



UNITED ARROWS LTD.

UNITED ARROWS LTD.

# ESG Data Book

Environment  
Social  
Governance

April 1, 2023 - March 31, 2024

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## Editorial Policy

“UNITED ARROWS LTD. ESG Data Book 2024” 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.

**Date of publication** August 2024  
(to be published annually)

**Reporting period** Fiscal year ended March 31, 2024  
(From April 1, 2023 to March 31, 2024)

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## 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

FY2024

### Circularity



Disposal rate of textile Products (%) (Target 0.00% / FY2031)	0.03
Disposal rate of products (%) (Target 0.10% / FY2031)	0.08

Ratio of environmentally conscious products (%) (Target 50.0% / FY2031)	7.6
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### Carbon Neutrality



Reduction rate of CO <sub>2</sub> emissions / Scope 1, 2 (%) (Target 30.0% cut / FY2031)	13.4
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Reduction rate of CO <sub>2</sub> emissions / Scope 3 (%) (Target 15.0% cut / FY2031)	13.1
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Ratio of renewable energy (%) (Target 50.0% / FY2031)	12.5
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### Humanity



Rate of Code of Conduct for Business Partners consent forms acquired (%) (Target 100.0% / FY2031)	74.4
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Employee engagement score (eNPS) (Target -40.0 / FY2031)	-42.0
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Positive responses to the employee survey (%) (Target 80.0% / FY2031)	74.5
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# Report Highlights

This section introduces the most important initiatives and data from the “UNITED ARROWS LTD. ESG Data Book 2024”.

## ESG



**FTSE Blossom  
Japan Index**



**FTSE Blossom  
Japan Sector  
Relative Index**



We have been incorporated into three of the six ESG indices adopted by Government Pension Investment fund (GPIF.)

\*FTSE Blossom Japan Index, FTSE Blossom Japan Sector Relative Index, S&P/JPX Carbon Efficient Index

## 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 CDP questionnaires from the fiscal year ended March 2022, responding to the water security questionnaire in 2022, and the climate change questionnaire in addition to the water security questionnaire from the fiscal year ended March 2023. We received a “B” rating for our 2023 climate change report, which indicates that we are at the management level and that we “have addressed the environmental impacts of our business and ensure good environmental management.”

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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.”

Carbon Neutrality



We have expressed our support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and have been disclosing information based on the TCFD’s recommended framework, which is structured around the four areas of “governance,” “strategy,” “risk management,” and “metrics and targets.”

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Circularity



Participation rate in SARROWS Reduce Action

2.4%

Many store visitors kindly participate in our “SARROWS Reduce 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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## Social

### Supply Chain

Number of companies received factory audits

**5** 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 FY2024, we commissioned a third-party organization to conduct audits of five domestic sewing factories to which we outsource the production of original products.

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### Employees

Positive responses to the employee survey	Employee Engagement Score (eNPS)	Turnover
<b>74.5%</b> (4.5pt increase)	<b>-42.0</b> (16.4pt increase)	<b>10.0%</b> (5.0pt decrease)

We have increased our investment in human capital, such as by expanding education and training opportunities, increasing quotas for promotions, and working to recover salary levels through increased bonuses. These measures have led to improvements across various scores measuring employee satisfaction.

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### Employees

Percentage of females in managerial positions

**26.9%** (Section chief or above)  
**32.7%** (Store manager or above)

Number of personnel in managerial positions (section chief or above) 108 (79 male employees and 29 female employees)



Number of personnel in managerial positions (store manager or above) 324 (218 male employees and 106 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 4.5 points (section managers and above) and 3.5 points (store managers and above) in FY2024 from FY2023.

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### Employees

Percentage of employees taking childcare leave

**80.1%** 45.1% (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 15.2points in FY2024 from FY2023.

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### Employees

Wage difference between females and males

**73.9%**

For FY2024, the average salary of female employees reached 73.9% 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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## Corporate Governance

### Governance Structure

Percentage of Independent Outside Directors

# 42.9%

4 Internal Directors, 3 Outside Independent Directors



We have three Outside Directors out of seven Directors. All of Outside Directors satisfies the qualification for independence stipulated by Tokyo Stock Exchange, Inc. and are registered as independent officers.

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### Meeting Bodies

Number of Board of Directors' meetings held

# 18

times

Attendance rate of Directors at Board of Directors' meetings

# 100.0%

The Board of Directors met 18 times during FY2024, and the attendance rate was 100%.

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### Meeting Bodies

Number of Nomination and Compensation Committee's meetings held

# 7

times

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

# 100.0%

Nomination and Compensation Committee met 7 times during FY2024, and the attendance rate was 100%.

