



UNITED ARROWS LTD.

UNITED ARROWS LTD.

ESG Data Book

Environment
Social
Governance

April 1, 2022 - March 31, 2023

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Editorial Policy

“UNITED ARROWS LTD. ESG Data Book 2023” focuses on data on ESG-related information disclosed on our website, etc. The report provides an excellent list of information by ESG item as a reference for stakeholders interested in ESG investment. Please refer to it together with our website. In consideration of stakeholders’ opinions, we will continue to improve the report so that it may function as a communication tool to help promote stakeholder dialogue.

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(to be published annually)

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(From April 1, 2022 to March 31, 2023)

Corporate profile

Company name UNITED ARROWS LTD.

Address 3-28-1 Jingumae, Shibuya-ku, Tokyo, Japan

Representative Yoshinori Matsuzaki,
Representative Director,
President and CEO

Established October 2, 1989

Capital ¥3,030million

Sustainability Action

In April 2020, UNITED ARROWS LTD. (the Company) identified 5 themes and 16 materiality items as our sustainability promotion guidelines. In August 2022, the Company named its sustainability action as“SARROWS”, and set three activity goals for FY2031: “Circularity (Circular fashion)”, “Carbon Neutrality (Toward a carbon-neutral world)”, and“Humanity (Work and live in a healthy way)”, with numerical targets linked to each category.



Progress of activity goals

FY2023

Circularity



Disposal rate of textile Products (%) (Target 0.0% / FY2031)	0.3
Disposal rate of products (%) (Target 0.1% / FY2031)	0.4

Ratio of environmentally conscious products (%) (Target 50.0% / FY2031)	16.2
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Carbon Neutrality



Reduction rate of CO ₂ emissions / Scope 1, 2 (%) (Target 30.0% cut / FY2031)	14.7
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Reduction rate of CO ₂ emissions / Scope 3 (%) (Target 15.0% cut / FY2031)	14.6
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Ratio of renewable energy (%) (Target 50.0% / FY2031)	8.3
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Humanity



Rate of Code of Conduct for Business Partners consent forms acquired (%) (Target 100.0% / FY2031)	48.2
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Employee engagement scores (%) (Target 80.0% / FY2031)	70.0
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Report Highlights

This section introduces the most important initiatives and data from the “UNITED ARROWS LTD. ESG Data Book 2023”.

ESG



FTSE Blossom Japan Index



FTSE Blossom Japan Sector Relative Index

The FTSE Blossom Japan Index and the FTSE Blossom Japan Sector Relative Index, two leading ESG investment indexes, have selected the Company as a component of their indexes. These constituents are recognized as companies that meet various environmental, social, and governance criteria.

Environment

Carbon Neutrality



The UNITED ARROWS Group (the Group) formulated medium-to long-term targets for the reduction of greenhouse gas emissions in line with the criteria of the Paris Agreement, such as Scopes 1 and 2: Reduction of CO2 by 30% by the fiscal year ending March 2031 from the fiscal year ended March 2020, and Scope 3: Reduction of CO2 by 15% by the fiscal year ending March 2031 from the fiscal year ended March 2020. Consequently, the Group was granted Science Based Targets (SBT) certification by the Science Based Targets initiative (SBTi), an international initiative, in April 2023.

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Circularity



We began disclosing information based on the CDP questionnaire during the fiscal year under review, and have responded to CDP Water since 2021 and CDP Climate Change since 2022.

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Environment

Carbon Neutrality



In support of the recommendations of the “Task Force on Climate-related Financial Disclosures (TCFD)”, we disclosed information based on four core elements of the framework proposed by the TCFD: “Governance”, “Strategy”, “Risk Management”, and “Metrics and Targets”, on July 4, 2022.

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Circularity

Participation rate in Reduce Shopping Bag Action

1.8%

Many store visitors kindly participate in our “Reduce Shopping Bag Action*” conducted at stores, which contributes to the reduction of the use of shopping bags and donations to forest conservation organizations.

*If a customer declines a shopping bag at our store, we donate 10 yen each time to a forest conservation organization through a program implemented at real stores of any of our brands.

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Circularity Carbon Neutrality



We were involved in the launch of the “Japan Sustainable Fashion Alliance (JSFA)”, a corporate organization which aims to realize zero fashion-related loss and carbon neutrality and have become an official member. We aim to shift to a sustainable fashion industry by 2050, with aims of realizing “Carbon Neutrality”, and “Zero fashion-related loss by way of producing appropriate volume, purchasing appropriate volume, and cyclic use.”

