

Message from the President



Pursuing Essential Customer Needs to Enhance Long-term Corporate Value

Masataka Kinoshita
President & CEO

■ The ACOM Group’s Raison d’Etre

Founded on the founding spirit—the Circle of Trust—ACOM is spiritually underpinned by three concepts: the spirit of human dignity, customers first, and creative and innovative management. This forms the foundation that underpins the business activities through which we aim to contribute to the realization of an enjoyable and affluent personal life, and to improving lifestyles. To formulate the Medium-term Management Plan that began in April 2022, we identified our stakeholders—those to whom we provide value—and the type of value we will provide to each, and used these to define our raison d’etre in the form of our vision.

Among our stakeholders, if we turn our attention to the customers, we can see changing consumer behaviors in the times; payment methods are changing from cash to cashless, and focus is shifting from brick and mortar stores to e-commerce sites. However, we believe that the essential needs of our customers will not change.

Within our business, these essential needs are how to resolve the problem of not having a way to pay for the products and services they desire. We believe that the human desires to obtain items and to fulfill dreams are indelible, and accordingly, there will always be people who do not want to give up on their desires simply because of a lack of funds. Against this backdrop, our vision for customers in Japan and overseas is to respond to their desire of “what they want” and “the services they would like to get” with speed and always putting the customer first.

On the other hand, we believe that even if customers’ needs do not change, the means to meet those needs will change. In the past few years, customers have been shifting from cash to cashless

payment methods, and we have addressed these changes in customer needs by developing systems and apps, such as issuing virtual cards and enabling smartphone payments.

In our current Medium-term Management Plan, we are working to launch our new Embedded Finance Business, which I believe can also be described as a means of diversifying how we can meet our customers’ needs.

Each and every one of our employees has been practicing creative and innovative management by diligently considering what they can do to satisfy our customers. This has been a source of pride for me, and the driving force behind our growth into a leading company in the industry.

■ Business Environment in Japan

The impact of the COVID-19 pandemic that began in 2020 is finally dissipating, the number of inbound visitors to Japan is increasing, and the economy is recovering significantly. After Japan’s Golden Week holidays in 2023, COVID-19 was reclassified to a Class 5 infectious disease rather than at a Class 2 equivalent under the Infectious Diseases Control Law. This gave a further tailwind to the economy with the easing of pandemic restrictions. As economic activity resumed, so did demand for funds. As a result of our efforts to accurately grasp the financial needs of our customers and to bring them greater convenience through measures like revamping our application forms, which will be discussed later, we gained 309,000 new customers, far exceeding our annual plan of 260,000. In fact, it has been 17 years since we gained over 300,000 new customers in a single year. Going forward, we will continue to focus our energies on attracting new customers.

Although Japan’s population continues to decline, the market for personal card loans is expanding. Accordingly, we were able to grow our own balances in the fiscal year ended March 2023 at a pace exceeding pre-pandemic levels. In fact, the consumer finance market has been in steady expansion since the fiscal year ended March 2015, if we exclude COVID-19 as an outlier. We can assume that behind this trend is a growing number of people utilizing unsecured loans in a positive way, treating the borrowing as an opportunity to invest in themselves today and achieving what they want to achieve. Given that this trend is likely to continue, we believe there is still room for growth in the domestic card loan market.

CUSTOMERS

Respond to the customer’s desires of “what they want” and “the services they would like to get” with speed and always putting customers first in Japan and overseas.

ALLIANCE

Contribute to the enhancement of corporate value of our alliance partners by providing our accumulated know-how.

EMPLOYEES

Make our employees and their families happier tomorrow than today.

INVESTORS

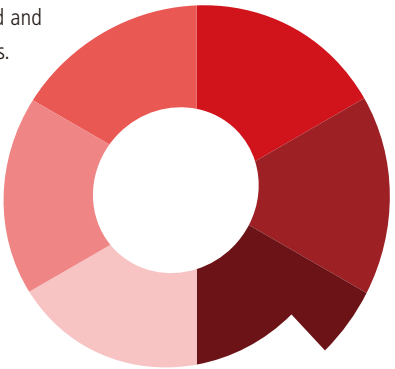
Achieve stable and continuous returns through sustained growth in corporate value.

SOCIETY

Contribute to the realization of a sustainable society through corporate activities.

PARTNERS

Build a strong relationship of trust and mutual development.



■ Progress in the Medium-term Management Plan

In the fiscal year ended March 2023, the first year of the Medium-term Management Plan, the balance of receivables outstanding exceeded our plan in all three core businesses. Within Japan, both the Loan and Credit Card Business and the Guarantee Business expanded business scale thanks to measures to accurately grasp customers' financial needs, resulting in successfully attracting new customers and earning strong usage trends among existing customers. In the Overseas Financial Business, business scale was expanded due to actions to strengthen service capabilities and amid impact from the yen’s depreciation on foreign exchange rates.

We see the period of the current Medium-term Management plan as one for “laying the foundations for business field expansion, leading to dramatic progress in each area of business.” With this, we are working toward 16 key themes over the medium term. In this report, we will go over three particularly relevant themes to the expansion of our business fields, focusing on the status of our efforts in the fiscal year ended March 2023 and our actions for the fiscal year ending March 2024.

The challenge of creating new business and services for growth in the next term

In April 2022, we began support for Apple Pay®, *1 with Google Pay™*2 following in May. This allows customers to use their ACOM credit cards by scanning their smartphones at a terminal rather than having to carry their physical, plastic card around. This offers convenience for our customers, who can pay for shopping with a single beep. Customers who set up smartphone payments showed around 20% increases in payment amounts after the setup. Going forward, we will continue to promote this service to our customers and further expand our credit card business.

