



P29-30 UT Group's value creation process

Explanation of some indicators

Financial capital

- Debt to equity ratio (D/E ratio) = Interest-bearing debt / Shareholder's equity

Human capital

- Professional Career Partner (PCP): A professional who supports the career formation of technical employees from a long-term perspective
- Career Partner (CP): An in-house certified career counselor that supports technical employees' job assignment at their workplace and also helps their career formation

Intellectual capital

- Career development expenses: The total expenses of the Career Development Division, which performs institutional design and educational content development related to career formation support

Natural capital

- Energy consumption: Annual electricity usage of the UT Group's Gotanda headquarters
- Gasoline consumption: Annual gasoline consumption for company vehicles managed by UT Group Co., Ltd.

Operating performance

- Work-creating value: UT Group's unique benchmark for providing work opportunities to many people and supporting their growth: Operating income + total personnel expenses

Career formation support

- Users of career path: Annual users of the One UT, Next UT, UT Entry, and job transfer from technical employees to general employees

Greenhouse gas emissions

Calculation is based on the Green Value Chain Platform by the Ministry of the Environment and the Ministry of Economy, Trade and Industry (METI)

- Scope 1: Direct emissions of greenhouse gases from burning fuel at business sites
- Scope 2: Carbon dioxide emissions from electricity use in offices
- Scope 3: Major indirect emissions excluding the above (use of company vehicles for business)



About the Integrated Report 2022

In FY3/2022, when demand for human resources rapidly recovered from the COVID-19 pandemic period, UT Group focused on expanding its market share, creating better workplaces and strengthening hiring activities. These efforts resulted in welcoming many new associates and creating workplaces for more than 30,000 technical employees in Japan.

Amid changes in the macroeconomic environment that cause great anxiety for working men and women, UT Group has stuck to the basic management philosophy it has had since its founding: supporting the stable employment and growth of dispatched workers. We have thereby successfully "created vigorous workplaces empowering people." In this Integrated Report 2022, we devised ways to convey in a more easily understood manner how we support the stable employment of workers and their growth, by clarifying it within our unique value chain. This is the second year that we produce an integrated report. We hope that the integrated report will be one of the meaningful tools for constructive dialogue with stakeholders and ultimately for increasing our corporate value.

Further information is also available on the Sustainability Part of our website.

<https://www.ut-g.co.jp/sustainability/>

• Editorial Policy:

This Integrated Report is positioned as a communication tool for conducting constructive dialogues with shareholders, investors, and other stakeholders and we hope they understand our value creation process as we provide financial and non-financial information concerning UT Group's mission, management strategies and business model for medium- to long-term corporate value enhancement, and operating performance among others.

• Reporting Organization:

UT Group Co., Ltd. and its consolidated subsidiaries

• Reporting period:

FY3/2022 (April 2021-March 2022)

* including some activities since April 2022

• Reference Guidelines:

The International Framework of the International Integration Reporting Council (IIRC) / The "Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation" of the Ministry of Economy, Trade and Industry of Japan / GRI Standards, Global Reporting Initiative

• Forward-looking statements:

The information contained in this report contains forward-looking statements. They are based on the Company's judgment at the time of this report, and include factors such as risks and uncertainties. Actual results and results may differ from those stated in this report.

2022 UT Group Integrated Report

CONTENTS

- 02 The Essence of UT Group
- 07 Top message
- 13 Changes of the worker dispatch market and progress of UT Group
- 15 The worker dispatch market up to now and in the future
- 17 Progress of UT Group which continues to pursue value enhancement for workers
- 19 Fourth Medium-term Business Plan
- 21 Aiming to further increase the value of workers
- 23 Challenges that must be addressed to grow together with workers
- 25 Toward the realization of sustainability management
- 29 Value creation process

Chapter 01 Business strategy

- 33 Business operation centered on three segments
- 37 Business segment changes in line with the Fourth Medium-term Business Plan
- 38 Manufacturing Business
- 39 Area Business
- 40 Solution Business
- 41 Engineering Business
- 42 Overseas Business
- 43 Expanding and enhancing business areas mainly through M&A

Chapter 02 Enhancement of the business base and growth strategies

- 47 UT Group's unique value chain
- 49 Creating a vigorous workplace
- 51 Vigorously work with skills attained
- 53 Efforts to strengthen the value creation base
- 57 Voices from UT associates

Chapter 03 Financial and non-financial highlights

- 63 Financial strategy and capital policy
- 65 10-year data
- 67 Consolidated financial statements

Chapter 04 Corporate governance

- 75 Policy on corporate governance
- 77 Composition of the Board of Directors
- 79 Outside Directors roundtable discussion
- 81 Toward a governance system to increase corporate value
- 85 UT Group's IR activities
- 87 Audit & Supervisory Committee Members
- 89 UT Group basic policies
- 91 Corporate profile

Our Values

We stand by people and stay face to face with them

We contribute to the growth of clients through the growth of our associates. Our business is only possible when our associates receive high expectations and are highly valued. Through those associates, we contribute to our clients' business and society.

While our services are invisible and intangible, UT Group works for clients and for society through the action taken by each of UT Group's associates.

With that in mind, each of us will continue to act autonomously and strive for self-improvement on the basis of our Four Values. In the One-to-One Spirit, each of us stands by each other and stays face to face with each job, task, and desire.



VALUES

VISION

Our Vision

Becoming the company with a future workstyle platform

Provide "Reassurance, Bonding and Growth" for each and every associate in a work environment that is susceptible to changes in the market. And then, our responsiveness to changes is being provided for client companies.

UT Group declares its dedication to becoming a "company with a future workstyle platform" that can continuously create and support vigorous workers, in accordance to changes in the workplace. While responding to changes in lifestyles and workstyles, our aim is to realize a society in which workers equally have career development opportunities and are correctly treated.

Respond to everyone's "desire to work"

We offer diverse workplaces, workstyles, and the possibility to improve skills to all motivated people for work.

Empower non-Japanese workers, too

We provide the necessary support for non-Japanese who live and work with us in Japan to empower them, toward which end we provide workplaces and assist their continuous career development.

Provide reassurance to workers at any time

In addition to ensuring appropriate legal compliance in the workplace, we try to help raise the quality of working by providing support even during non-working hours.

Note: "Associate" is a term UT Group has decided to use to describe its employees.





Our Mission

Create vigorous workplaces empowering workers

We, UT Group, have grown since our foundation with a focus on realizing our workers' personal growth and reassurance in their lives.

The power of working really brings us a variety of empowerment.

The power of working brings us reassurance in life.

The power of working brings us bonding in society.

And the power of working sometimes helps us realize our potential, which we could not have imagined ourselves.

It gives us the joy of living up to dreams and aspirations that had been given up or forgotten.

We offer opportunities for skill development and career formation to people who are willing to work. We also build a "good place to work" with our clients, and continually increase the number of people who are aware of their potential and who live their lives seriously.

We believe that increasing the number of such individuals and increasing the overall sum of individuals' empowerment end up helping our clients' businesses to grow and ultimately contributing to society.

MISSION

Yoichi Wakayama
 President, Representative Director and CEO
 UT Group Co., Ltd.



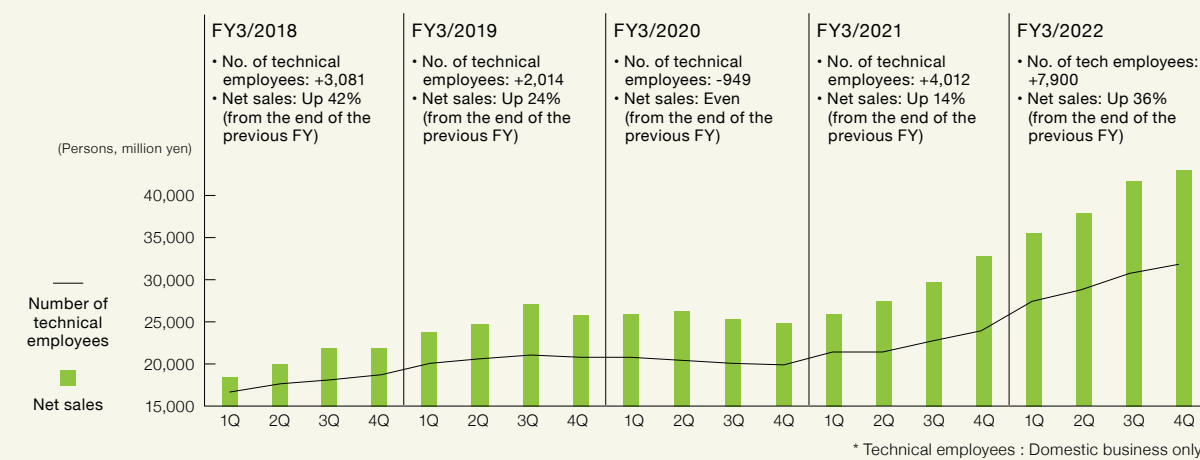
We are reorganizing UT Group and improving operations with an eye on realizing the Fourth Medium-term Business Plan.
We intend to enter a phase of new business creation chosen by workers.

We are aggressively hiring workers and assigning them to clients' workplaces, and thereby responding to the rapidly-recovering demand for workers in the manufacturing industry field.

I would like to thank all our shareholders and stakeholders for their continued support. More than two years have passed since the spread of COVID-19 began, and I can feel firsthand that manufacturing companies—the UT Group's main business partners—are regaining vitality. While the macro outlook remains uncertain due to factors such as rising raw material prices driven by the impact of the invasion of Ukraine and other factors, as well as supply constraints caused by supply chain disruptions, demand for workers in the manufacturing industry remains tight, and, particularly in the automotive and semiconductor and electronic component sectors, demand is expected to be firm at high levels. Looking at the environment surrounding the UT Group, in the automobile-related sector, major automakers had to make production adjustments due to a shortage of parts caused by lockdowns in ASEAN countries and a global shortage of semiconductors. Nevertheless, demand for new

cars has remained strong, and we are assuming their production will normalize and expecting continuing solid demand for workers. In the field of semiconductors and electronic components, demand for workers also continues to be strong as semiconductor manufacturing equipment (SME) manufacturers and semiconductor manufacturers are rapidly increasing their production capacity against the backdrop of a global shortage of semiconductors. Responding to this rapidly recovering demand for workers, we continued to actively hire employees throughout FY3/2022. This resulted in achieving a record high of 31,636 technical employees in Japan at the end of FY3/2022. We also aggressively made acquisitions of leading dispatch companies in certain geographic areas even amid the COVID-19 pandemic. These efforts contributed to achieving the highest consolidated net sales to date, ¥156.7 billion, an increase of 36.2% year-on-year.

Quarterly Changes in Net Sales and Number of Technical Employees



"No matter how successful a business is, it won't last 10 years. So how do we adopt to changes and create businesses that last longer than 10 years?"

What matters over the next 5-10 years is to become a company chosen by workers.

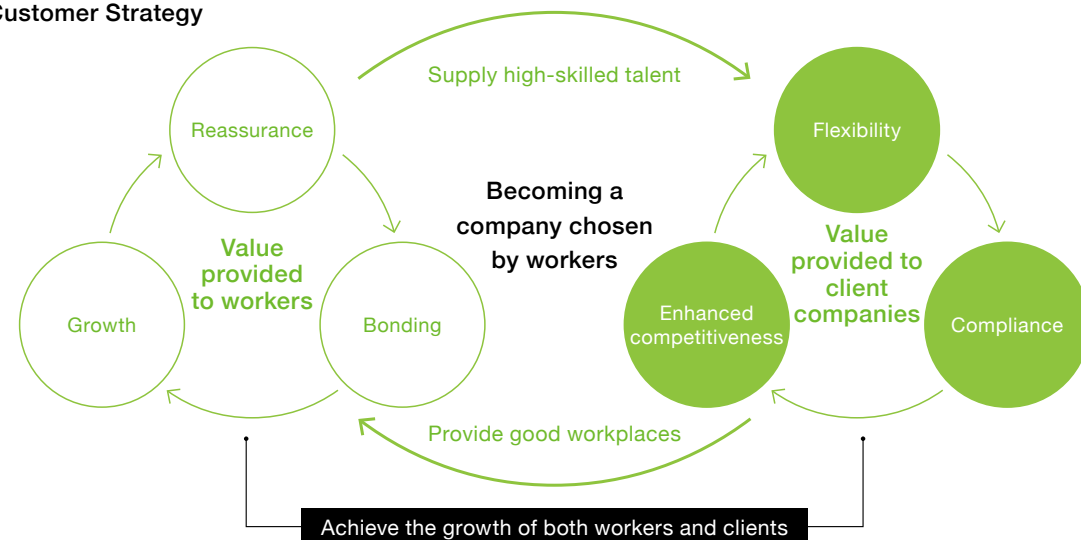
Founded in 1995, UT Group has consistently strived to improve the treatment of dispatched workers and to increase added value. In the manufacturing industry, we created a business that offers a new way of working to workers: they become our regular employees (we call them "associates") and are dispatched to client companies' worksites. We also promoted their enrollment in social insurance. We then established a career development support system for the associates so that they can acquire skills and grow. After that, we developed a "Twin Customer Strategy" to become chosen not only by client manufacturing companies, but also by working people who are our associates. Even during the harsh business environment of the COVID-19 pandemic, we have maintained our employment level and we now have more than 30,000 technical associates who are vigorously at work.

Looking at the HR (human resources) services market outlook over the next 5-10 years, I believe that what matters most will be to become a company chosen by workers. From time to time, I hear or observe the status of various businesses of other companies, and am struck to learn that even any successful business model is not sustained for longer than 10 years. Moreover, I feel that the business cycle is becoming even shorter. So I am convinced that companies must change in line with changes in the market. Mencius, a Chinese Confucian philosopher, once said, "the time of Heaven, the benefit of the Earth, and the harmony of the People." I think we are now in an era when how a business is created in accordance with changes in the world is questioned.

So what should UT Group do now? Instead of sticking to the current success model, we need to constantly create new businesses. The rule No. 1 is that "a business shall be positioned from the customers' viewpoints." For us, this means that we must create a business model from the standpoint of not only the client companies to whom we dispatch workers, but also from that of workers. Whenever I deal with a change, I go back to UT's Mission: "Creating vigorous workplaces empowering workers." This is because I firmly believe that to create a workplace where workers vigorously work will lead to increased value for client companies.

With Japan's declining population, declining birthrate, and aging population, and the diversification of individually-held values, I think that workers will become more discriminating when they choose the company where they want to work. Social change is accelerating, and there is no doubt that it will be difficult for large companies to maintain a model of continuing the employment of their employees according to the present methods. What is expected beyond that is a society in which individuals and companies of various positions will be organically connected. I believe that non-Japanese and older workers who have been minorities in the workforce until now, freelancers who prefer to work without being bound by the company, and other types of workers will increase and given the right opportunity and environment will work vigorously. We are entering an era in which the provision of services, conditions, benefits, and incentives to these types of workers will have the potential to bring great value.

Twin Customer Strategy



The Three Growth Strategies of the Fourth Medium-term Business Plan are steadily driving sales growth.

The UT Group began to implement the growth strategies for the coming era before the outbreak of the COVID-19 pandemic. The strategies have been incorporated in the Fourth Medium-term Business Plan formulated in May 2020, covering the five-year period from FY3/2021 to FY3/2025. The plan has identified three growth strategies—"One-Stop Strategy for Major Manufacturers," "Area Platform Strategy" and "Solution Strategy"—under the medium-term management goal "Create a 'diversity & inclusion' workstyle platform." This Medium-term Plan already stands at the halfway point, and I am pleased that the three growth strategies are steadily driving sales growth.

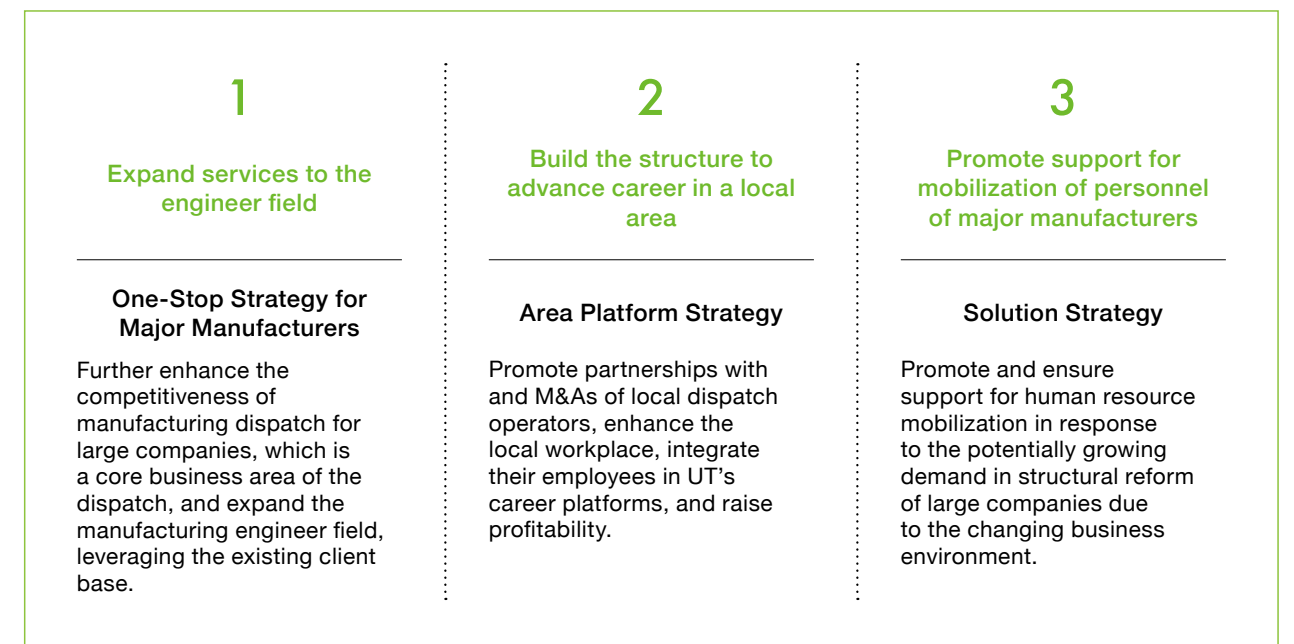
Let me explain specific progress we are making in the workplaces. First, the "One-Stop Strategy for Major Manufacturers" is to provide a one-stop set of services, from manufacturing operators to manufacturing engineers in charge of production technology and equipment maintenance, based on our strong relationship with the leading manufacturers, which have been our conventional partners. Currently, we are focusing on providing the "employment agency solutions" on behalf of client companies. The solutions cover all processes from hiring of workers to their training and retention in the workplace. In particular, in the semiconductor sector where the market is rapidly expanding and the HR needs are high, we have established four

Technology Skill Development Centers to train specialized engineers in-house. We plan to produce 5,000 SME engineers by the end of March 2025 and contribute to the client companies' enhancement of corporate value.

Next, on the "Area Platform Strategy." This is to provide a variety of "working opportunities" in each region in response to the desire of job seekers to work in their local area. In order to achieve this goal, we are actively promoting business alliances and M&As with leading local dispatch operators, strengthening our local hiring capability, and establishing a stable employment environment. We integrated several subsidiaries which were engaged in the Area Platform Strategy within the Group and established UT Connect Co., Ltd. in April 2022 to play a central role in this business. We have high expectations for new business development in areas as the COVID-19 pandemic has definitely triggered the desire of people to work with the assurance of job security in the local area while advancing their careers.

And finally, the "Solution Strategy." This aims at solving the management issues of client companies and strengthening mutual relationships through HR mobilization support for large corporate groups. To date, we have accepted employees of the Toshiba Group, the Hitachi Group, and others as full-time associates of UT Group, and have supported their HR mobilization.

Three Growth Strategies



"Companies need to continue growing to realize their vision."

During FY3/2022, we newly consolidated Fujitsu FSAS CREA, a worker dispatch company of the Fujitsu Group in October 2021. I believe that the role of the UT Group is to propose new solutions that satisfy large companies' structural reform needs, that are evident throughout Japan.

While pursuing these efforts, we are working to improve corporate value through high growth in

a sustainable manner. Our targets for FY3/2025, the final year of the Fourth Medium-term Business Plan, are ¥270 billion in net sales and ¥25 billion in EBITDA.

JOBPAL, our new comprehensive hiring site for dispatched workers, offers services to more workers.

Companies need to grow sustainably. It is synonymous with a living creature being breathing. Companies should have a vision to achieve, and must continue growing to achieve it.

"UT" of UT Group is an acronym standing for Upward Together. This incorporates our desire to go up and grow together. This means, of course, together with our twin customers—our client companies and our associates.

The vision that the UT Group wants to achieve in the Fourth Medium-term Business Plan is to "Create a 'diversity & inclusion' workstyle platform that can respond to more workers." We are currently developing services targeted for more workers toward March 2025. JOBPAL, a comprehensive job site for dispatched workers, was released in April 2022. This site integrates the hiring information of all Group companies and disseminates information concerning the career development support

programs and job selection know-how cultivated by the UT Group. Our plan is to convert the in-house service, which has been provided to approximately 30,000 technical associates, into a platform that can be used by 400,000 workers in the overall manufacturing dispatch industry.

By March 2025, the UT Group will have about 50,000-60,000 technical associates. In order to present diverse workstyles to such a large number of people, digital transformation (DX) in training is indispensable. Currently, a new training system is being developed, mainly led by the Career Development Division. There is no doubt that "HR development" is the key to survival in the HR service industry.

We intend to grow JOBPAL into a foundation that realizes monthly hiring of 2,000 associates, acquiring 700,000 annual users by 2025.

Improvement in efficiency by hiring via JOBPAL

BEFORE	AFTER
<ul style="list-style-type: none"> Hiring activities by each operating company Uncoordinated, different formats of job information No sharing of information on job seekers 	<ul style="list-style-type: none"> Integrated management of information on jobs and job seekers of the UT Group Building of a member network of job seekers to enable matching with client companies

Vision for JOBPAL

Targets by 2025

Users	700,000 per year
Job applicants	80,000 per year
Registered members	400,000

Achieving
2,000 hires
per month!



JOBPAL, a comprehensive job site for dispatched workers: <https://jobpal.jp>



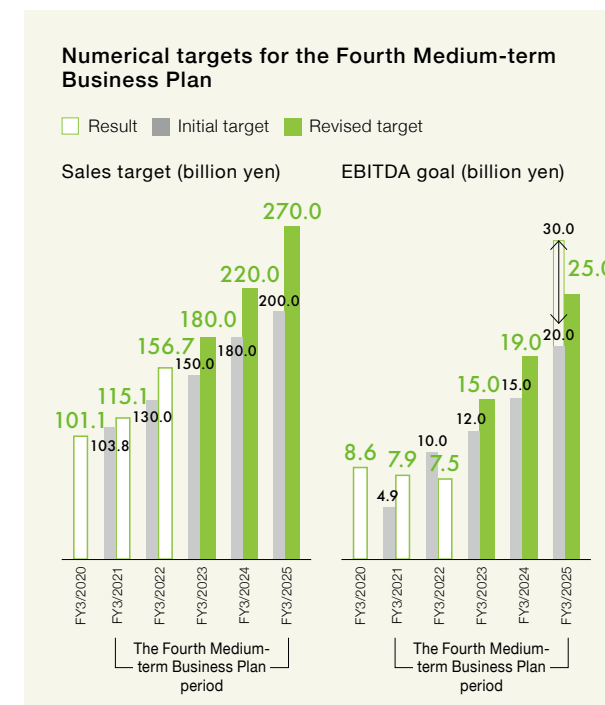
We are reorganizing UT Group and improving operations to achieve EBITDA of ¥15 billion in the current FY3/2023.

In the first two years of the Fourth Medium-term Business Plan, we focused on expanding sales and market share, and as a result, we were able to achieve our sales target one year ahead of schedule. In FY3/2023, we will work to improve the gross profit margin by increasing revenue and profit, driven by the top-line growth based on the increase in technical associates by the end of FY3/2022, as well as by higher unit contract prices. We also aim to achieve EBITDA of ¥15 billion yen by implementing the following measures: 1) improving hiring efficiency through the integration of hiring activities within the Group; 2) optimizing personnel allocation through the reorganization of the aforementioned subsidiary reorganization, 3) improving productivity through the consolidation

of common indirect functions; and 4) the resulting improvement in efficiency of SG&A expenses.

I am anticipating that the outcome of our efforts to expand our market share and improve productivity even during the COVID-19 pandemic will become evident in our business results in FY3/2023 and beyond. What lies ahead is our longer-term management vision, UT VISION 2030. Our grand targets are net sales of ¥600 billion and EBITDA of ¥100 billion in FY3/2030.

The mission of the UT Group is to build a new career platform and disseminate it throughout Japan. Against the backdrop of high demand for workers, the UT Group will continue to be chosen by workers and client companies. Please keep your expectations high for the UT Group.



UT Vision 2030

Becoming a workstyle platform company

Net sales ¥600 billion
EBITDA ¥100 billion

FY3/2030

Business expansion in adjacent areas

Net sales ¥270 billion
EBITDA ¥25 billion

No.1 in manufacturing dispatch

Net sales ¥156.7 billion
EBITDA ¥7.5 billion

FY3/2025

FY3/2022

Changes of the worker dispatch market and progress of UT Group

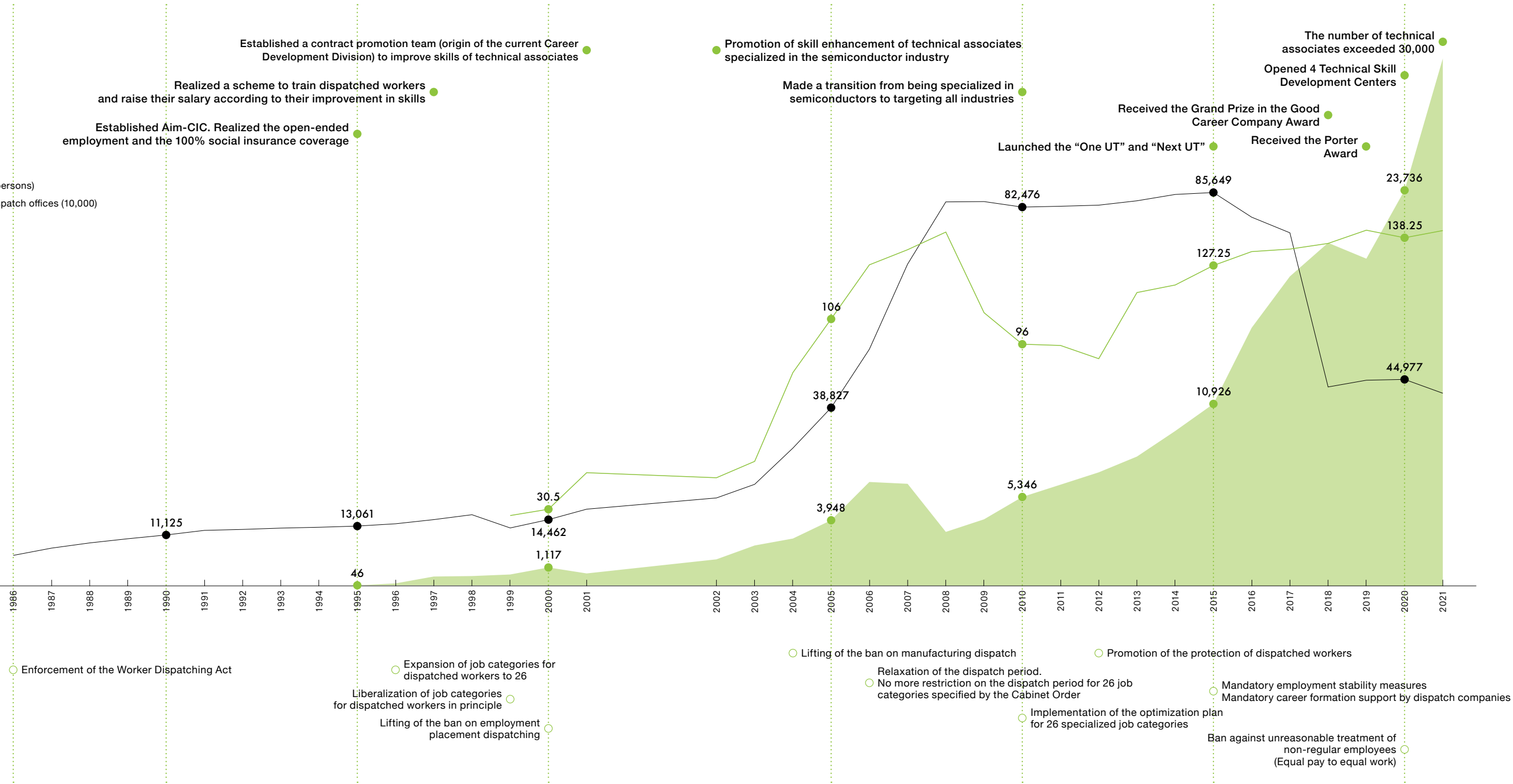
The worker dispatch market in Japan has expanded and become transformed, due to the impact of social circumstances and legal revisions. UT Group has been a leader in the industry in adopting new systems, including the open-ended employment of dispatched workers.

UT Group's initiatives of being engaged with workers

■ UT Group technical associates (persons)
 — Dispatched workers of labor dispatch offices (10,000)
 — Dispatching offices

* UT Group technical associates as of the end of fiscal year;
 * The number of Dispatched workers of labor dispatch offices is based on the "Labor Force Survey (detailed compilation of long-term time series data)" by the Statistics Bureau of the Ministry of Internal Affairs and Communications (annual average)
 * The number of dispatching offices is from the "Trend of the Number of Dispatching Offices" by the Ministry of Health, Labor and Welfare (the figure for FY2021 is an aggregate from the "Business Report of Worker Dispatching Business")

Revisions of the Worker Dispatching Act



The worker dispatch market has been growing to meet the needs of the times since its inception.

The number of dispatching offices has been increasing in the worker dispatch market, regardless of social circumstances or the economy. The dispatch industry has gained greater recognition amid the increase in the number of non-regular workers. A turning point in the rise of the prosperous dispatch market came in 1999, when the Worker Dispatching Act was revised and the scope of work and the dispatch period were relaxed. However, the global financial crisis in 2008 triggered the layoff of dispatched workers, and their unstable

employment status was once again highlighted, bringing greater focus on the protection of dispatched workers. As a result, employment stability measures and career formation support became mandatory for dispatch companies, their asset requirements became severer from the perspective of business continuity, and the worker dispatch business became centrally controlled by a permit system. These moves to enhance the protection of the rights of dispatched workers have been affecting dispatch companies' business operations.

Dedication to workers led to UT Group's creation of a business model that was ahead of the times.

While the protection of dispatched workers has been called for in recent years, UT Group, since its foundation, has been working on introducing friendly measures for its associates, including open-ended employment and 100% social insurance coverage. Unlike many of our competitors which are still struggling to build a system to support employee education and career formation, we started to do this in the early 2000s and have already established the industry's best system. We simply thought hard about what we should do for our workers

and devoted our efforts to doing the obvious right things with a focus on those who work with us. Now the times have caught up with us from behind. That is how we feel. We are pleased that our efforts have resulted in the current growth of our business. UT Group's backbone of business is to support workers and broadly contribute to society, in the past and in the future.

The worker dispatch market up to now and in the future

The Revised Worker Dispatching Act of 1986 has set the rules for the worker dispatch market, which continues to expand by incorporating the diverse needs of workers and companies involved.

It is said that the business of dispatching labor has existed in Japan since the Edo period. Prior to the enforcement of the Worker Dispatching Act, however, it was in the form of "job contracting" because the dispatch business had not been approved. The pioneer companies in the worker dispatch business were born in the 1960s and 1970s, and the Worker Dispatching Act was enforced in 1986, creating the foundation for current worker

dispatch services. Thereafter, the expansion of the scope of dispatch work through revisions to the Worker Dispatching Act expanded the worker dispatch market. Although the instability of employment during recessions tends to be a problem, the market is expected to expand further amid growing social needs for diverse workstyles in tandem with an emphasis on the protection of workers.

Types of employment in Japan's labor market

Japan's labor market can be classified by three factors: direct or indirect employment, contract period, and applicable law. As opposed to regular employees who are primarily full-time employees of a company, non-regular workers include part-time workers, contract workers, and

dispatched workers. Dispatched workers do not have a direct employment relationship with the company they are dispatched to. The company they work at and the company by whom they are paid are different, and the Worker Dispatching Act is applicable to them.

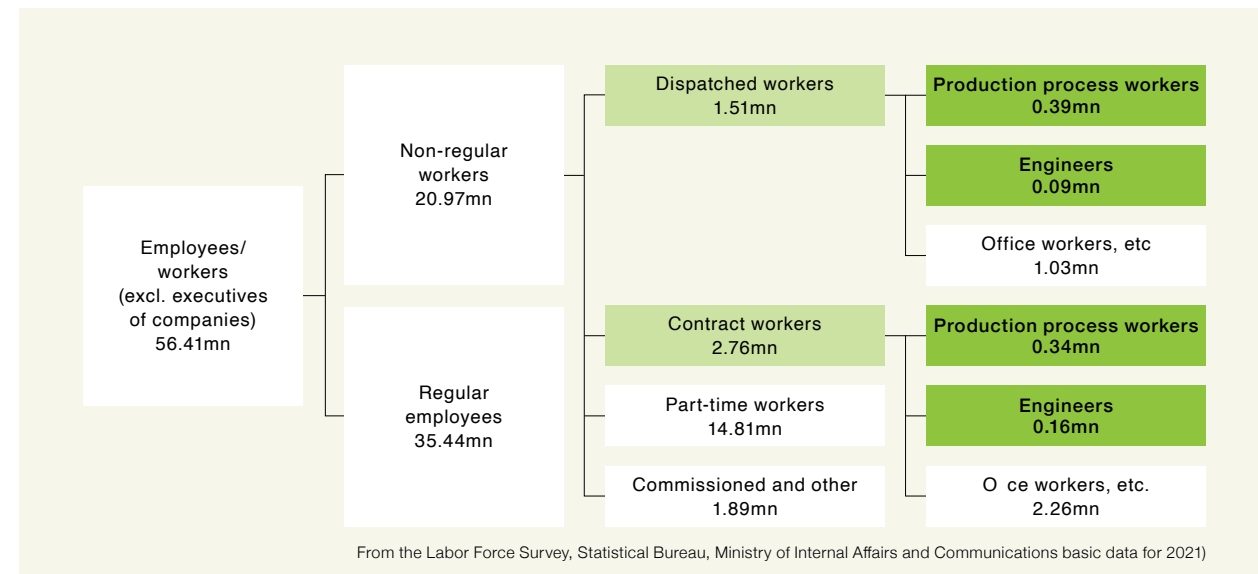
Employment status	Classification	Term of the employment contract		Applicable legislation
Direct	Regular	Full-time employee	Indefinite (open-ended) term	Labor Law in general
		* Limited full-time employee		
	Non-regular	Part-time worker	Fixed term	Part-time Labor Act
Indirect	Contract worker	Fixed term	Labor Contracts Act	
	Dispatched worker or temporary worker	Fixed/Indefinite (open-ended) term	Worker Dispatching Act	

The strategic targets and the areas of strength of the UT Group

The size of the dispatch worker market targeted by UT Group

UT Group's main target is the dispatch of workers engaged in production processes in the manufacturing industry, with a primary focus on the semiconductor, automotive and machinery sectors. According to the Labor Force Survey (FY3/2022) by the Statistics Bureau of the Ministry of Internal Affairs and Communications, out of 1.51 million dispatched workers in Japan, there are

390,000 production process workers who are the target for UT Group. In addition, 90,000 engineers with more advanced skills and knowledge in the dispatched worker category as well as 340,000 production process workers in the contract worker category are also UT's prospective target categories.