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Social

Supply Chain

Formulation of human rights policy

The Group has formulated the “UNITED ARROWS Group Human Rights Policy” in March 2023 as a detailed explanation of its human rights initiatives cited in the UNITED ARROWS Group Code of Conduct and Code of Conduct for Business Partners of UNITED ARROWS LTD. related to Product Procurement. We will continue to push forward independent and self-motivated activities with the aim of ensuring respect for human rights in the workplace, thereby contributing to the materialization of a sustainable society.

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Supply Chain

Number of companies received factory audits

2 companies

As part of our initiatives to build a responsible supply chain, we have started conducting on-site audits of the factories of our business partners regarding compliance with laws and regulations, respect for human rights, and consideration for the environment, etc. In FY2023, we commissioned a third-party organization to conduct audits of two domestic sewing factories to which we outsource the production of original products.

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Employees

Percentage of females in managerial positions

22.4% (Section chief or above)
29.2% (Store manager or above)

Number of personnel in managerial positions (section chief or above) 107 (83 male employees and 24 female employees)



Number of personnel in managerial positions (store manager or above) 319 (226 male employees and 93 female employees)



As the target percentage of females in managerial positions, we have set 30% for Section chiefs or above and 40% for Store managers or above to promote the advancement of female employees in the workplace. The percentage grew by 4.1 points (section managers and above) and 0.8 points (store managers and above) In FY2023 from FY2022.

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Employees

Percentage of employees taking childcare leave

76.2% 29.9% (Male) 100.0% (Female)

To enable male employees to proactively engage in life events such as childcare, we have established systems, including paternity leave and taking leave in instalments. Consequently, the percentage grew 4.2 points in FY2023 from the fiscal year ended March 2022.

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Employees

Wage difference between females and males

75.3%

For FY2023, the average salary of female employees reached 75.3% of that of males. We strive to create a work environment where diversity thrives by appointing employees to key positions in an objective, fair and impartial fashion through measures such as nurturing the awareness of career development and revising related systems.

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Community

Total amount spent on social contribution activities

35,015 thousand yen

We have continued to implement programs, etc. to donate a portion of sales from applicable products, and total amount spent on social contribution activities has reached 35,015 thousand yen in FY2023.

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Corporate Governance

Governance Structure

Percentage of female Directors

28.6%

5 males, 2 females



We are also working to promote gender diversity amongst our Directors. The percentage of female directors is currently 28.6%, 2 female Directors out of 7 Directors.

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Governance Structure

Percentage of Independent Outside Directors

42.9%

4 Internal Directors, 3 Outside Independent Directors



We have three Outside Directors out of six Directors. All the Outside Directors meet the independence standards of the Tokyo Stock Exchange.

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Meeting Bodies

Attendance rate of Directors at Board of Directors' meetings

100.0%

The Board of Directors met 17 times during FY2023, and the attendance rate was 100%.

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Meeting Bodies

Attendance rate of Audit and Supervisory Committee members at Audit and Supervisory Board meetings

100.0%

Audit and Supervisory Committee met 13 times during FY2023, and the attendance rate was 100%.

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Meeting Bodies

Attendance rate of Nomination and Compensation Committee members at Nomination and Compensation Committee's meetings

100.0%

Nomination and Compensation Committee met 3 times during FY 2023, and the attendance rate was 100%.

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Environment

- 1. Circularity
- 2. Carbon-Neutrality

Environmental Policy

In seeking to realize our “Corporate Philosophy”, we consider environmental conservation on a global scale. In pursuit of the activity themes of “Circularity” and “Carbon-Neutrality”, we are working to reduce environmental burden by reducing waste generated through our business activities, promoting the use of environmentally conscious materials, purchasing raw materials in consideration of biodiversity and animal welfare, and promoting the use of renewable energy, etc.

Included in the UNITED ARROWS Group’ Code of Conduct
<https://www.united-arrows.co.jp/en/about/our-values/>

A policy regarding environmental measures required for suppliers.

Included in “Code of Conduct for Business Partners related to product procurement”.

