxation facilities.

Member claim processing

USS has established a mediation and arbitration system to handle any claims brought by successful bidders.

We built this claim management system to share more information throughout the Company to quickly address any claims. Our system aggregates information in a database from details about the complaint and the representative handling the issue to the time it took to resolve a matter. We are then able to use this data to response to any similar claims that arise. As an initiative capitalizing on data, USS analyzes the circumstances of claims related to each inspector to enhance the skills of every inspector.

Our commitment to shareholders and other investors

Proper information disclosure and communication

Shareholders meeting (June 24, 2025)

Percent. of voting rights exercised **84.4%**



The shareholders meeting

A dialogue with analysts and institutional investors (Results in FY2024)

One-to-one meetings with analysts

154 people from **97** companies

Note: One-on-one meetings were held several times with some investors.

Conferences

3 times / **31** companies

Facility tours

1 time / 10 people from **8** companies

A dialogue with individual investors

Company information meeting for individual investors **13**

Note: One of these thirteen meetings was pre-recorded webinar.



Activities with employees

Respect for human rights and diversity

Respect for human rights

The USS Code of Conduct and Ethics prohibits discrimination in the USS Group's workforce based on race, ethnicity, nationality, gender, religion, beliefs, disability, sexual orientation, gender identity and other personal characteristics. Based on this Code of Conduct and Ethics, we perform checks in the course of daily operational inspections to prevent human rights violations, discrimination, and child and forced labor. As auto auctions in Japan are the primary activity of the USS Group, problems involving child labor and forced labor are unlikely to occur. There has never been an instance of these problems at the Group.

Violations by employees of any of these guidelines can be reported by using the Group Internal Reporting System. There were no serious cases of discrimination or violations of human rights in the Group during the fiscal year ended March 31, 2025.

Issues Reported to the USS Group Internal Reporting System

FY2022	FY2023	FY2024
21	24	21

Prevention of harassment

The USS Group has established Rules for Preventing Sexual Harassment and Rules for Preventing Power Harassment and has activities to be certain that employee in the Group is aware of these rules. The USS Group Internal Reporting System is available to employees who want to report harassment or receive more information.

In FY 2024, USS conducted compliance training for all employees in an effort to further prevent harassment.

Our commitment to equal opportunity

The USS Group is dedicated to equal employment

opportunities and compensation for everyone regardless of gender. USS recruits people with many backgrounds in order to maintain a diverse workforce with outstanding skills. We actively hire these excellent human resources as both new graduates and as experienced professionals. At USS, 28.5% of directors are women and there are two female outside directors.

In 2022, we launched training with the aim of promoting active participation by women, and are holding training sessions about organization building and work-style reforms on an ongoing basis for management and female employees. Initiatives like these have produced female managers as role models, with three female managers (3.9% of all managers) as of March 31, 2025. We will continue to implement a range of programs to achieve our action plan goal of raising the percentage of female managers to at least 5% in fiscal 2025 and at least 10% in fiscal 2030.

Workplace health and safety

Employee health promotion and management

Maintaining the health and safety for everyone at the USS Group is essential to our ability to continue to achieve steady growth. All employees receive periodic medical check-ups. Once individuals reach the age of 45, they must undergo more thorough annual examinations.

We plan to increase activities for preserving and improving the health of our workforce as well as for providing our people with pleasant and safe workplaces.

Prevention of long working hours

The USS Group closely manages the amount of overtime to maintain a pleasant workplace environment and prevent excessive working hours during peak periods of auction volume. Measures to perform tasks more efficiently and the use of shifts are two ways we are holding down working time. Furthermore, every auction site and subsidiary submits working time reports to the Board of Directors and other supervisory bodies. Directors and others hold discussions in order to determine actions to take as needed.

The monthly average overtime during the fiscal year ended March 31, 2025 was 30.0 hours due to the increase in the number of vehicles handled at auction. We have set a monthly overtime target of 20.0 hours or less. USS will

Management training to promote the active participation of women (FY2024)

Management level	No. of participants	Description
Female employees	56 people	Held the "Seminar to Promote Women's Empowerment" as a forum to listen to the stories of female managers who are active within the company and at other companies as an opportunity for female employees to think about their own careers

enhance its efficiency and introduce leading-edge technologies to build a more work-friendly environment.

Upgrading education and training programs

Training for automobile inspectors

Accurately performing inspections of vehicles to be auctioned is vital to the operation of our auctions. Inspections must be performed consistently at every auction site by using the same set of standards to ensure that decisions are made with accuracy.

USS established its Inspector Certification Program in 2006 in order to improve the methods used for inspecting and evaluating vehicles and ensure the consistency of inspections. Every inspector undergoes annual written and practical examinations to acquire a certification from level one to four. USS has instructors who rotate around each auction site throughout Japan to guide and develop the skills of automobile inspectors and manage inspection certification programs. These training programs strive to build a consistent inspection framework. We have updated our traditional training program to more quickly develop vehicle inspectors in anticipation of an increasing number of vehicles at our auctions in the fiscal year ending March 31, 2024. The new

vehicle inspector training program provides employees group training at a large Auto Auction site right after they join the Company in an effort to develop and certify the skills of inspectors over eight months.