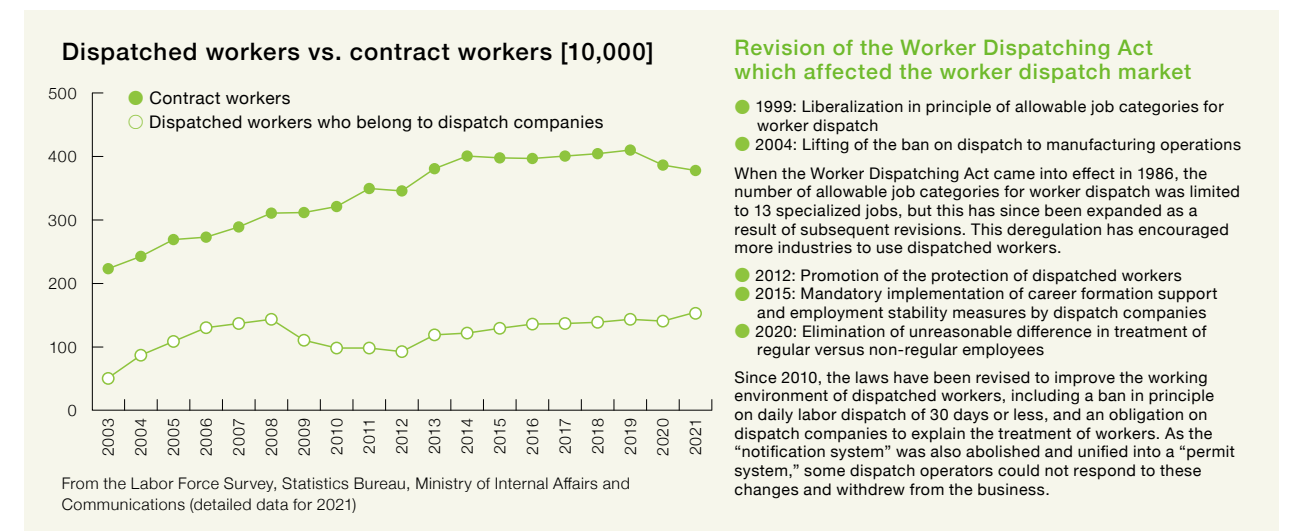


Social background of the increasing number of non-regular workers

Over 280% increase in the number of dispatched workers since 2002, and an increasing shift from contract workers to dispatched workers

Changes in the competitive landscape are forcing many companies to have different employment needs so they are shifting away from the Japanese-style employment environment. Job seekers also prefer more diverse workstyles. Owing to such changes in society, the number of non-regular workers is on a rising trend. The number of dispatched workers, in particular, increased by more than 280 percent from 2003 to 1.51 million in 2021.

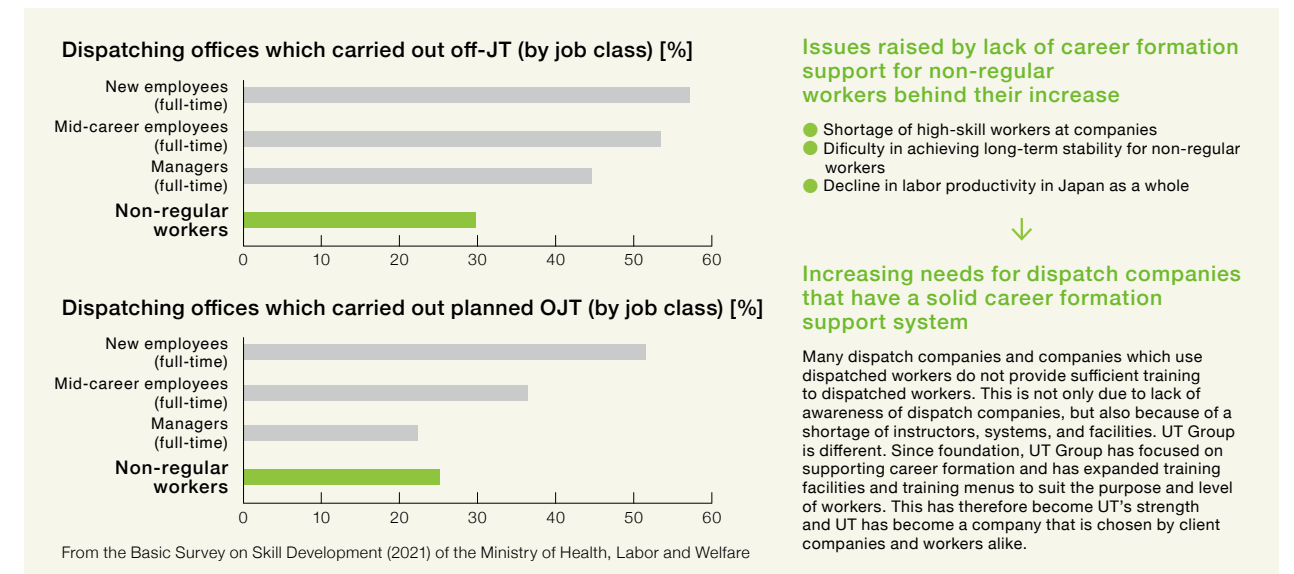
In 2013, the Labor Contract Law was revised, and rules were established so that workers whose work period exceeded a total of five years under a fixed-term labor contract could apply for an open-ended labor contract and convert their employment status. This has led companies to employ fewer contract workers and more dispatched workers and the worker dispatch market is thus expected to expand further.



Issues raised by lack of career formation support for non-regular workers

Although the revised Worker Dispatching Act of 2015 required dispatch companies to train their dispatched workers, educational support has not yet been enhanced. The 2021 Basic Survey on Skill Development by the Ministry of Health, Labour and Welfare shows the reality that both off-JT and OJT undertaken for non-regular

workers were far less than for full-time employees. The lack of career formation support for non-regular employees, particularly among young people, is a noteworthy problem as it is expected to eventually affect the future growth of the Japanese economy.



Progress of UT Group which continues to pursue value enhancement for workers

UT Group, founded in 1995, celebrated its 28th anniversary in 2022. We experienced numerous difficulties and turning points in becoming a leading company in manufacturing dispatch.

In 1995, UT Group began with just two people with a shared ambition to change the worker dispatch industry. We have turned the IT recession of 2001, the global financial crisis of 2008, and numerous other hardships into opportunities and are now entering another growth period. In March 2019, we passed a big milestone of ¥100 billion in net sales. In FY3/2022, despite being troubled

by the spread of COVID-19 infections, we expanded the number of technical associates*. We are aiming to help realize a society in which all those who are willing to work will have equal opportunities to improve their skills and develop their careers. We are determined not to forget our initial resolution to make efforts for workers.



Founding period

Strived hard to change the worker dispatch industry without being held back by so-called common sense

At the time of UT's founding, the low retention rate for manufacturing dispatched workers was the general norm. In order to break this status quo, we proposed a system to provide educational support for dispatched workers and raise their salary according to their skill improvement. We adopted the employment of full-time employees and 100% social insurance coverage, breaking the industry norm. However, the IT recession in 2001 adversely affected us and we recorded a loss for two years in a row despite the continued uptrend in sales. To reconsider the raison d'être of the company, a Group of Aims was established by volunteer members within the company. This has resulted in the creation of UT Group's basic philosophy of "Creating vigorous workplaces empowering workers".

1995 Yoichi Wakayama established Aim-CIC Ltd. at the age of 24.
1996 Aim-CIC was reorganized into Nihon Aim Co., Ltd.
2000 Introduced a unique business model of contracting the entire process work.
2001 Established a contract promotion team to improve skills of technical associates.

First growth period

The first stock listing in the manufacturing dispatch industry

Expansion of business to achieve further growth In 2003, Nihon Aim became the first company in the manufacturing dispatch industry to be listed on the JASDAQ market. In addition to the worker dispatch business specializing in the semiconductor manufacturing sector, we subsequently expanded business through M&A and other means, into a design and development business for embedded software development, and a manufacturing equipment business for the sale of used manufacturing equipment, with the aim of further growth. Our aim was to become a comprehensive provider of cost-cutting solutions by fully supporting manufacturing companies from the three perspectives of design, equipment, and human resources. In FY3/2008, we achieved rapid growth, including a 65% increase in consolidated sales and an 80% increase in operating income.

2002 Promoted specialization in the semiconductor manufacturing sector.
2003 Nippon Aim was listed on the JASDAQ.
2006 Entered a design and development business and a manufacturing equipment business.
2007 Became a holding company, making a new start as United Technology Holdings.

Second growth period

Setbacks, caused by the global recession, and then a return to basics in order to achieve recovery

After achieving rapid growth through its expansion strategy, UT Group recorded a significant decline in profit, due to the global recession triggered by the global financial crisis in 2008. We then sold the design and development business and the manufacturing equipment business in efforts aimed at revival. We decided to return to basics of foundation and to concentrate management resources in the original worker dispatch business. The major setback caused by the economic recession therefore prompted us to rethink our purpose and what we should achieve in business. This turned into our second growth period and a trigger for the foundation of our base to date.

2009 Changed company name to UT Holdings Co., Ltd.
2009 Sold the design and development business and the manufacturing equipment business.
2010 Broke away from dependence on semiconductors and Nihon Aim and shifted to an all-direction strategy.
2012 Changed all subsidiaries' names to start from UT.
2015 Launched the One UT and the Next UT.

Second founding period

Toward the realization of a career platform concept that allows both workers and client companies to grow together

UT Group was ahead of the times in developing various leading initiatives for personnel development and career formation, in addition to the launch of the One UT and the Next UT in 2015. These initiatives have gradually become our strength in being chosen by workers and client companies alike. We grew to become a top company in scale in the manufacturing dispatch industry in 2018. Our business has been highly accredited externally, including the receipt of the Porter Award in 2019. We changed our market listing to the First Section of the Tokyo Stock Exchange in November 2019 and then to the Prime Market in April 2022. We are now moving forward to the next stage.

2018 Became Japan's No. 1 in manufacturing dispatch.
2018 UT Aim received the Grand Prize of the Good Career Award.
2019 UT Group received the Porter Award.
2019 Announced the long-term management vision "UT Vision 2030".
2019 Changed market listing to the First Section of the Tokyo Stock Exchange.

The Fourth Medium-term Business Plan

(FY3/2021-FY3/2025)

UT Group will create a platform that supports diversity of workstyle and help each and every worker become empowered.

What we want to accomplish in the Medium-term Business Plan

Medium-term management targets **Becoming the company with a career platform that caters to as many workers as possible**

1 Expand coverage of the career platform

The recruitment target, which is mainly young men, is being expanded to include women, older workers, and non-Japanese. The client target is also being expanded to medium-sized factories, offices, and other industries, in addition to large manufacturing companies. We will thus establish a new platform that brings in diverse people.

2 Respond to various workstyles in accordance with the life stage of associates

We are responding to the needs of people who want to grow at work and advance their careers as well as those who want a stable job in the same geographic area. We are prepared to support diverse workstyles tailored to the life stage and needs of each associate. We will create an environment that facilitates working by women and older workers, and a system to support their career development.

Focus on career advance in work

- Career advance in workplaces nationwide
- Career consulting to support workers grow
- Skill-up training programs

↓

Providing growth opportunities

Focus on stability in work

- Employment stability that ensures no change in work area and career
- Career consulting tailored to the life stage
- Career path to a growth stage

↓

Providing stable job opportunities

Workstyles tailored to the life stage

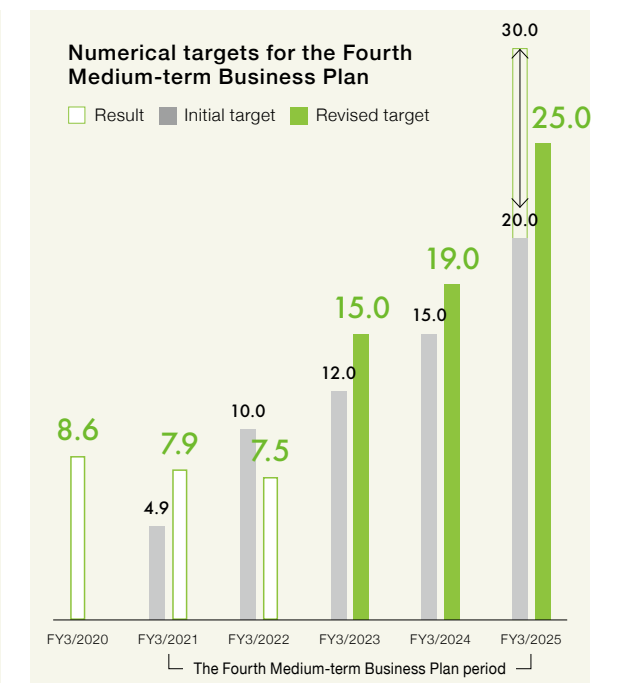
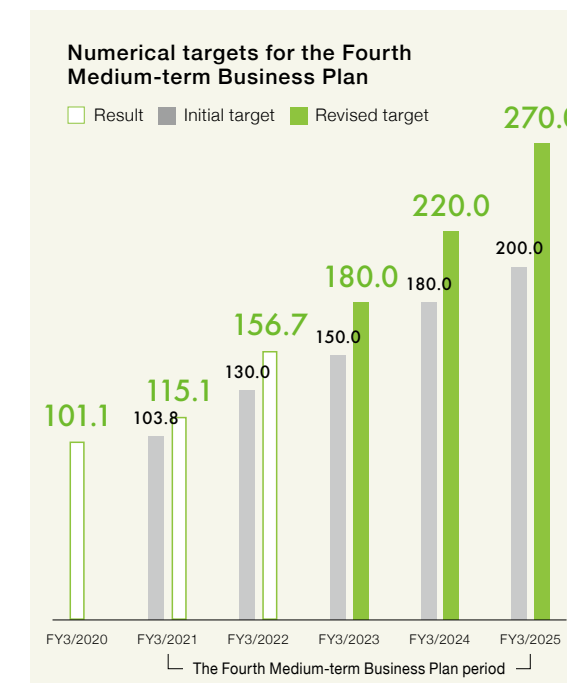
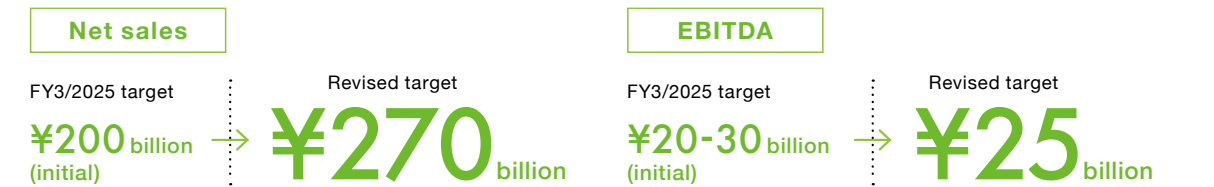
3 Expand job types and career paths

We are further expanding options, such as the attributes of companies to be dispatched and the types of jobs to choose from. We will respond to more workers by further developing workplaces to realize diverse workstyles across Japan, and by enhancing assessment and education systems for work in a variety of industries and job types.

Performance targets

Revised the performance targets of the Fourth Medium-term Business Plan based on the FY3/2022 results

Sales for FY3/2021 and FY3/2022—the first two years of the Fourth Medium-term Business Plan (announced in May 2020)—advanced to the target level one year ahead of the original plan. We have therefore revised the sales and EBITDA targets. We will strive to improve profitability through further sales growth and productivity improvement.



Commitments

EBITDA growth rate: 30% or more (CAGR starting from FY3/2021)

The UT Group emphasizes earnings growth as much as sales growth by business expansion. The Fourth Medium-term Business Plan includes strategic M&A activities aimed at formation of a long-term business base. We therefore use EBITDA to show our commitment in earnings growth and set 30% or more CAGR in EBITDA for the period starting from FY3/2021.

Total return ratio: 30% or more

The UT Group recognizes return to shareholders as an important management priority. We intend to achieve a corporate growth through strategic investment as well as return to shareholders. We are committed to a total return ratio of 30% or more by dividend payment and share buyback.

Gross D/E ratio: 1.0 or less (at the end of FY3/2025)

We intend to achieve both a high growth and a stable financial position by balancing debts with shareholders' equity, which stems from efficient business operation and capital policy.

Aiming to further increase the value of workers

The Fourth Medium-term Business Plan has six key themes, from which three growth strategies have been developed and steadily implemented.

Six main themes of the Fourth Medium-term Business Plan

1

Develop and provide manufacturing workers

We will further strengthen and expand the industry-leading manufacturing personnel services established in the third medium-term business plan, and make a robust base as a core business. Specifically, we will incorporate HR Technology and other technologies into UT Group's core functions of hiring and personnel development, in order to improve functions, raise efficiency, and enhance the quality of corporate services. At the same time, we will effectively promote the career formation of our associates in response to their career-oriented workstyle.

3

Create vigorous work environment empowering non-Japanese workers

In Japan, where the population of production ages is declining, manufacturing sites that support Japan's manufacturing are facing a major challenge of securing workers. Meanwhile, in emerging countries, the manufacturing industry is expected to grow along with its economic development. Anticipating the growing needs of non-Japanese who want to acquire skills in Japan and work in their home country and the growing needs of Japanese companies that build manufacturing bases in emerging countries, we aim to foster non-Japanese workers in Japan and serve as a bridge between Japan and emerging countries.

5

Accelerate support for the personnel mobilization

The Elderly Employment Stabilization Act, which was revised as part of the Japanese government's campaign for a society in which all 100 million people can work actively, requires companies to rehire those who want to work after retirement. UT Group aims to support continued employment by establishing joint-venture companies, particularly for large companies with large numbers of employees, and to develop workplaces where the wealth of experience of the elderly is used in a variety of fields.

2

Expand area platforms

Depending on their life stage, some associates may prefer a stability-first workstyle. We will therefore include a function of offering a stable living base in the career platform and further expand that role. Specifically, we will expand the role of our regional offices so that we can quickly respond to different local needs of clients and reorganize to enable them make own decisions from sales to recruitment.

4

Exploit work areas for highly-skilled engineers

Technology is critical to improving corporate productivity. In addition, more highly-skilled people with knowledge and experience across business domains are needed due to an increase in product development where software and networking are integrated with manufacturing. We will expand business and enhance functions in this area, through alliance with proven large companies and M&As, in order to respond to the needs of engineers who want to continue working in the technical field by expanding their scale and enhancing their functions.

6

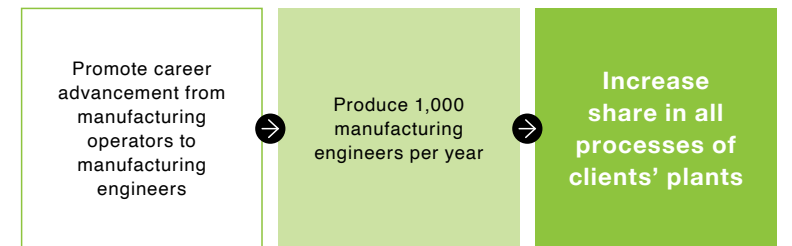
Building a business base in new job areas

UT Group takes over operations in non-core businesses, such as manufacturing of non-core products and office dispatching, as well as personnel engaged in these areas from manufacturers which need to reorganize operations due to changes in the business environment and management strategy. We will establish a business base in new areas such as office dispatch and business process outsourcing (BPO), based on new companies that have joined in UT's Solution Business.

Three growth strategies

1 One-Stop Strategy for Major Manufacturers

Expand service to the engineer area
We will leverage our existing client base to expand the field of manufacturing engineers and strengthen our competitiveness. By promoting career advancement from manufacturing operators to manufacturing engineers, we promote long-term retention of technical associates and increase our share in all processes of clients' plants.



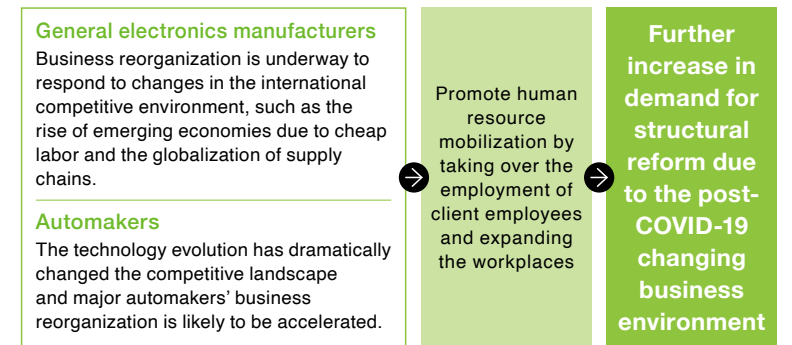
2 Area Platform Strategy

Building a structure that will allow you to grow your career locally
We will accelerate industry reorganization by promoting alliance and M&A with dispatch operators with a solid local business base. Through management integration, we will enhance local workplaces, build a career platform that encompasses the area, and improve profitability.

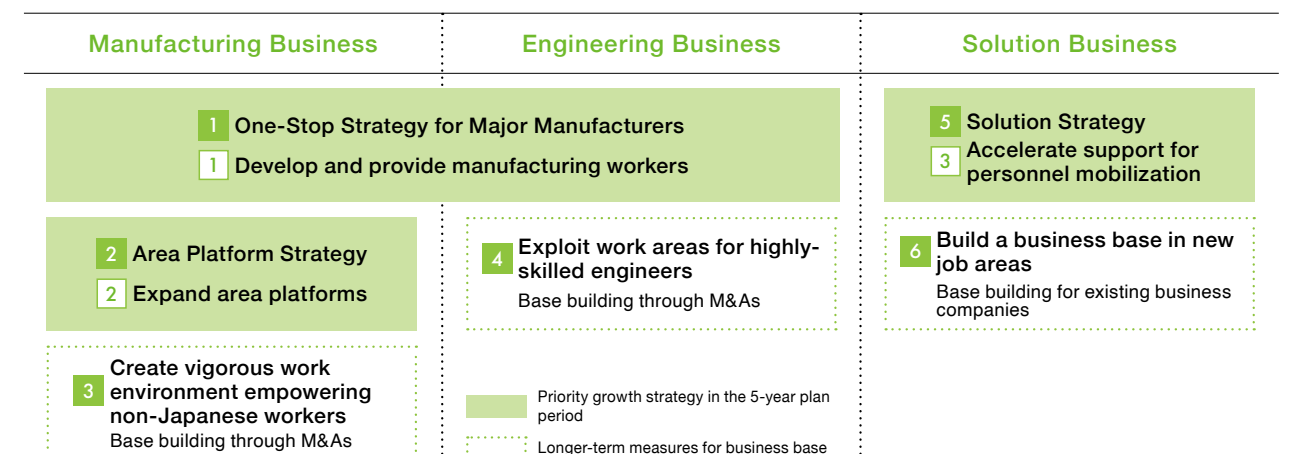


3 Solution Strategy

Promote support for personnel mobilization of major manufacturers
We will provide support for personnel mobilization in response to the structural reform demand of large companies. We will support their personnel strategies with a focus on reviewing their fixed workforce composition and business portfolio and solving their managerial issues including reemployment of their retiring employees.



The basic strategy for each segment



Challenges that must be addressed to grow together with workers

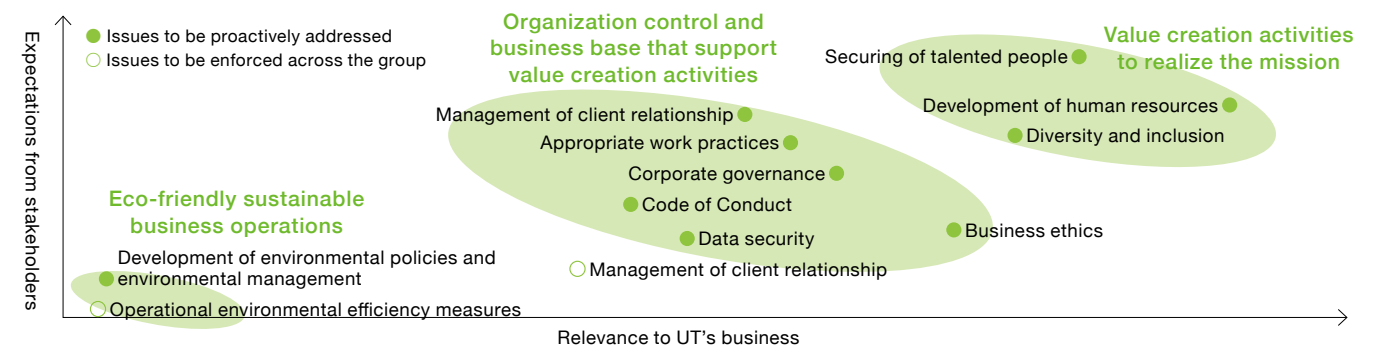
To realize a society where workers can live with reassurance.
Our key challenges (materiality) are closely aligned with our thoughts on workers.

The Essence of UT Group		Theme Category	Key Themes and Initiatives	Materialities	Activity Policy and Evaluation Indicators (page 25 for details)	
Purpose	Mission / Vision / Values	Policy on Value Creation Basic Policy on Individual Dignity and Growth	Value creation activities to realize the mission	Individuals' potential to be broadened We respect and are engaged with each worker and continue to create an environment where workers can vigorously work.	<ul style="list-style-type: none"> Development of human resources Securing of talented people Diversity and inclusion 	<ul style="list-style-type: none"> Hiring activities Numbers of applicants (technical jobs), interviews (technical jobs), new graduates (technical jobs and general jobs), and mid-career hires (technical jobs and general jobs) Career formation support activities Total number of recipients of training courses Career path Numbers of One UT users, Next UT users, UT Entry users, and Job changers from a technical job to a general job HR development Indicators Median annual salary, median annual salary increase, retention rate of technical associates, number of employees (domestic, domestic technical, overseas technical, and general jobs) Workplace development activities Number of client companies (domestic and overseas), and workplaces (domestic and overseas) Diversity indicators Numbers of elderly hired, disabled persons hired, and women hired (technical and general jobs), and ratios of female directors, female managers, and female associates
		Basic Policies on Organizational Governance Basic Policy on Corporate Governance Basic Policy on Sustainability Basic Policy on Stakeholder Engagement Basic Policy on Internal Control System Basic Policy on Risk Management Basic Policy on Compliance Basic Policy on Information Security	Organizational support and business base to support value creation activities	Continued strengthening of business base We continue to lead the staffing industry from the perspective of workers, without being constrained by legacy customs.	<ul style="list-style-type: none"> Appropriate work practices Health and safety of associates Data security 	<ul style="list-style-type: none"> Proper labor practices Acquirers of child-care leave (male and female), return rate after child-care leave, and acquirers of nursing-care leave Health and safety of employees Average overtime hours Data security Number of recipients of information security training courses
				Fair and transparent organizational controls We foster a corporate culture that respects each individual, and maintain an open and fair corporate attitude.	<ul style="list-style-type: none"> Business ethics Corporate governance Code of Conduct 	<ul style="list-style-type: none"> Business ethics Recipients of compliance training courses, and cases of serious violations of laws and regulations Code of Conduct Internal whistleblowing cases, and cases of human rights-related consultations Corporate governance Attendees at the general meeting of shareholders, questions raised at the general meeting of shareholders, voting rights exercise rate, ratio of independent outside officers, average attendance rate of the Board of Directors, Board meetings held, Nomination and Compensation Committee meetings held, IT Investment Committee meetings held, Compliance and Risk Management Committee meetings held, Governance Council meetings held, and Management Committee meetings held
		Basic Policy on Environmental Policy	Environmental-friendly sustainable business management	Appropriate environmental considerations We recognize our impact on the natural environment and appropriately control it.	<ul style="list-style-type: none"> Development of environmental policies and environmental management 	<ul style="list-style-type: none"> Environmental management Greenhouse gas emissions, and paper consumption to sales

Materiality assessment process

In order to understand the social needs of the staffing industry so that we properly identify our materiality, we looked at the items of the SASB Materiality Map's service sector and the items that RobecoSAM has set as criteria to focus on in the Professional Services sector. We did this to facilitate extracting 12 items that are considered to be highly desirable in the staffing industry. We then had dialogues with external stakeholders and asked what they expected of UT Group. In order to discuss matters from a common perspective, we asked them to assign relative priorities to the 12 items of the staffing industry and asked for their specific opinions based on

that. Similar processes were carried out internally, to receive opinions from executives, managers, associates*, and others. We thus set priority on the relevance of UT Group's business to its items.



Toward the realization of sustainability management

We respect each and every worker, and aim to maintain harmony with society from the perspective of the workers

Sustainability approach and promotion system

In order to create an environment in which as many people as possible who have the will to work can pursue their own potential, the UT Group will work together with client companies to build good workplaces and create as many virtuous cycles as possible in society whereby both workers and companies can grow. All of our officers and associates strive for realizing an organization in which diverse individuals respect and make the best of each other, contributing to the sustainable co-existence and co-prosperity of individuals and society.



Continuously strengthen the business foundation

• Materialities and goals

<p>Appropriate work practices</p> <p>Enabling diverse workstyles</p> <p>We focus on ensuring that all associates receive fair evaluations and are rewarded in accordance with their proper workstyle and capabilities, without being bounded by industry practices. We will not tolerate any violation of human rights.</p>	<p>Health and safety of associates</p> <p>Stable operations of associates to help realize customer value</p> <p>With client companies, we develop workplaces that ensure safe and healthy work, and cooperation, so that each and every associate can continue to work with peace of mind.</p>	<p>Data security</p> <p>Enhancing security literacy education</p> <p>Regarding the handling of personal information of associates and job applicants as well as client information, we strive to ensure a high level of information security and cybersecurity in accordance with the relevant policies and regulations.</p>
Benefits to the UT Group business		
<p>Synergies of a higher retention rate of associates and improvement in their skills</p> <p>Reduced business risks</p>	<p>A reliable, safe work environment increases the retention rate of associates, leading to the improved effectiveness of training and reduced hiring costs. In addition, consulting for improving the workplace environment also has significant benefits for client companies, which leads to strengthening relationships with them.</p> <p>We possess massive data, including personal information of associates and job applicants, as well as confidential information of client companies, and any unforeseen circumstances in information security can severely damage the business. The enhanced information literacy we achieve reduces these business risks and leads to sustainable business growth.</p>	

Expand the potential of each and every one

• Materialities and goals

<p>Development of HR</p> <p>20% increase in average annual income of technical associates by FY3/2025*</p> <p>We will provide access to our extensive career development support system, career paths that enable workers find the work of their liking, and personal bonding with a Career Partner and others, to help each and every one of our associates to grow.</p> <p><small>* Target for FY3/2025 compared to FY3/2021</small></p>	<p>Securing of talented people</p> <p>50,000-60,000 technical associates by FY3/2025</p> <p>We are creating good workplaces where our associates can feel rewarded and growing, and work with vigor.</p>	<p>Diversity and inclusion</p> <p>The ratio of women in managerial positions* to 15% by FY3/2025</p> <p>In line with the diversification of workstyles, we emphasize diversity in which everyone can work their own way. We want to become a platform for workstyles that are not bound by any attribute, such as age, gender, or nationality.</p> <p><small>* The ratio of women in managerial positions at UT Group Co. and its major operating companies.</small></p>
Benefits to the UT Group business		
<p>Increase in market share and in unit contract price</p> <p>Diversity to be secured to enhance hiring capabilities</p>	<p>By securing abundant human resources, we will realize the worker dispatch system with quick response to client needs. Improvement of skills of the workforce contributes to improving the productivity of the dispatched company, that generally will result in an increase in the unit contract price. Improved customer satisfaction also leads to an increase in our share at the dispatched workplace.</p> <p>Expanding the recruitment target to people with diverse attributes, such as women, older people, and non-Japanese, will strengthen hiring capabilities. Ensuring diversity in the functions of the head office not only helps establish a sound management system, but also serves as a foundation for empowering diverse human resources.</p>	

Fair and transparent organizational controls

• Materialities and goals

<p>Business ethics</p> <p>Ensuring thorough compliance</p> <p>We thoroughly educate all officers and associates on compliance and continuously strengthen internal control. We also focus on the soundness of the worker dispatch industry by establishing a compliance system in the dispatched workplace.</p>	<p>Corporate governance</p> <p>Continuous improvement of the effectiveness of the Board of Directors</p> <p>With a strong awareness that our business bears great social responsibility, we are working to improve our system for accurate and prompt decision-making and business execution, as well as our system for supervision and monitoring.</p>	<p>Code of Conduct</p> <p>Promoting understanding of human rights issues among officers and associates</p> <p>The UT Group Code of Conduct and the UT Group Compliance Code of Conduct stipulate appropriate actions to comply with laws and regulations, social norms, internal rules and other rules to be taken, and that officers and associates shall comply with it.</p>
Benefits to the UT Group business		
<p>Protection of associates who play the key role of the business</p> <p>Compliance with laws and regulations related to worker dispatch</p>	<p>We believe that human rights compliance is of utmost importance to technical associates who perform their duties. All initiatives to enable technical associates to grow, and to improve both their retention rate and the workplace environment, are based on a high level of human rights awareness and commitment to the workers.</p> <p>We believe that violations of laws and regulations and other compliance violations are business risks that may lead to cancellation of dispatch contracts, claims for damages, and loss of social credibility. In particular, understanding of many laws and regulations related to the worker dispatch business is indispensable for business continuity.</p>	

Eco-friendly, sustainable business operations

Materialities and goals

Development of environmental policies and environmental management	<p>Continuous reduction in the ratio of paper use to net sales</p> <p>Based on the Basic Environmental Policy, we strive to efficiently use environmental resources, reduce greenhouse gases and other substances of concern that are emitted as a result of our business activities, and work to conserve the global environment. We also conduct education and enlightenment activities to ensure that officers and associates of our Group companies understand the importance of environmental conservation.</p>
Benefits to the UT Group business	<p>Many of the large-scale manufacturers—our main clients—are working to reduce their environmental impact, including decarbonization, as an important management issue. They also ask business partners such as us to do the same and this is an important factor in enhancing the continuity of contracts.</p> <p>The realization of a sustainable society contributes to the business continuity of the client companies to which we are dispatched, which in turn leads to the continuity of our market.</p>
Meet the needs of client companies	
Contribute to market sustainability	

Responding to climate change

In the event of a large-scale natural disaster related to climate change, production activities may be suspended due to damage to the manufacturing facilities of client companies or other disturbances, increasing physical risks related to the supply chain. In response to climate change and other environmental issues that have become more apparent on a global scale, we are building an environmental management system in line with the Basic Environmental Policy formulated in April 2021. In addition, we will continuously disclose information in accordance with the framework proposed by the Task Force on Climate-related Financial Disclosures (TCFD).