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### Meeting Bodies

Number of Audit and Supervisory Board meetings held

# 16

times

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

# 100.0%

Audit and Supervisory Committee met 16 times during FY2024, 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/2023/08/2306\\_kihan\\_jpn.pdf](https://www.united-arrows.co.jp/wp-content/uploads/2023/08/2306_kihan_jpn.pdf)  
 ENG : [https://www.united-arrows.co.jp/wp-content/uploads/2023/08/2306\\_kihan\\_eng.pdf](https://www.united-arrows.co.jp/wp-content/uploads/2023/08/2306_kihan_eng.pdf)  
 CHS : [https://www.united-arrows.co.jp/wp-content/uploads/2023/08/2306\\_kihan\\_chs.pdf](https://www.united-arrows.co.jp/wp-content/uploads/2023/08/2306_kihan_chs.pdf)

## 1. Circularity Resources and waste

Information disclosure based on CDP's questionnaire

The Company has responded to CDP Water since FY2022 and CDP Climate Change since FY2023.



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	406
	Participation rate in SARROWS Reduce Action (%) *Percentage of shoppers declining paper bags at physical stores	Non-consolidated	1.7	1.8	2.4
	Volume of water used (m <sup>3</sup> ) *Scope of calculation: Offices and stores *Some estimated values are included	Consolidated	-	18,745	17,760
	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	9.8	7.6
Waste	Disposal rate of textile Products (%) (Target 0.00% / FY2031) *Cost of textile products to be disposed ÷ Total procurement cost of textile products	Non-consolidated	-	0.3	0.03
	Disposal rate of products (%) (Target 0.10% / FY2031) *Cost of products to be disposed ÷ Total procurement cost of products	Non-consolidated	1.0	0.4	0.08

# Environment

- 1. Circularity
- 2. Carbon Neutrality

## 2. Carbon Neutrality Climate change

Acquisition of SBT Certification

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



Information disclosure based on CDP's questionnaire

The Company has responded to CDP Water since FY2022 and CDP Climate since FY2023.



Information disclosure based on TCFD recommendations

[https://www.united-arrows.co.jp/wp-content/uploads/2023/10/TCFD\\_eng.pdf](https://www.united-arrows.co.jp/wp-content/uploads/2023/10/TCFD_eng.pdf)



Item	Boundary	FY2022	FY2023	FY2024
<b>Volume of energy used</b> <b>Volume of gas used (m<sup>3</sup>)</b> *Scope of calculation: Offices and part of stores	Consolidated	269,105	261,226	247,820
<b>Steam, hot water, and cold water usage (GJ)</b> *Scope of calculation: Offices and part of stores	Consolidated	6,807	8,196	7,058
<b>Electricity used (kWh)</b> *Scope of calculation: Offices and stores *Some estimated values are included	Consolidated	23,250,498	21,833,172	20,286,191
<b>Usage rate of renewable energy(%)</b> (Target 50.0% / FY2031) *Number of stores using renewable energy ÷ Number of stores	Non-consolidated	3.2	8.3	12.5

# 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	0.4	7.3	13.4
	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	14.4	14.5	13.1
*We revised the Scope 2 and 3 emissions calculation methods and updated the baseline values and past results.					
Scope 1 emissions (t-CO <sub>2</sub> ) Vs. : 681 t-CO <sub>2</sub> / FY2020	Consolidated	580	584	527	
Scope 2 emissions (t-CO <sub>2</sub> ) Vs. : 10,394 t-CO <sub>2</sub> / FY2020	location-based	10,455	9,943	9,273	
	market-based	10,446	9,683	9,063	
Scope 3 emissions (t-CO <sub>2</sub> ) Vs. : 334,321 t-CO <sub>2</sub> / FY2020	Consolidated	286,192	285,764	290,611	
Only categories that are in the scope of calculation are shown.					
Category 1: Purchased goods and services		233,145	256,439	255,753	
Category 2: Capital goods		12,876	4,210	9,161	
Category 3: Fuel and energy-related activities		2,132	1,893	1,749	
Category 4: Upstream transportation and distribution		25,285	17,210	17,341	
Category 5: Waste generated in operations		233	218	240	
Category 6: Business travel		80	422	848	
Category 7: Employee commuting		1,069	962	1,124	
Category 12: End-of-life treatment of sold goods		4,363	4,340	4,278	
Category 14: Franchises		68	71	117	

# 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/2023/08/2306\\_kihan\\_jpn.pdf](https://www.united-arrows.co.jp/wp-content/uploads/2023/08/2306_kihan_jpn.pdf)