Training for managers

We revised our human resource systems in October 2023 with the aim to strengthen organizational capabilities while appointing several new managers. These new managers undergo training for new management to strengthen leadership and management skills as well as evaluator training on the evaluation and development of staff. USS continues to conduct these training programs to develop future auction site managers.

Employee education and training

We have a training program structured specifically for newly hired people centered upon teaching proper business manners. Newly hired people first work with a mentor to learn about business operations and receive advice about any issues and uncertainties involving their responsibilities.

We also provide career-oriented training, and in FY 2024 we conducted executive training, mid-career training, and women's empowerment training for eligible employees.

Message from Our Employees

Contributing to balanced workloads during busy periods
by sharing vehicle auction data entry operations among auction sites



Kazuma Yuki

Operation Division, Niigata Auction Site
USS Co., Ltd.

Building a support system while improving efficiency

I am responsible for a wide range of operations at the Niigata Auction Site, from data entry of vehicles on auction to document checking, and incoming and outgoing payment processing. I leverage my expertise in these areas to support data entry operations at the Nagoya Auction Site in cooperation with other auction sites. At the start of the project, we set a goal of supporting 50% of the data entry operations at the Nagoya Auction Site, and underwent a process of trial and error with members from other sites to provide efficient support while also handling operations at our own site. As a result, we succeeded in gradually increasing the amount of time we could devote to data entry support, achieving 58% support in seven weeks. Going forward, we will continue collaborating with other auction sites to balance operating workloads.



Mio Honda

Information System Department, Operation
Division, Yokohama Auction Site
USS Co., Ltd.

Building an environment for streamlined operational support

Because the rules for data entry differ at each auction site, I have strived to gain a thorough understanding of the rules at the Tokyo Auction Site where I was providing support, with the aim of reducing the volume of customer inquiries and the burden of data corrections. In doing so, I recognized the importance of building an environment in which both supporting and supported personnel can proceed with their work smoothly. As this project itself is still in the exploratory phase, with each party experiencing operational hurdles, I will continue efforts to contribute to an improved environment. It has also been a rewarding experience for me to provide support by sharing the burden of data entry operations with other members throughout this project.



Group-wide human resource management

The USS Group is aware promoting internal communication is most important when striving to improve employee communication. That is why everyone in the Company respects one another's opinions and ideas in an effort to build a work-friendly environment.

Starting in FY 2024, we launched the Workplace Environment Improvement Project as a workplace-driven initiative to strengthen our human capital with the goal of achieving a 50% market share in the auto auction business.

Under this project, our young employees take the lead in planning and implementing improvements to create a more work-friendly environment. We are currently advocating measures to promote community activities based on interactions with other departments and to promote employee health, as well as reviewing work spaces and introducing comfortable work attire. Through this project, we intend to improve employee engagement while also fostering self-motivation among our young employees.

Main data

Item	Breakdown	Unit	FY2021	FY2022	FY2023	FY2024
Employees	Number of employees	People	681	684	677	695
	Male employees (ratio)	People	502 (74%)	508 (74%)	493 (73%)	512 (74%)
	Female employees (ratio)	People	179 (26%)	176 (26%)	184 (27%)	183 (26%)
	Average age of employees	Age	39.6	39.7	39.8	39.9
	Male employees	Age	41.7	41.6	41.8	41.7
	Female employees	Age	33.8	34.2	34.5	34.9
	Average years of service	Years	13.4	13.0	13.3	13.4
	Male employees	Years	14.9	14.2	14.6	14.7
	Female employees	Years	9.3	9.4	9.6	10.0
	Number of new hiring	People	18	44	41	52
	Male employees (ratio)	People	11 (61%)	31 (70%)	22 (54%)	35 (67%)
	Female employees (ratio)	People	7 (39%)	13 (30%)	19 (46%)	17 (33%)
Management	Total number of managers	People	36	25	72	77
	Male managers (ratio)	People	36 (100%)	25 (100%)	72 (100%)	74 (96%)
	Female managers (ratio)	People	0 (0%)	0 (0%)	0 (0%)	3 (4%)
Management candidates*	Total number of management candidates	People	333	364	320	320
	Male candidates (ratio)	People	287 (86%)	312 (86%)	260 (81%)	258 (81%)
	Female candidates (ratio)	People	46 (14%)	52 (14%)	60 (19%)	62 (19%)
Childcare leave	Employees taking time off for child care	People	10	14	14	17
	Male employees	People	4 (31%)	6 (55%)	5 (28%)	5 (29%)
	Female employees	People	6 (100%)	8 (100%)	9 (100%)	12 (100%)
Paid leave	Percentage of paid leave taken	%	64.4	63.3	69.6	61.4
Overtime	Average monthly overtime	Hours	23.2	29.3	29.2	30.0
Regular employee turnover rate		%	4.7	6.0	6.0	5.1
Employment ratio of people with disabilities		%	2.09	2.48	2.25	2.47

* Starting from October 2023, management candidates refer to persons in a management role from deputy senior staff and leaders to supervisors and assistant management.