1 Governance

- a. The process by which the Board of Directors receives reports on climate-related issues, how often they are addressed, and what are monitored
The UT Group has established a company-wide risk management system to manage and analyze risks, including climate change, and to report the analysis to the Management Committee and the Board of Directors at least once a year.
- b. Management's responsibility for climate-related issues, processes for receiving reports (e.g. committees), and monitoring methods
The President, who has the highest authority for climate-related issues, has established the Sustainability Office to promote sustainability at the Management Committee and the Board of Directors, and manages and promotes initiatives related to sustainability issues, including climate change.

2 Risk management

- a. Details of the process for identifying and assessing climate-related risks and how to determine their importance.
As part of the company-wide risk management process, the UT Group regularly conducts comprehensive risk assessments and identifies risks related to climate change. After that, the degree of importance is determined based on the frequency of occurrence and the degree of impact through interviews with related divisions.
- b. Details and prioritization of critical climate-related risk management processes
For important risks, including climate-related risks, the Risk Monitoring Office monitors the status of measures and reports risk information to the Management Committee and the Board of Directors.
- c. Status of integration into the company-wide risk management system.
In the UT Group, material risks, including climate change, are managed by the Management Committee after regular risk assessments, and the status of such risks is monitored by the Board of Directors.

3 Strategy

	Scenario	Potential financial impact	Commitment
Transition risks	Increased legal and social requirements for strengthening decarbonization efforts and the resultant increase in the cost to respond to these demands	Small	Take various measures to adapt to a decarbonized society
Physical risks	Loss of sales opportunities due to suspension of operations in the event of a natural disaster caused by climate change	Small	<ul style="list-style-type: none"> Reduce the impact of a decline in sales through the introduction of compensation for absence from work in transaction contracts and other measures Reinforce the system for quickly confirming the safety of associates
	Deforestation to accelerate climate change	Small	Reduce paper consumption in offices

4 Metrics and goals

- a. Indicators used to manage climate-related risks and opportunities.
In order to curb paper consumption in offices, the UT Group has adopted paper consumption to net sales (an index based on the ratio of FY3/2022 as 100) as an indicator.
- b. Result

	FY3/2020	FY3/2021	FY3/2022
The paper consumption to net sales*	100.0	79.8	57.0

* The indicator is calculated as 100 for the fiscal year ended March 31, 2020

Sustainability Indicators (non-financial KPIs)

Indicators aimed at respecting the will of each and every worker, and aiming for co-existence and co-prosperity with society from the perspective of workers have been set as follows:

Broaden the potential of each individual

Hiring activities	FY3/2020	FY3/2021	FY3/2022
Applicants (technical jobs)*1	109,220	116,463	180,648
Numbers of interviews (technical jobs)*1	35,252	36,753	60,628
Graduates hired (technical jobs)*2	951	553	584
Graduates hired (general jobs)*3	26	17	22
Mid-career hired (technical jobs)*4	6,483	7,291	14,406
Mid-career hired (general jobs)*3	93	76	197
Career formation support activities	FY3/2020	FY3/2021	FY3/2022
Recipients of training courses*6	37,005	32,874	44,351
Career path	FY3/2020	FY3/2021	FY3/2022
One UT users	322*6	236*6	570*3
Next UT users	456*2	412*2	541*3
UT Entry users*3	406	348	295
Job changers, from a technical job to a general job*3	55	18	60
HR development Indicators	FY3/2020	FY3/2021	FY3/2022
Median annual salary*3	-	-	3,346,991
Median annual salary increase*7	-	-	+5.8
Monthly retention rate of technical associates*8	-	-	96.8
Number of employees (domestic)*3	22,305	25,083	33,478
Number of employees (domestic technical)*3	-	-	31,636
Number of employees (overseas technical)*10	-	-	13,982
Number of employees (general jobs)*3	-	-	1,842
Workplace development activities	FY3/2020	FY3/2021	FY3/2022
Number of client companies (domestic)	1,042*3	1,538*3	1,658*9
Number of client companies (overseas)*10	-	-	86
Workplaces (domestic)*9	-	-	2,197
Workplaces (overseas)*10	-	-	157
Diversity indicators	FY3/2020	FY3/2021	FY3/2022
Elderly hired	569*11	425*11	1,939*3
Disabled persons hired	33*7	14*7	152*12
Women hired (technical jobs)	1,914*4	2,838*4	5,078*3
Women hired (general jobs)	49*11	36*11	72*3
Ratio of female directors*13	0.0	0.0	14.3
Ratio of female managers*13	11.0	10.5	14.3
Ratio of female associates*3	28.0	28.9	28.7

- *1 UT Aim, UT Community, Support System, UT Pabec, UTHP, and UT Construction
- *2 UT Aim, UT Community, UT Pabec, UT Technology, and UT Construction
- *3 UT Group companies in Japan
- *4 UT Aim, UT Community, Support System, UT Pabec, UTHP, UT Technology, and UT Construction
- *5 UT Group, UT Aim, UT Community, UT Pabec, UTHP, UT Technology, and UT Construction
- *6 UT Aim, UT Community, UT Pabec, UTHP, UT Technology, and UT Construction
- *7 Manufacturing Business and Engineering Business
- *8 UT Aim, UT Community, UTHP, UT Technology, and UT Construction
- *9 UT Group companies in Japan except UT FSAS CREA
- *10 Overseas UT Group companies
- *11 UT Group, UT Aim, UT Community, Support System, Seekel, UT Pabec, UTHP, Fujitsu UT, UT Toshiba, UT System Products, UT MESO, UT Technology, UT Construction, and UT Heartful

Continued strengthening of business base

Proper labor practices	FY3/2020	FY3/2021	FY3/2022
Acquirers of child-care leave (total)*3	-	242	256
Acquirers of child-care leave (male)*3	-	-	27
Acquirers of child-care leave (female)*3	-	-	229
Return rate after child-care leave*3	83.1	79.6	83.2
Acquirers of nursing-care leave*3	-	4.0	12.0
Data security	FY3/2020	FY3/2021	FY3/2022
Number of recipients of information security training courses*9	-	-	27,343
Health and safety of employees	FY3/2020	FY3/2021	FY3/2022
Average overtime hours*14	18.2	11.5	16.4

Fair and transparent organizational controls

Business ethics	FY3/2020	FY3/2021	FY3/2022
Recipients of compliance training courses	20,788*15	17,411*15	27,343*9
Cases of serious violations of laws and regulations*3	0	0	0
Corporate governance	FY3/2020	FY3/2021	FY3/2022
Attendees at the general meeting of shareholders*13	71	32	32
Questions raised at the general meeting of shareholders*13	11	3	4
Voting rights exercise rate*13	85.0	80.1	88.7
Ratio of independent outside officers*13	75.0	60.0	64.0
Average attendance rate of the Board of Directors*13	99.0	100.0	99.5
Board meetings held*13	21	19	20
Nomination Committee meetings held*13	4	4	1
Nomination and Compensation Committee meetings held*13	-	-	3
IT Investment Committee meetings held*13	10	9	13
Compliance and Risk Management Committee meetings held*13	12	12	12
Governance Council meetings held*13	-	-	4
Management Committee meetings held*13	-	-	35
Code of Conduct	FY3/2020	FY3/2021	FY3/2022
Internal whistleblowing cases*9	5	0	1
Cases of human rights-related consultations*9	-	-	18

Appropriate environmental considerations

Environmental management	FY3/2020	FY3/2021	FY3/2022
Greenhouse gas emissions*16*18	2,015.5	1,738.3	1,901.1
Greenhouse gas emissions (Scope 1)	-	-	-
Greenhouse gas emissions (Scope 2)	34.1	25.7	29.9
Greenhouse gas emissions (Scope 3)	1,981.4	1,712.6	1,871.2
Paper consumption to sales*17*19	100.0	79.8	57.0

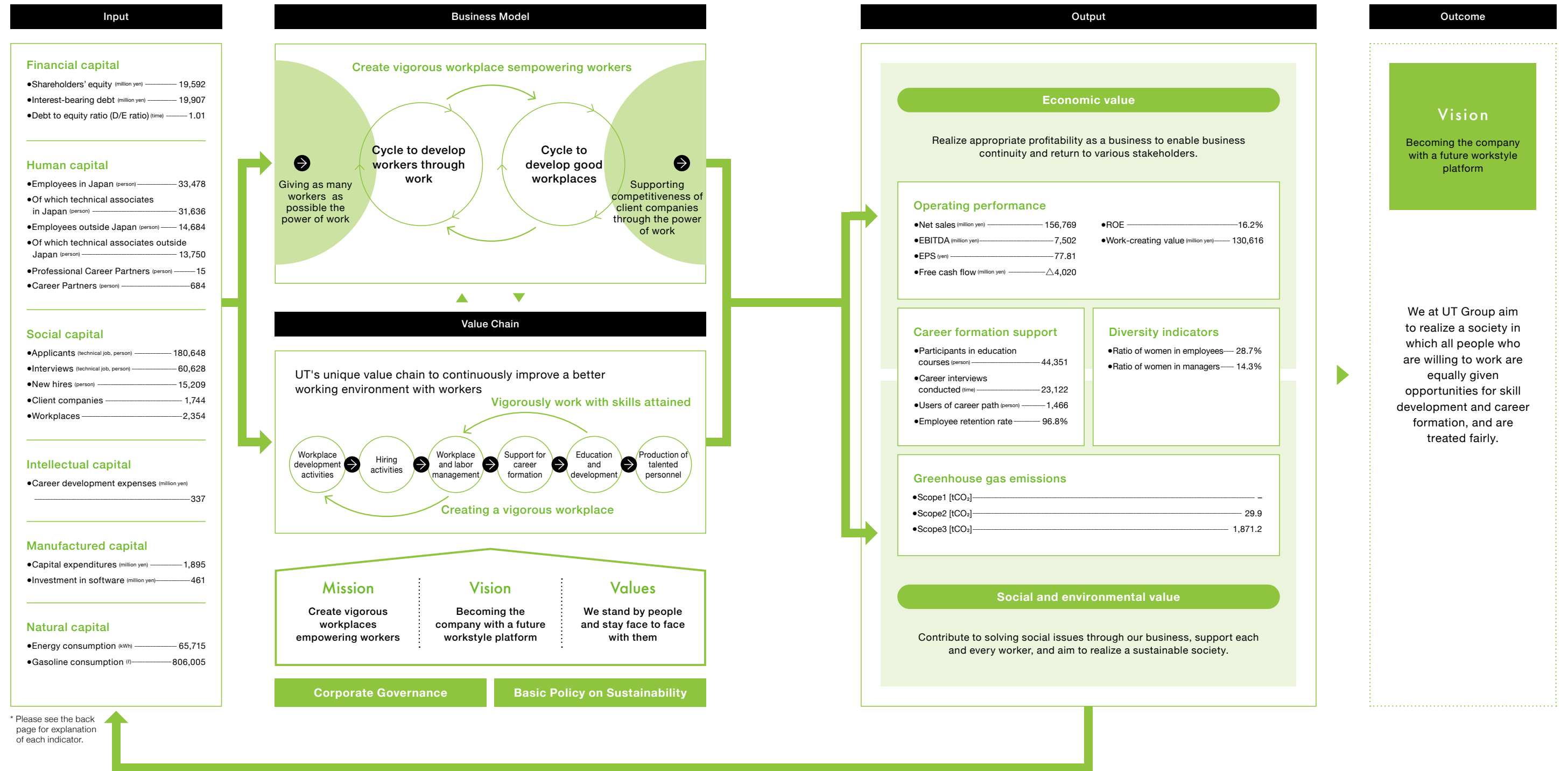
- *12 UT Group and UT Heartful
- *13 UT Group (Attendees at the general meeting of shareholders include the live video viewers)
- *14 UT Group, UT Aim, UT Community, UT Pabec, UTHP, UT Technology, UT Construction, and UT Heartful
- *15 UT Group, UT Aim, UT Community, UT Pabec, UTHP, Fujitsu UT, UT Toshiba, UT Technology, and UT Heartful
- *16 UT Group and UT Aim
- *17 UT Group, UT Aim, UT Community, UT Pabec, UTHP, UT Toshiba, UT System Products, UT Technology, UT Construction, and UT Heartful
- *18 Emissions are calculated based on the "Green Value Chain Platform" of the Environment Ministry and the Ministry of Economy, Trade and Industries. Scope1: Direct emissions of greenhouse gases from burning fuel at business site Scope2: Carbon dioxide emissions from electricity use in the offices Scope3: Major indirect emissions excluding the above (use of company vehicles for business)
- *19 Indicators are set based on 100 for FY3/2020.

Value creation process

UT Group is creating value that is deeply associated with the development of society in order to help realize a society where workers and companies can grow sustainably.

Based on a business model called the "Twin Customer Strategy," which enables all involved to achieve sustainable growth with both workers and client companies as its customers, we are building a value chain run by a sustainable cycle centered on HR development and the creation of better workplaces. By investing appropriate financial and non-financial capital into these two unique frameworks of the UT Group, we

will create economic value in our business and social and environmental value. This is one way we contribute to the realization of a better society as a company. By making the outputs as the starting point of a virtuous cycle, we will continue to work toward the realization of the vision, "Becoming the company with a future workstyle platform."



01

Business strategy



The goal of our business is to have both workers and client companies as customers and help everyone involved achieve sustainable growth.

UT Group's business model is based on the growth of workers and aims to contribute to client companies' improvement of productivity and mobilization of human resources.

Business operation centered on three segments

UT Group business operations are centered on manufacturing, engineering, and client solutions, while creating synergies among the separate businesses, mainly in the areas of human resources.

Summary of each segment * The business segments up to FY3/2022

Manufacturing Business

This segment is engaged in manufacturing dispatch and outsourced work services. Our strength is that we can dispatch teams of associates* for outsourced work of an entire production line to Japan's major manufacturers of semiconductors, electronic components, and automobile-related products. In addition to being able to mobilize a large number of highly skilled personnel, our high personnel retention rate has been highly evaluated by client companies.

- UT Aim Co., Ltd.* : Manufacturing personnel services, Administration service and consulting business of the Training Programs for Foreign Workers
- UT Community Co., Ltd.* : General personnel dispatch and outsourced work
- Support System Co., Ltd.* : General personnel dispatch and outsourced work
- Seekel Holdings Co., Ltd. : General personnel dispatch and outsourced work
- Green Speed Joint Stock Company : General personnel dispatch and outsourced work in Vietnam
- Progress Group Inc.* : General personnel dispatch and outsourced work
- SURI-EMU Corp. : General personnel dispatch and outsourced work

* Reorganized as UT Connect in April 2022

Note: "Associate" is a term UT Group has decided to use to describe its employees.

Engineering Business

This segment is engaged in transfer of engineers in design & development, software, IT, and construction. In addition to new graduates, operators in the Manufacturing Business with no experience in engineering are trained and transferred to client companies as engineers. We also focus on developing higher-value-added engineers by operating a training facility where we assist engineers to further enhance their skills.

- UT Aim Co., Ltd. : Design and manufacturing engineer outsourcing and commissioned business
- UT Technology Co., Ltd. : IT engineer outsourcing and commissioned business
- UT Construction Co., Ltd. : Construction engineer outsourcing

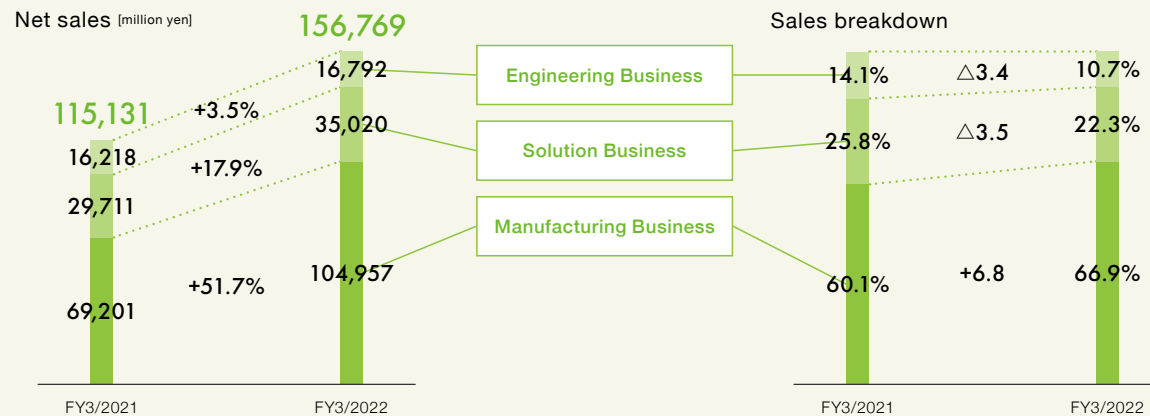
Solution Business

This segment supplies large corporate groups with labor issue solutions by accepting their employees as UT Group's employees. We deploy diverse solutions to assist client companies' structural reforms, including the type of outsourced work called client employee transfer (In-house Solution Service) in which all manufacturing employees of one plant of the client company as well as their work are transferred to UT Group. Reforms also include establishment of a joint company with a client company in which we assist fixed-term employees' change in status to regular (open-ended) employment.

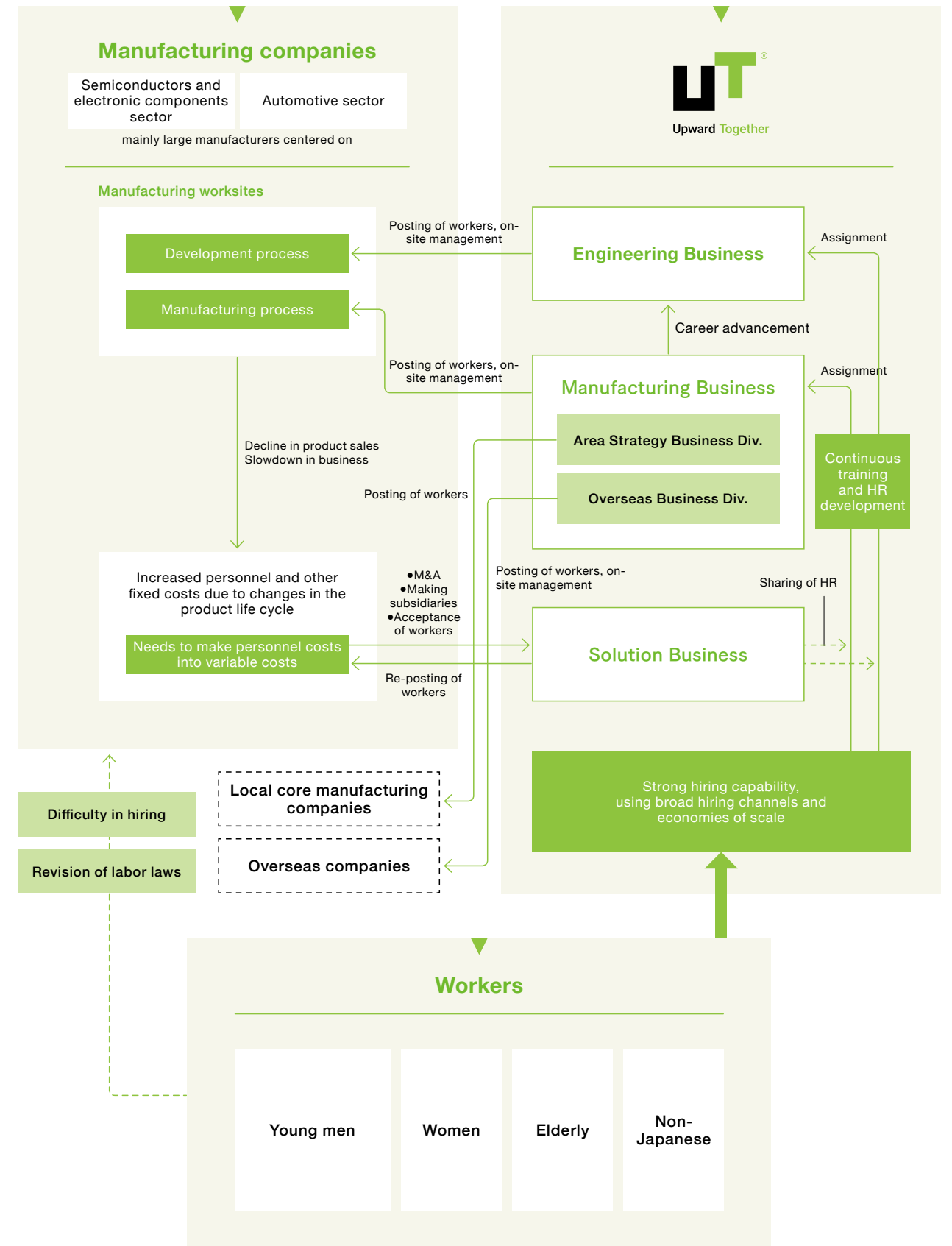
- UT Pabec Co., Ltd.** : Battery manufacturing personnel dispatch and outsourced work
- UTHP Co., Ltd.* : Manufacturing personnel dispatch and outsourced work
- Fujitsu UT Co., Ltd. : General personnel dispatch and outsourced work
- UT Toshiba Co., Ltd. : General personnel dispatch and outsourced work
- UT MESO Co., Ltd. : Manufacturing outsourced work and dispatch of engineer for elevators, escalators, etc.
- UT FSAS CREA Co., Ltd. : Contracting business for staffing, operation and deployment of administrative and IT personnel

* Reorganized as UT Connect in April 2022
** Merged into UT Aim in April 2022

Operating Results by Segment—Net Sales and Breakdown



Business segments' functions and interactions

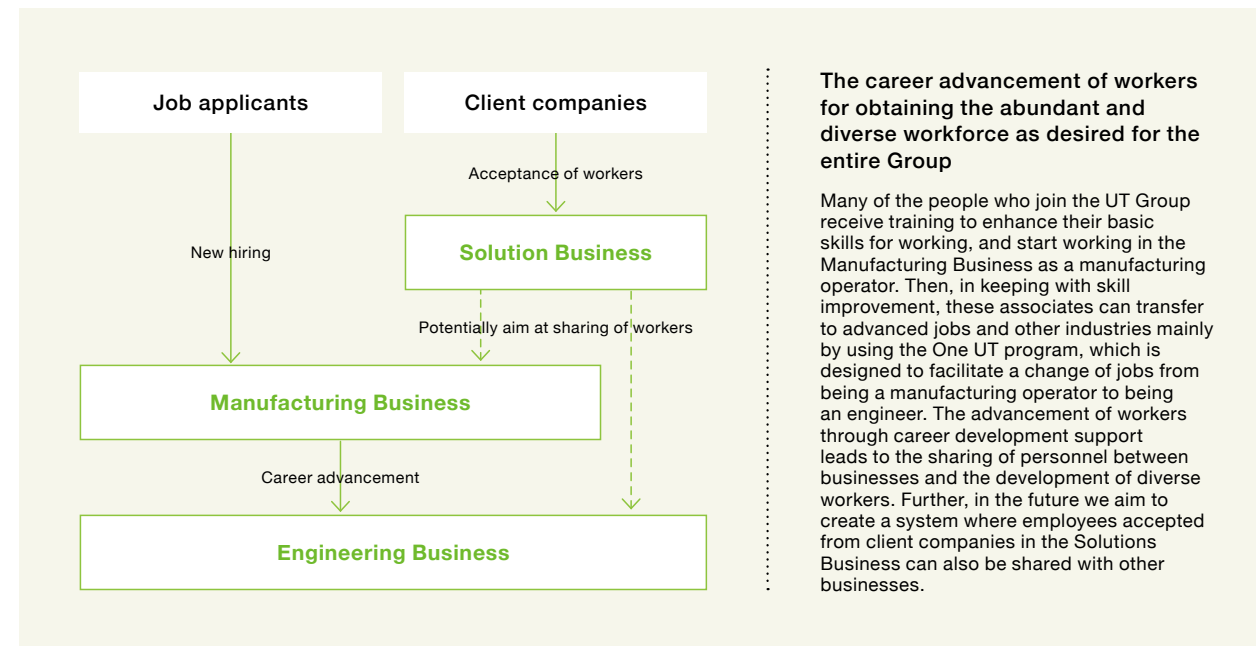


Complementary relationship of three segments

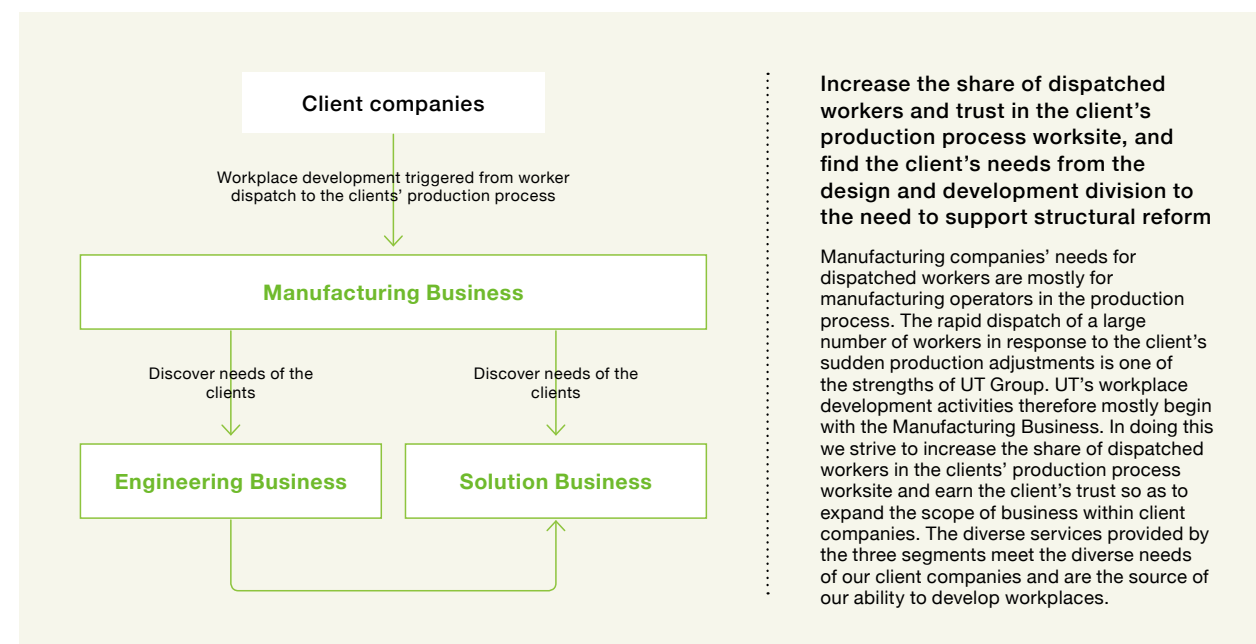
The Manufacturing Business is mainly involved in the manufacturing process of products and the Engineering Business is engaged in design and development and quality assurance, while the Solution Business supports the HR structural reform of client companies. The respective scope of each segments is defined so as

to create interactions by complementing each other in sharing of personnel, ongoing workplace development, and business segmentation according to the product lifecycle.

Cross-segment utilization of workers



Workplace development activities starting from the Manufacturing Business



Addressing the product lifecycle in the manufacturing industry

Provide solutions tailored to the product cycle in the market from the introduction stage to the decline stage

UT's Manufacturing Business responds to the increasing demand for workers from the introduction stage of production start-up as production expands. When the product enters a stage of decline or when a withdrawal from the production needs to be considered, UT's Solutions Business supports the client's structural reform through schemes such as the transfer of the client's full-time employees to UT Group and permanent employee transfer contracts and M&A (UT to acquire the business). The product life cycle is greatly affected by market slowdown and other factors, but UT Group is prepared to respond to needs of clients during their growth phase and the decline phase. That is why UT Group's business foundation is solid and less susceptible to economic fluctuations.

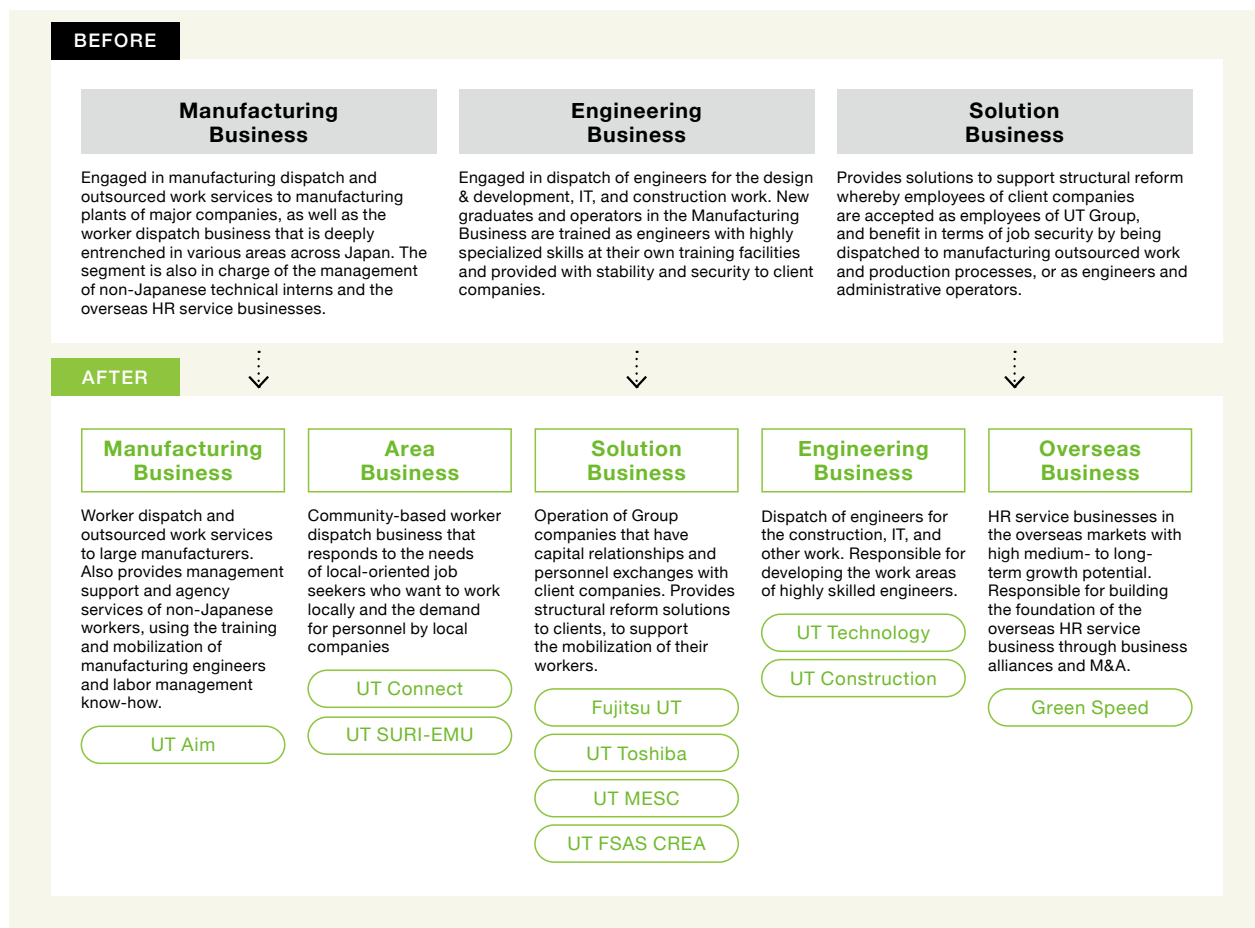
What is a product lifecycle?
A product lifecycle shows a pattern of product growth in a market. The lifecycle has four stages: introduction, growth, maturity, and decline.

UT Group's segments that correspond to each stage of the lifecycle

- Worker dispatch to production processes to realize stable production lines**
UT's manufacturing operators support a stable production line during a stage of the product becoming accepted in the market and a stage of its mass production. We dispatch workers mainly to major companies in the automotive and semiconductor/electronic components sectors.
- Support of the mobilization of the client's personnel during stages of investment curtailment and business withdrawal**
As the product enters a stage of decline, both sales and profits decrease, and there emerges a need to curb investment and withdraw from the business. UT's Solution Business supports the mobilization of the client's personnel while continuing to respond to existing client.

Business segment changes in line with the Fourth Medium-term Business Plan

Since April 2022, the segment classification has been changed from the previous three segments to five segments. This change will strengthen our business strategies based on the characteristics of each segment.



Segment changes and overview of the five new segments

UT Group has changed and evolved its business model in line with the diversifying needs of client companies and updated aspirations of workers. Segments have been reorganized into the five business segments according to the characteristics of each business model.

The key point of the change in business segments is that the Area Business and the Overseas Business were spun off from the former Manufacturing Business to become new separate segments.

With this change, the new Manufacturing Business is now dedicated to business with large manufacturers. The segment supports production activities of industries such as semiconductors, electronic components and automobiles, that are expected to grow further, through dispatch of and outsourced work services by large numbers of manufacturing operators and manufacturing engineers, as well as management support and agency services of non-Japanese workers.

Unlike the Manufacturing Business that specializes in clients of a certain scale and certain industries, the Area Business is engaged in community-based worker dispatch business that supports workers and manufacturing companies in various fields in various areas of Japan. UT Connect, which was established in April 2022, plays a central role. Going forward, this segment will continue to make alliances with and acquire local dispatch companies to enhance the level

of local workplace enrichment. The Solutions Business will continue to support large client companies' mobilization of their employees in response to their need for structural reform. The segment will also further strengthen relationships with large corporate groups through the operation of Group companies that have capital relationships and personnel exchanges with client companies. The Engineering Business will expand its high-margin business model with UT Construction in charge of the construction engineer field and UT Technology, the IT engineer field. Lastly, the Overseas Business focuses on Green Speed, a major worker dispatch company in Vietnam that became a consolidated subsidiary through acquisition in October 2020, to expand the manufacturing work dispatch to local companies. The segment also aims to create reliable workplaces for non-Japanese workers who have associated with UT Group in Japan (Manufacturing Business) after returning to their home countries. With the five new business segments, UT Group will respond to the current customer needs and strengthen the foundation for its medium- to long-term growth.

Manufacturing Business

The Manufacturing Business provides a wide range of worker dispatch services, from manufacturing operators to manufacturing engineers, to major manufacturers such as companies making semiconductors and automobiles. By retaining technical associates and improving their skills, we are increasing the value we provide to both workers and manufacturing companies.

We respond to the HR issues of major manufacturing companies and support the foundation of growth industries

The Manufacturing Business is conducted by UT Aim, which plays a central role in the UT Group's dispatch of manufacturing workers. UT Aim supports production processes for semiconductors and electronic components, semiconductor manufacturing equipment, automobiles,

batteries, etc. through worker dispatch and outsourced work services. These client industries are important in Japan and are expected to develop further partly with the support of the government.