JPN : https://www.united-arrows.co.jp/wp-content/uploads/2023/06/2306_kihan_jpn.pdf
 ENG : https://www.united-arrows.co.jp/wp-content/uploads/2023/06/2306_kihan_eng.pdf
 CHS : https://www.united-arrows.co.jp/wp-content/uploads/2023/06/2306_kihan_chs.pdf

1. Circularity Resources and waste

Information disclosure based on CDP’s questionnaire

The Company has responded to CDP Water since 2021 and CDP Climate Change since 2022.



Item	Boundary	FY2022	FY2023	FY2024
Resources	Volume of packaging material used (t) *Containers and packaging made of plastic, paper and cardboard	Non-consolidated	386	432
	Participation rate in Reduce Shopping Bag Action (%) *Percentage of shoppers declining paper bags at physical stores	Non-consolidated	1.7	1.8
	Volume of water used (m³) *Head Office and part of stores	Non-consolidated	2,763	2,651
	Percentage of environmentally conscious products (%) (Target 50.0% / FY2031) *Number of product codes that satisfy certain standards ÷ Number of product codes	Non-consolidated	2.0 2022 spring and summer products	16.2
Waste	Disposal rate of textile Products (%) (Target 0.0% / FY2031) *Cost of textile products to be disposed / Total procurement cost of textile products	Non-consolidated	-	0.3
	Disposal rate of products (%) (Target 0.1% / FY2031) *Cost of products to be disposed / Total procurement cost of products	Non-consolidated	1.0	0.4

Environment

- 1. Circularity
- 2. Carbon-Neutrality

2. Carbon Neutrality Climate change

Acquisition of SBT Certification

SBT certification for greenhouse gas reduction targets for FY2023, 2031 was obtained in April 2023.



Information disclosure based on CDP's questionnaire

The Company has responded to CDP Water since 2021 and CDP Climate since 2022.



Information disclosure based on TCFD recommendations

https://www.united-arrows.co.jp/wp-content/uploads/2022/11/220930_en_TCFD.pdf



Item	Boundary	FY2022	FY2023	FY2024
Volume of energy used Volume of gas used (m³) *Head Office and part of stores	Consolidated	259,135	261,226	
Steam, hot water, and cold water usage (GJ) *Head Office and part of stores	Consolidated	6,361	8,196	
Electricity used (kWh) *Head Office and part of stores	Consolidated	16,719,025	18,349,854	
Usage rate of renewable energy(%) (Target 50.0% / FY2031) *Number of stores using renewable energy / ÷ Number of stores	Non-consolidated	3.2	8.3	

Environment

- 1. Circularity
- 2. Carbon-Neutrality

2. Carbon Neutrality Climate change

Item	Boundary	FY2022	FY2023	FY2024
Greenhouse gas emissions	Scope 1 + 2 reduction rate (%) (Target 30.0%Cut / FY2031) The Company has set FY2020 as the base year of the targets for reducing greenhouse gas emissions.	Consolidated	10.8	14.7
	Scope 3 reduction rate (%) (Target 15.0%Cut / FY2031) The Company has set FY2020 as the base year of the targets for reducing greenhouse gas emissions.	Consolidated	17.0	14.6
	Scope 1 emissions (t-CO ₂) Vs. : 681 t-CO ₂ / FY2020	Consolidated	580	584
	Scope 2 emissions (t-CO ₂) Vs. : 9,075 t-CO ₂ / FY2020	Consolidated	8,126	7,743
	Scope 3 emissions (t-CO ₂) Vs. : 304,643 t-CO ₂ / FY2020	Consolidated	252,919	260,250
Only categories that are in the scope of calculation are shown.				
	Category 1: Purchased goods and services		218,547	233,127
	Category 2: Capital goods		11,706	3,827
	Category 3: Fuel and energy-related activities		1,622	1,656
	Category 4: Upstream transportation and distribution		15,248	15,645
	Category 5: Waste generated in operations		216	200
	Category 6: Business travel		80	422
	Category 7: Employee commuting		1,069	962
	Category 12: End-of-life treatment of sold goods		4,363	4,340
	Category 14: Franchises		68	71

Social

1. Supply Chain

2. Employees

3. Community

Policy

At UNITED ARROWS LTD., where every member of this diverse team shares a common “corporate philosophy (goal)”, we are working together to realize human capital management. In addition, we will not only conduct business with our suppliers on an equal footing with a spirit of gratitude, but will also continue to demonstrate synergies with them and grow by learning and innovating together.