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CHS : [https://www.united-arrows.co.jp/wp-content/uploads/2023/08/2306\\_kihan\\_chs.pdf](https://www.united-arrows.co.jp/wp-content/uploads/2023/08/2306_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](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/2023/08/Human-Rights-Policy\\_eng.pdf](https://www.united-arrows.co.jp/wp-content/uploads/2023/08/Human-Rights-Policy_eng.pdf)

CHS : [https://www.united-arrows.co.jp/wp-content/uploads/2023/08/Human-Rights-Policy\\_cht.pdf](https://www.united-arrows.co.jp/wp-content/uploads/2023/08/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	5	
	Number of business partners who participated in QC meetings (Cumulative total number of companies)	Non-consolidated	9	10	25	
	Rate of Code of Conduct for Business Partners consent forms acquired (%) (Target 100.0%/FY2031)	Non-consolidated	11.6	48.2	74.4	
Percentage of traceability surveys collected from business partners concerning to materials (%)	Cotton materials	Non-consolidated	-	74.2 2022 Spring and Summer products	88.5 2023 Spring and Summer products	
			70.6 2021 Fall and winter products	100.0 2022 Fall and winter products	100.0 2023 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 2023 Spring and Summer products	
			100.0 2021 Fall and winter products	100.0 2022 Fall and winter products	100.0 2023 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	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	5
	Number of cases contaminated with hazardous substances (Number of cases)	Annual	Non-consolidated	1	0	0

# Social

1. Supply Chain
2. Employees
3. Community

## 2. Employees

Employee data

Item	Boundary	FY2022	FY2023	FY2024
Basics	<b>Number of employees (Persons)</b>			
	Consolidated	4,213 (355)	3,915 (359)	3,980 (488)
*The number of employees represents the number of people working for the Group and includes 622 employees working short time. The number of part-time employees is stated in brackets and is not included in the number of employees.				
	<b>Number of employees (Persons)</b>			
	Non-consolidated	3,826 (15)	3,575 (86)	3,646 (222)
*The number of employees represents the number of people working for the Company and includes 587 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: 3,646(222)	
	Male: 1,501		Female: 2,145	
Number of full-time employees (Persons)	Non-consolidated			
	Non-consolidated	3,706	3,454	3,527
Number of full-time employees by Gender (Persons)	Non-consolidated		Total: 3,527	
	Male: 1,456		Female: 2,071	
Number of full-time employees by job category (Persons)	Stores	2,628	2,413	2,519
	Offices	781	771	777
Non-consolidated				
Number of non-regular employees (Persons)	Non-consolidated			
	Non-consolidated	135	294	437
*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			
	Consolidated	16	17	21
*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	35
	Male		36	37	37
	Female		33	34	34
Average years of service (Year)	Total	Non-consolidated	9 years and 2 months	9 years and 7 months	9 years and 8 months
	Male		10 years and 3 months	10 years and 8 months	10 years and 8 months
	Female		8 years and 4 months	9 years	9 years and 1 months
Number of employees leaving the Company (Annual) (Persons)	Total	Non-consolidated	514	551	368
	Male		201	222	127
	Female		313	329	241
Turnover (Annual) (%)	Total	Non-consolidated	12.7	15.0	10.0
Managerial positions and job titles	Total	Non-consolidated	104	107	108
	Section chiefs or above		Total: 108 (Persons)		
Number of people in managerial positions (Persons)	Total	Non-consolidated	320	319	324
	Store managers or above		Total: 324 (Persons)		

# Social

1. Supply Chain
2. Employees
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## 2. Employees

Item	Boundary	FY2022	FY2023	FY2024
Female	Percentage of female in managerial positions (%) Section chiefs or above	18.3	22.4	26.9
	Store managers or above	28.4	29.2	32.7
	Section chiefs or above: (Target 30.0% / FY2026)			
	Store managers or above: (Target 40.0%/FY2026)			
Seniors	Maximum age for the employment system for employees aged 60 or older (Age)	65	65	65
Persons with disabilities	Employment rate of persons with disabilities (%)	2.18	2.15	2.38
	Targets regarding the employment rate of persons with disabilities (%)	2.3	2.3	2.5
LGBT	Track record of using system related to LGBT* <small>*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.</small>	None	None	None