UT Aim Co., Ltd.

Since its founding, UT Aim has been the core of the UT Group's HR service business for the manufacturing industry. In 2018, it received the Grand Prize of the Good Career Company Award of the Ministry of Health, Labour and Welfare.

Growing needs for UT's "employment agency solution" and management support and agency services of non-Japanese workers

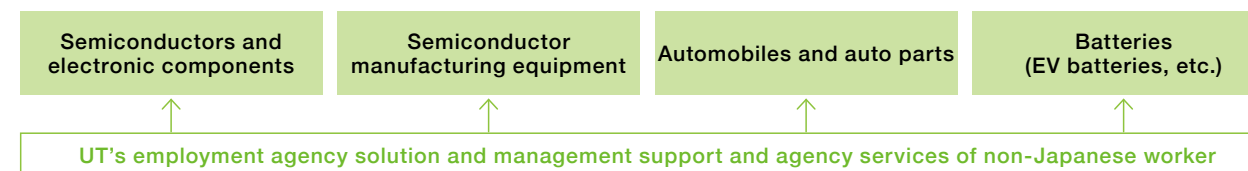
As Japan's working age population is declining along with the declining birthrate, it continues to be difficult to hire workers in all types of jobs. At the same time, many manufacturing industries need to adjust their labor force as reaction to production fluctuations.

Another emerging issue is the transfer of manufacturing skills due to less hiring of full-time employees employed at manufacturing sites. One way to resolve these management issues is the "Employment agency solution." For many years, we, the UT Group, have employed manufacturing workers as our full-time employees on behalf of client companies and has helped them improve their skills and develop their careers. Our expertise in labor management and process management at dispatched worksites is highly

regarded. Nowadays, the value of UT Aim's employment agency solution—from HR hiring, retention, development, and training for work-readiness, all handled by UT Aim—is increasing even more as the environment has become more difficult to hire workers.

The Manufacturing Business also provides management support and agency services of non-Japanese workers under the Government's Technical Intern Training Program and the Specified Skilled Worker Visa System for Foreigners, utilizing the labor management foundation we have cultivated for dispatched workers. We have established a strict compliance system and support empower non-Japanese workers.

Responding to HR issues in the production process of industries that are expected to grow further



As the "second HR division" of client companies, we will contribute to structural reform and productivity improvement at the worksite

UT's Manufacturing Business is specialized in large-scale deals with major manufacturers, and pursues added value as a dispatch worker operator. We asked client companies and employees at the worksites what a better workplace means to them. The employment agency solution was the answer based on a large number of statements during interviews at the worksites. This solution means that the UT Group, as, in effect, a second HR Division, will work closely with client companies to solve the issues facing manufacturing sites by providing comprehensive services spanning from HR hiring, retention, development to training for work-readiness. In particular, we are focusing on the training of semiconductor manufacturing equipment (SME) engineers and have a plan to produce 5,000 SME engineers during FY3/2022-FY3/2025. Our goal is to provide services that deliver outcome. By stimulating job seekers' mindset to become eager for growth and turning them into engineers, we will provide the employment agency solutions not only in the existing automotive and semiconductor/electronic component sectors, but also in all other sectors.



Nobuyuki TSUKUI

Senior Executive Officer in charge of the Manufacturing Business Division President of UT Aim Co., Ltd.

Joined Victor Company of Japan, Limited in 1989. After serving as Director, Business Planning Office of Daitec Co., Ltd. (Crystal Group), and as Managing Executive Officer of Icon World Co., Ltd. (currently, Fujiwork Co., Ltd.), he joined UT Group in 2012.

Area Business

In response to the needs of job seekers who want to work in their hometown, the Area Business provides a variety of work opportunities in each area. We are working to strengthen our local hiring capabilities and to develop a stable employment environment.

We are pursuing the Area Platform Strategy, one of the pillars of the Fourth Medium-term Business Plan

UT Group has positioned the Area Platform Strategy as one of the growth strategies in its Fourth Medium-term Business Plan. This is in response to the voices of people who want secure jobs in their hometown, and this social demand is growing more and more. Therefore, in order to meet the different demands of job seekers and client companies by

geographic area, each area office is organized so as to make its own decisions from sales to hiring.

This Area Platform Strategy is executed by the Area Business segment, specifically by UT Connect, which was established in April 2022 through the integration of several subsidiaries that had conducted business in various areas.

UT Connect Co., Ltd.

In April 2022, UT Community took over the area strategy business of UT Aim through an absorption-type company split, merged UT Group's subsidiaries engaged in the area business through an absorption-type merger, and was renamed UT Connect.

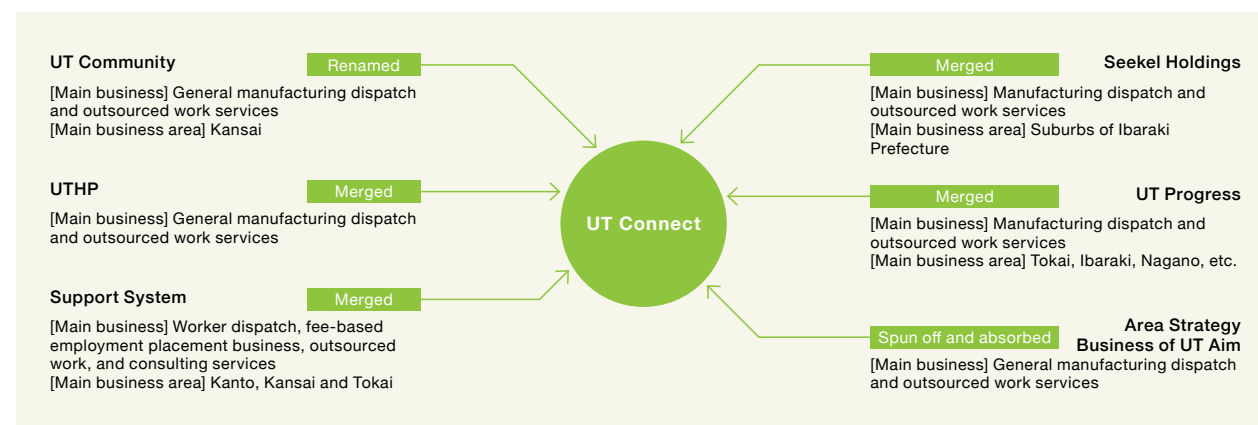
UT SURI-EMU Co., Ltd.

For more than 30 years, UT SURI-EMU has been engaged in manufacturing dispatch and outsourced work services mainly in Aichi Prefecture. It has strength in the utilization of human resources of the Nikkei (Japanese Brazilian) community.

Collaboration with local dispatch companies through M&A

There are many dispatch companies throughout Japan. We therefore pursue acquisition of worker dispatch companies that have a local hiring base and a network of client companies for dispatch, so as to enhance the level of workplace enrichment in areas and expand the community-based career platforms. In recent years, we have acquired

leading dispatch companies based in Ibaraki and Aichi prefectures and have expanded our business base in these areas. We are convinced that, for job seekers who choose jobs based on a value criteria of the safety and security in familiar lands, there is a high need for UT Group's advocacy of workstyles suited to their life stages.



Our goal is to take on the role of a cross-company "local HR division"

The Area Business aims to be a platform for co-employment in local areas, which means that the area produces jobs and people who have been raised in the area play an active role in local companies across the area. The UT Group's Area Strategy Business segment is comprised of leading worker dispatch companies, in various areas, which have been acquired. By combining these local companies' area-specific business foundations with the UT Group's business fundamentals and know-how to meet the demands of major manufacturing companies, we will be able to provide higher-quality HR solutions. Our aim is to become the "best local outlet" in various parts of Japan and our goal is to take on the role of a cross-company "local HR division." What is important here is to become a company that is chosen by workers. In the future, a wide range of job seekers, including not only young men but also women, older workers, and non-Japanese, will be targeted, and we will make efforts to develop diverse workplaces in order to build a community-based career platform where our associates can advance their career, while working locally.



Tsutoshi YAMADA

Senior Executive Officer in charge of Area Strategy Business Division, UT Group
President, UT Connect Co., Ltd.
President, UT SURI-EMU Co., Ltd.

Joined Nihon Aim (now UT Aim) in 2005 as the first cohort of new hires and has served as manufacturing engineer then as on-site manager in Tokai and Kinki regions. He was appointed Senior Executive Officer in April 2021.

Solution Business

The Solution Business supports large client companies' mobilization of their employees in response to their needs for structural reform. We will help solve the HR issues of companies in order to respond to changes in the business environment.

We strengthen relationships with client companies by supporting the mobilization of their employees

The Solution Strategy is one of the growth strategies of UT Group's Fourth Medium-term Business Plan. By supporting the mobilization of workers of large corporate groups, we aim to help solve these client companies' management issues and enhance the mutual relationships. In case of large groups that operate a wide range of businesses, their organizations and

people often need to be flexible in adapting to change in the business environment. The Solution Business provide various support related to HR strategy of client companies, such as reorganization of group companies, mobilization of personnel, and re-employment of retirees along with structural reforms, by utilizing UT Group's HR business know-how.

Fujitsu UT

In April 2018, formerly a Fujitsu Group company became UT's consolidated subsidiary.

UT Toshiba

In April 2020, formerly a Toshiba Group company, became UT's consolidated subsidiary.

UT MESC

In July 2020, formerly a Hitachi Group company, became UT's consolidated subsidiary.

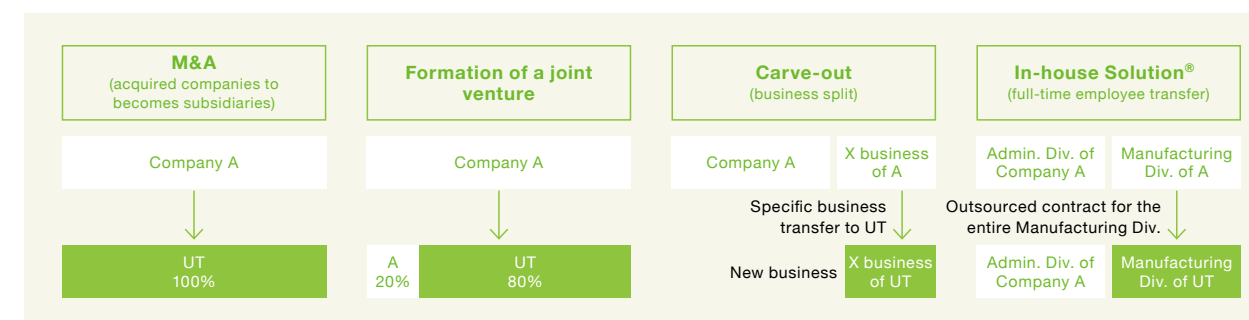
UT FSAS CREA

In October 2021, formerly a Fujitsu Group company, became UT's consolidated subsidiary.

Basic scheme of the Solution Business

The Solution Business is driven by four major schemes: 1) to create subsidiaries through M&A; 2) to form joint ventures based on joint investment; 3) business splits called carveouts; and 4) the transfer of clients' full-time employees to UT Group, called "In-house Solution®." The most unique scheme is the "In-house Solution®",

in which UT Group takes over the specific business and employees of a client company. We have so far accepted a total of 2,700 employees from 13 clients as our full-time employees, and have enhanced the relationship of trust with these companies by maintaining continuity in these employees' employment and career.



We respond to the structural reform needs of client companies and further strengthen relationships with them.

The Solution Business uses various approaches, from M&A to In-house Solution®, to meet the needs of our clients. In either methods, the clients' employees to be transferred are employed as full-time employees of the UT Group. Since the UT Group has good dispatch workplaces throughout Japan, these employees will have job security as well as broader career options. In this business, we place importance on expanding the potential of the workers that we have accepted. Providing an environment where they can continue to vigorously work for another 10 or 20 years, will lead to the enhancement of their careers, even if their workplace or work conditions change. In addition, the HR mobilization support leads to further strengthening of the relationships of trust with client companies. We believe that the needs for the Solution Business will expand to encompass a wide range of manufacturing industries. We would like to develop the HR mobilization support, which has anticipated the times and help advance the structural reform of Japan's workstyles.



Yuji AIZAWA

Senior Executive Officer in charge of Customer Solution Business Division, UT Group

Joined Argus Co., Ltd. in 1991. After serving as a director of Icon World Co., Ltd. (currently Fujiwork Co., Ltd.), he joined UT Group in 2012.

Engineering Business

The Engineering Business contributes to improving the skills of workers and expanding their options, such as career advance from status of a manufacturing operator to being an engineer active in the construction and IT industries.

Realizing highly profitable businesses in the construction and IT industries

The Engineering Business is performed by two UT Group companies: one engaged in worker dispatch for the construction and plant industries and another in worker dispatch and outsourced work services for the IT industry. Although our domains are different from other UT Group companies mainly in the manufacturing industry, we are developing high-value-added businesses that are conducted by our highly-skilled engineers while utilizing the UT Group's

customer base, such as the maintenance of water treatment plants by semiconductor manufacturers and DX support for automobile manufacturers.

UT Technology has signed the only official training partner agreement with Siemens in Japan: we train engineers in charge of installation support and construction of Siemens' software, and provide dispatch and contracted work services.

UT Construction

Worker dispatch for the construction and plant industry. It dispatches engineers to manage the construction and maintenance of infrastructure works handled by government agencies and to maintain plants.

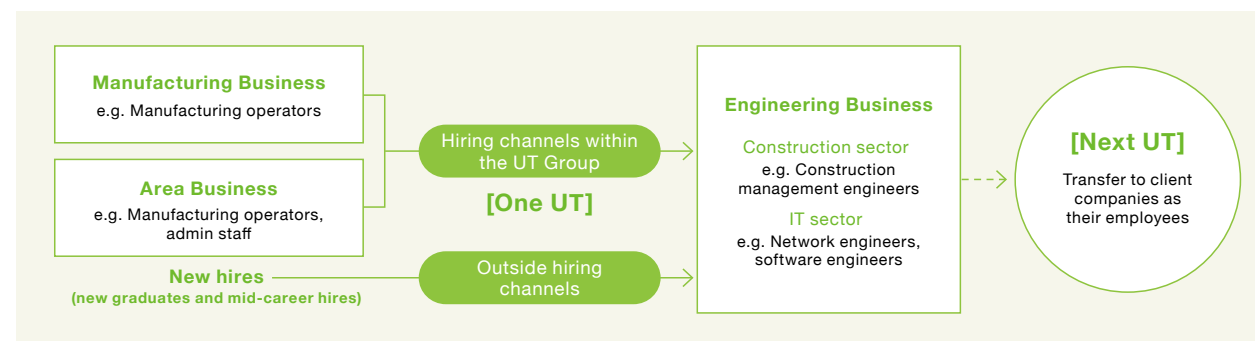
UT Technology

Worker dispatch and outsourced work services for the IT industry. It dispatches engineers involved in infrastructure network operation support and embedded software development.

Providing associates with opportunities to take on the next stage of growth and challenge new job types

The Engineering Business contributes to boost activity levels of the UT Group by providing manufacturing operators working in other business segments with opportunities to grow to become highly specialized engineers and to take on challenges in other industries and job types. We have built our own training programs and worked with client companies

to develop workers in the construction and IT industries, which are constantly plagued by a labor shortage. Every year, hundreds of our associates use the Next UT program and are transferred to the dispatched client company as its full-time employees.



As a stage for career advancement for highly motivated employees, we will expand options beyond the manufacturing industry

In recent years, both the construction and IT industries have been plagued by a labor shortage, and there has been a growing momentum for client companies to collaborate with UT Group to develop human resources. In particular, the revised Labor Standards Act will impose upper limits on overtime work in the construction industry from April 2024, which is expected to increase demand for outsourced work services, and we see this as a major business opportunity.

One of the strengths of the Engineering Business is that we have hiring channels for potential engineers from other UT Group companies. We have a unique training program to encourage our associates who work mainly as manufacturing operators to use the One UT program and are transferred to work as engineers. Going forward, the key to enhance growth opportunities for workers is to strengthen collaboration in hiring, training, and customer development, especially with UT Aim and UT Connect. Boosting the growth of workers and increasing the number of highly skilled engineers will also contribute to improving the profitability of the business.



Hiroshi HOKARI

President, UT Construction Co., Ltd.
President, UT Technology Co., Ltd.

Joined UT Group in 2012 after having worked at a peer company for seven years. He was seconded to UT Construction and served in on-site managerial positions. He was appointed as executive officer in 2015 and as President of UT Construction in 2018.

Overseas Business

The UT Group has made full-fledged efforts to develop business overseas where medium- to long-term growth is anticipated. We have started a new business that started from a major dispatch company in Vietnam that has been acquired and has become a consolidated subsidiary.

A leading dispatch company in Vietnam joined the UT Group and a business connecting Japan and Vietnam is being developed

The UT Group will expand its business overseas, leveraging our know-how of the worker dispatch business in Japan. The Overseas Business segment will be in charge. As a foothold for overseas expansion, we acquired Green Speed, a major Vietnamese worker dispatch company, in October 2020, and has made it a consolidated subsidiary. The UT Group has so far been involved in the management of approximately

1,000 technical interns, mainly Vietnamese, for the Japanese manufacturing industry. On the other hand, Green Speed has accumulated a track record of work dispatch to the manufacturing industry in Vietnam, since its establishment. We aim to play a role as a career bridge between Japan and Vietnam by making use of the networks of both companies

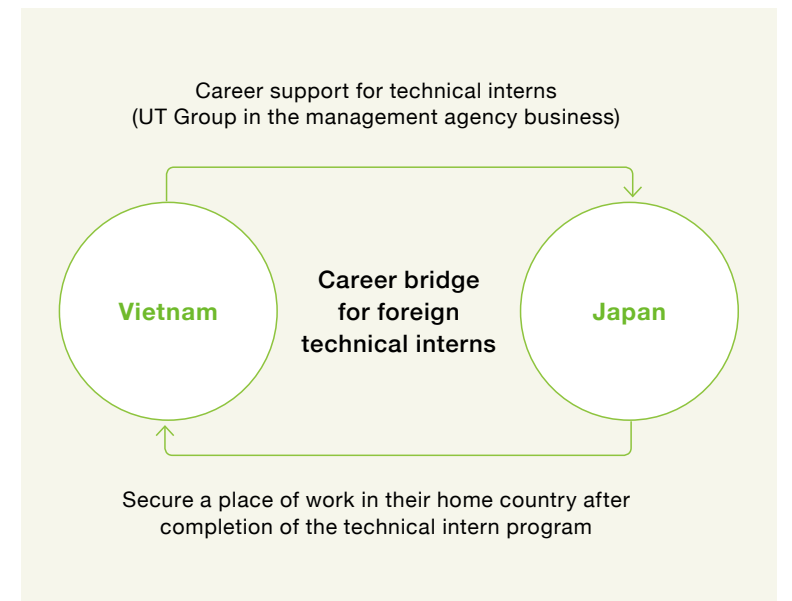
Green Speed Joint Stock Company

Worker dispatch company centered in Ho Chi Minh City, a city in the southern part of Vietnam. It is one of the largest of its kind in Vietnam, employing more than 10,000 technical workers.

Our aim is to develop business throughout Vietnam

By joining the UT Group, Green Speed, which is based in Ho Chi Minh City in Southern Vietnam, will also strengthen the hiring of workers in Hanoi in Northern Vietnam. In the suburbs of Hanoi, many Japanese companies have been establishing or expanding manufacturing bases. We are therefore making sales proposals to them, based on our relationships with client companies in Japan as strength.

In the fast-growing Vietnamese market, there are still unexplored areas in the worker dispatch business. In addition, in the medium to long term, our mission is to support Vietnamese technical interns who have acquired skills at a factory in Japan to work at a Japanese company in Vietnam after returning to their home country. Our mutual cooperation in the HR service business between Japan and Vietnam is also attracting attention.



We will strengthen cooperation with major Japanese manufacturers and aim to have 30,000 technical associates

Founded in 2012, Green Speed has expanded the worker dispatch business in Vietnam by doing business with Western global companies (i.e., from the U.S., Germany, and Italy) as well as domestic companies. We have thoroughly implemented rules for employee training even for one-day dispatch, and have been highly regarded for the high quality of dispatched workers. Currently, Japanese client companies represent about 20% of our transactions, but we would like to strengthen our connections with major Japanese manufacturers and accelerate our business in earnest using our alliance with the UT Group as a foothold. At local plants of Japanese companies such as in the automobiles and electrical sector, 2,000 to 3,000 employees are always in operation, and the need for dispatched workers is greatly expanding throughout Vietnam.

Taking advantage of our 10 years of experience and trust that has been earned, 31 offices in Vietnam, and our ability to hire 3,000 people at most per month, we have set a goal of promoting the Green Speed brand to Japanese companies and having 25,000-30,000 dispatched workers annually by 2025.



Le Van Hoang

President of Green Speed Joint Stock Company

Established Hoang Nhan Co., Ltd. in 2008 and Green Speed Co., Ltd. in 2012, and joined the UT Group in October 2020.

Expanding and enhancing business areas mainly through M&A

UT Group is actively engaged in good workplace development through M&A across Japan to promote the Fourth Medium-term Business Plan.

M&A-driven good workplace development across Japan

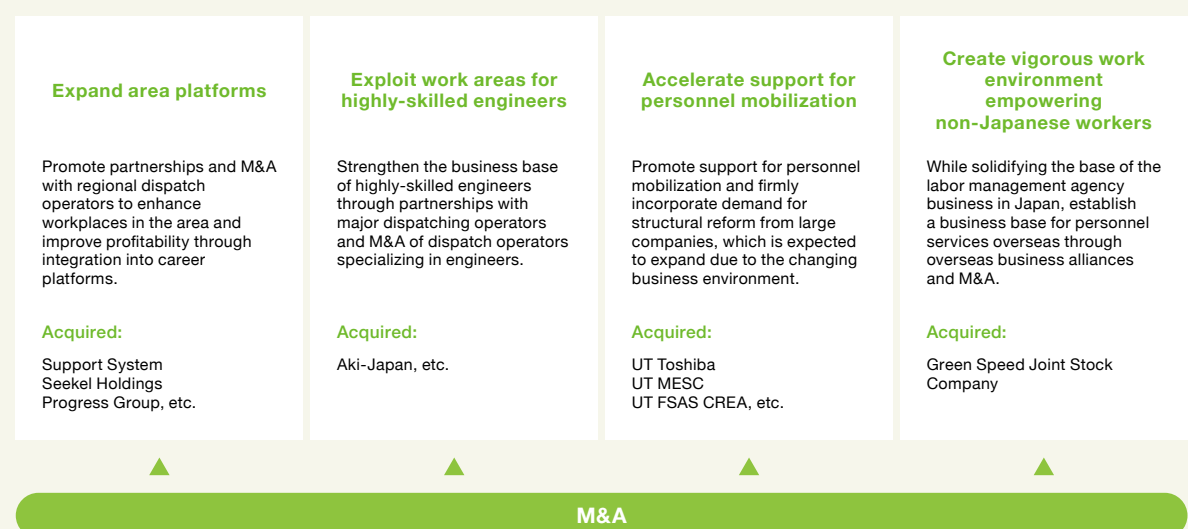
Since the start of the 2020s, we have been actively strengthening our business base through M&A. Among the six key themes of the Fourth Medium-term Business Plan, the four relevant themes are 1) to expand area platforms; 2) to exploit work areas for highly-skilled engineers; 3) to accelerate support for personnel mobilization; and 4) to create vigorous work environment empowering non-Japanese workers. In particular, in the Area Platform Strategy, we have produced several achievements in partnerships and M&A with local

dispatch operators. In addition to enhancing local workplaces, this will also improve profitability through the integration of career platforms. We plan to roll out the M&A strategy throughout Japan. Among several schemes for M&A, the main one is business integration through acquisition of 100% of equity of a company. The way in which a deal proceeds depends on discussions with the company to be affiliated. In all cases, we will promote M&A that can result in improving the value of workers and client companies.

Major M&As (March 2021 - May 2022)

2020 April	Three Toshiba Group companies (Kanagawa Prefecture): The three Toshiba Group companies engaged in personnel dispatch and other activities have become UT's consolidated subsidiaries.
July	Mito Engineering Service Co., Ltd. (currently UT MESC Co., Ltd., Ibaraki Prefecture): A Hitachi Group company engaged in manufacturing outsourcing and dispatch of design engineers for elevators. UT acquired all shares and made it a consolidated subsidiary.
October	Green Speed Joint Stock Company (Vietnam): A holding company of two sta ng companies in Vietnam. UT acquired a 51% stake and entered into a capital alliance. To serve as a career bridge of non-Japanese technical interns.
November	Seekel Holdings (currently UT Connect; Ibaraki Prefecture): Comprehensive personnel dispatch and outsourcing business based in Ibaraki Prefecture. UT acquired all shares and made it a consolidated subsidiary.
2021 April	Aki-Japan Corp. (Tokyo): An engineer dispatching operator specialized in the construction industry. UT acquired a 20% stake of a special holding company which held all shares of Aki-Japan, and entered into a capital alliance, on the premise of a business alliance.
May	Progress Group, Co., Ltd. (currently UT Connect; Aichi Prefecture): Comprehensive personnel dispatch and contracting business based in Aichi Prefecture. Its workforce were Japanese and people of Japanese descent. UT acquired all shares and made it a consolidated subsidiary. SURI-EMU Corp. (currently UT SURI-EMU; Aichi Prefecture): Comprehensive personnel dispatch and contracting business based in Aichi Prefecture. Its workforce included many Japanese-Brazilians. UT acquired all shares and made it a consolidated subsidiary.
October	Fujitsu FSAS CREA (currently UT FSAS CREA; Kanagawa Prefecture): Administrative and IT-related personnel dispatch and contracting business for operation and deployment work. UT acquired a 51% stake and made it a consolidated subsidiary.

Positioning of M&A in the Fourth Medium-term Business Plan



Expanding and deepening better relationships between workers and client companies through M&A

Satoshi MORIYASU

Senior Executive Officer in charge of Business Development Division

Started his career with a consulting firm. After serving as Director of Peach John Co., Ltd., Manager of G.U. Co., Ltd. and Executive Officer of TAKE AND GIVE NEEDS Co., Ltd., he is currently Senior Executive Officer of UT Group.



To create friends who aspire together to achieve the mission set forth by the UT Group

I believe that the M&A strategy will play the role of a driver that strongly drives UT Group's Four Medium-term Business Plan. Of the six key themes, the M&A strategy is incorporated in the three themes of expanding area platforms, accelerating support for personnel mobilization, and exploiting work areas for highly-skilled engineers.

Among them, we are making particular efforts at M&A aimed at expanding the area platform. In April 2022, UT Community absorbed and merged several subsidiaries that had joined the UT Group, and was reorganized and renamed UT Connect. I think that we need to build a new division responsible for the Area Platform Strategy and strengthen the development of local workplaces amid the growing needs of people who want to work locally.

That is why the strategy to acquire a local dispatch operator which has established a local hiring system and a network with client companies and make it our subsidiary is greatly beneficial for UT Group to build a business base that is closely tied to the area. Collaboration with UT Group will also benefit dispatched workers working for local dispatch operators and their client companies. The workers can avail themselves of use UT Group's personnel development programs, and compliance at workplaces will be enhanced, increasing the trust of the client has in us.

I would like to emphasize that we are not making acquisitions to secure immediate sales. We are carrying them out to accelerate the realization of the Fourth Medium-term Business Plan and to increase our associates nationwide in order to realize UT Group's mission to "Create vigorous workplaces empowering workers" together. The evaluation of target companies for M&A varies depending on the situation, but we first use a certain sales scale to set a cutoff condition, and of course we will scrutinize the candidate companies from a multifaceted perspective, including a rigorous simulation of how much the target company can increase profitability through our acquisition.

What is particularly important among the various criteria is how it fits with UT Group's corporate philosophy and policies, and whether it has a compliance mindset emphasizing good care of workers. In interviews with the owner and the top management of the target company, we particularly focus on their views of employees and their corporate culture. If the company can share the values of UT Group, it makes sense to have that company join UT Group.

Expand the system to realize smooth group bonding and raise employee awareness

UT Group's Business Development Division currently has four members. Each of us has over 10 years of experience in practical M&A and related businesses in the areas of corporate management planning, financial advice, and management consulting. We perform due diligence, post-integration planning, and post-merger integration (PMI) practice at a level of experience equivalent to that of M&A specialists at consulting firms.

We always make sure to include a post-integration business manager from the early stage of the M&A project to quickly advance the project. We believe this is of utmost importance in PMI to ensure that the business manager is committed to grouping in of the target company and to gain trust in its workplaces. As a result of our having completed successful M&A deals, our associates outside the Business Development Division have deepened understanding of the importance of PMI and its process. In FY3/2022, we standardized the PMI process again, based on a review and evaluation of recent acquisition deals, and the knowledge shared by associates who have been involved in PMI. This has resulted in establishing a system to perform PMI with higher accuracy, in my view.

Again, we do not pursue superficial M&A that entails re-labeling acquired companies. Our first priority is to promote a relationship of trust between the workers and clients of the acquired company and our group. We believe it is important to bring in associates who can empathize with UT Group's values. We explain to those in the acquired company UT Group's culture of creating fair opportunities for everyone and making it a business and UT's long-cherished values. We also want to expand the nationwide network of associates who sympathize with UT Group's values. We are dedicated to advance M&As to expand and deepen better relationships between workers and client companies.

02

Enhancement of the business base and growth strategies



The growth of workers and improvement of the working environment.

Synergies of these support the unique value chain of the UT Group, and help realize vigorous workplaces, which adds to our strength that justifies being chosen by client companies.

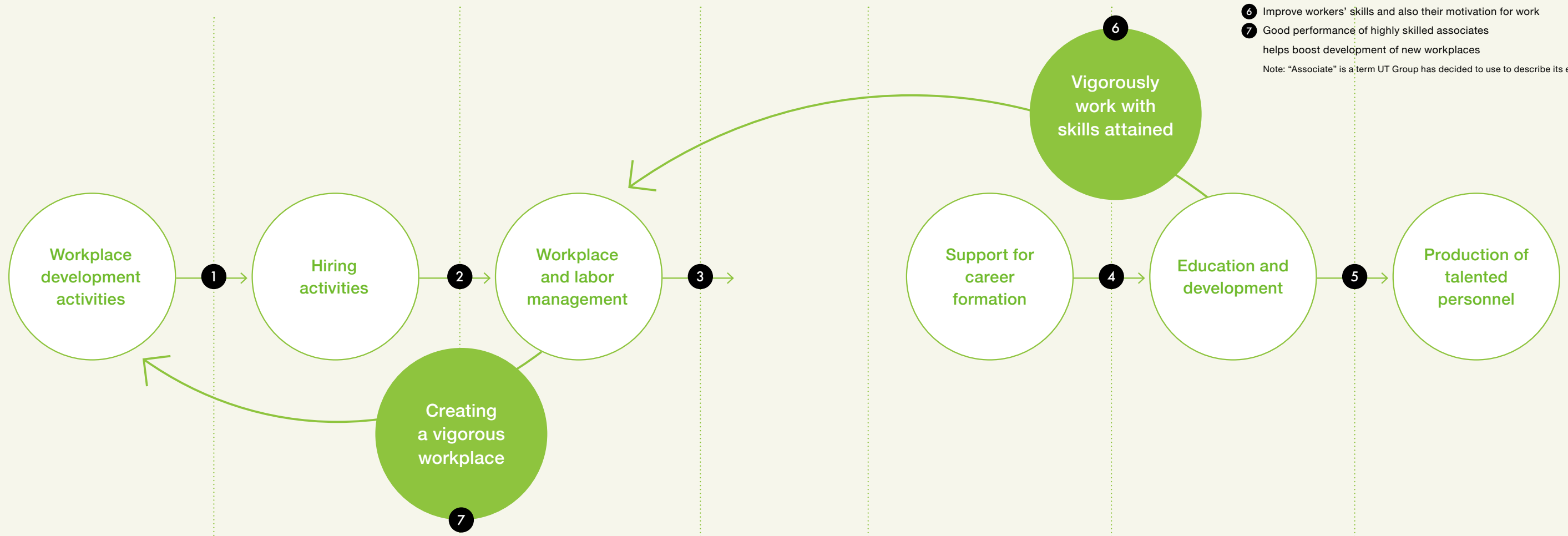
UT Group's unique value chain

UT Group's value chain facilitates continuous growth of associates and the improvement of their working environment.

UT Group's value chain is unique and strong as it is structured to continuously raise value in a sustainable cycle centered on personnel development and the creation of better workplaces. In this sustainable cycle, associates receive extensive career formation support as well as education and training, and raise their skills

and motivation. The performance of these high-value-added associates leads to the development of new client companies with better treatment and work environments, and then leads to the realization of an environment in which more associates can vigorously work.

- 1 Secure personnel based on the needs of client companies
 - 2 Support new hires meticulously
 - 3 Aim to create added value for client companies and associates*
 - 4 Achieve growth of associates according to their individual career plan
 - 5 A unique system that enables transfer of workers for positions at a client company or UT Group
 - 6 Improve workers' skills and also their motivation for work
 - 7 Good performance of highly skilled associates helps boost development of new workplaces
- Note: "Associate" is a term UT Group has decided to use to describe its employees.



Workplace development activities

By proposing a system for fostering personnel and enhancing their added value, we seek to improve their treatment and the working environment at their dispatched workplaces and develop new clients. A sustainable cycle centered on personnel development and the creation of better workplaces is a unique value chain of UT Group.

Hiring activities

Our hiring activities aim to match the needs of job seekers to the needs of client companies on a nationwide scale, using recruitment methods according to the characteristics of each area. In April 2022, we opened JOBPAL, a comprehensive job site that integrated job information from UT Group companies, to expand the contacts with job applicants.

Workplace and labor management

On-site managers are responsible for managing the health and motivation of each associate, as well as understanding and managing the status of the working environment at client companies and outsourced workplaces where UT associates work daily. We encourage both associates and client companies to join us in creating an environment where associates can work safely and reassured.

Support for career formation

UT Group's internally certified Career Partners suggest the best career path for each associate and support motivated and growing associates through regular career interviews. In the personnel system, we have achieved a fair and highly transparent evaluation system.

Education and development

Based on the Group's unique three-step education system, we offer a wide range of programs from the basics to professional knowledge. In addition to collective training and online live training, e-learning and other self-learning programs are available. In addition, we have educational facilities that allow associates to develop knowledge and skills through first-hand experience of using actual equipment. Even the unexperienced can acquire practical skills.

Production of talented personnel

A variety of job and transfer opportunities are realized with UT's systems, including One UT (job change from manufacturing operator to highly-skilled engineer) and Next UT (transfer from UT's dispatched worker to a client company's full-time employee). We respect the will and careers of associates and have established a system to position the production of talented personnel as an important part of business.



Creating a vigorous workplace

The UT Group is working to create an environment where each and every associate can work energetically. Creating a good workplace environment will have a positive impact even on hiring activities and lead to new workplace development activities.