• Supply Chain

Creation of business partners value

<https://www.united-arrows.co.jp/en/about/our-values/>

Code of Conduct for Business Partners of UNITED ARROWS Group in Goods Procurement

JPN : https://www.united-arrows.co.jp/wp-content/uploads/2023/06/2306_kihan_jpn.pdf

ENG : https://www.united-arrows.co.jp/wp-content/uploads/2023/06/2306_kihan_eng.pdf

CHS : https://www.united-arrows.co.jp/wp-content/uploads/2023/06/2306_kihan_chs.pdf

• Employees

Creation of employees value

<https://www.united-arrows.co.jp/en/about/our-values/>

Respect for Human Rights

JPN : https://www.united-arrows.co.jp/wp-content/uploads/2023/08/Human-Rights-Policy_jpn.pdf

ENG : https://www.united-arrows.co.jp/wp-content/uploads/2023/03/Human-Rights-Policy_eng.pdf

CHS : https://www.united-arrows.co.jp/wp-content/uploads/2023/03/Human-Rights-Policy_cht.pdf

Efforts to promote women's participation and advancement (Japanese Only)

<https://positive-ryouritsu.mhlw.go.jp/positivedb/detail?id=3385>

• Community

Creation of social value

<https://www.united-arrows.co.jp/en/about/our-values/>

1. Supply Chain

Item	Boundary	FY2022	FY2023	FY2024	
Creation of business partner value	Number of companies received factory audits (Companies)	Non-consolidated	0	2	
	Number of business partners who participated in QC meetings (Cumulative total number of companies)	Non-consolidated	9	10	
	Rate of Code of Conduct for Business Partners consent forms acquired (%) (Target 100.0%/FY2031)	Non-consolidated	11.6	48.2	
Percentage of traceability surveys collected from business partners concerning to materials (%)	Cotton materials	Non-consolidated	-	74.2 2022 Spring and Summer products	
			70.6 2021 Fall and winter products	100.0 2022 Fall and winter products	
* Surveys to check labor conditions and human rights are being protected for cotton material, and whether procurement methods are appropriate for animal materials. The subjects are private label brands and OEM products (products manufactured by other companies and sold under our brand names).	Materials from animals	Non-consolidated	-	100.0 2022 Spring and Summer products	
			100.0 2021 Fall and winter products	100.0 2022 Fall and winter products	
Percentage of surveys collected from business partners concerning to work environment of the technical intern trainees (%)	Non-consolidated	100.0	100.0		
* Answers to a questionnaire regarding responsible procurement, including consideration for the human rights of workers, by domestic business partners					
Quality control	Number of incorrect product descriptions displayed (Number of cases)	Annual	Non-consolidated	3	4
	Number of cases contaminated with hazardous substances (Number of cases)	Annual	Non-consolidated	1	0

Social

- 1. Supply Chain
- 2. Employees
- 3. Community

2. Employees

Employee data

Item	Boundary	FY2022	FY2023	FY2024
Basics	Number of employees (Persons)			
	Consolidated	4,213 (355)	3,915 (359)	
*The number of employees represents the number of people working for the Group and includes 617 employees working short time. The number of part-time employees is stated in brackets and is not included in the number of employees.				
	Number of employees (Persons)			
	Non-consolidated	3,826 (15)	3,575 (86)	
*The number of employees represents the number of people working for the Company and includes 585 employees working short time. The number of part-time employees is stated in brackets and is not included in the number of employees.				
Number of employees Gender Ratio (Persons)	Non-consolidated		Total: 3,575(86)	
	Male: 1,460		Female: 2,115	
Number of full-time employees (Persons)	Non-consolidated	3,706	3,454	
	Non-consolidated		Total: 3,454	
Number of full-time employees by Gender (Persons)	Male: 1,428		Female: 2,026	
	Stores	2,628	2,413	
Number of full-time employees by job category (Persons)	Offices	781	771	
	Non-consolidated			
Number of non-regular employees (Persons)	Non-consolidated	135	294	
	*The number of non-regular employees is the total of contract employees, short-time contract employees and part-time employees.			
Number of non-Japanese employees (Persons)	Consolidated	16	17	
	*Domestic only			