# Social

1. Supply Chain
2. Employees
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## 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	95	
	Number of employees taking childcare leave (Persons)	Total	Non-consolidated	149	149	113
		Male		9	20	23
		Female		140	129	90
	Percentage of employees taking childcare leave (%)	Total	Non-consolidated	72.0	76.2	80.1
		Male		13.4	29.9	45.1
		Female		100.0	100.0	100.0
	Percentage of employees returning to work from childcare leave (%)	Total	Non-consolidated	88.0	91.4	96.8
	Number of employees using the shorten working hours system for childcare (Persons)	Total	Non-consolidated	404	397	423
		Male		2	3	4
		Female		402	394	419
	Number of employees taking nursing care leave (Persons)	Total	Non-consolidated	5	1	1
		Male		3	0	1
Female			2	1	0	
Number of employees using the shorten working hours system for nursing care and medical treatment (Persons)	Total	Non-consolidated	2	2	3	
	Male		0	0	0	
	Female		2	2	3	
Number of office workers using the teleworking system (Persons)		Non-consolidated	835	845	843	
Number of employees using the slide work system (Persons)		Non-consolidated	171	177	210	

\*Staggered commuting system



# Social

1. Supply Chain
2. Employees
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## 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	4,703	
		Male	4,546	4,975	5,434	
		Female	3,772	3,821	4,187	
Wage difference between females and males (%)	All employees	78.1	75.3	73.9		
	Full-time employees	78.3	76.0	76.1		
	Non-regular employees	90.8	90.8	75.6		
Holidays	Average number of days taken for annual paid leave (Days)	Non-consolidated	10.9	12.2	11.9	
	Percentage of employees taking at least five days of their annual paid leave(%)	Non-consolidated	100.0	99.9	99.9	
	*The denominator is the number of workers who have been granted at least 10 days of statutory annual paid leave.					
Percentage of annual paid holidays taken(%)	*Number of days taken/Total number of days granted	Non-consolidated	62.1	66.7	66.1	
	Working hours	Total annual working hours per person (Hours)	Non-consolidated	2009	2033	2040
		Monthly average overtime hours per persons (Hours)	Non-consolidated	10.4	12.5	11.8
Monthly average working hours in excess of statutory working hours per person (Hours)		Non-consolidated	3.9	5.2	4.6	
Occupational safety and health	Number of work-related fatalities (Persons)	Non-consolidated	0	0	0	
	Number of occurrences of work-related accidents (Number of cases)	Non-consolidated	28	40	33	
	Percentage of employees undergoing medical examination (%)	Non-consolidated	100.0	99.9	100.0	
	Percentage of employees undergoing a stress check (%)	Non-consolidated	88.0	88.5	92.0	
Employment	Number of new graduates hired (Persons)	Total	0	82	129	
		Male	0	28	48	
		Female	0	54	81	
	Number of people with prior work experience hired (Persons)	Total	36	323	381	
		Male	17	133	151	
		Female	19	190	230	

# Social

1. Supply Chain
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## 2. Employees

### Career development Enhancement of employee satisfaction

Item	Boundary	FY2022	FY2023	FY2024			
Number of people of people using major personnel systems, etc.	Annual expenses for training employees (Millions of yen)	Non-consolidated	21	28	66		
	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	114		
	Number of people using a second-job system (Persons)	Non-consolidated	333	225	238		
Measures for enhancing employees satisfaction	Average of all items Positive responses to the employee survey (%) (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	74.5	
		Sense of accomplishment at work		64.4	66.3	71.0	
		Approval		73.0	72.1	75.6	
		Job satisfaction level		69.1	69.1	74.8	
		Delegation of authority		70.2	70.6	74.5	
		A sense of satisfaction with the evaluation		66.5	67.7	71.7	
		A sense of self-growth		75.3	74.0	79.3	
		Response rate for the employee survey (%)	Total	Non-consolidated	80	79	77
		Employee engagement score (eNPS) (Target -40.0 / FY2031) *Employee Net Promoter Score (An indicator that quantifies employee engagement)	Total	Non-consolidated	-58.0	-58.4	-42.0
		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	11
Number of participants in the President's session *Format have changed from online to in-person since FY2024		Non-consolidated	664	378	278		

## 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	19,867

# Corporate Governance

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## 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, 2024

Item		FY2022	FY2023	FY2024
Number of Directors (Persons)	Total	6	7	7
	Male	4	5	6
	Female	2	2	1
	Percentage of female (%)	33.3	28.6	14.3
Number of Directors/ Internal (Persons)	Total	3	4	4
	Male	3	4	4
	Female	0	0	0
	Percentage of female (%)	0.0	0.0	0.0
Number of Directors/ Independent Outside (Persons)	Total	3	3	3
	Male	1	1	2
	Female	2	2	1
	Percentage of female (%)	66.7	66.7	33.3
Number and percentage of Independent Outside Directors	Persons	3	3	3
	%	50.0	42.9	42.9
Term of office of Directors/ Internal (Years)		1	1	1
Term of office of Directors/ Independent Outside (Years)		2	2	2