Workplace development activities

The basic system of UT Group is to improve the skills and motivation of associates, under its extensive career formation support. By proposing such a system for fostering personnel and enhancing their added value, we seek to improve their treatment and the working environment at their dispatched workplaces and develop new clients. A sustainable cycle centered on personnel development and the creation of better workplaces is a unique value chain and a great strength of UT Group.

[Main initiatives]

- Client development
- Proposals on use of personnel
- Business outsourcing proposals
- Compliance system construction
- Workplace improvement proposals

CLOSE-UP!

Building a compliance system

Proposals for establishing a system for compliance at dispatched manufacturing sites in cooperation with client companies is another of our initiatives. We share our know-how accumulated in creating workplaces, in fields such as management of working hours and mental health care. We are working to create a workplace environment where employees can work with peace of mind by developing on-site managers with knowledge of laws and regulations and compliance matters, and by formulating measures to prevent occurrence of risks and prevent recurrence when they occur.

Hiring activities

Our hiring activities are aimed at matching the needs of job seekers to the needs of client companies on a nationwide scale, using recruitment methods according to the characteristics of each area. We also use a wide range of recruitment channels, including marketing for recruitment, call centers that serve as application points for job seekers, interviews at offices nationwide, and online interviews. We launched JOBPAL, a job site for dispatched workers, in April 2022 to expand points of contact to job seekers.

[Main initiatives]

- Recruiting job seekers according to areas and job characteristics
- Call centers accepting applications
- Interviews at offices nationwide
- Online interviews

CLOSE-UP!

Opened JOBPAL, a job site for dispatched workers

In April 2022, we launched JOBPAL, a comprehensive job site that integrated job information from Group companies. We aim to expand the hiring capacity of the entire UT Group by posting job information of the entire UT Group. In the future, the registered information of job seekers (JOBPAL members) will be shared by Group companies and a member network will be built to enable continuous contact. Our plan is to acquire approximately 700,000 users and have 80,000 job postings per year by 2025. We also plan to expand the monthly hiring capacity of 1,000-1,500 to around 2,000 for the UT Group as a whole.

Improvement in efficiency by hiring via JOBPAL

BEFORE

- Hiring activities by each operating company
- Uncoordinated, different formats of job information
- No sharing of information on job seekers

AFTER

- Integrated management of information on jobs and job seekers of the UT Group
- Building of a member network of job seekers to enable matching with client companies

Vision for JOBPAL

[Targets by 2025]

Users	700,000 per year
Job applicants	80,000 per year
Registered members	400,000

Achieving 2,000 hires per month!

Workplace and labor management

On-site managers are responsible for managing the health and motivation of each associate, as well as understanding and managing the status of the working environment at client companies and outsourced workplaces where UT associates work daily. At the outsourced workplaces, we have established and have been operating a labor safety and health management system based on the OSHMS*, and at the dispatched workplaces, we work hard to create pleasant workplaces jointly with client companies. We encourage both associates and client companies to join us in creating an environment where associates can work safely and reassured.

[Main initiatives]

- Labor management by on-site managers
- Corporate housing arrangement and management
- Transportation
- Labor management
- Joint safety and health conference
- Regular meetings for workplace improvement with clients

CLOSE-UP!

Labor management by site managers

In the UT Group, labor management at the dispatched manufacturing site is not entrusted to the client company, but is carried out by UT's on-site manager. On-site managers not only manage attendance of associates, but also are involved in their health management and mental care so as not to hinder clients' production plans while helping associates. We also provide health and safety education in accordance with OSHMS* guidelines to prevent occupational accidents. The creation of a good workplace environment by site managers has a positive impact on hiring activities and leads to the development of new clients.

*OSHMS: A system of safety and health management aimed at raising the level of safety and health at worksites

The UT Group on-site managers are in charge of creating a worksite based on the needs of the clients





Vigorously work with skills attained

Since its founding, the UT Group has been working to support the career development of associates and develop various educational programs. Associates who have improved skills and have become motivated will embark on a new stage by changing jobs inside or outside the UT Group.

Support for career formation

UT Group's internally certified Career Partners suggest the best career path for each associate and support motivated and growing associates through regular career interviews. In the personnel system, we have achieved a fair and highly transparent evaluation system by utilizing a common groupwide system consisting of "base evaluation", which is centered on the duration of service, attendance rate, and collaboration, and "job evaluation", which is centered on job quality.

[Main initiatives]

- Support by Career Partners
- Regular career interviews
- Enhanced career paths of choice
- A common group HR system for performance evaluation

CLOSE-UP !

Supported by Carrier Partners

Internally-certified Career Partners support the career development of each associate according to their life plan, in areas of training, acquisition of qualifications, transfer to a client company, etc. Career Partners maintain face to face contact with each and every associate, to think together about their future and support it – so that not one person is left behind.

Full range of career paths to choose from

UT Group has developed career paths that enable each associate to grow according to their life stages. This includes "Good Job," which allows associates to freely choose their workplace within UT Group, "One UT," which allows them to change careers within UT Group, "Next UT," which supports the transfer of dispatched associates to positions as fulltime employees at client companies, and "UT Entry," which allows any associate to nominate themselves for an executive position. All of these systems were beyond the thinking of conventional dispatch companies. They have truly embodied UT Group's philosophy of broadening the potential of each associate since the Group's foundation.

Education and development

Based on the Group's unique threestep education system, we offer a wide range of programs from the basics to professional knowledge. In addition to collective training and online live training, e-learning and other self-learning programs are available. In addition, we have educational facilities that allow associates to develop knowledge and skills through first-hand experience of using special equipment. Even the unexperienced can acquire practical skills step by step.

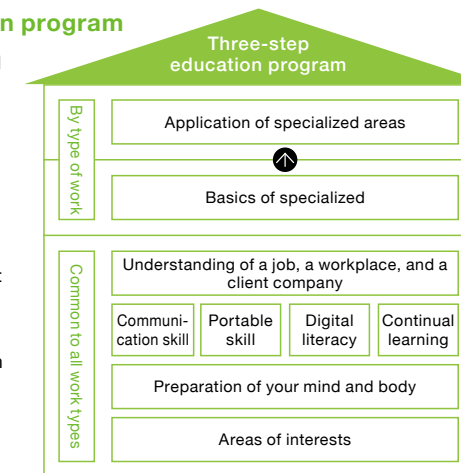
[Main initiatives]

- Practical training to nurture professionals by job type
- Development of a three-step education system
- Rich educational opportunities
- Curriculum of hands-on learning at training facilities

CLOSE-UP !

Three-step education program

The UT Group's educational program is designed based on its own "three-story education system." The first step is to acquire important basic learning necessary for working as a member of society, such as basic communication skills, problem solving skills, and self-management skills. Then the second and third steps are to acquire basic and specialized skills required for each job type in each workplace.



Experiential curriculum at training facilities

One of the key efforts for HR development in the UT Group is to support "manufacturing operators" on site so that they can advance to "manufacturing engineers" who are responsible for production technology and equipment maintenance. Our latest example of these efforts is the opening of the Technology Skill Development Centers. They are in-house training facilities to develop semiconductor manufacturing equipment engineers, and four centers are currently in operation throughout Japan. We also operate the UT Advanced Career Center (UTACC), a dedicated facility for training skills that can be used immediately on manufacturing sites, and practical programs are provided to nurture inexperienced personnel into engineers.

See page 55 for details

Production of talented personnel

A variety of job and transfer opportunities are realized with UT's systems, including One UT (job change from manufacturing operator to highly-skilled engineer), Next UT (transfer from UT's dispatched worker to a client company's full-time employee) and UT Entry (associates' voluntary nomination to the position of person in charge of group management or of executive officer). We respect the will and careers of associates and have established a system to promote even the production of talented personnel as part of business goals.

[Main initiatives]

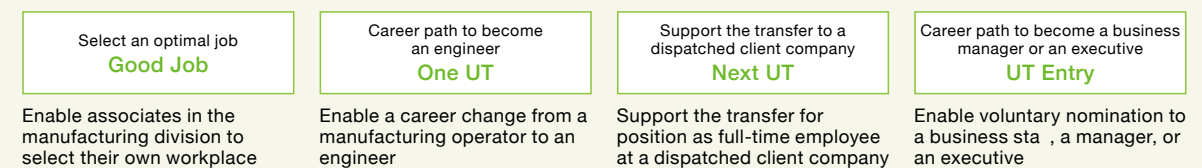
- One UT
- Next UT
- UT Entry

CLOSE-UP !

UT Entry

UT Entry is a unique system that supports candidates for the desired post and reassignment. All associates have the right to apply for entry into the system, whereby they can take on the challenge of a different position or an executive officer post of the UT Group. This industry-first systems aims to foster motivation and satisfaction by providing fair career opportunities for all associates.

Primary career paths



Efforts to strengthen the value creation base

UT Group considers the securing and development of personnel as the foundation of value creation and is committed to creating good workplaces and conducting careful hiring activities.

Reassurance and Bonding to expand Growth of each individual

UT Group has strived to provide Reassurance, Bonding, and Growth to associates* since foundation. This is a base to improve their skills and provide a higher quality workforce to client companies. We employ dispatched workers as regular employees with an open-ended employment contract, and our Career Partners support

their career formation. Our associates are further motivated by our internal training programs and transfer systems. These result in raising value of our workers and ultimately, higher customer satisfaction.

Three key factors provided by UT Group to associates

Reassurance	Bonding	Growth
Creation of quality workplaces; Thorough labor management	Career Partners; Dispatch in team	Training programs; Personnel promotion systems
We ensure stability of life and continuity of careers for our associates by hiring them as regular employees with an open-ended employment contract. They are covered by social insurance and some corporate housing is available. We also work on developing more workplaces.	We offer an environment where associates can communicate with their managers and colleagues so that they can work with peace of mind. Regular interviews with a Career Partner are held. A workstyle of team dispatch that enables working with colleagues in the same workplace is also established.	We offer training programs and career opportunities. Systems for internal career change and transfer to a client company and a system to participate in management based on skills and experience have also been established.

Transformation: from a “hiring agency function” to an “employment agency function”

In responding to the HR needs of major manufacturing companies, which are client companies, UT Group has expanded its business by hiring a large number of personnel and dispatching them to worksites throughout Japan. Going forward, we will evolve this model and

strengthen UT Group's employment agency function so that all processes from HR hiring, retention, development, and training for work-readiness, are handled by UT Group on behalf of client companies.

UT Group's employment agency function



Initiatives to promote diversity

UT Group's challenge in the worker dispatch industry has entered a new stage. So far, our workforce in manufacturing dispatch—UT's main business—has been dominated by young men. From now on, the new mission of UT Group is to create a society where women and older people can work with enthusiasm and a sense of accomplishment. As part of our efforts to promote diversity among the workforce, workplace in April 2021 launched a project to promote the advancement of women. We are implementing various measures after setting the goal of increasing the ratio of women in managerial positions at major operating companies of the UT Group, including UT Group Co., to 15% by FY3/2025.

Target ratio of female managers at major operating companies including UT Group Co.

	FY3/2022	FY3/2025 (target)
Number of managers	427	-
Number of female managers	48	73
Ratio of female managers	11.2%	15.0%

Transforming from a “hiring agency function” to an “employment agency function” to provide more value to clients

Manabu SOTOMURA

Director and Senior Executive Officer in charge of Management Reformation Division
Joined Recruit Co., Ltd. in 1991. After serving as BELLSYSTEM24 Co., Ltd. as Executive Officer, he joined UT Group in 2017 and has been in the current position since 2019.



What is needed in the worksites is not merely mass hiring but going one step ahead to retain workers

With the aim of creating more value during the Fourth Medium-term Business Plan, UT Group is enhancing its business model. The concept is to shift from providing a "hiring agency function" to providing an "employment agency function." To date, UT Group has grown in terms of the strength of “committed orders” to assign a large number of dispatched workers to the worksites of client companies (mainly large manufacturers) when they need them. This is the know-how of the hiring agency function built up by UT Aim, which plays a central role in the Manufacturing Business of the UT Group. This is still a successful model, but we are evolving our business model to provide more value to our clients. At present, what is needed in the worksites is not merely mass hiring but going one step ahead to retain workers. In other words, considering the increasingly apparent shortage of workers, we want qualified people who have been hired, at a cost, to play an active role for a long time.

Education opportunities, workplace improvement, and treatment improvement are all needed to retain workers. Therefore, our concept of an "employment agency function" is that UT Group takes care of all the work needed for a client company's employees to be retained on behalf of the client, that is free to concentrate on other priorities.

By working together with the client for career development of its workers, the mutual trust between the client and us can be deepened. Depending on the worksite, we also respond to consultations regarding compliance matters. I believe that such a relationship building will lead to an increase in the share of the client's dispatch work.

We have set as our target to double our current overall market share of about 8% by strengthening the employment agency function. We believe that an increase in market share and trust of clients will result in growth in demand for our dispatched workers. We are thus working to strengthen the employment agency function with the ultimate aim of increasing the number of technical associates to 50,000-60,000 by FY3/2025.

We will create workplaces where female leaders can play an active role throughout Japan

In order to accept more workers in line with our policies, the awareness of diversity is indispensable

in workplace development. So far, our workforce in manufacturing dispatch—UT's main business—has been dominated by young men. However, against the backdrop of the social issue of the decline in the working population, we are also focusing on empowering women and older workers. We are particularly making efforts to expand opportunities for women to play an active role.

UT Group launched the Women's Empowerment Promotion Project in April 2021. Our goal is to increase the ratio of female managers at major operating companies, including UT Group Co. to 15% by April 2025. As the ratio as of April 2022 was 11.2%, we are only halfway to achieving the goal. The three themes we focused in FY3/2022 were: 1) identifying and developing female managerial candidates; 2) identifying current issues and raising issues by female leaders in the on-site and indirect divisions; and 3) raising issue awareness of top executives of each organization and forming their commitments. There remain many issues that need to be resolved in terms of workstyle, work environment, and growth opportunities with due consideration to the characteristics of our business. In FY3/2023, we are further evolving initiatives by improving the foundation and environment for the active participation of women. Creating workplaces that empower female leaders across Japan is thus indispensable in promoting the Area Platform Strategy of the the Fourth Medium-term Business Plan.

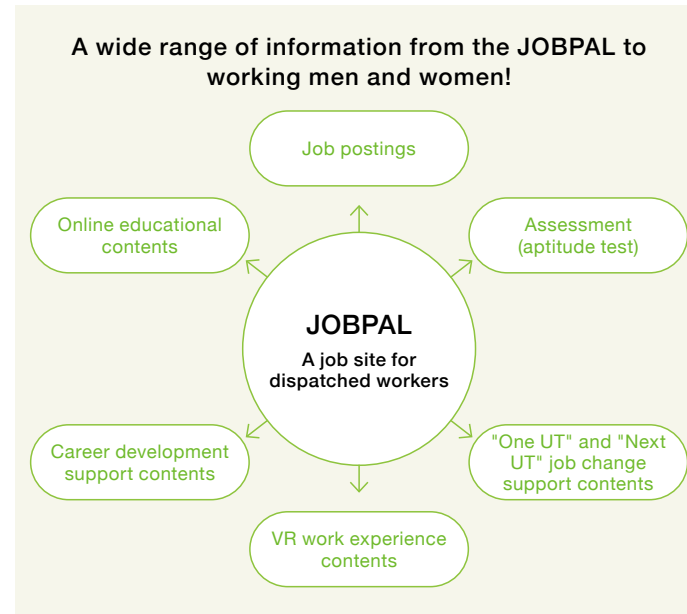
We are moving forward into a new era by creating workplaces possessing diversity, which means inclusion of women, older workers, non-Japanese, and freelancers across Japan. A change in the mindset of management is under way. I have more than 30 years of experience in the worker dispatch industry. This is the third company where I oversee a project to promote the advancement of women. Having experienced various workplaces, I can assert that companies that stick to its existing, traditional success model will inevitably decline. We need to constantly question and improve the success model, but moreover, we have to create a variety of success models. In our case, if the success models lead to help increase the value of our client manufacturing companies and our workers, our business will definitely become sustainable.

Move ahead and act one step further for our clients. I believe that is the role of UT Group, a leading company in the industry.

Providing career development support services for 400,000 employees in the manufacturing worker dispatch industry

UT Group has developed career paths that enable each associate to grow according to their life stages. This includes "Good Job," which allows associates to freely choose their workplace within UT Group, "One UT," which allows them to change careers within UT Group, "Next UT," which supports the transfer of dispatched associates to positions as fulltime employees at client companies, and "UT Entry," which allows any associate to nominate themselves for an executive position.

In addition, UT Group plans to provide to a greater number of workers the career development support know-how accumulated by UT Group, through such means as individual career counseling and online education. This service has so far been provided to approximately 30,000 technical associates of UT Group, but will be made available to 400,000 people working in the manufacturing worker dispatch industry. The infrastructure for this is JOBPAL, a comprehensive job site for dispatched workers, which was launched in April 2022. We will disseminate a variety of information on career development support to registered members of this site.



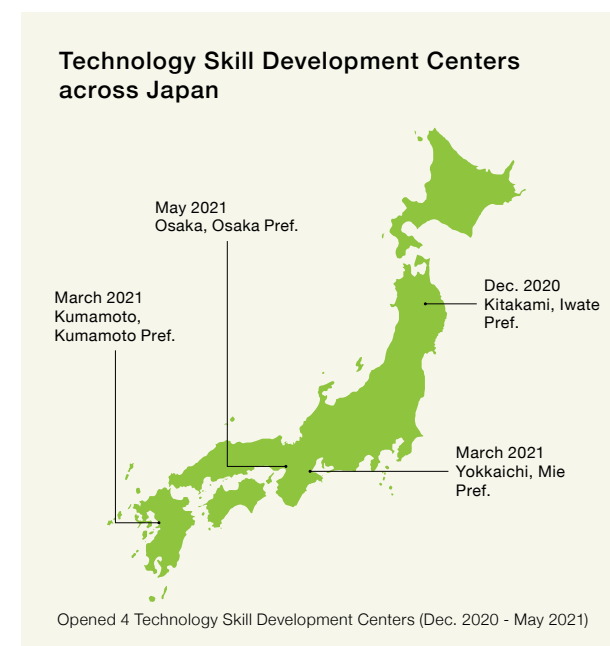
UT Advanced Career Center (UTACC), a dedicated facility for developing engineers

UT Group operates the UT Advanced Career Center (UTACC), a dedicated facility that fosters manufacturing engineers who become ready to work at the manufacturing site. UTACC has a variety of practical programs to train associates with no experience in engineering to become engineers. The courses from

basic training to expert training include a lot of group work to nurture a culture of help and competing with each other in addition to obtaining knowledge. Each learner is given guidance tailored to the learner's competence by repeated interviews by a lecturer before, during, and after the training course.

Technology Skill Development Centers for developing semiconductor manufacturing equipment engineers

In response to the growing demand for semiconductors worldwide, UT Group has established the UT Group Technology Skill Development Centers in four locations, in Kitakami City (Iwate Prefecture) in December 2020, and subsequently in Yokkaichi City (Mie Prefecture), Osaka City (Osaka Prefecture), and Kumamoto City (Kumamoto Prefecture) as training facilities for developing semiconductor manufacturing equipment engineers. Through training from basic working skills to knowledge and skills in specialized areas, we plan to develop 3,000 engineers in three years.



Building a career platform that is open to 400,000 manufacturing dispatched workers

Kentaro YAMAGISHI

Senior Executive Officer in charge of Career Development Division

Since 1991 up to 2015, he had been engaged in research and development in the HR assessment area at a company related to Recruit. After being in the management of the artificial intelligence business, he joined UT Group in 2018.



Providing services that workers can routinely use, even when they are not looking for a job

The UT Group has set the goal of "Creating a 'diversity & inclusion' workstyle platform" in the Fourth Medium-term Business Plan. So, what exactly is the workstyle platform of UT Group? The mission of the Career Development Division, of which I am in charge, is to clarify and realize this vision.

The UT Group has long aimed to build a platform for roughly 30,000 technical associates of us. With the horizon goal set as 2025, we will release our internally-accumulated career development support contents and know-how to the outside world. We are thus tackling to create a system that involves 400,000 workers manufacturing dispatch.

Until now, the point of contact between UT Group and job seekers was a one-off job recruitment. We have therefore built a career development support system for these job seekers. In the future, we feel we need to respond to the diverse "wants" of the working people. Various "wants" may include: want to work, want to know about jobs, want to advance career, and want to make friends. UT Group therefore needs to create a comprehensive community for working people with individualized job matching as the core.

The entry point for this is JOBPAL, a comprehensive job site for dispatched workers that was launched in April 2022. For instance, when you search for products from Amazon, products in similar categories are recommended. In the same way, we may be able to propose a workplace that will lead to career advancement of JOBPAL members, based upon understanding their characteristics. In order to achieve this, we intend to create a database of job information, etc. entered by Group companies nationwide, in a unified format, and to incorporate AI-based matching functions.

The biggest challenge may be that out of the target of 400,000 manufacturing dispatched workers, those who want to find a job right now may be at most about 10%. What kind of conditions will attract the remaining 90% of people who are working as usual? It would be the conditions which respond to anxiety for the future and worries about career development.

We will also make our training system and career development system open to the outside world

Since its founding, UT Group has been expanding

its business domains with a focus on Reassurance, Bonding and Growth. The support for the career development of our associates is what we have worked at since day one, and we have built a variety of career development support systems with the highest priority on broadening the potential of each and every one. Going forward, we plan to open these systems and career development systems to the outside world as well. Specifically, we are thinking about sharing systems such as One UT, which supports career change of workers within the Group, and Next UT, which supports their transfer to a client company, with a community of 400,000 members.

Its purpose is, of course, to help workers learn more about higher salary jobs and career advancing jobs in this community, and to enhance their own value. In the process of so doing, we collect data such as workers' attributes as well as their desire for which job type, at which timing, with how much income. By doing so, the needs of workers will become apparent and we can improve the matching accuracy.

In addition, we will utilize the online system to meet the needs of workers living throughout Japan. We are also developing skills training and workplace experience programs using virtual reality (VR) systems. In order to become a career platform that can be used by 400,000 working in manufacturing dispatch, the number of job openings is also needed. We are thinking about constantly posting more than 100,000 job openings by expanding the industries and job types to adjacent areas or new areas of the manufacturing industry.

By building such a career platform, we aim to lower the hurdles of changing jobs in Japan. Those who work in the future should do more for "career development to their liking." In the UT Group's community of 400,000 people, we desire to create a world where people can freely choose jobs while improving their skills and take on the challenge of higher value-added jobs.

A lump-sum contract covering from manufacturing to installation and adjustment after shipment at a semiconductor equipment manufacturer's factory.

I am now in the seventh year as a manager of Taiwa CF* in Miyagi Prefecture since being assigned in 2016. I am in charge of worker dispatch to semiconductor manufacturing equipment (SME) factories. I have long experience in the semiconductor industry and has been on site since 1987. Back then, Japanese semiconductors were called the "rice of industry," and U.S.-Japan "semiconductor friction" became a problem. Then in 2016, I joined UT Aim, where I gained experience as a manager responsible for contracting operations and dispatch worker management mainly in the Tohoku area such as Iwate, Miyagi, and Akita Prefectures.

Currently, I oversee contracting operations for SME manufacturers as clients. I also undertake management for a series of tasks such as final assembly, adjustment, and shipment of SME, as well as for tasks to handle matters from installation to start-up of the SME after shipment on the client's customer site. QCDSM (Quality, Cost, Delivery, Safety, and Manpower) must be controlled at the discretion of the manager and must lead to generate revenue. It is like running one company, and it has the real pleasure of being able to pursue great profits. But if you make a mistake in what you do, the effect is not small.

As the semiconductor market is currently on an expanding trajectory, it is necessary to secure and cultivate human resources at the plants operated by clients in accordance with their increase or change of production. In response to these trends in demand, I always aim to expand orders in new processes while exploring customer needs. One of important tasks for a manager is that of workplace development activities, that are needed so that we can take on many high-quality workplaces.

In addition, quality control and safety management at the site are also important tasks. I make certain to place experienced leaders at the worksites, and they take good care of these sites. I think that the introduction of

a job grade system, which enables the level of job duties and skills to be reflected in salary, is also a major factor in the stable functioning of the worksite. I believe that improving skills across the team and returning profits to our associates result in improved customer satisfaction.

Of course, I myself am engaged in labor affairs management on site. When I meet with associates at the morning meeting every day, if there is an associate who looks somewhat different from usual, I try to speak to that person. The associates also talk to me without hesitation. By prioritizing workers above all else, we can build a strong relationship of trust, and create a workplace where there are no major accidents and few workers who quit. Personally I am so pleased when I feel that I am trusted by the associates on site.

My next goal is to increase our market share of dispatched workplaces of the client company where I am assigned. Currently, my client factory with its 4,000 operators is using many worker dispatch companies and I intend to obtain information on market trends and client production trends ahead of our competitors and to make proposals that will lead to improved productivity of the client. Fostering my replacement is also a major mission. Taiwa CF, which I am in charge of, has particularly complex contracts, which require a wide range of knowledge in the areas of quality control, safety management, production management, labor management, revenue management, etc. I must also help my potential successors obtain the ability to act and make judgments while experiencing what goes on at the worksites.

My basic education stance is, "Show you what to do, let you do it, praise you, and correct it if you fail, as it is my fault of not teaching you well enough." This is the saying of Isoroku Yamamoto, a Japanese Marshal Admiral of the Imperial Japanese Navy during World War II. My job is to create a mechanism that allows young people to actively take action in order to increase their experience in the worksite. I dream like to make Taiwa CF one of the top places that foster managers in Japan someday.

* CF (Carrier Factory) is the name of UT Aim workplaces.

My goal is to achieve monthly hiring of 2,000 workers through JOBPAL, our comprehensive job site for dispatched workers.



Ryosuke Sano

Joined UT Group Co., Ltd. in 2018
General Manager in charge of
Integrated Site Service Planning
Unit and Integrated Site Service
Planning Section,
Business Innovation Division

We want to expand the UT Group's HR platform not only in Japan but also around the world.

JOBPAL, which was launched in April 2022, is a comprehensive job site that integrates job information from UT Group companies. The aim is to contribute to the expansion of the hiring capacity of the entire UT Group by posting job information held by the UT Group as a whole. I joined UT Group in April 2018 as a new graduate, and until my third year, I was involved in HR-related work in the Personnel Planning Unit. I participated in the JOBPAL project in April 2021, my fourth year at the company. I heard from my boss that the theme of "building a hiring base across the UT Group" was raised at the Management Committee meeting held in January 2021, and I said "I really want to do it."

After that, I managed the JOBPAL project for about a year until the launch of the site. I had no experience in promoting such a large-scale project, but with advice from experts inside and outside the company, I designed the entire site, gathered production members, and worked on scheduling and work direction. The most difficult task in constructing the JOBPAL system was to unify the hiring information and the registration information of job seekers, which had been separately managed by each Group company in different formats. It was really difficult to integrate the business process from posting job information to registering job seekers and hiring into the same system, while listening to the needs of each operating company.

I joined UT Group as a member of the first new graduate hiring and development program specifically for executive candidates, which started in April 2018. This JOBPAL project, in which I participated during my fourth year at the company, was indeed the first challenge for

me. It was tough for a young associate with no experience to move from one frontline to another, crisscrossing the country, but over the past year, I have reaffirmed the importance of sincerely facing the challenges of the frontlines and the importance of involving those around me and collaborating with them. At the same time, I found out that the job of using data and digital tools to improve operations was a great opportunity for young associates to demonstrate their strengths as digital natives. I would like to continue using my knowledge of digital transformation as a strength in the future.

My goal of JOBPAL is to see that it becomes a website with 400,000 registered members and the foundation for the UT Group to hire 2,000 employees per month. I believe that JOBPAL is an indispensable tool for accessing not only projects for major manufacturers, but also projects in the newly-established Area Business. And I personally have even bigger dreams. I want UT Group's platform for manufacturing and human resources to be deployed not only in Japan but also around the world. We all know that there are platformers like Amazon and Uber in the world. I want to send out a business model from Japan that can compete in the world and rank with the likes of these two. That model would be a human resource platform in which "workers" play the leading role, in my view. In order to achieve this, system infrastructure such as JOBPAL is indispensable. First of all, we would like to achieve the annual targets of 700,000 users per year and 80,000 job applicants by 2025, and move on to the next phase of JOBPAL.

I carefully monitor market trends and focus on implementing on-site management so as to flexibly respond to customer needs.



Tetsuo Otsuki

Joined UT Aim Co., Ltd. in 2006
Manager of Group 5 of Tohoku
Section 1, North Japan Business
Unit,
Taiwa CF Career Manager, and
Taiwa Logi CF Career Manager



We will take workers to the next stage by making full use of a database of HR information.

Miki Kuroda

Joined UT Group Co., Ltd. in 2018
General Manager of Future Quest Unit
Career Development Division

What we want to achieve is to expand the potential of each and every working person.

In recent years, the importance of digital transformation (DX) has been repeatedly emphasized, and DX projects are progressing steadily in UT Group. The Future Quest Unit in the Career Development Division, where I work as general manager, develops educational systems using digital technology with the aim of promoting research that leads to the creation of the future and developing new services.

I have more than 20 years of experience as a human resources (HR) consultant and developer of education services at an HR development company. In recent years, I have been engaged in issues such as digitalization of education and enhancement and utilization of HR data. I was fortunate to get involved in the career development of UT Group, which is in a transformational stage. I am taking it as a great opportunity for me to make use of my experience.

Career development support of UT Group can be broadly divided into two stages. The first is the initial stage up to the third month of joining the company. This is the stage in which new associates acquire basic business skills such as communication, and work attitudes, so that they can quickly become familiar with and play an active role in the new workplace. The second is to help associates, after the fourth month of joining the company, to come up with a clear direction to aim at for the future, and to support practical formation of their career. The mission of the Future Quest Unit is to support these measures with DX. In other words, it is the development of infrastructure to support career development.

One specific initiative is to strengthen the HR information databases and accelerate their use. We strive

to centralize management of dispersed information of individuals, such as information obtained through career interviews and day-to-day interactions (i.e., the technical associates' work history, career-related activities, future goals and values) as well as information on the results of UT's self-developed assessments (aptitude tests) for technical associates, and skills and qualifications. We will provide education tailored to each individual, utilize it for their career planning, and aim to realize data-based HR development.

We plan to use this initiative to support individual career development based on HR data by way of JOBPAL, our comprehensive job site for dispatched workers. This can be said to be a challenge for us, to build a HR database and support career development for 400,000 people working in the manufacturing dispatch industry. In order to achieve this, we need to enhance not only educational content but also a lineup of various services.

What can we offer to 400,000 people, and how can we inspire our users to change? I find this to be a big challenge for me in terms of both quality and quantity of what we must do. What we want to achieve through these initiatives is to expand the potential of each and every working person. Our list of goals includes the realization of a service that provides "encounters with new occupations and careers that a person has not imagined," which is difficult to achieve with a job matching service in which job seekers enter desired conditions and strengths, and search for a job. We are working on building and enhancing our HR database so that we can make a plan tailored to each person. We are also developing a mechanism of simulated job experience by making full use of technologies such as AI and virtual reality (VR). Innovation that leads "working people" to a new stage is about to be born from this.

I received training at the Technology Skill Development Center and became an SME engineer.

Since joining UT Aim, I have become more career-oriented, and I am able to think positively about my work and my future. I think this is the influence of managers and colleagues around me who always give me advice. As a semiconductor manufacturing equipment (SME) engineer, I am taking on new challenges every day. Before joining the company, I worked as a contract employee at an automobile parts manufacturer and a semiconductor-related factory in Toyama Prefecture, my hometown. I felt something was missing from the job of a machine operator. I wanted to perform extensive tasks as a full-time employee. So I decided to take on a challenge of a new job at UT Aim. At the time, I had never been out of Toyama Prefecture, so I was attracted by the fact that I could work anywhere in Japan. That was when I was 24 years old.

After joining UT Aim in March 2020, I was trained as a manufacturing operator at a semiconductor manufacturing plant in Ishikawa Prefecture for about a year. At the site, I heard from the manager in charge about the SME maintenance work and became interested. I then decided to use One UT, an intra-group job change support program, to become an SME engineer. The UT Group has the Technology Skill Development Centers, that are facilities to train SME engineers in-house. I received training in March 2021 as a first-year student at the Tokai Technology Skill Development Center. Students learn the basics of semiconductor manufacturing, including how to use PCs and tools,

as well as difficult chemistry and electromagnetics. I didn't know anything about these, and I was almost overwhelmed going through the program's three weeks, but I managed to complete the course and started working at an SME plant in Mie Prefecture.

I am currently in charge of overall maintenance of the semiconductor manufacturing process. We inspect various devices, and service and replace them before problems occur. There are many things to learn, and it is quite a profound job. Looking back, when I was working as an operator at a factory in my previous job, I was waiting for instructions. Now, I think by myself and act ahead, which is highly evaluated by the employees of the client company and I feel a great sense of satisfaction. In the future, I would like to take on the challenge of not only anticipating problems but also analyzing the causes of the problems. Junior employees from the Tokai Technology Skill Development Center joined my workplace, and now I am in a position to teach them. I desire to become a leader in charge of a team of about 10 members of UT Aim. In addition, I have the dream of becoming a full-time employee of the semiconductor manufacturer I am currently working by using Next UT, a support system for transferring to a dispatched client company. I still have a lot to study, but I would like to aim for even higher levels.

Since joining UT Aim, I have become more career-oriented.



Ginmaru Yamamoto

Joined UT Aim Co., Ltd. in 2020
Yokkaichi Higashi CF
Tokai-Hokuriku Business Unit

03

Financial and non-financial highlights

In FY3/2022, UT Group made aggressive efforts for market share expansion and achieved record highs in the number of technical associates and sales.

We continue to focus on completing the ongoing Fourth Medium-term Business Plan and aim to achieve further evolution anchored on a solid financial base.



Financial strategy and capital policy

How do we realize investments for future growth? We will support sustainable growth financially by consistently securing cash, and maintaining and improving financial soundness.

In FY3/2022, UT Group recorded record-high sales of ¥156.7 billion and the number of technical associates in Japan exceeded 30,000 at the end of the fiscal year, at 31,636. EBITDA, on the other hand, decreased ¥0.4 billion from the previous year to ¥7.5 billion due to an increase in hiring-related expenses as an upfront investment aimed at market share expansion. Back in the first half of FY3/2021, we restrained hiring activities due to the decline in demand for human resources, driven by the impact of the COVID-19 pandemic, and curbed hiring-related expenses. However, this situation changed in the second half of FY3/2021, and demand for human resources in the automobile-related sector and the semiconductor and electronic component sector recovered sharply, so we strengthened hiring activities at once. In FY3/2022, strong personnel demand was expected throughout the year, and we saw this as an opportunity to expand our market share and consequently made strong efforts in hiring. As a result, despite an increase in hiring-related expenses, the number of technical associates increased by 7,900

employees by year end, resulting in a significant increase in market share.