Social

- 1. Supply Chain
- 2. Employees
- 3. Community

2. Employees

Employee data

Item	Boundary	FY2022	FY2023	FY2024
Age and number of years of service	Total	Non-consolidated	34	35
	Male		36	37
	Female		33	34
Average years of service (Year)	Total	Non-consolidated	9 years and 2 months	9 years and 7 months
	Male		10 years and 3 months	10 years and 8 months
	Female		8 years and 4 months	9 years
Number of employees leaving the Company (Annual) (Persons)	Total	Non-consolidated	514	551
	Male		201	222
	Female		313	329
Managerial positions and job titles	Total	Non-consolidated	107	
	Section chiefs or above		Total: 107(Persons) Male: 83 Female: 24	
Number of people in managerial positions (Persons)	Total	Non-consolidated	319	
	Store managers or above		Total: 319(Persons) Male: 226 Female: 93	

Social

- 1. Supply Chain
- 2. Employees
- 3. Community

2. Employees

Item	Boundary	FY2022	FY2023	FY2024
Female	Percentage of female in managerial positions (%) Section chiefs or above: (Target 30.0% / FY2026)	Section chiefs or above Non-consolidated	18.3	22.4
	Store managers or above: (Target 40.0%/FY2026)	Store managers or above	28.4	29.2
Seniors	Maximum age for the employment system for employees aged 60 or older (Age)	Non-consolidated	65	65
Persons with disabilities	Employment rate of persons with disabilities (%)	Non-consolidated	2.18	2.15
	Targets regarding the employment rate of persons with disabilities (%)	Non-consolidated	2.3	2.3
LGBT	Track record of using system related to LGBT* *The track record of using welfare benefits which are available to applicants for the partnership system. The benefits includes special leave for weddings and funerals as well as condolence payments, and the special sale programs for employees.	Non-consolidated	None	None

Social

1. Supply Chain
2. Employees
3. Community

2. Employees

Work-life balance

Item	Boundary	FY2022	FY2023	FY2024
Child care, nursing care, etc.	Number of employees taking leave before and after childbirth (Persons)	Non-consolidated	143	114
	Number of employees taking childcare leave (Persons)	Total	149	149
		Male	9	20
		Female	140	129
	Percentage of employees taking childcare leave (%)	Total	72.0	76.2
		Male	13.4	29.9
		Female	100.0	100.0
	Percentage of employees returning to work from childcare leave (%)	Total	88.0	91.4
	Number of employees using the shorten working hours system for childcare (Persons)	Total	404	397
		Male	2	3
		Female	402	394
	Number of employees taking nursing care leave (Persons)	Total	5	1
		Male	3	0
Female		2	1	
Number of employees using the shorten working hours system for nursing care and medical treatment (Persons)	Total	2	2	
	Male	0	0	
	Female	2	2	
Number of office workers using the teleworking system (Persons)	Non-consolidated	835	845	
Number of employees using the slide work system (Persons)	Non-consolidated	171	177	

*Staggered commuting system

Social

1. Supply Chain
2. Employees
3. Community

2. Employees

Salary, treatment and labor

Item	Boundary	FY2022	FY2023	FY2024
Salary	Average annual salary of full-time employees (Thousands of yen)	Total	4,054	4,297
		Male	4,546	4,975
		Female	3,772	3,821
	Wage difference between females and males (%)	All employees	78.1	75.3
Full-time employees		78.3	76.0	
Non-regular employees		90.8	90.8	
Holidays	Average number of days taken for annual paid leave (Days)	Non-consolidated	10.9	12.2
	Percentage of employees taking at least five days of their annual paid leave(%)	Non-consolidated	100.0	99.9
	*The denominator is the number of workers who have been granted at least 10 days of statutory annual paid leave.			
Working hours	Percentage of annual paid holidays taken(%)	Non-consolidated	62.1	66.7
	*Number of days taken/Total number of days granted			
	Total annual workig hours per person (Hours)	Non-consolidated	2009	2033
Occupational safety and health	Monthly average overtime hours per persons (Hours)	Non-consolidated	10.4	12.5
	Monthly average working hours in excess of statutory workig hours per person (Hours)	Non-consolidated	3.9	5.2
	Number of work-related fatalities (Persons)	Non-consolidated	0	0
Employment	Number of occurrences of work-related accidents (Number of cases)	Non-consolidated	28	40
	Percentage of employees undergoing medical examination (%)	Non-consolidated	100.0	99.9
	Percentage of employees undergoing a stress check (%)	Non-consolidated	88	88.5
	Number of new graduates hired (Persons)	Total	0	82
Male		0	28	
Female		0	54	
Number of people with prior work experience hired (Persons)	Total	36	323	
	Male	17	133	
	Female	19	190	