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## 1. Governance Structure

As of June 26, 2024

Item		FY2022	FY2023	FY2024
Number and percentage of Directors who are Executive Officers	Persons	3	4	4
	%	50.0	57.1	57.1
Average age of Directors including Independent Outside Directors (Age)		50.3	51.3	51.1
Number of Audit and Supervisory Committee members (Persons)	Total	3	3	3
	Male	1	1	2
	Female	2	2	1
	Percentage of female (%)	66.7	66.7	33.3
Number of Audit and Supervisory Committee members /Internal (Persons)	Total	0	0	0
	Male	0	0	0
	Female	0	0	0
	Percentage of female (%)	0.0	0.0	0.0
Number of Audit and Supervisory Committee members /Independent Outside (Persons)	Total	3	3	3
	Male	1	1	2
	Female	2	2	1
	Percentage of female (%)	66.7	66.7	33.3

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## 1. Governance Structure

As of June 26, 2024

Item		FY2022	FY2023	FY2024
Number of Nomination and Compensation Committee members (Persons)	Total	4	4	4
	Male	2	2	3
	Female	2	2	1
	Percentage of female (%)	50.0	50.0	25.0
Number of Nomination and Compensation Committee members / Internal (Persons)	Total	1	1	1
	Male	1	1	1
	Female	0	0	0
	Percentage of female (%)	0.0	0.0	0.0
Number of Nomination and Compensation Committee members / Independent Outside (Persons)	Total	3	3	3
	Male	1	1	2
	Female	2	2	1
	Percentage of female (%)	66.7	66.7	33.3
Term of office of Executive Officers (Years)		1	1	1
Number of Executive Officers (Persons)	Total	6	6	5
	Male	6	5	4
	Female	0	1	1
	Percentage of female (%)	0.0	16.7	20.0

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## 2. Meeting Bodies

Item		FY2022	FY2023	FY2024
Board of Directors	Number of meetings held (Times)	18	17	18
	Attendance rate(%)	100.0	100.0	100.0
Attendance rate of Independent Outside Directors at Board of Directors meetings (%)		100.0	100.0	100.0
Number of Directors whose attendance rate at Board of Directors meetings is 75% or less (Persons)		0	0	0
Audit and Supervisory Committee	Number of meetings held (Times)	13	13	16
	Attendance rate(%)	100.0	100.0	100.0
Number of Committee members whose attendance rate at Audit and Supervisory Committee meetings is 75% or less (Persons)		0	0	0
Nomination and Compensation Committee	Number of meetings held (Times)	3	5	7
	Attendance rate(%)	100.0	100.0	100.0
Number of Committee members whose attendance rate at Nomination and Compensation Committee meetings is 75% or less (Persons)		0	0	0
Sustainability Committee	Number of Committee members (Persons)	10	10	4
	Number of meetings held (Times)	10	11	10
Risk Management Committee	Number of Committee members (Persons)	3	3	4
	Number of meetings held (Times)	13	12	11
Information Security Subcommittee	Number of meetings held (Times)	-	4	4
Compliance Committee	Number of Committee members (Persons)	3	3	4
	Number of meetings held (Times)	4	4	4

# Corporate Governance

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## 2. Meeting Bodies

As of June 26, 2024

### 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	Toru Nishiwaki	Chairperson	●	○	○	○
	Yusaku Kurahashi	●	Chairperson	○	○	○
	Shiho Takano	●	●	○	○	○
Executive Officers, General Managers, etc.	-	-	○ (11 persons)	○ (13persons)	○ (13persons)	

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## 3. Compensation

Item		FY2022	FY2023	FY2024
Director compensation (Millions of yen) Excluding Independent Outside Directors	Total amount	168	160	199
	Basic compensation	107	90	108
	Stock compensation	60	21	44
	Bonus	-	48	46
	Retirement benefits	-	-	-
Independent Outside Director compensation (Millions of yen)	Total amount	33	34	35
	Basic compensation	33	34	35
	Stock compensation	-	-	-
	Bonus	-	-	-
	Retirement benefits	-	-	-
Total compensation for Directors (Millions of yen) Internal and Independent Outside		201	195	234
Fees for Accounting Auditor (Millions of yen)	Total amount	52	49	50
	Fees for audit services	49	49	50
	Fees for non-audit services	3	-	-



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