Looking back at each business segment, in the Manufacturing Business, order booking was favorable as major automobile manufacturers were expected to normalize their production despite their continued production adjustments and the delay in recovery of production, and as personnel demand continued to be strong in the semiconductor and electronic component-related sector. In addition, six companies of two local worker dispatch groups became UT Group's consolidated subsidiaries, which resulted in a significant increase in sales.

In the Solution segment, in addition to the increase in operations related to the production of automotive batteries along with the worldwide expansion of electric vehicle (EV) production, a new contract project of In-house Solution® (a full-time employee transfer-type contract arrangement) for a major corporate group started and Fujitsu FSAS CREA (currently UT FSAS CREA Co., Ltd.) was newly consolidated. These resulted in an increase in technical associates and sales.

In the Engineering Business, mainly leading semiconductor manufacturing equipment (SME) manufacturers and semiconductor manufacturers increased demand for field engineers. Sales increased as we strengthened our ability to train and produce SME engineers and focused on hiring and swift assignment of technical associates in response to growing demand in the field of construction engineers.

The safety of our financial base comes first during the Fourth Medium-term Business Plan

The UT Group is closely monitoring several indicators in order to maintain the safety of its financial base, and adopted the standard of "Gross D/E ratio of 1.0 times or less" as a part of commitments during the Fourth Medium-term Business Plan as M&A is one of the pillars of its growth strategy. Through efficient business operations and capital policies, we balance borrowing and shareholders' equity, achieving both high growth rates and financial security. At the end of FY3/2022, the gross D/E ratio temporarily spiked to 1.0 times, but has basically been at a level of 1.0 times or less since the first year of the Medium-term Plan. The balance between cash and interest-bearing debt is another indicator to be

monitored closely. President Wakayama sometimes uses the phrase "virtually debt-free management," as we keep interest-bearing debt within the cash amount: Against cash and deposits of ¥25.8 billion at the end of FY3/2022, net interest-bearing debt amounted to approximately ¥19.7 billion ("short-term borrowings and current portion of long-term borrowings" of ¥3.8 billion and "long-term borrowings" of ¥15.9 billion).

Due to the nature of the staffing business, SG&A expenses are mostly comprised of personnel expenses and hiring-related expenses, and the profit structure thereby is extremely simple. In terms of cash position, we are conscious of maintaining the burn rate for two months, and currently assume ¥10 billion as the burn rate. As cash and deposits on March 31, 2022 are ¥25.8 billion, we believe that we are maintaining a level that can withstand a certain degree of market fluctuations. In the medium to long term, we plan to further increase the cash position and create a structure that enables agile and flexible investment.

M&A and capital policies with an emphasis on financial balance

In recent years, we have made several acquisitions of leading local dispatch companies based on our Area Platform Strategy. This was enabled by cash generated from the business. M&A often depends on door-opening encounters and timing, but our basic policy stated in the Fourth Medium-term Business Plan is to close M&A deals for which most of the cash outflows can be realized within the scope of cash on hand. When raising funds, we use corporate finance, rather than project finance for M&A activities.

In March 2022, we acquired a syndicated loan agreement to procure ¥10 billion. With regard to future financing, our decision making will be based on an appropriate level of financial leverage, using the aforementioned "Gross D/E ratio of 1.0 times or less" as a criterion.

Along with an increase in M&A, the balance between goodwill and equity has also become an important indicator. As of the end of FY3/2022, the unamortized goodwill amounted to ¥6 billion against equity capital ¥20 billion. This is a level not to be concerned over risk but we will monitor this as one of the important indicators because if recoverability decreases significantly, there is

a risk of impairment loss.

Building a strong and flexible base for sustainable growth

During the ongoing business plan period, we will continue closely monitoring the key indicators, while maintaining and improving financial soundness. At the same time, we are working to improve labor productivity centered on organizational restructuring and standardization of business processes, as a part of efforts to build a base for achieving the current business plan's final year (FY3/2025) targets of ¥270 billion in sales and ¥25 billion in EBITDA, and beyond that, sustainable growth for the UT Group.

In April 2022, we consolidated the administration functions in conjunction with the reorganization of our operating subsidiaries. We are reviewing the work that has become more complicated by the consolidation of some local leading dispatch companies, and standardizing business processes, including the renewal of the backbone systems. A Key Goal Indicator (KGI) we are using is the ratio of SG&A expenses to sales: our target is to reduce it from approximately 14% in FY3/2022 to 10% by FY3/2025.

At present, we have about 200 administrative staff members, compared to about 30,000 technical associates in Japan. The number of technical associates is expected to increase by more than 20,000 to approximately 50,000 to 60,000 in FY3/2025 but we intend not to proportionately increase the number of administrative staff but to raise labor productivity. These consolidation/reorganization efforts, which began in FY3/2023, will serve as a major turning point for the Group to achieve medium- to long-term growth. I feel that the reorganization has boosted our associates' awareness toward improving labor productivity, and that we are nourishing a corporate culture of each and every associate to think not only of their affiliated department but also of the entire Group.

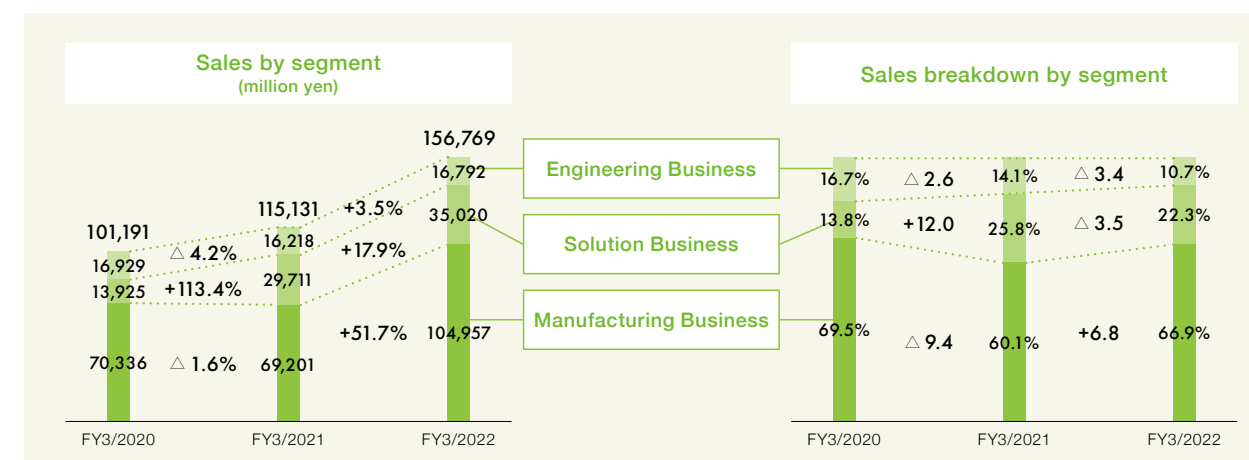
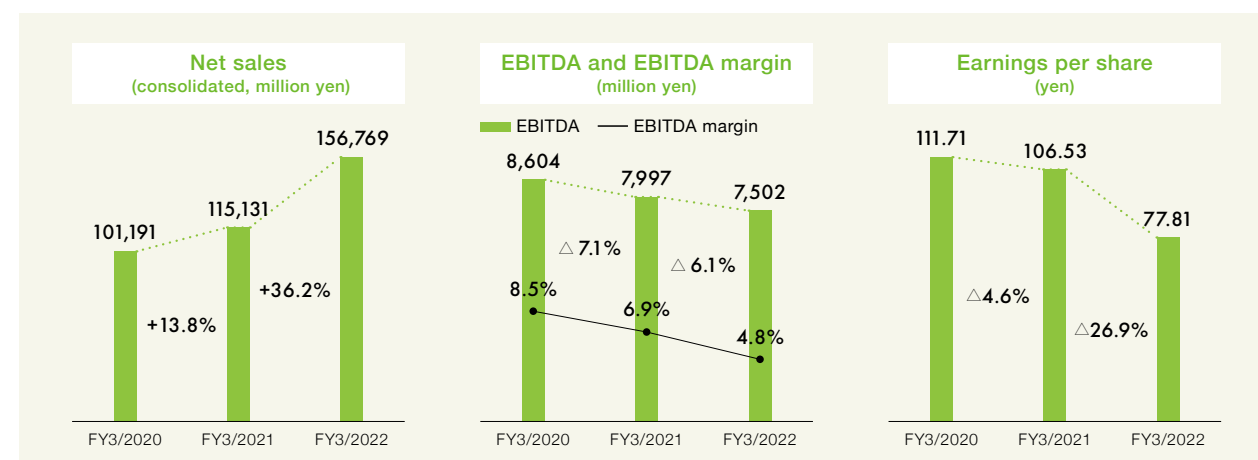
Beyond FY3/2025, we will need a more elaborate financial strategy in order to achieve ¥600 billion in sales and ¥100 billion in EBITDA in FY3/2030 as set forth in the long-term management vision. We aim to build a strong and flexible financial base while always keeping an eye on sustainable growth.



Takahito YAMADA Senior Executive Officer in charge of General Affairs Division

Specialized in the Financial Instruments Exchange Law and Corporate Law Audit at Deloitte Touche Tohmatsu LLC. Joined UT Group in 2018, after serving as Executive Officer, General Manager of the Accounting Department of Culture Convenience Club Co., Ltd.

Financial and non-financial highlights



* Inter-segment sales and transferred amount are eliminated.

10-year Data

(Million yen)

	FY3/2013	FY3/2014	FY3/2015	FY3/2016	FY3/2017	FY3/2018	FY3/2019	FY3/2020	FY3/2021	FY3/2022
Net sales	27,854	30,779	36,478	44,050	57,588	81,751	101,103	101,191	115,131	156,769
Gross profit	4,484	5,429	6,760	8,747	11,462	16,010	20,738	20,006	21,602	27,770
EBITDA	1,523	1,882	2,288	2,574	3,652	5,713	8,686	8,604	7,997	7,502
Operating profit	1,473	1,824	2,232	2,462	3,413	5,197	8,083	8,040	7,163	6,257
Net profit before income taxes and other adjustments	1,217	1,432	2,149	2,353	3,154	5,385	7,718	6,705	7,000	5,235
Net profit attributable to owners of the parent	922	934	1,168	1,497	2,033	3,534	4,968	4,509	4,299	3,140
Capital expenditures	85	86	24	376	236	371	543	286	346	1,895
Depreciation and amortization	49	56	51	68	155	118	195	251	378	574
Total assets	9,505	12,058	16,427	17,139	23,144	29,710	33,720	36,308	52,666	64,107
Shareholders' equity	2,711	3,101	3,520	4,096	5,605	8,947	12,890	14,900	19,116	19,592
Interest-bearing debts	3,732	5,495	6,856	7,049	7,822	7,696	5,543	8,789	11,723	19,907
Cash flow from operating activities	915	358	3,131	517	3,107	4,942	6,864	3,509	6,654	2,279
Cash flow from investing activities	△ 447	△ 23	△ 679	△ 334	△ 1,052	△ 975	△ 669	△ 805	△ 2,413	△ 6,300
Cash flow from financing activities	△ 220	1,196	515	△ 789	△ 147	△ 519	△ 3,184	721	2,613	4,554
Free cash flow	468	335	2,451	183	2,054	3,967	6,195	2,703	4,240	△ 4,020

Per-share data

Earnings per share (yen)	22.63	23.96	30.29	40.40	57.19	91.19	123.07	111.71	106.53	77.81
Fully-diluted earnings per share	6.2%	5.9%	26.4%	33.4%	41.6%	59.4%	35.0%	△ 9.2%	△ 4.6%	△ 27.0%
Book value per share (yen)	69.49	79.58	91.20	111.16	158.75	220.45	319.26	369.01	472.90	489.28
Dividend per share (yen)	13.00	13.50	0.00	0.00	0.00	0.00	61.93	0.00	66.00	24.00

Financial indicators

Gross profit margin	16.1%	17.6%	18.5%	19.9%	19.9%	19.6%	20.5%	19.8%	18.8%	17.7%
EBITDA margin	5.5%	6.1%	6.3%	5.8%	6.3%	7.0%	8.6%	8.5%	6.9%	4.8%
Operating margin	5.3%	5.9%	6.1%	5.6%	5.9%	6.4%	8.0%	7.9%	6.2%	4.0%
Return on Equity (ROE)	31.7%	32.2%	35.3%	39.3%	41.9%	48.6%	45.5%	32.5%	25.3%	16.2%
Return on Assets (ROA)*1	9.7%	7.8%	7.1%	8.7%	8.8%	11.9%	14.7%	12.4%	8.2%	4.9%
Return on Invested Capital (ROIC)*2	17.3%	14.2%	12.2%	14.7%	16.9%	20.5%	28.4%	23.0%	14.4%	10.0%
Equity ratio	28.5%	25.7%	21.4%	23.9%	24.2%	30.1%	38.2%	41.0%	36.2%	30.8%
Debt to Equity Ratio(D/E Ratio)*3	1.38	1.77	1.95	1.72	1.40	0.86	0.43	0.59	0.61	1.01

Stock information

Stock price (fiscal year end) (yen)	328	540	470	525	1,447	3,500	2,536	1,110	3,635	3,105
Price to Earnings Ratio (PER)	14.5	22.5	15.5	13.0	25.3	38.4	20.6	9.9	34.1	39.9
Price/Earnings-to-Growth Ratio (PEG Ratio)*4	1.54	3.37	0.59	0.39	0.61	0.65	0.59	△ 1.07	△ 7.35	△ 1.48

Return to shareholders

Total shareholder return	507	526	999	749	609	1,060	2,499	0	2,663	968
Total dividend amount	507	526	0	0	0	0	2,499	0	2,663	968
Purchase of treasury shares	529	0	999	749	609	1,060	0	0	0	0
Total payout ratio	54.9%	56.3%	85.6%	50.1%	30.0%	30.0%	50.3%	0.0%	62.0%	30.8%

Non-financial information

Number of employees	6,983	7,955	9,489	11,370	16,104	19,581	21,746	22,180	38,527	48,163
Number of technical employees (Japan)	6,821	7,768	9,299	10,926	15,488	18,569	20,583	20,906	23,736	31,636
Number of technical employees (Overseas)	-	-	-	-	-	-	-	-	13,276	13,750
Number of general employees	162	187	190	444	616	1,012	1,163	1,274	1,515	2,777
Work creating value*5 (million yen)	25,586	28,029	32,944	39,188	51,061	73,867	92,050	93,120	95,517	130,616

* 1 ROA = [Net profit attributable to owners of the parent] / [Total assets (fiscal year average)]

* 2 ROIC = [Net profit attributable to owners of the parent] / [Shareholders' equity (fiscal year average) + Interest-bearing debt (fiscal year average)]

* 3 D/E Ratio = [Interest-bearing debt] / [Shareholders' equity] *1|ROA= Net income/total assets belonging to the parent company's shareholders

* 4 PEG Ratio = [P/E Ratio at year end] / [EPS growth rate] X 100

* 5 Work creating value = [Operating profit] + [Total personnel expenses], UT Group's unique indicator for providing jobs to many people and supporting their growth

Consolidated Financial Statements

Consolidated Balance Sheets

(Million yen)

Assets	As of March 31, 2021	As of March 31, 2022
Current assets		
Cash and deposits	25,266	25,827
Notes receivable - trade	30	43
Accounts receivable - trade	16,732	21,401
Merchandise and finished goods	25	12
Work in process	7	15
Raw materials and supplies	52	58
Other	1,907	2,442
Allowance for doubtful accounts	△42	△53
Total current assets	43,979	49,748
Non-current assets		
Property, plant and equipment		
Buildings and structures	484	1,326
Accumulated depreciation	△144	△538
Buildings and structures, net	339	788
Other	331	970
Accumulated depreciation	△207	△347
Other, net	124	623
Total property, plant and equipment	464	1,411
Intangible assets		
Goodwill	4,005	5,731
Leased assets	8	5
Software	585	461
Other	942	3,311
Total intangible assets	5,541	9,509
Investments and other assets		
Investment securities	882	1,176
Long-term loans receivable	17	13
Long-term prepaid expenses	13	15
Deferred tax assets	1,264	1,663
Other	559	625
Allowance for doubtful accounts	△56	△56
Total investments and other assets	2,681	3,438
Total non-current assets	8,687	14,359
Total assets	52,666	64,107

(Million yen)

Liabilities	As of March 31, 2021	As of March 31, 2022
Current liabilities		
Notes and accounts payable - trade	2,517	280
Short-term borrowings	191	235
Current portion of long-term borrowings	2,328	3,648
Accounts payable - other	1,590	2,492
Accrued expenses	7,106	9,106
Lease liabilities	9	10
Income taxes payable	855	412
Accrued consumption taxes	2,841	3,943
Provision for bonuses	2,095	2,305
Provision for bonuses for directors (and other officers)	94	49
Deposits received	2,878	2,882
Other	53	99
Total current liabilities	22,564	25,467
Non-current liabilities		
Long-term borrowings	9,163	15,990
Lease liabilities	29	22
Retirement benefit liability	534	727
Deferred tax liabilities	114	613
Other	62	54
Total non-current liabilities	9,904	17,408
Total liabilities	32,468	42,875
Net assets		
Shareholders' equity		
Share capital	686	686
Capital surplus	338	338
Retained earnings	18,091	18,567
Treasury shares	△0	△0
Total shareholders' equity	19,116	19,592
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	0	△0
Foreign currency translation adjustment	△28	156
Total accumulated other comprehensive income	△28	156
Share acquisition rights	602	600
Non-controlling interests	507	882
Total net assets	20,198	21,232
Total liabilities and net assets	52,666	64,107

Consolidated Statements of Income

(Million yen)

	FY3/2021	FY3/2022
Net sales	115,131	156,769
Cost of sales	93,529	128,998
Gross profit	21,602	27,770
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	317	367
Salaries and bonus	4,426	6,161
Provision for bonuses	1,291	1,397
Provision for bonuses for directors (and other officers)	94	52
Welfare expenses	1,134	1,373
Recruiting expenses	2,406	6,116
Depreciation	372	554
Commission expenses	1,711	2,226
Amortization of goodwill	454	671
Other	2,229	2,591
Total selling, general and administrative expenses	14,438	21,513
Operating profit	7,163	6,257
Non-operating income		
Interest income	0	2
Foreign exchange gains	—	29
Subsidies for employment adjustment	149	71
Dividend income of insurance	19	32
Surrender value of insurance policies	—	21
Other	20	48
Total non-operating income	189	206
Non-operating expenses		
Interest expenses	52	54
Foreign exchange losses	59	—
Commission expenses	4	82
Share of loss of entities accounted for using equity method	—	247
Donations	—	60
Other	45	65
Total non-operating expenses	161	508
Ordinary profit	7,191	5,954
Extraordinary income		
Gain on sale of non-current assets	—	21
Gain on reversal of share acquisition rights	1	2
Gain on sale of shares of subsidiaries and associates	—	2
Gain on sale of investment securities	—	1
Total extraordinary income	1	27
Extraordinary losses		
Loss on retirement of non-current assets	61	15
Restructuring cost	95	284
Loss on termination of retirement benefit plan	13	23
Loss on step acquisitions	—	289
Loss on sale of shares of subsidiaries and associates	—	6
Loss on COVID-19	—	15
Loss on cancellation of rental contracts	—	111
Loss on valuation of investments in capital	19	—
Other	0	—
Total extraordinary losses	191	745
Profit before income taxes	7,000	5,235

	FY3/2021	FY3/2022
Income taxes - current	2,644	1,966
Income taxes - deferred	6	△41
Total income taxes	2,650	1,924
Profit	4,349	3,311
Profit attributable to non-controlling interests	49	170
Profit attributable to owners of parent	4,299	3,140

Consolidated Statements of Comprehensive Income

(Million yen)

	FY3/2021	FY3/2022
Profit	4,349	3,311
Other comprehensive income		
Valuation difference on available-for-sale securities	0	△0
Foreign currency translation adjustment	△28	225
Remeasurements of defined benefit plans, net of tax	5	—
Share of other comprehensive income of entities accounted for using equity method	—	△0
Total other comprehensive income	△22	225
Comprehensive income	4,326	3,536
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,280	3,325
Comprehensive income attributable to non-controlling interests	46	211

Consolidated Statements of Changes in Shareholders' Equity

FY3/2021 (from April 1, 2020 to March 31, 2021)

(Million yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of period	686	422	13,791	△0	14,900
Changes of items during period					
Dividends from retained earnings					—
Net profit attributable to owners of the parent			4,299		4,299
Purchase of treasury shares				△0	△0
Change in ownership interest of parent due to transactions with non- controlling interests		△83			△83
Net changes of items other than shareholders' equity					
Total changes of items during period	—	△83	4,299	△0	4,216
Balance at end of period	686	338	18,091	△0	19,116

	Accumulated other comprehensive income				Share acquisition rights	Minority interests	Total net assets
	Valuation difference on other securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	—	—	△5	△5	—	129	15,023
Changes of items during period							
Dividends from retained earnings							—
Net profit attributable to owners of the parent							4,299
Purchase of treasury shares							△0
Change in ownership interest of parent due to transactions with non- controlling interests							△83
Net changes of items other than shareholders' equity	0	△28	5	△22	602	378	958
Total changes of items during period	0	△28	5	△22	602	378	5,174
Balance at end of period	0	△28	—	△28	602	507	20,198

FY3/2022 (from April 1, 2021 to March 31, 2022)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of period	686	338	18,091	△0	19,116
Changes of items during period					
Dividends from retained earnings			△2,663		△2,663
Net profit attributable to owners of the parent			3,140		3,140
Purchase of treasury shares				△0	△0
Change in ownership interest of parent due to transactions with non- controlling interests					—
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	476	△0	476
Balance at end of period	686	338	18,567	△0	19,592

	Accumulated other comprehensive income				Share acquisition rights	Minority interests	Total net assets
	Valuation difference on other securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	0	△28	—	△28	602	507	20,198
Changes of items during period							
Dividends from retained earnings							△2,663
Net profit attributable to owners of the parent							3,140
Purchase of treasury shares							△0
Change in ownership interest of parent due to transactions with non- controlling interests							—
Net changes of items other than shareholders' equity	△0	185	—	184	△2	375	557
Total changes of items during period	△0	185	—	184	△2	375	1,034
Balance at end of period	△0	156	—	156	600	882	21,232

Consolidated Statements of Cash Flows

(Million yen)

	FY3/2021	FY3/2022
Cash flows from operating activities		
Profit before income taxes	7,000	5,235
Depreciation	378	574
Amortization of goodwill	454	671
Commission expenses	4	82
Increase (decrease) in allowance for doubtful accounts	△9	3
Increase (decrease) in provision for bonuses	508	213
Increase (decrease) in provision for bonuses for directors (and other officers)	57	△39
Interest and dividend income	△0	△2
Interest expenses	52	54
Share of loss (profit) of entities accounted for using equity method	—	247
Loss (gain) on sale of shares of subsidiaries and associates	—	5
Loss on retirement of non-current assets	64	10
Decrease (increase) in trade receivables	△841	△3,980
Decrease (increase) in prepaid expenses	△50	△312
Decrease (increase) in inventories	△10	△239
Decrease (increase) in long-term prepaid expenses	0	19
Increase (decrease) in trade payables	△278	74
Increase (decrease) in accrued consumption taxes	△257	1,186
Increase (decrease) in accounts payable - other	249	△161
Increase (decrease) in accrued expenses	982	1,518
Increase (decrease) in deposits received	602	△34
Other, net	△4	22
Subtotal	8,903	5,147
Interest and dividends received	0	1
Interest paid	△54	△54
Income taxes paid	△2,194	△2,815
Net cash provided by (used in) operating activities	6,654	2,279

Cash flows from investing activities

Purchase of property, plant and equipment	△173	△53
Purchase of intangible assets	△108	△1,445
Proceeds from maturity of insurance funds	—	234
Purchase of shares of subsidiaries resulting in change in scope of consolidation	△2,591	△2,955
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	1,079	67
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	—	△867
Purchase of shares of subsidiaries and associates	△604	△1,415
Proceeds from sale of shares of subsidiaries and associates	—	4
Net decrease (increase) in short-term loans receivable	△25	35
Decrease (increase) in guarantee deposits	7	45
Other, net	3	49
Net cash provided by (used in) investing activities	△2,413	△6,300

Cash flows from financing activities

Net increase (decrease) in short-term borrowings	△142	△3
Proceeds from long-term borrowings	5,003	10,630
Repayments of long-term borrowings	△2,839	△3,301
Proceeds from issuance of share acquisition rights	603	—
Purchase of treasury shares	△0	△0
Dividends paid	△1	△2,665
Dividends paid to non-controlling interests	—	△3
Other, net	△9	△100
Net cash provided by (used in) financing activities	2,613	4,554
Effect of exchange rate change on cash and cash equivalents	△3	25
Net increase (decrease) in cash and cash equivalents	6,851	560

Cash and cash equivalents at beginning of period	18,415	25,266
Cash and cash equivalents at end of period	25,266	25,827

04

Corporate governance



UT Group's business is always centered around people. This is why corporate compliance and corporate governance that supports it are the most important management issues. We will continue to move on by always keeping the right perspective for the sake of associates and client companies.

Policy on Corporate Governance

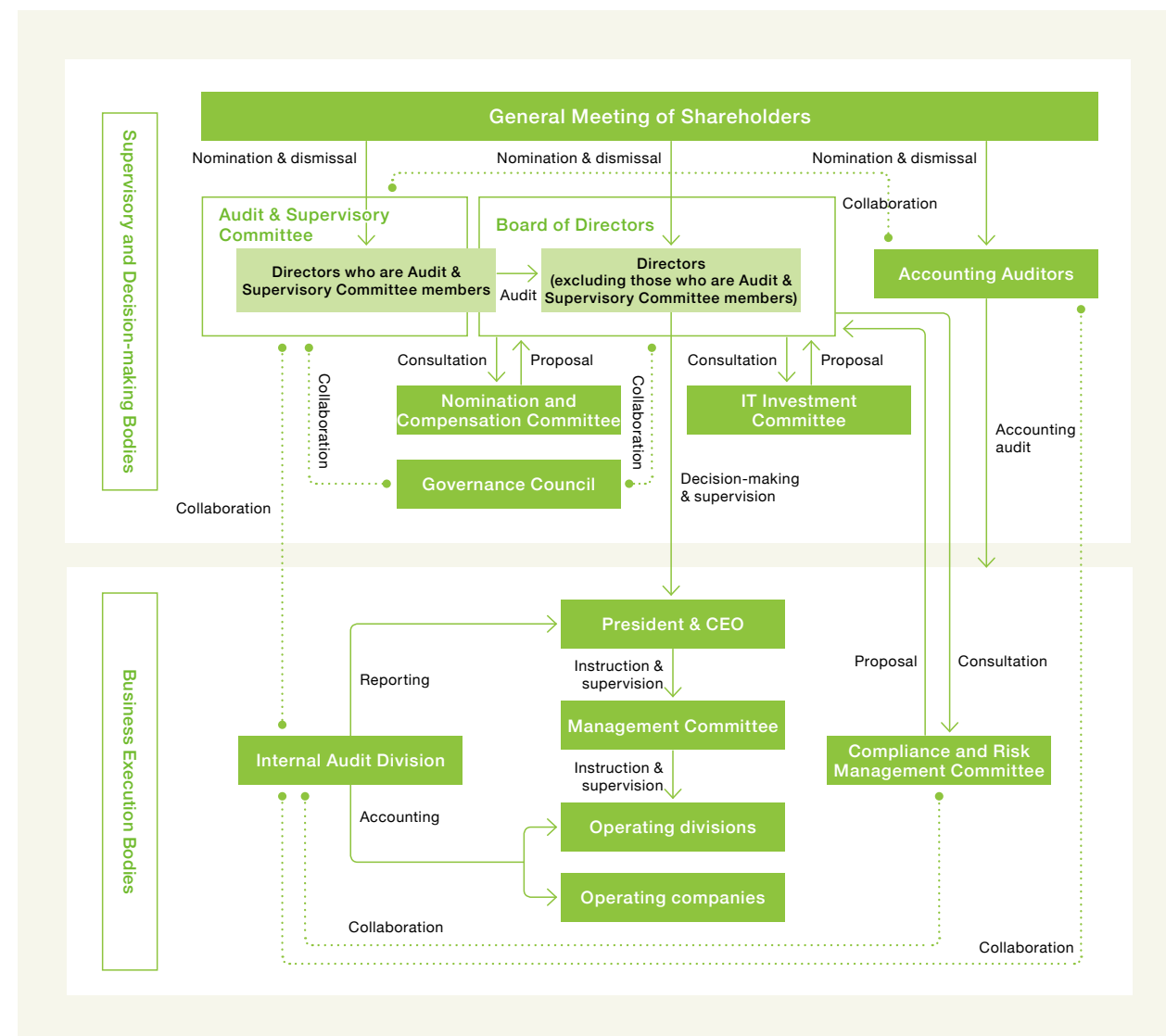
As a company that supports both the employment of workers and ongoing corporate production activities, we will continue to consider corporate governance as the most important management issue, and to fulfill our social responsibilities.

UT Group is engaged in the worker dispatch business, which is a human-centered business and can be characterized as public infrastructure that provides stable employment for each worker and the supply of labor to companies' production activities. In such a business area, it is a basic premise to respect the human rights of individuals and to comply with laws and social norms, with high ethical standards. Furthermore, in order to earn the trust of a wide range of stakeholders and society, we believe it is important to fulfill our accountability through highly transparent information disclosure and appropriate communication.

To this end, we have positioned corporate governance as the most important management issue and are working to continuously strengthen it. As one of these initiatives, we have changed our status so as to be a Company with an Audit and Supervisory Committee, upon the approval of the 15th General Meeting of Shareholders held on June 25, 2022. The Audit and Supervisory Committee, which consists of four outside directors with a high level

of expertise, ensures the objectivity and neutrality of the management supervisory function. In the past, we have worked to strengthen the system based on three main points: Strengthening the supervisory system by independent outside directors, separating management supervision and business execution, and establishing an audit system in which Audit & Supervisory Committee Members and the Internal Audit Division cooperate. The transition to a Company with an Audit & Supervisory Committee will further strengthen the system. In order to achieve sustainable growth in corporate value, we will continue to strengthen the system by emphasizing both "defensive governance" and "aggressive governance." What we mean by defensive governance is to constantly control risks and operate the business in an appropriate manner. By aggressive governance, what we mean is to support flexible thinking and bold risk-taking that can quickly respond to environmental changes and turn into new business opportunities.

Corporate governance structure



The analysis and evaluation of the effectiveness of the Board of Directors

In accordance with the Corporate Governance Code stipulated by the Tokyo Stock Exchange, we conduct analyses and evaluations of the effectiveness of the Board of Directors in order to improve its functions. The method of analysis and evaluation, which was most recently conducted in the fall of 2021, and the results, are summarized below.

- Evaluation period: September - October 2021
- Subjects of evaluation: All directors and all audit & supervisory board members, 11 in total
- Method of evaluation: Self-evaluation through a Web questionnaire, and the compilation and analysis of evaluation results by an external organization
- Evaluation Items: 5 major items (25 questions in total)
 - Management and organization of the Board of Directors; Management strategy and business strategy
 - Corporate ethics and risk management; Performance monitoring and evaluation and compensation of management; Dialogue with shareholders, etc.
- Answer method: 5-level evaluation and free comments and requests for each major item

1 Management and organization of the Board of Directors

In regard to the independence, gender, experience, and expertise of the Board of Directors, the composition of the Board was evaluated as appropriate due to the appointment of a female outside director and the resulting increased diversity of the Board. In addition, the selection of agenda items for Board of Directors meetings and the allocation of matters for resolution and matters to be delegated to the business executive side were evaluated as appropriate.

4 Performance monitoring, and evaluation and compensation of management

The performance evaluation of each director and each executive officer by the Nomination Committee (the Nomination and Compensation Committee was established as of August 30, 2021) was evaluated to be appropriate. Regarding decisions and the decision-making process for compensation of directors, some expressed the view that the Nomination and Compensation Committee should formulate how to report to the Board of Directors and be expected to make clearer announcements.

2 Management strategy and business strategies

Many expressed the view that UT Group has been achieving sustained growth through the effective functioning of its strategy to develop business centered on advancement in the skills and careers of technical associates. They also appreciated the Company's agile efforts to respond to changes in the external environment, such as the rise of social demands on sustainability. On the other hand, some expressed the view that the functions of sharing and monitoring progress should be strengthened concerning the post-merger integration (PMI) of acquired companies, which is related to the Company's important M&A strategy in the current medium-term management plan, and in the case of business process innovation through the promotion of DX.

5 Dialogue with shareholders, etc.

Many expressed the view that dialogue with shareholders and others is undertaken in a timely and appropriate manner and that the contents are properly reported to the Board of Directors. Some raised the view that, although certain dialogue restrictions have occurred due to the COVID-19 pandemic, the disclosure of information has been enhanced, and that the disclosure of nonfinancial information, especially from the standpoint of sustainability, is expected to further enhance corporate value.

3 Corporate ethics and risk management

Many expressed the view that UT Group properly responds to external requests concerning corporate ethics and shares the status of risk assessment, and that internal auditing is functioning effectively. On the other hand, some expressed the view that the Board of Directors needs to further deepen discussions concerning monitoring of the status of risk management associated with organizational and operational changes.

Details of the main deliberations and reports at the Board of Directors meeting in FY3/2022

Management strategy	M&A deals based on the M&A strategy of the medium-term business plan
	IT investments (e.g., next-generation IT concept, group-integrated hiring site)
	Business strategy (e.g., organizational strategy, hiring activities)
Capital policy and finance	Sustainability initiatives
	Shareholder return policy
	Group finance
Governance	Cash flows and funding
	Governance system and matters escalated from the Governance Council
	Evaluation of the effectiveness of the Board of Directors
	Identifying of material risks
	Nomination and compensation

Composition of the Board of Directors

UT Group's Board of Directors has a high level of expertise and knowledge, and is so constituted as to ensure the objectivity and neutrality of management supervisory functions, resulting in building strong corporate governance.

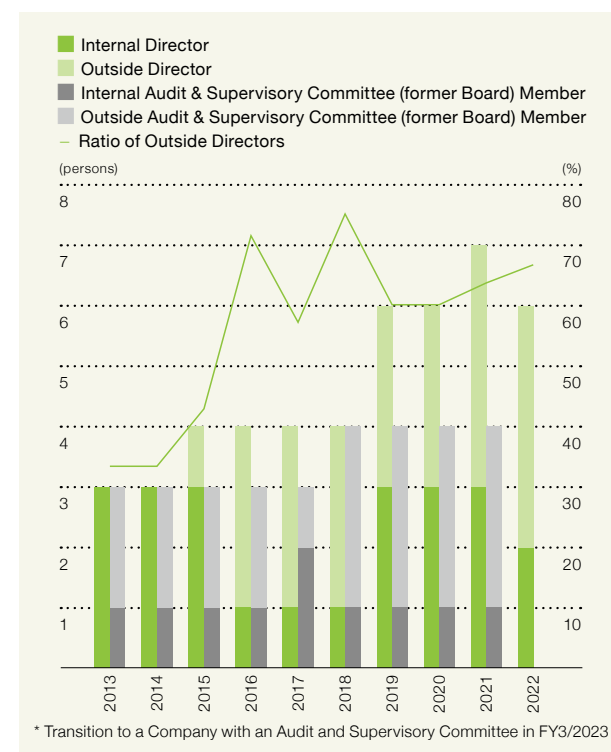
Skills matrix of the Board of Directors and the composition of various committees and council

Reasons for selection of skill items

In order to realize the Fourth Medium-term Business Plan, we place importance on management experience in the HR business in Japan and overseas. We also find it important to have directors who have knowledge of M&A and business development as these are actively promoted in the Plan, and have vital knowledge and experience in both building of solid business and financial bases amid the expansion of corporate scale and in the fields of risk management and legal affairs.