Social

1. Supply Chain
2. Employees
3. Community

2. Employees

Career development
Enhancement of employee satisfaction

Item	Boundary	FY2022	FY2023	FY2024	
Number of people using major personnel systems, etc.	Annual expenses for training employees (Millions of yen)	Non-consolidated	21	28	
	Number of people using the in-house recruitment system (Persons) *A system in which employees can request a transfer to a department that offers a job position	Non-consolidated	- In-house recruitment is suspended during FY2022 due to the COVID-19 pandemic.	107	
	Number of people using a second-job system (Persons)	Non-consolidated	333	225	
Measures for enhancing employees satisfaction	Employee engagement score (%) (Target Average of all items 80.0% / FY2031) *Average value of positive responses to motivational factors such as a sense of accomplishment at work or approval	Average of all items	Non-consolidated	69.8	70.0
		Sense of accomplishment at work		64.4	66.3
		Approval		73.0	72.1
		Job satisfaction level		69.1	69.1
		Delegation of authority		70.2	70.6
		A sense of satisfaction with the evaluation		66.5	67.7
		A sense of self-growth		75.3	74.0
Percentage of employees responding to an attitude survey (%)	Total	Non-consolidated	80	79	
Number of sessions with the President held (Times) *Dialogue with the President aimed at deepening and spreading employees' understanding of the management philosophy and vision, and enhancing employee motivation	Total	Non-consolidated	9	10	
Number of participants in the President's session (Cumulative total number of persons)		Non-consolidated	664	378	

2. Community

Item	Boundary	FY2022	FY2023	FY2024
Social contribution activities	Total amount spent on social contribution activities (Thousands of yen) Annual	Non-consolidated	14,563	35,015

Corporate Governance

1. Governance structure
2. Meeting bodies
3. Compensation
4. Compliance
5. Information security

Policy

In order to realize our “Corporate Philosophy” and “Our Commitment to Creating Five Values”, we will continue to enhance our corporate governance as we believe it is essential to establish a transparent and fair management structure and a framework which enables swift and daring decision-making. Through the promotion of these initiatives, we aim to enhance our corporate value on a long-term and continuous basis.

Corporate governance policy
Corporate governance report
<https://www.united-arrows.co.jp/en/ir/governance/>

1. Governance Structure

As of June 26, 2023

Item		FY2022	FY2023	FY2024
Number of Directors (Persons)	Total	6	7	
	Male	4	5	
	Female	2	2	
	Percentage of female (%)	33.3	28.6	
Number of Directors/ Internal (Persons)	Total	3	4	
	Male	3	4	
	Female	0	0	
	Percentage of female (%)	0.0	0.0	
Number of Directors/ Independent Outside (Persons)	Total	3	3	
	Male	1	1	
	Female	2	2	
	Percentage of female (%)	66.7	66.7	
Number and percentage of Independent Outside Directors	Persons	3	3	
	%	50.0	42.9	
Term of office of Directors/ Internal (Years)		1	1	
Term of office of Directors/ Independent Outside (Years)		2	2	

Corporate Governance

1. Governance structure
2. Meeting bodies
3. Compensation
4. Compliance
5. Information security

1. Governance Structure

As of June 26, 2023

Item		FY2022	FY2023	FY2024
Number of Nomination and Compensation Committee members (Persons)	Total	4	4	
	Male	2	2	
	Female	2	2	
	Percentage of female (%)	50.0	50.0	
Number of Nomination and Compensation Committee members / Internal (Persons)	Total	1	1	
	Male	1	1	
	Female	0	0	
	Percentage of female (%)	0.0	0.0	
Number of Nomination and Compensation Committee members / Independent Outside (Persons)	Total	3	3	
	Male	1	1	
	Female	2	2	
	Percentage of female (%)	66.7	66.7	
Number and percentage of Directors who are Executive Officers	Persons	3	4	
	%	50.0	57.1	
Average age of Directors including Independent Outside Directors (Age)		50.3	51.3	