Name	Title in UT Group	Years in office	Participating committees and council				Attributes		Experience and expertise								
			Nomination and Compensation Committee	Compliance and Risk Management Committee	IT Investment Committee	Governance Council	Independence	Gender	Corporate management	Human resources business	Global business	M&A	Business development	Personnel affairs and development	Finance and accounting	Legal and risk management	
Yoichi WAKAYAMA	President & CEO	15	●		●				●	●		●	●				
Manabu SOTOMURA	Board Director	3	●	●	●							●			●		
Taisuke IGAKI	Board Directors who are Audit and Supervisory Committee Members	4	●			●		●			●		●				●
Hiroko SASAKI		1	●			●		●	●				●	●			
Hirokazu MIZUKAMI		13				●		●			●					●	
Koichi SHIMA		New	●	●		●		●		●	●		●		●	●	●

Board Directors and Audit & Supervisory Committee Members: Numbers and Ratios of Outside Directors



Advisory Bodies

	Nomination and Compensation Committee	Compliance and Risk Management Committee	IT Investment Committee
Chairperson	Outside director	Senior executive officer	President
Members	President 1 full-time director 3 outside directors	1 full-time director 1 outside director 1 external lawyer 4 senior executive officers 1 executive officer	President 1 director 1 external expert 1 senior executive officer
Objectives	Ensure the transparency and objectivity of procedures concerning the nomination and remuneration of directors and executive officers of the Company, and strengthen the accountability of the Board of Directors regarding CEO succession planning and supervision	Control UT Group's breach in compliance and risks; and minimize loss	Consider solutions based on the UT Group's IT systems, and check the appropriateness of investment decisions and post-investment effects, etc.

Policy for the selection of directors

Basic policy for nominating candidates for the post of director is to select those who can contribute to sustainable growth of the Company and to growth in medium- to long-term corporate value. The Nomination and Compensation Committee, which is an advisory body to the Board of Directors, selects candidates for directors, taking into consideration the balance of capabilities and knowledge of the entire Board of Directors, and the Board of Directors makes decisions. Nomination of candidates for the Audit and Supervisory Committee is determined by the Nomination and Compensation Committee on the basis that they contribute to the sound management of the Company and the maintenance and improvement of its social credibility and are able to conduct audits from a neutral and objective standpoint. After receiving the consent of the Audit and Supervisory Committee, the Board of Directors makes decisions.

As for outside directors, the Company appoints those who can secure sufficient independence based on his/her background and relationship with the Company, referring to the judgment criteria for independence as per the Tokyo Stock Exchange.

With regard to the dismissal of directors and Audit and Supervisory Committee members, we will begin the procedures for dismissal of those for whom we find material facts in violation of laws, regulations or the Articles of Incorporation, or facts which have deviated significantly from the selection criteria, as well as those whose negligence of duties has significantly impaired the Company's corporate value has been significantly

impaired by negligence of their duties, or whose duties are deemed to be difficult to be decently performed. The dismissal of directors and Audit and Supervisory Committee members is determined at the General Meeting of Shareholders after fair and rigorous deliberation by the Nomination and Compensation Committee and a resolution by the Board of Directors.

Outside Directors Roundtable Discussion

UT Group has been strengthening corporate governance as a part of the Fourth Medium-term Business Plan and from a medium- to long-term perspective. This strengthening includes the transition from the Company with an Audit & Supervisory Board to the Company with an Audit & Supervisory Committee. Our four Outside Directors who are Audit and Supervisory Committee Members got together to discuss the current situation and future issues of UT Group as well as the future roles and responsibilities of the Audit and Supervisory Committee and the Board of Directors.

Evaluation of the present and potential of UT Group

Mizukami: I have witnessed the growth of the UT Group over the past 12 years as an outside director. Around 2008, when I first met President Wakayama, UT Group was overcoming hardships caused by the global financial crisis, and UT's great growth since then was absolutely remarkable. When I think back, overcoming that difficult situation became the starting point for everything. Since then, UT Group has grasped the current of the times, did not do anything eccentric, and has made progress while firmly solidifying its foundation.

Igaki: Since that starting point, we were able to immediately anticipate changes in the business environment and demand, driven by the revision of labor laws, and were able to adopt a drastic business strategy. UT has talented people who can immediately strategize and implement changes in social needs. I think this has contributed to the past growth and is also a source of potential growth of the UT Group.

Sasaki: I agree. I am also impressed with UT's speed to understand and respond to changes in the business environment, and its flexible strategic thinking. One year has passed since I joined UT's Board, and as expected, I highly evaluate UT as a company with a fairly high level of execution capability.

Igaki: I have the impression that the management team leading the organization is always passionate and is casting light, not shadows. The light illuminates the entire organization and creates a very high level of motivation of its people.

Shima: I have just been appointed as an outside director, but I already feel that it is UT's culture that encourages active exchange of opinions. UT has a corporate culture in which employees feel motivated to achieve and grow, regardless of age, and employees can speak freely. They are precious elements that effect business growth.

Sasaki: The starting point of such thoughts and statements leads to the well-being of working people. That sense of mission is also one source of potential. There are not many companies that combine the three elements of execution capability, flexible business strategies, that I mentioned earlier, and a sense of social mission.

Shima: I have long held a view that worker dispatch companies compete on cost, scale, and brand, and have difficulty in identifying their distinguishing characteristics. However, UT

Group has established a unique position in terms of two factors, employment of full-time employees and enhancement of the education system. This must be the source of building trust with workers and client companies.

Corporate governance with a view to the future

Sasaki: Beside the Board of Directors meetings, I participate in meetings of the Management Committee and others as an observer. There I found that UT Group has established a system in place to formulate and execute strategies at the business manager level. The leadership of President Wakayama is behind this, but when it comes to decision-making, UT's organizational strength struck me.

Mizukami: With the expansion of the Group, the lineup of senior employees has also changed, but perhaps because of its experience in the human resources business, UT Group was able to recruit highly skilled people. The quality of the organization has improved dramatically since 10 years ago. Otherwise, the Group would not have achieved such remarkable growth.

Igaki: At the Board of Directors meetings, we have free, vigorous and constructive discussions and exchanges of opinions. As an external impression, President Wakayama's strong leadership is often regarded as a strength, but the directors, including us, outside directors, play a key role in the discussion. I hear from President Wakayama that he himself has changed. He has become more attentive to the opinions of those around him and not to be driven only by results. Compared to the past, the functions of the Board of Directors have been improved and I believe its effectiveness has been increasing.

Shima: On the other hand, the difficulty of managing the entire group includes the facts that the bases are dispersed and that many companies have joined the Group through M&A. In order to unify operations, it is necessary to establish a system with highly qualified managers at key locations, rather than a complete centralization. I feel that, going forward, it will be important to cultivate such people in charge.

Sasaki: Having become a Company with an Audit and Supervisory Committee, we are now able to check the details of risk management and other aspects that could not have been covered by the Board of Directors until now, and I am anticipating that the governance system will be further upgraded.

Igaki: Regarding the Nomination and Compensation Committee, we are undertaking unique initiatives, not seen at other companies, such



Hirokazu MIZUKAMI

Outside Director who is an Audit and Supervisory Committee Member
Representative Director of Advan Capital Ltd.

Koichi SHIMA

Outside Director who is an Audit and Supervisory Committee Member
Former President and Representative Director of Recruit Media Communications Co., Ltd. (Currently Recruit Co., Ltd.)

Hiroko SASAKI

Outside Director who is an Audit and Supervisory Committee Member
President and CEO of Change WAVE Inc.
President and CEO of Lyxis Co., Ltd.

Taisuke IGAKI

Outside Director who is an Audit and Supervisory Committee Member
Attorney and Partner of Nishimura & Asahi LPC

as incorporating the development plan and monitoring of senior executive officers in the committee agenda. Compensation is a topic of high interest to stakeholders. UT Group's remuneration consists of basic remuneration, performance-linked remuneration, and non-monetary remuneration. Going forward, we aim to design incentives that incorporate a medium- to long-term perspective, in combination with short-term incentives, while carefully considering the linkage with shareholder interests.

Challenges and expectations of UT Group

Shima: I have been involved in corporate management for many years, and while focusing on administrative departments such as human resources, general affairs, and finance, I have also been involved in broad areas including M&A activities. As a new outside director, I intend to make recommendations on the expansion of the functions of the headquarters in particular. I will also be involved in management decisions with an emphasis on being directly engaged in the growth of the company, such as how to set goals and points to consider in business strategy.

Sasaki: From the standpoint of specializing in organizational change and diversity promotion, in particular, in terms of diversity promotion, there are many points that need to be improved compared to other companies, partly because men have often played an active role in the manufacturing dispatch industry. If we

cannot realize a workplace where diverse people can play an active role, it would be difficult to achieve the next big advance in growth. Thankfully, awareness of these risks is spreading within the Group. I believe it is my role to continue cracking down on these risks, including helping older workers and foreigners become more empowered.

Mizukami: We have a stable customer base in the worker dispatch industry but our market share is still about 10%. There is still great potential beyond the path we have taken so far. Looking toward medium- to long-term growth, I feel that the UT Group also needs to consider the possibility of new business development.

Sasaki: In an era of heightened uncertainties, the Board of Directors will need to discuss more medium- to long-term strategies, such as succession, risk resilience, and response to trends.

Mizukami: I think so too. I hope that discussion with a view to medium- to long-term growth will be triggered within the Board of Directors and the Group.

Igaki: This is yet another reason that we must complete the Fourth Medium-term Business Plan. When we accomplish the Business Plan and earn the trust of various stakeholders, our future will look quite differently.

Shima: Many companies and workers in the Japanese manufacturing industry are still struggling. In the midst of demographic changes and globalization, I want UT Group to be an entity that supports the foundations of the manufacturing industry and the Japanese economy. I firmly believe that the UT Group has the power to meet such expectations.

Toward a governance system to increase corporate value

We aim to complete the Fourth Medium-term Business Plan and further look beyond. The evolution of the governance system supports the foundation of improving corporate value.

Stakeholder Engagement

The UT Group adheres to an open corporate stance in order to solve client issues while respecting each and every associate. We also strive to continuously increase corporate value through dialogues with stakeholders.

The UT Group believes that earning the trust of stakeholders and society is indispensable for the continuation and expansion of its business, and the Basic Policy on Corporate Governance stipulates highly transparent information disclosure and appropriate

communication. In addition, we have established the Basic Policy on Stakeholder Engagement as follows, and is engaged in communication with stakeholders and appropriate cooperation with them.

Stakeholder	Response Policy	Communication Opportunities
Employees	The UT Group strives to improve both employee satisfaction and customer satisfaction by providing an environment that supports each employee's self-realization through work.	<ul style="list-style-type: none"> ● Counseling by a Career Partner ● In-house portal site and in-house newsletter ● UT app (internal communication tool) ● Employee training ● Self-evaluation system and individual interviews ● Employee Association ● Whistle-blowing contact
Client companies	The UT Group strives to improve both customer satisfaction and employee satisfaction through provision of services by its highly motivated employees and through efforts to improve the working environment.	<ul style="list-style-type: none"> ● Daily sales activities ● Corporate website ● Contact center ● Client survey
Job seekers	The UT Group strives to expand the potential of each job seeker by giving attention to each and every job seeker's career wishes, and providing career-building advice and accurate information about work and its group companies.	<ul style="list-style-type: none"> ● Company briefing ● Interview ● Job sites, job advertisements
Shareholders and investors	The UT Group places great emphasis on transparent management and information disclosure. To ensure transparency and fairness, the Group will communicate in accordance with its IR policy.	<ul style="list-style-type: none"> ● General Meeting of Shareholders ● Shareholder briefing ● Financial results briefing ● Briefing sessions for individual investors ● Meeting with institutional investors ● Investor information site

Basic Policy on Stakeholder Engagement

UT Group is aware of its social responsibility as a company that provides public infrastructure, such as job stability and labor supply, and is devoted to continually be a company that is trusted by society and stakeholders. We therefore find it important to accurately understand the demands

1 Response policy to employees

We strive to improve both employee satisfaction and customer satisfaction by providing an environment that supports each employee's self-realization through work.

2 Response policy to client companies

We strive to improve both customer satisfaction and employee satisfaction through provision of services by our highly motivated employees and through efforts to improve the working environment.

and expectations they have toward UT Group and respond accordingly. We will carry out appropriate information collection, information disclosure, and dialogues, and strive to collaborate with stakeholders.

3 Response policy to job seekers

We strive to expand the potential of each job seeker by giving attention to each and every job seeker's career wishes, and providing career-building advice and accurate information about work and our group companies.

4 Response policy to shareholders and investors

We place great emphasis on transparent management and information disclosure. To ensure transparency and fairness, we will communicate in accordance with our IR policy.

Roles of organizations that comprise the supervisory and decision-making bodies

UT Group's corporate governance system is characterized by the separation of management supervision and execution, the granting of the majority of business execution authority of the Board of Directors to executive officers, and the establishment of advisory bodies for each important management theme.

Board of Directors

As UT Group's highest decision-making body of management, the Board of Directors decides basic management policies and important matters based on the Companies Act, UT Group's Articles of Incorporation, and internal rules. It also focuses on appropriately supervising execution of duties by board directors. In order to accomplish these roles, the number of board directors is limited to facilitate active discussion, while independent board directors represent over a half of the Board in order to enable highly objective supervision.

Audit and Supervisory Committee

The Company has transitioned to a Company with an Audit and Supervisory Committee since June 2022. The four members of the Audit and Supervisory Committee are outside directors to ensure the objectivity and neutrality of the management monitoring function. In accordance with the Audit and Supervisory Committee Audit Standards and the Audit and Supervisory Committee Audit Standards for Internal Control Systems, etc., the Committee conducts effective audits with consideration given to corporate size, industry, management risks, and other company-specific environment including audits. The Committee is organized to maintain close cooperation with the Internal Audit Division and other departments responsible for the monitoring function of the internal control system.

Nomination and Compensation Committee

As a voluntary advisory body to the Board of Directors, the Nomination and Compensation Committee's objectives are: to ensure the transparency and objectivity of procedures concerning nomination of candidates for directors, Audit and Supervisory Committee members, executive officers and executive officers of important subsidiaries, as well as compensation; and to strengthen the accountability of the Board of Directors regarding the election and dismissal of CEO and the planning and supervision of CEO succession. The Nomination and Compensation Committee, chaired by an outside director, designates persons who shall contribute to the Group's sustainable growth and medium- to long-term increase in corporate value and refers the candidates to the Board of Directors.

IT Investment Committee

The IT Investment Committee has two roles: a role as an advisory body to the Board of Directors by which it reviews medium- to long-term development and investment plans concerning the information system infra-structure of the entire UT Group; and a role as a decision-making body concerning execution of duties related to shorter-term system investment and the like. The committee, chaired by the President and comprised of full-time board directors and outside IT experts, reviews IT system solutions for managerial issues and discusses the appropriateness of investment decisions and effectiveness after investments have been made.

Governance Council

The Governance Council is composed of four outside directors who are Audit and Supervisory Committee members, and has been established as a forum for exchanging information and sharing awareness with corporate governance as the main theme. Certain opinions shared at the Governance Council are submitted to the Board of Directors as a discussion theme to enhance corporate governance, as needed.

Accounting Auditors

The Company has entered into an accounting audit agreement with Gyosei & Co. As its accounting auditor who performs audits of financial statements based on the Companies Act and the Financial Instruments and Exchange Act.

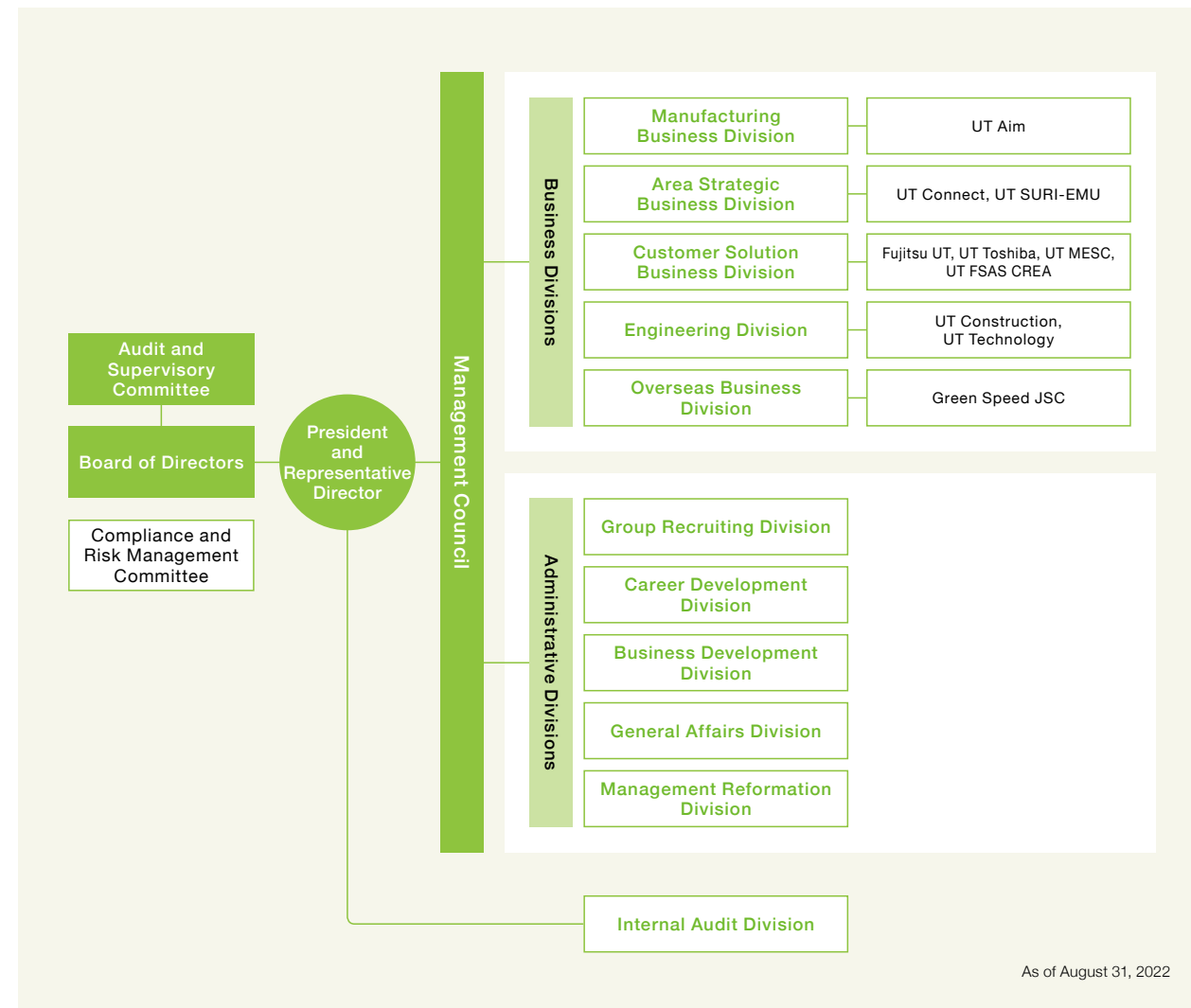
Execution function and compliance

Basic Policy of the Business Execution Bodies

UT Group has adopted a system that enables the rapid execution of its operations while clarifying its responsibilities by delegating part of its business execution authority to executive officers. Senior Executive Officers are responsible for the divisions that are established in line with the business scale and strategy and are engaged in coordination among the

divisions as well as the overall executive responsibilities of the divisions. Executive Officers are responsible for the functions and operations that are fragmented within the division, which enables the management's intentions to be reflected in the execution of the business even in areas with high levels of expertise.

Correlation of Business Execution Bodies



Compliance and Risk Management Committee

The UT Group Compliance and Risk Management Committee, chaired by the Senior Executive Officer and with participation by other Senior Executive Officers in charge of Business Division and Administrative Division and a few outside lawyers, is an advisory entity serving the Board of Directors. The Committee discusses compliance policy and action plans, studies matters

needed for ensuring legal compliance, does research, and establishes recurrence prevention measures. In addition, the Committee identifies types of risks of the Company and its Group, controls and evaluates these risks, takes action to prevent risk occurrence, and, in the event of risk occurrence, minimizes loss and establishes recurrence prevention measures.

Roles of organizations that comprise the Business Execution Bodies

Manufacturing Business Division

This division develops and implements business plans based on the One-Stop Strategy for Major Manufacturers. Having Japan's leading manufacturers as clients, the division is engaged in the dispatch of design and manufacturing engineers, the worker dispatch and manufacturing outsourcing required in the production process by a team of workers including a dedicated on-site manager, and the management of non-Japanese technical interns.

Group Recruiting Division

This division is responsible for managing the call center as a common function required by the Group's operating companies, hiring new graduates, operating the company's own recruitment medium, and managing the recruitment information of Group companies as a hub for recruitment.

Career Development Division

This division develops and promotes the Career Platform Strategy. It develops the educational content and assessment programs, as a mechanism to support the career development of associates. It also nurtures managers and career partners, and operates educational facilities.

Business Development Division

This division develops plans for the M&A Strategy in areas to be enhanced and expanded by M&A in the medium-term business plan. The division is also engaged in operations related to capital alliances and M&A, from finding deals to their closing and early PMI.

Area Strategy Business Division

This division develops and implements business plans based on the Area Platform Strategy. It is engaged in a community-based worker dispatch business that provides a workstyle platform for workers and client companies in each area. In order to provide more detailed services, an organization for sales and marketing, hiring, and management is established by each small areas throughout Japan.

General Affairs Division

This division plays an important role in supporting the management of the entire group, such as the management of compliance systems, including dispatch management of group companies; corporate functions including finance, accounting, and legal affairs; the management of support desks for associates; and the establishment of a management base of acquired companies.

Customer Solution Business Division

This division develops and implements business plans based on the Solution Strategy. It operates operating companies through capital alliances with client companies. In addition to manufacturing outsourcing, worker dispatch to production processes, and the dispatch of engineers and administrative operators, the division strives to solve personnel challenges faced by major corporate groups and to realize stable employment for workers by re-employing retiring employees of corporate groups.

Management Reformation Division

This division is responsible for the planning and monitoring of the entire group's business plan as well as the promotion of corporate-wide projects toward the realization of the medium-term business plan, the planning and management of personnel management and personnel affairs, and the corporate communication for constructive dialogues with stakeholders.

Engineering Division

This division is engaged in the dispatch of engineers in the mechanical and electrical, IT, and construction fields. Besides new hires and mid-career hires, the division steadily provides engineers with highly specialized skills to client companies by using UT Group's network and training associates* who have moved from manufacturing operating work at group companies, according to their aptitude as one of the career paths.

Internal Audit Division

This division, which is under the direct control of the President, examines and evaluates compliance, effectiveness, and efficiency of the status of corporate organization establishment and business management of the entire Group, based on the internal control plan, and reports the results to the President and Audit & Supervisory Committee Members. The Internal Audit Division also cooperates with the Board of Directors and Audit & Supervisory Committee Members to appropriately audit e effectiveness of the status of governance and the internal control system of the entire Group.

Overseas Business

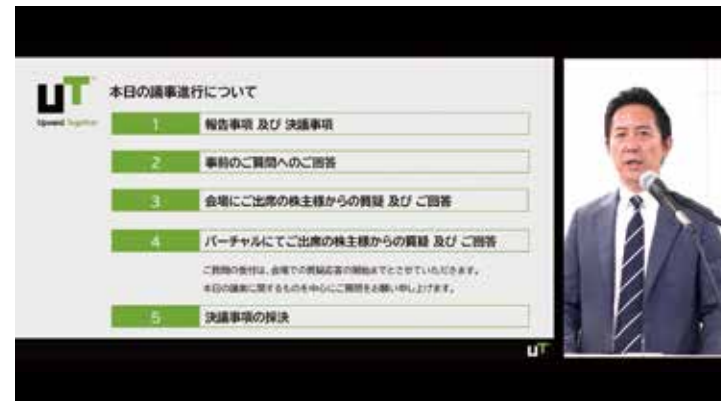
This division is responsible for establishing and developing the overseas staffing business through overseas business alliances and M&As. By establishing a business base overseas from a medium- to long-term perspective, the division aims to build a career bridge in which non-Japanese workers who have gained technical skills through internship in Japan can utilize their technology after returning to their home country.

UT Group's IR activities

UT Group recognizes that engagement with shareholders is indispensable for the achievement of sustainable growth. Along this line, investor relations (IR) activities are considered to be important management matters and UT Group makes efforts for active and constructive dialogues with stakeholders.

Promotion of constructive dialogues with shareholders

The general meeting of shareholders is UT Group's highest decision-making body and a place for dialogues where the management shares thoughts and vision with shareholders. We hold the meeting on a Saturday when there is not a concentration of annual meetings (a long-standing tendency in Japan), so that as many shareholders as possible can attend. The 15th general meeting of shareholders was conducted using a hybrid method that allowed virtual attendance via the internet as an alternate to the attendance at the venue, with due consideration to the impact of COVID-19. We also try to send a convocation notice well ahead in order to provide sufficient time for shareholders to review proposals for resolution. After the general meeting of shareholders, a presentation by the President was made (using the hybrid method). He shared future business plans with shareholders and had a constructive dialogue.



- Participants in the general meeting of shareholders: 18 shareholders (3 attendees and 15 viewers of live broadcasts)
- Questions raised for the GMS: 8 questions from 4 shareholders (4 questions from a shareholder before the meeting, 1 question from a shareholder at the venue, and 3 questions from 2 online attendees)
- Voting rights exercise rate: 90.5%

Promotion of constructive dialogues with institutional investors

UT Group holds IR briefings on financial results and puts presentation videos by the president on its corporate website at the same time to its quarterly business result announcement. UT Group's executive officer in charge of IR activities is mainly responsible for engagement in constructive dialogues with institutional investors, such as one-on-one meetings and small meetings with investors in Japan and abroad, and participation in conferences and other occasions. Opinions of institutional investors obtained through these dialogues are reported at the Board of Directors meeting and are used for improvement of management and IR activities.



- Institutional investors whom we have had dialogues with: 304 companies
- IR briefings: 2 times
- Attendees in IR briefings: 182 investors (in total for two online briefings)
- Quarterly financial result video: 1,110 views (in total for two quarterly announcements with no IR briefing)

Conducted a small meeting between outside directors and institutional investors

We hosted a small meeting between our outside directors and institutional investors as a part of efforts to enhance dialogues with institutional investors.

The General Principle 5 of Japan's Corporate Governance Code states that "In order to contribute to sustainable growth and the increase of corporate value over the mid-to long-term, companies should engage in constructive dialogue with shareholders even outside the general shareholder meeting" (partially quoted). Based on this spirit, we held a small meeting for our outside directors

and institutional investors on December 3, 2021. This was our first attempt and a pioneering effort; there are few examples of this in the human resources industry. Main Q&As of the meeting are summarized below. We plan to hold a similar meeting once a year and aim at increasing opportunities for dialogues with shareholders and institutional investors.

Main questions and answers at the small meeting

Participants Tetsuro YOSHIMATSU, Board Director (Outside) (at that time)
Taisuke IGAKI, Board Director (Outside)
Hiroko SASAKI, Board Director (Outside)

Moderator Manabu SOTOMURA, Board Director

Q.1 Will you share how you look at UT Group, what potential the company has, and what you recognize as its risks and challenges?

Sasaki: UT Group's growth speed is fast, and the ability to support it is high. It quickly seizes opportunities and has the ability to change itself. The company has well designed and redefined its business while building the engine of self-improvement. The challenge is gender diversity. While UT Group is working on a project to empower women under the leadership of Mr. Sotomura, Director, I am the only woman among the directors and executive officers. How shall we establish a pipeline to promote women? If directors and executive officers make a full commitment to this challenge, I believe we can achieve success.

Q.2 While the strong leadership of President Wakayama is a strength, how do you engage in and advise at the Board of Directors as outside directors?

Yoshimatsu: We discussed matters in depth at the time of appointing a director from within the company. Although the leadership of President Wakayama is often seen as strong, we can have active and constructive discussions.

Q.3 In Europe and the United States, there is no distinction between regular and non-regular workers and there are no regulations in the labor market. In these countries, manufacturing dispatch is not a value-added business, but the situation is different in Japan. How do you recognize your social role as a reskilling platform that focuses on career development for manufacturing dispatched workers in Japan?

Yoshimatsu: The great thing about the UT Group is that it recognizes technical employees as customers, just like client companies, and makes it a mission to maximize the improvement of their treatment. The focus on being selected by technical employees has resulted in a source of competitiveness. UT Group's strength lies in its retention of a rare balance from the client's perspective and from the employee's perspective.

Q.4 Please tell us about the background of the design of the Nomination and Compensation Committee. What challenges do you perceive in the traditional approach to nomination committee and how should we expect it to change?

Igaki: Compensation should be comprised of short-term incentives and medium- to long-term incentives. In addition, it is also essential that it is linked to shareholders' interests, and it is important to establish a mixed view of cash and equity while setting performance-linked indicators. In the future, we will focus on equity and design incentives that incorporate medium- to long-term perspectives and combine short-term incentives.

Q.5 Overseas companies offer many such opportunities. I appreciate UT Group for setting up this first opportunity in Japan to engage in dialogue with independent outside directors. What are the issues you want to solve within the next 1-2 years?

Sasaki: I want to help UT Group to redefine what kind of diversity really is necessary. There will also be diversity in working. I also believe that the succession plan will be highly linked to the diversity of management.

Q.6 How do you expect the selection of future Board members to evolve from the viewpoint of the skills matrix?

Igaki: The number of board members has increased. We need to validate performance under the new system from the perspective of management and execution roles, and then solidify the next candidates. Generally speaking, in terms of governance, the failure of M&A can have a major impact on the company concerned. In fact, I am thinking of bringing up a discussion on mid-term and long-term selection at the upcoming meetings of the Governance Council and the Nomination and Compensation Committee.

Details of the Q&As are available on UT Group's website.



Team of Board Directors

As of June 30, 2022 | Term in office / Number of shares held |
* Independent Director

Board Directors (excluding those who are Audit and Supervisory Committee Members)



Yoichi WAKAYAMA [51]

President & CEO
15 years/9,031,178 shares

After having worked at Temporary Center, Inc. (currently Pasona Inc.) and other companies, Mr. Wakayama established Nihon Aim Co., Ltd. (current UT Aim Co., Ltd.) in 1995 and made it the manufacturing dispatch industry's first OTC-registered (current JASDAQ Market) company. He has been President & CEO (current position) of UT Group since 2007.

Reasons for selection

After having worked at Temporary Center, Inc. (currently Pasona Inc.) and other companies, Mr. Wakayama established Nihon Aim Co., Ltd. (current UT Aim Co., Ltd.) in 1995 and made it the manufacturing dispatch industry's first OTC-registered (current JASDAQ Market) company. He has been President & CEO (current position) of UT Group since 2007.



Manabu SOTOMURA [54]

Full-time Board Director
(concurrently Senior Executive Officer)
3 years/1,500 shares
Director, UT Aim Co., Ltd.
Director, UT Technology Co., Ltd.

Mr. Sotomura joined Recruit Group in 1991. After serving Bellssystem 24 Holdings, Inc. as Executive Officer, he joined UT Group in 2017. After serving as Senior Executive Officer and Head Officer of the CEO's Office, he was appointed Board Member (current position) in 2019.

Reasons for selection

Mr. Sotomura has leveraged his wealth of practical experience in human resources and knowledge of overall management to contribute to sound management of the Company. His experience is expected to be used for accelerating growth of human resources, fundamental to the Company's business, as well as for strengthening its management structure.

Board Directors who are Audit and Supervisory Committee Members



Taisuke IGAKI* [49]

Board Director who is an Audit and Supervisory Committee Member (Outside)
4 years/-

LPC Partner, Nishimura & Asahi
Outside Director, en-japan Inc.

After working at Kitahama Partners, Mr. Igaki joined Nishimura & Asahi (law firm). He has abundant knowledge and experience on overall corporate legal affairs, particularly on cross-border deals, M&As, business restructuring and lawsuits.

Reasons for selection

Mr. Igaki proactively provides advice and suggestions within the Company from the perspectives of compliance and corporate governance, leveraging his wealth of experience in all legal matters, including cross-border transactions, M&A, corporate rehabilitation and litigation. He is expected to continue to leverage this experience to contribute to the growth and risk management of the Company.



Hiroko SASAKI* [49]

Board Director who is an Audit and Supervisory Committee Member (Outside)
1 year/-

President & CEO, ChangeWAVE Inc.
President & CEO, Lyxis Co., Ltd.

After working at The Bank of Japan, Ms. Sasaki was engaged in numerous corporate business transformation projects of financial, retail, telecommunication companies and public institutions at McKinsey & Company, Inc. After she left McKinsey, she worked as a corporate "transformation" designer and established ChangeWAVE Inc.

Reasons for selection

Leveraging her experience of being involved in management reforms of numerous companies, Ms. Sasaki has developed services that take charge of reform of society, corporations, organizations and individuals from the perspective of HR development. She is expected to leverage this experience to contribute to the achievement of the Company's vision of "becoming the company with a future workstyle platform."



Hirokazu MIZUKAMI* [74]

Board Director who is an Audit and Supervisory Committee Member (Outside)
13 years/-

Representative Director, Advan Capital K.K.

After serving as Director of The Sumitomo Trust and Banking (currently Sumitomo Mitsui Trust Bank) and President of Aozora Bank, Ltd., Mr. Mizukami established Advan Capital K.K. He has many years of experience in financial institutions and abundant knowledge.

Reasons for selection

Mr. Hirokazu Mizukami has a wealth of knowledge and experience gained over many years working at financial institutions. He is expected to contribute to management by using his experience to provide appropriate and useful comments on the legality, soundness and transparency of the Company's management practices.



Koichi SHIMA* [64]

Board Director who is an Audit and Supervisory Committee Member (Outside)
Newly elected/-

LPC Partner, Nishimura & Asahi
Outside Director, en-japan Inc.

Outside Director, Ligua, Inc.
Outside Director (Audit and Supervisory Committee Member), Nippon Denki, Ltd.
Outside Auditor, Global Mobility Service Inc.
Part-time Director, The Salt Industry Center of Japan
Outside Director, Kitanotatsujin Corporation
Outside Director, COSMOS INITIA Co., Ltd.
Outside Director (Audit and Supervisory Committee Member), GREE, Inc.

Mr. Shima has served in various positions including Director of Recruit From A Co., Ltd. (currently Recruit Co., Ltd.), President of Recruit Communications Co., Ltd. (currently Recruit Co., Ltd.), and Standing Member of the Audit & Supervisory Board of Recruit Holdings Co., Ltd.

Reasons for selection

Mr. Shima has served as a corporate manager and auditor, based on his knowledge and experience in a broad range of fields including HR, general affairs, marketing, sales company management, internal and external PR, advertising, brand management, IR, finance, legal affairs, and compliance. He is expected to leverage this knowledge and experience to contribute to the achievement of the Company's vision of "becoming the company with a future workstyle platform."

Team of Executive Officers

Senior Executive Officers



Nobuyuki TSUKUI

In charge of Manufacturing Business Division
President, UT Aim Co., Ltd.



Tsutoshi YAMADA

In charge of Area Strategy Business Division
President, UT Connect Aim Co., Ltd.
President, UT SURI-EMU Co., Ltd.



Yuji AIZAWA

In charge of Customer Solution Business Division



Kentaro YAMAGISHI

In charge of Career Development Division



Satoshi MORIYASU

In charge of Business Development Division



Takahito YAMADA

In charge of General Affairs Division and Overseas Business Division
President, UT Heartful Co., Ltd.



Manabu SOTOMURA

In charge of Management Reformation Division

Executive Officers of the UT Group

Koji MORIKAWA

Customer Solution Business Division
President, FUJITSU UT Co., Ltd.
President, UT FSAS CREA Co., Ltd.

Hajime NISHIKAWA

Customer Solution Business Division

Koji SHIGETA

Customer Solution Business Division
President, UT Toshiba Co., Ltd.

Hiroshi HOKARI

In charge of Engineering Business Division
President, UT Construction Co., Ltd.
President, UT Technology Co., Ltd.

Masato ONO

In charge of Group Recruiting Division

Masaki ISOBE

Overseas Business Division

Dai NAMIKI

Management Reformation Division
In charge of Business Development Division

Executive Officers of UT Group Companies

Kosuke KASHIWAGI

Manufacturing Business Division
UT Aim Co., Ltd.

Shinichiro YAGI

Manufacturing Business Division
UT Aim Co., Ltd.

Kenya ONO

Manufacturing Business Division
UT Aim Co., Ltd.

Masumi SATO

Manufacturing Business Division
UT Aim Co., Ltd.

Masato HAYAMA

Manufacturing Business Division
UT Aim Co., Ltd.

Masaru MORIOKA

Manufacturing Business Division
UT Aim Co., Ltd.

Hiroshi KASHIHARA

Manufacturing Business Division
UT Aim Co., Ltd.

Tsutomu KOKUBO

Manufacturing Business Division
UT Aim Co., Ltd.

Ken ISHIWATARI

Manufacturing Business Division
UT Aim Co., Ltd.

Hideo YOSHIDA

Area Strategy Business Division
UT Connect Co., Ltd.

Takanobu Honma

Area Strategy Business Division
UT Connect Co., Ltd.

Akira WATANABE

Area Strategy Business Division
UT Connect Co., Ltd.

Koji HIROTA

Area Strategy Business Division
UT Connect Co., Ltd.

Toshinori MIGITA

Area Strategy Business Division
UT Connect Co., Ltd.

Naoki ITO

Area Strategy Business Division
UT Connect Co., Ltd.

Okihiko OGUCHI

Area Strategy Business Division
UT Connect Co., Ltd.

UT Group Basic Policies

Basic Policy on Respect and Growth of Individuals

"Everyone has a natural talent and the equal right to use it." This is UT Group's most fundamental view of human beings. In order to achieve UT Group's mission, "Create vigorous workplaces empowering workers," it is important that each person with a desire to work has the opportunity and environment to develop and demonstrate their capability to make use of their own individuality through working. To that end, UT Group will continue to strive to create "a good place to work for employees with complete peace of mind," "an environment in which employees can always feel bonded with their company and associates," and "an environment in which employees feel their growth through fair evaluation based on the given roles and achievements." This Policy is to be shared with all UT Group officers and employees to provide guidance for corporate activities.

- 1. Respect for human rights**
We comply with international norms on human rights and the laws and regulations of the countries and regions where we operate, and we take responsibility by taking corrective measures to prevent and mitigate negative effects on human rights in order to respect human rights and not to violate the human rights of others.
- 2. Attitude of standing by and staying face to face with others**
We respect the individuality and potential of each and every employee. We will always stand behind each other's desire for growth and we will continue to sincerely stay face to face with each other's different situations and challenges toward achieving that ideal.
- 3. Fair opportunity and fair treatment**
We will equally provide opportunities for career development, such as employment, education and counseling, which are necessary for individual self-realization, to employees regardless of their age, gender, nationality, academic and work background. We also will create and maintain an environment in which they can realize their growth through consistently fair evaluation and treatment for their individualistic role and performance.
- 4. Work environment and health and safety**
We aim to continuously improve the work environment based on the recognition that a good and suitable place for work is essential for people to work vigorously with peace of mind. Even when they are working in a client's facility, we will give primary importance to employees' safety and security and collaborate with the clients so as to improve the work environment.

Basic Policy on Corporate Governance

With the aim of realizing the mission "Create vigorous workplaces empowering workers," UT Group strives to expand, with a sense of speed, the environment in which workers expand their potential and achieve their self-realization. In so doing, we are conscious that our business has a strong characteristic of public infrastructure, which is the stability of individual employment and the supply of labor in corporate production activities, and that it carries serious social responsibility. To achieve this, first and foremost, we must respect the human rights of individuals and comply with laws, regulations and social norms with high ethical standards. In order to gain the trust of our associates (a term for employees at UT Group), clients, other stakeholders and society, we must also disclose information with high transparency, communicate appropriately, and fulfill our accountability. Our business is heavily influenced by changes in the business environment, such as fluctuations in personnel demand by clients or their markets and fluctuations in supply in the human resources market. In order to achieve sustainable improvement of corporate value with high growth potential while maintaining employment in such a business environment, we believe we need to balance "Protective Governance" and "Aggressive Governance." "Protective Governance" means to constantly control risks and operate business in an appropriate manner, and "Aggressive Governance" means to support flexible thinking and bold risk-taking, which allow us to quickly respond to environmental changes and turn them into new business opportunities. Based on these ideas, we position corporate governance as one of the most important management matters and will continue to strengthen it.

- 1. SHAREHOLDERS' RIGHTS**
UT Group respects the rights of its shareholders and strives to ensure equality of shareholders, and to create an environment in which shareholders can exercise their rights appropriately.
- 2. COLLABORATION WITH STAKEHOLDERS**
UT Group strives to promote sustainable corporate value by working properly with its associates, clients, business partners, and all other stakeholders.
- 3. PROPER DISCLOSURE OF INFORMATION AND ENSURING TRANSPARENCY**
In order to gain the trust of its shareholders and other stakeholders, UT Group actively discloses information with high transparency and strives to disclose information in an integrated manner so as to clearly communicate its vision and its management strategy intended to contribute to realization of the vision.
- 4. RESPONSIBILITIES OF THE BOARD OF DIRECTORS, ETC.**
In order to achieve sustained improvement of corporate value which has high growth potential, consistent with the mission "Create vigorous workplaces empowering workers," UT Group's Board of Directors delegates its executive authority to executive officers, who are instructed to make speedy decisions, in a fair manner and in the best possible way, while providing effective oversight functions as its major role in management supervision. A half of the Directors are independent so that the Board performs effective supervisory functions from broader perspectives, without being biased to the internal organizational viewpoint and with the benefit of the effects of diversity in terms of knowledge of related fields, capability, industry experience, age, and gender. In order to make decisions in appointing directors as well as executive officers who are responsible for business execution, and to determine their remuneration, an advisory committee of which a majority of its members are outside experts is established to ensure transparency. In addition, UT Group has developed a remuneration system that is well balanced from the perspectives of short- term and medium- to-long- term, an arrangement believed to support risk-taking for growth. The Company has also established a system to properly manage risks. The system and its operation are consistently supervised.
- 5. DIALOGUE WITH SHAREHOLDERS**
As an important aspect of its relation with shareholders the UT Group strives to disclose management direction and strategy for improving medium- to long-term corporate value, and to engage in constructive dialogue with shareholders. The Company seeks to establish a proper structure to enable it and to get a good understanding of the shareholder structure.
- 6. ETHICAL STANDARDS AND CORPORATE CULTURE**
UT Group provides public infrastructure that supports employment and production activities and, based on its awareness of social responsibility as expressed by being engaged with each worker, UT Group strives to foster a corporate culture that contributes to a sustainable society by adhering to local laws and regulations, as well as international norms, including respects of human rights.

Basic Policy on Sustainability

UT Group strives to create, with client companies, good workplaces that allow many workers to be empowered and pursue their potential, and to increase workplaces where both workers and companies grow in a virtuous circle. Under the mission "Create vigorous workplaces empowering workers," all UT Group executives and employees are expected to naturally contribute to the

sustainable coexistence and co-prosperity of individuals and society by realizing an "organization in which diverse individuals are recognized and mutually benefit by interaction with each other."

- 1. Respect individual dignity**
Respect of individual dignity is essentially the corporate purpose of UT Group, which aims to realize a society in which all motivated people are equally given opportunities for skill development and career formation, and are treated fairly. While striving to ensure the security and safety of the working environment and information security, we will work to create an organization in which diverse individuals are recognized and utilized by each other.
- 2. Broaden potential of individuals**
UT Group will strive to enhance career support that enables many individuals to pursue their individuality and potential throughout their lives. We will also expand our business and its domains through sound transactions so that we can sustainably provide employment and growth opportunities.
- 3. Maintain the coexistence and prosperity of individuals and society**
UT Group strives to create and increase with, client companies, good workplaces where both workers and companies grow in a virtuous circle in order to provide a dependable workplace where as many people as possible are empowered and work vigorously for a long time. In doing so, we will always have a public perspective. Also, not only will we vigorously comply with social ethics and prevailing trends, but also will strengthen corporate governance and to reduce environmental impact. We will thus strive to maintain the coexistence and mutual prosperity of individuals and society with strong connections to the public perspective.

Basic Policy on Internal Control System

- 1. System to ensure execution of duties by Directors and employees of the Company in conformity with laws and regulations and the Articles of Incorporation of the Company**
(1) Important matters concerning execution of business that may affect the Company and its entire Group are identified and discussed at the Board of Directors meeting. The President & Representative Director reports the status of business execution of the Company and matters deemed important to the Board of Directors. In addition, External Directors are selected to maintain and enhance supervisory functions concerning execution of duties by Directors.
(2) The UT Group Compliance Risk Management Conference, chaired by the lead person in charge of the compliance division and with participation by an outside lawyer among others, has been established as an advisory entity serving the Board of Directors. The Conference discusses compliance policy and action plans of the Company and its Group, studies matters needed to ensure legal compliance and fair execution of duties, does research on violation of laws, regulations, and internal rules, and establishes recurrence prevention measures.
(3) The Code of Conduct and the UT Group Compliance Code of Conduct stipulate appropriate actions to comply with laws and regulations, social norms, internal rules and other rules to be taken. The Company strives to make officers and employees of the Group to be well aware of this and comply with it.
(4) Concerning promotion of compliance, the Company has established the UT Group Compliance Manual. Officers and employees of the Company and its Group Companies attend seminars and other events and are instructed to perform duties and management by taking compliance as one of their own issues in their respective position.
(5) A whistle-blower system has been established to enable consulting on possible or actual organizational or individual legal violations or fraudulent acts and to appropriately handle the information. By making use of the system, the Company endeavors to prevent scandals caused by fraudulent and other acts, detect problems early, and become more agile in improving its ability to govern itself.
(6) The Internal Audit Division has been established to examine, evaluate, and report the status of corporate organization establishment and compliance, effectiveness and efficiency of business management to maintain and improve internal control.
- 2. System to ensure the preservation and management of information related to execution of duties by Directors**
(1) The minutes of the Board of Directors meetings and related materials are properly preserved and managed in accordance with laws and regulations as well as the Company's Document Management Regulations and Board of Directors Regulations.
(2) Concerning information management and periods of retention, the Information Security Management Regulations and the UT Group Compliance Manual have been established to put in place a system to retain and manage information.
- 3. Regulations and other organizational structures to manage risk of losses**
(1) The UT Group Compliance Risk Management Conference determines the types of risks of the Company and its Group to be managed, controls and evaluates these risks, takes steps to prevent risk occurrence, and, in the event of risk occurrence, minimizes loss and establishes recurrence prevention measures.
(2) In case of an emergency, the Company takes prompt, appropriate action in accordance with the Rules Concerning Emergency Response, which aims at minimizing damage. An emergency headquarters, led by the President & Representative Director, will be in charge of crisis management.
- 4. System to ensure efficient execution of duties by Directors of the Company**
(1) A regular Board of Directors meeting is held once a month and an extraordinary Board of Directors meeting is held as needed; all are to decide on important matters and supervise the execution of duties by Directors among other activities.
(2) The Company has defined resolution matters and reporting matters of the Board of Directors meeting in the Board of Directors Regulations, and responsibility and authority of each organization and each job position concerning execution of duties in the Job Position Authority Regulations.
(3) The Company has also adopted an Executive Officer System to separate business supervisory functions and business execution functions and improve effectiveness of the Board of Directors by granting a part of the Board of Directors' decision-making authority of business execution to Executive Officers.
(4) In the Management Committee, which is chaired by the President & Representative Director and is comprised of Full-time Directors and Executive Officers, important matters concerning execution are discussed.
- 5. System to ensure appropriate operations of a corporate group that consists of the Company and its subsidiaries**
(1) As a holding company that controls the business of its Group, the Company appropriately exercises rights of shareholders to its subsidiaries from the perspective of maximizing corporate value of its Group. The Company also regularly receives reporting from its subsidiaries on their status of management, execution of duties, and financial position, in accordance with the "Management Regulations of Subsidiaries and Affiliates," and the Management Committee confirms whether Directors of Group Companies efficiently execute their duties.
(2) With regard to management of the Company's subsidiaries, Directors of the Company's Group Companies who concurrently serve as the Company's Executive Officers, or Directors of the Company's Group Companies who are elected by the Company ensure that the Company's prior approval is required for the subsidiaries' important matters, including business strategy and business plans, which is based on the Company Group Policy. In principle, a subsidiary of the Company's subsidiary is managed and controlled through the subsidiary.
(3) The UT Group Compliance Risk Management Conference is in charge of and promotes compliance of the entire Company Group, and the Company's Internal Audit Division audits its subsidiaries in accordance with the Management Regulations of Subsidiaries and Affiliates and the Internal Audit Regulations and from the perspective of matching with laws and regulations, the Articles of Incorporation, internal rules, and other rules.
(4) The Code of Conduct, UT Group Compliance Code of Conduct, and UT Group Compliance Manual have been adopted by the entire Company Group. The Company strives to make Directors and employees of the Group Companies to be well aware of taking appropriate actions in compliance with laws and regulations, social norms, internal rules and other rules.
- 6. Matters concerning the Director and employee who assist auditing duties of the Audit & Supervisory Committee; matters concerning independence of the Director and employee from Directors (excluding Directors who are Audit & Supervisory Committee Members); and matters concerning securing effectiveness of instructions to the employee**
(1) When requested by the Audit & Supervisory Committee, an employee who performs assistance to duties of the Committee will be selected and be dedicated to performing

- assistance to the Audit & Supervisory Committee. With regard to nomination of personnel, Directors (excluding Directors who are Audit & Supervisory Committee Members; referred as "Audit & Supervisory Committee Members" hereafter) exchange opinions with the Audit & Supervisory Committee and obtain its agreement.
- (2) Directors (excluding Audit & Supervisory Committee Members) do not have the authority to issue orders to the employee who performs assistance. The employee follows orders from the Audit & Supervisory Committee.
 - (3) Disciplinary action to the employee who performs assistance needs to be agreed by the Audit & Supervisory Committee.
 - 7. System for Directors and employees of the Company to report to the Audit & Supervisory Committee and systems for others to report to Audit & Supervisory Committee**
(1) In order to understand important decision-making processes and the status of execution of duties, Audit & Supervisory Committee Members attend the Board of Directors meetings and other important meetings, inspect major requests for approval and other important documents concerning execution of duties, and request explanation to Directors and employees as needed.
(2) The Audit & Supervisory Committee collaborates with the Auditing Company by receiving briefings on accounting audit details and exchanging information.
(3) The Audit & Supervisory Committee can request reporting on execution of duties to Directors and employees of the Company's subsidiaries, who in turn shall promptly respond to the request. The Company makes Directors and employees of the Company's subsidiaries to be well aware of this point. In case they detect a violation to laws and regulations or its possibility, they promptly report it to the Audit & Supervisory Committee.
(4) Concerning information on the whistle-blower system common to the Company and its Group Companies, departments in charge regularly report to the Audit & Supervisory Committee.
(5) The Company prohibits any party from treating the whistle blower to the Audit & Supervisory Committee in any manner disadvantageous on the grounds of the whistle-blowing disclosure and seeks that Directors and employees be well aware of this point.
 - 8. Matters concerning policy on procedures for expenses arising from performance of duties of the Company's Audit & Supervisory Committee Members**
Directors (excluding Audit & Supervisory Committee Members) cooperate with audit by Audit & Supervisory Committee Members and budget a certain amount for the payment of expenses and other costs arising from the auditing to secure its effectiveness.
 - 9. Other arrangements to ensure that audits by the Audit & Supervisory Committee is conducted effectively**
(1) Audit & Supervisory Committee Members audit execution of duties by Directors and Executive Officers based on the Audit & Supervisory Committee's Auditing Standards and according to the audit plan.
(2) Audit & Supervisory Committee Members attend the Board of Directors meetings and other important meetings, and provide their opinions as needed.
(3) Audit & Supervisory Committee Members regularly exchange information and collaborate with the Auditing Company and the Internal Audit Division, and have meetings with the President & Representative Director as appropriate.
 - 10. System to ensure credibility in financial reporting**
(1) In order to ensure appropriate accounting treatment and improve credibility in financial reporting, the Company has adopted diverse types of regulations concerning accounting operations, has assigned an Officer in charge concerning information disclosure, and strives to put in place an internal control system concerning financial reporting and to enhance its effectiveness.
(2) The Audit & Supervisory Committee conducts audits concerning internal control related to financial reporting, in accordance with the Audit & Supervisory Committee's Audit Performance Standard Concerning Internal Control System.
(3) In case that the Audit & Supervisory Committee determines that the internal control related to financial reporting does not address significant risks, the Committee points it out to Officers in charge of finance in a timely and appropriate manner, and ask for improvement as is deemed necessary.
 - 11. Basic Views on Eliminating Anti-Social Forces and arrangements**
As a part of systems to ensure appropriateness of operation, the Company's basic views on eliminating anti-social forces are clearly stated as follows and the systems are established.
 - (1) Basic views on eliminating anti-social forces
As a basic policy, the Company Group is determined to stand against anti-social forces that threaten civil society and eliminate any relationship with them. The Group prohibits all Directors and employees to use anti-social forces and any individual or group that is related to them, and to be related with them in any way, including provision of money and cooperation.
 - (2) Arrangements for eliminating anti-social forces
 - (i) The Company has adopted the UT Group Compliance Manual, which calls for elimination of any relationship with anti-social forces and strives to make Directors and employees of the Group to be well aware of and comply with it.
 - (ii) The Company and its Group Companies have stipulated in the Standard on Eliminating Anti-Social Forces and the Detailed Rules on Investigating and Eliminating Anti-Social Forces measures needed to eliminate anti-social forces from all activities including contracts exchanged by the Company and its Group Companies.
 - (iii) In case that the Company is contacted by anti-social forces, the Company's department in charge is prepared to deal with it in cooperation with police and lawyers.

Basic Policy on Risk Management

UT Group aims to continuously increase corporate value while making high growth. For this reason, we believe it is important to take strong action to convert environmental changes into business opportunities, while at the same time appropriately controlling risks in business operations. Consonant with our mission "Create vigorous workplaces empowering workers," this Basic Policy is adopted as a guideline for protecting and enhancing corporate value and protecting the trust that society and stakeholders hold in the Group.

- 1. Integrated management of risks**
We will identify risks that may impede the sustainable improvement of corporate value and establish a system for integrated management throughout the Group to prevent risks.
- 2. Quick response to risks**
If a risk arises, we will endeavor to conserve our management resources by taking appropriate and prompt action and minimize damage to our stakeholders.
- 3. Life and safety first**
In the event of an emergency such as a disaster, we will put human life and safety first and act in cooperation with the local community.

Basic Policy on Compliance

UT Group's business has an aspect as a public infrastructure and a social responsibility that helps broaden the potential of its workers and plays a role in securing employment and supplying the labor force. Unlike dealing with material objects or energy, this includes responsibility for the desire and potential of each worker. We at UT Group are strongly aware of this and maintain a basic compliance policy to ensure that all of our corporate activities are fair and remain trusted by society and stakeholders.

- 1. Awareness of social responsibility**
We will ensure that all UT Group officers and employees are aware that our business plays a social role in securing employment and supplying the labor force, and we will take appropriate action to gain the trust of society and stakeholders.
- 2. Compliance with laws, social norms, and internal rules**
We will properly understand and comply with the laws and social norms established by each country where we do business, and we will act in an orderly manner based on the UT Group's Articles of Incorporation and internal rules.
- 3. Respect for human rights and creation of the environment in which each employee can achieve self-realization**
We will support and respect international norms on human rights. Moreover, we strive to create a good workplace where we can help employees develop their individuality and abilities, broaden their potential, and achieve self-realization.
- 4. Fair competition and trade**

- We always engage in fair trade, and fair and transparent competition, to maintain healthy relationships with our suppliers.
- 5. Proper information management**
We will strictly manage business secrets relating to our customers, personal information relating to employees and others, and significant undisclosed facts in the course of our business, so as to prevent them from being leaked to third parties.
 - 6. Elimination of anti-social forces**
We will refrain from all relations with anti-social forces and organizations that pose a threat to social order and security, and we will respond to unjust requests in a resolute manner.
 - 7. Ongoing compliance education**
We will provide ongoing compliance education to our officers and employees, so as to promote corporate activities that are trusted by society and stakeholders.

Basic Policy on Information Security

UT Group handles an immense amount of information, including personal and client information, in order to provide the public infrastructure that secures employment and supplies the labor force. Based on the view that ensuring of the proper management and information security is one of the important management issues for the proper and smooth operation of UT Group's business, the Basic Policy on Information Security is established as a guideline for protecting information assets.

- 1. Information Security System**
We will establish a group-wide information security system in order to protect all information assets held by the Group.
- 2. Protection of information assets**
We will take necessary organizational, human, technical, and physical measures to ensure the security of information assets.
- 3. Compliance with relevant laws and regulations**
We will comply with various laws, regulations, and other rules concerning information security.
- 4. Information security education**
We will provide education and training on information security to our officers and employees in accordance with the nature of their assignments and strive to improve information security literacy.

Basic Policy on Environment

Just as each individual is the one and only in the world, the environment of this planet, which is the stage for all people's lives and for all corporate activities, is also the invaluable one and only. UT Group has established a basic policy on the environment in order to ensure that all officers and employees understand the importance of the environment and give consideration to the global environment of the present and the future in performing their business activities.

- 1. Compliance with environmental laws and regulations and environmental-related agreements**
UT Group will understand and comply with environmental laws and regulations in each country and international environmental-related agreements.
- 2. Reduction in environmental impact**
UT Group will strive to make efficient use of environmental resources, reduce greenhouse gases emitted as a result of its business activities, and conserve the global environment.
- 3. Environmental education and awareness raising**
UT Group will carry out educational activities to ensure that officers and employees of each group company understand the importance of environmental conservation.

UT Group Policy on Human Rights

The UT Group's mission is to "create vigorous workplaces empowering workers." We will contribute to the growth of our customers' businesses and a sustainable society by helping each individual who is motivated to work to acquire the ability to demonstrate their own individuality through the act of working. Our business is really about supporting the growth of people who work. As a precondition for this, we recognize that respecting the human rights of each and every person is fundamental to our corporate activities. We have therefore prescribed this policy here in order to respect the human rights of all people and we will promote initiatives to respect human rights.

- 1. Basic concept**
The UT Group recognizes the importance of respecting human rights as a company that supports the growth of each individual and provides the public infrastructure of employment stability and labor supply. As international human rights standards, we understand the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work and we will promote respect for human rights.
We will comply with the human rights laws and regulations of the countries and regions in which we operate, implement appropriate measures when rights are violated, and will not tolerate discrimination or harassment of any kind.
- 2. Scope of application**
This Policy applies to all UT Group officers and employees. We also expect all our business partners to respect human rights in accordance with this policy.
- 3. Human rights issues related to business activities**
(1) Forced labor, modern slavery and child labor
We respect above all the will and desire of workers to work and do not tolerate any form of forced labor, human trafficking, modern slavery, or labor practices that violate human rights. Furthermore, we do not tolerate child labor and adhere to the legal minimum age in all countries and regions where we do business.
(2) Discrimination and harassment
We do not tolerate any form of discrimination based on race, ethnicity, creed, social status, gender, sexual orientation or gender identity, physical or mental disability or illness, or employment status, nor do we tolerate any form of harassment, whether physical or mental. We will create a workplace that respects each individual, provides fair opportunities, and treats employees fairly so that they can demonstrate their diverse personalities.
(3) Working conditions, working hours, and living wage
We aim to create a quality workplace where all employees can work vigorously and experience growth through career development that suits each individual. Therefore, we will properly manage wages, working hours, and employee welfare benefits to meet the requirements of applicable laws and labor agreements. In addition, we will work closely with client companies to reduce excessive working hours beyond compliance with laws and regulations and develop high-quality workplaces that provide employees with compensation that exceeds a living wage.
(4) Occupational health and safety
We believe that a safe and healthy workplace is essential for working vigorously. For this reason, we aim to create a better working environment not only in the workplaces we manage, but also in collaboration with the companies to which we dispatch workers.
(5) Privacy
We will properly manage all personal information obtained in the course of our business, take the utmost care not to infringe on privacy, and allow it to be used only for legitimate purposes. We will strive to take all possible measures to ensure the accuracy, security, and confidentiality of the personal information we store.
- 4. Establishment of support desk**
We will establish a consultation desk to receive consultations on human rights from employees and stakeholders of the UT Group.
- 5. Remedies**
If it becomes apparent that there is a human rights violation involving the UT Group, we will endeavor to remedy it through appropriate procedures.
- 6. Education**
We will provide appropriate education and training to ensure that all UT Group officers and employees understand human rights and to ensure the effectiveness of this policy.
- 7. Dialogue**
In the course of implementing this policy, we will receive advice from outside experts and engage in dialogue with stakeholders.

Corporate Profile

March 31, 2022

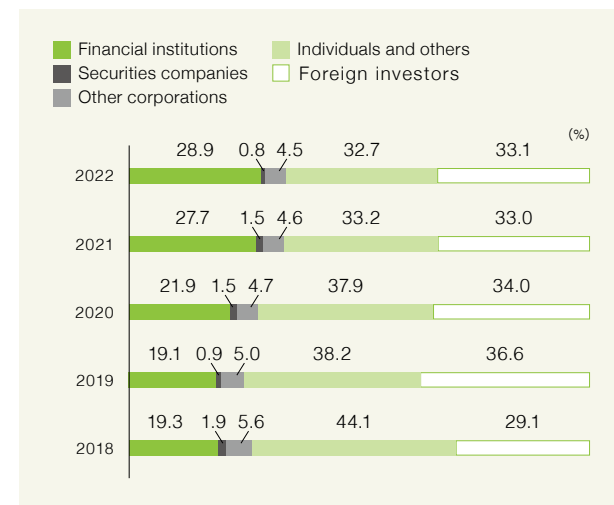
Name	UT Group Co., Ltd.
Location	1-11-15 Higashi-Gotanda, Shinagawa-ku, Tokyo 141-0022 Japan
Originally started	April 14, 1995
Established	April 2, 2007
Capital	¥680 million
Number of employees	48,163 (consolidated); 834 (non-consolidated)
Listed stock exchange	Tokyo Stock Exchange, Prime Market
Securities code	2146
Fiscal year	April 1 to March 31
General meeting of shareholders	Annually held in June
Shareholder record dates	Four times a year (June 30, September 30, December 31, and March 31)
Trading unit	100 shares
Number of shares authorized	160,000,000 shares
Number of issued and outstanding shares	40,363,067 shares
Number of shareholders	4,344
Shareholders registry administrator	Mitsubishi UFJ Trust and Banking Corporation, Securities Agency Division, Shin-Tokyo Post Office, PO box No.29, Tokyo 137-8081 Japan

Major Shareholders	Number of Shares Owned	Percentage (%)
Yoichi Wakayama	9,031,178	22.37
The Master Trust Bank of Japan, Ltd (Trust Account)	5,529,000	13.70
Custody Bank of Japan, Ltd. (Trust E Account)	2,749,000	6.81
Custody Bank of Japan, Ltd. (Trust Account)	2,227,300	5.52
Lei Hau'oil Co., Ltd.	1,817,200	4.50
J.P. MORGAN BANK LUXEMBOURG S.A. 381572	1,500,000	3.72
THE BANK OF NEW YORK MELLON 140044	1,033,261	2.56
THE BANK OF NEW YORK MELLON SA/NV 10	900,000	2.23
BBH FOR SEI INSTITUTIONAL INV TR-WORLD EQU EX US FD/ALLIANCE BERNSTEIN	720,200	1.78
UT Group Employee Stock Ownership Association	576,890	1.43

* The number of issued and outstanding shares includes 180 shares of treasury stock. The shareholding ratio is calculated excluding 180 shares of treasury stock.

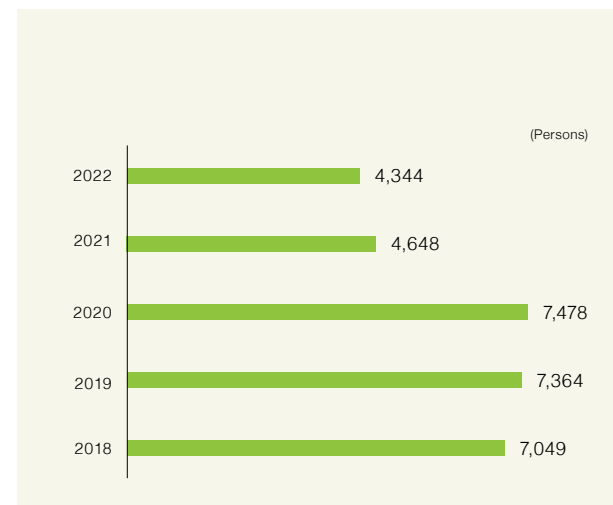
Distribution of shares

March 31 of each year

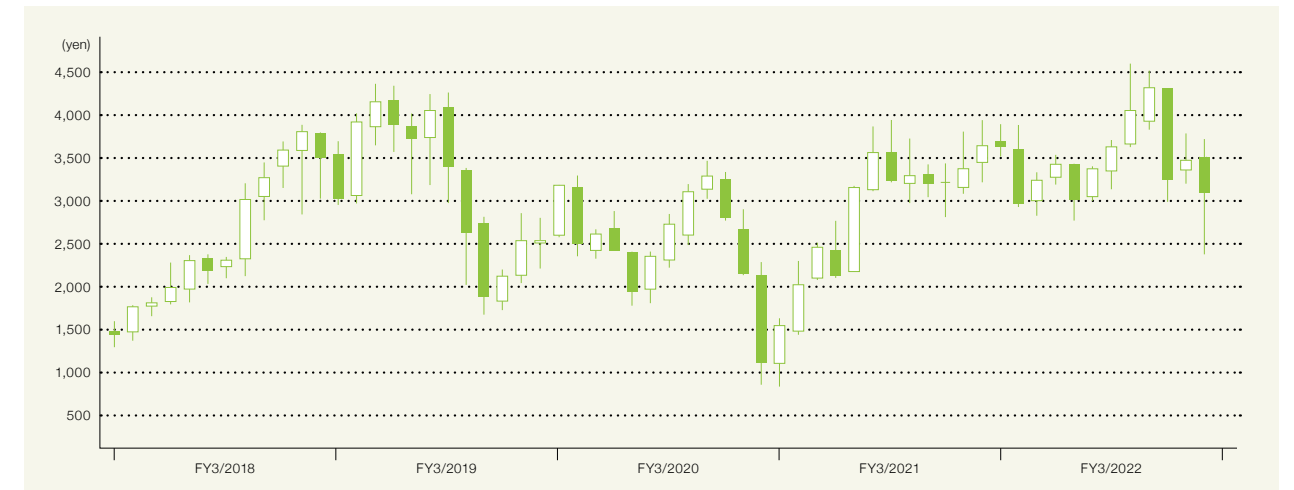


Number of shareholders

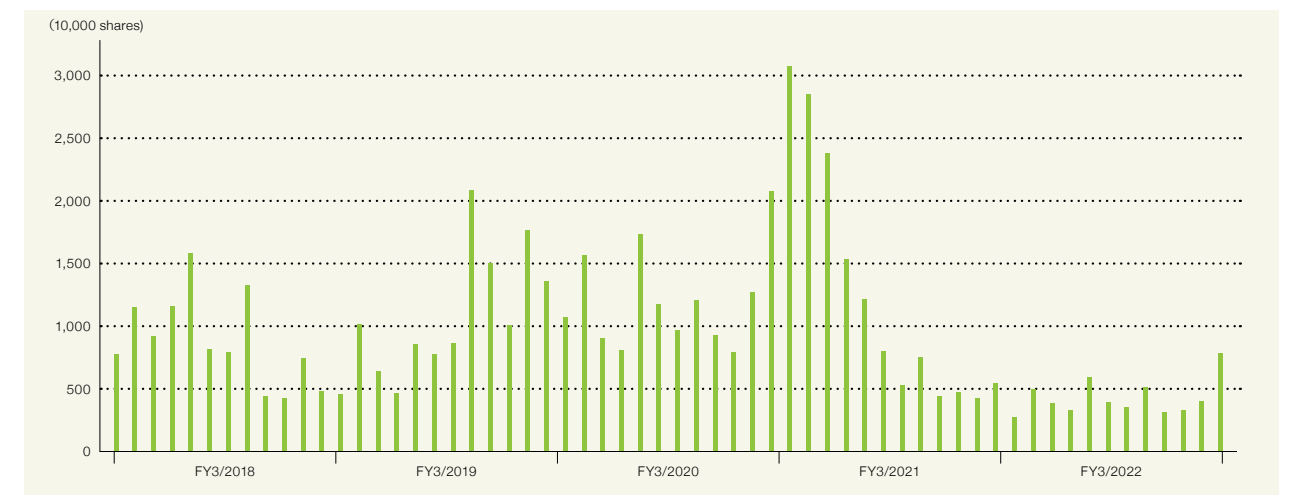
March 31 of each year



Share price performance



Trading volume



Share price performance relative to TOPIX