Corporate Governance

1. Governance structure
2. Meeting bodies
3. Compensation
4. Compliance
5. Information security

1. Governance Structure

As of June 26, 2023

Item		FY2022	FY2023	FY2024
Term of office of Executive Officers (Years)		1	1	
Number of Executive Officers (Persons)	Total	6	6	
	Male	6	5	
	Female	0	1	
	Percentage of female (%)	0.0	16.7	
Number of Audit and Supervisory Committee members (Persons)	Total	3	3	
	Male	1	1	
	Female	2	2	
	Percentage of female (%)	66.7	66.7	
Number of Audit and Supervisory Committee members /Internal (Persons)	Total	0	0	
	Male	0	0	
	Female	0	0	
	Percentage of female (%)	0.0	0.0	
Number of Audit and Supervisory Committee members /Independent Outside (Persons)	Total	3	3	
	Male	1	1	
	Female	2	2	
	Percentage of female (%)	66.7	66.7	

Corporate Governance

1. Governance structure
2. Meeting bodies
3. Compensation
4. Compliance
5. Information security

2. Meeting Bodies

Item		FY2022	FY2023	FY2024
Board of Directors	Number of meetings held (Times)	18	17	
	Attendance rate(%)	100.0	100.0	
Attendance rate of Independent Outside Directors at Board of Directors meetings (%)		100.0	100.0	
Number of Directors whose attendance rate at Board of Directors meetings is 75% or less (Persons)		0	0	
Audit and Supervisory Committee	Number of meetings held (Times)	13	13	
	Attendance rate(%)	100.0	100.0	
Number of Committee members whose attendance rate at Audit and Supervisory Committee meetings is 75% or less (Persons)		0	0	
Nomination and Compensation Committee	Number of meetings held (Times)	3	5	
	Attendance rate(%)	100.0	100.0	
Number of Committee members whose attendance rate at Nomination and Compensation Committee meetings is 75% or less (Persons)		0	0	
Sustainability Committee	Number of Committee members (Persons)	10	10	
	Number of meetings held (Times)	10	11	
Risk Management Committee	Number of Committee members (Persons)	3	3	
	Number of meetings held (Times)	13	12	
Compliance Committee	Number of Committee members (Persons)	3	3	
	Number of meetings held (Times)	4	4	

Corporate Governance

1. Governance structure
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2. Meeting Bodies

As of June 26, 2023

Composition of Each Committee

● Committee members ○ Observers, etc.

		Audit and Supervisory Committee	Voluntarily established			
			Nomination and Compensation Committee	Sustainability Committee	Risk Management Committee	Compliance Committee
Internal Directors	Yoshinori Matsuzaki	-	●	Chairperson	Chairperson	Chairperson
	Tatsuya Kimura	-	-	●	●	●
	Takeo Nakazawa	-	-	●	●	●
	Kazuyasu Tanaka	-	-	●	●	●
Independent Outside Directors	Yukari Sakai	Chairperson	Chairperson	○	○	○
	Yusaku Kurahashi	●	●	-	○	○
	Shiho Takano	●	●	-	○	○
Executive Officers, General Managers, etc.		-	-	● (6 persons)	○ (13persons)	○ (13persons)

Corporate Governance

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3. Compensation

Item		FY2022	FY2023	FY2024
Director compensation (Millions of yen) Excluding Independent Outside Directors	Total amount	168	160	
	Basic compensation	107	90	
	Stock compensation	60	21	
	Bonus	-	48	
	Retirement benefits	-	-	
Independent Outside Director compensation (Millions of yen)	Total amount	33	34	
	Basic compensation	33	34	
	Stock compensation	-	-	
	Bonus	-	-	
	Retirement benefits	-	-	
Total compensation for Directors (Millions of yen) Internal and Independent Outside		201	195	
Fees for Accounting Auditor (Millions of yen)	Total amount	52	49	
	Fees for audit services	49	49	
	Fees for non-audit services	3	-	

Corporate Governance

1. Governance structure
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4. Compliance

Item	FY2022	FY2023	FY2024
Establishment of a point of contact for consultation related to the internal whistleblower system (Internal)	Yes	Yes	
Establishment of a point of contact for consultation related to the internal whistleblower system (Outside the Company)	Yes	Yes	
Number of reports received through the system (Number of cases)	18	20	
Number of violations of laws and regulations and amount of fines (Number of cases / Yen)	0 0	0 0	

5. Information Security

The security policy for information systems <https://www.united-arrows.co.jp/en/security/>

The privacy policy <https://www.united-arrows.co.jp/en/policy/>

Item	FY2022	FY2023	FY2024
Number of information security violations and the amount of fines (Number of cases / Yen)	0 0	0 0	