In February 2023, we also modified our new member application form. In recent years, new applications via the Internet have accounted for more than 90% of all applications, and the vast majority of these were submitted via smartphones. By modifying our application form to reduce time and stress associated with customer input, we were able to increase the application completion rate by 3.2 percentage points.

Finally, our consolidated subsidiary GeNiE, Inc., which is to handle our Embedded Finance Business, has fallen behind plans due to delays in system development, among other factors. This is a crucial time for us, and knowing that, our management team at ACOM and colleagues at GeNiE will work together diligently to bring this new business to fruition.

Achieving guarantee partnerships with companies

From March 2023, we launched a guarantee partnership with LINE Credit Corporation. LINE Credit has strengths in its access to over 90 million LINE users, and we are proud to be able to support its business expansion with our strength in credit screening. Although we do not disclose the balance or the number of applications for guarantees for each of our partners, we have received more applications for guarantees than we had previously anticipated, and we believe that we will be able to steadily expand our business. Looking beyond LINE Credit, we will continue our work to establish guarantee partnerships with other companies.

Expanding into new countries

In October 2022, we received approval for a money lender license by the Malaysian authorities. We are taking diligent actions toward our planned business launch in September 2023, with office establishment and system development underway. We are also working with the authorities to obtain the necessary online approvals for our envisioned customer attraction and business operation on the Internet. In the current Medium-term Management Plan, our aim is to expand into Malaysia and one other country. To that end, we are continuing our research regarding other countries in Asia.

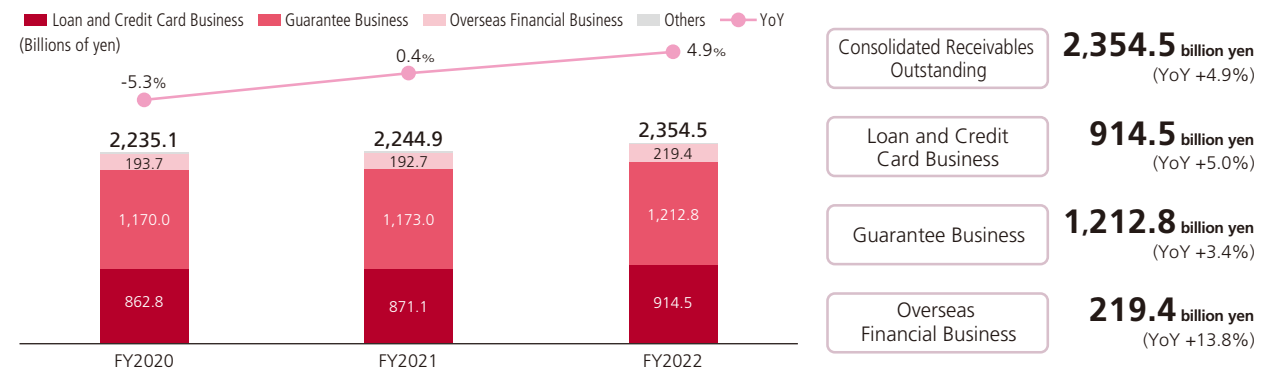
*1
Apple Pay® is a trademark of Apple Inc.

*2
Google Pay™ is a trademark of Google LLC.

The current Medium-term Management Plan targets consolidated receivables outstanding of 2.3 trillion yen in the fiscal year ended March 2023, 2.4 trillion yen in the fiscal year ending March 2024, and 2.5 trillion yen in the final fiscal year ending March 2025. For the first fiscal year of the plan, ended March 2023, this amount was 2.35 trillion yen, exceeding our target by 50 billion yen. Without reversing the balance of receivables outstanding accumulated over the past year, in the fiscal year ending March 2024, we will continue to take direct action toward the key medium-term themes set forth in our Medium-term Management Plan to achieve increases in revenue and profits, as well as dividends, and further enhance our corporate value.

Consolidated Receivables Outstanding

- The target is accomplished in all three core businesses owing to favorable trend in attracting new customers and the impact of the depreciation of yen against baht.
- Consolidated receivables outstanding increased by 4.9% YoY to 2,354.5 billion yen compared to the estimate.



■ Approach to Sustainability

Companies are expected to play increasingly greater roles in solving environmental and social issues, and we are determined to take all actions that we can here. Specific initiatives in the fiscal year ended March 2023 include the introduction of renewable energy to reduce CO₂ emissions and the start of forest conservation as a social contribution activity.

Our social contribution activities are based on employee participation. This is meant to raise employees’ awareness of their own involvement in environmental and social issues by having them actually cut branches and plant trees, for example. Our hope is that, after participating in forest conservation activities, our employees will have more opportunities to come home and talk about what they’ve done, and to think about the environment through conversations with their families. In Japan, ACOM has approximately 2,500 employees, and 10,000 in total including their family members. We believe that this is where environmental awareness will begin to spread, and as the number of employees increases, this circle will naturally grow even larger.

We believe that our financial services themselves can be a kind of solution to social issues. A particular challenge is that people in some countries do not have access to financial services because of lack of access to bank accounts or credit cards. By expanding into other countries, we hope to speedily meet the needs of a wide range of customers for “what they want” and “the services they would like to get,” while also contributing to local economic development.

Another activity we should conduct given the characteristics of our businesses is financial education. We have been conducting financial education mainly for university and high school students in the interest of preventing them from becoming victims of financial fraud. Going forward, we intend to continue improving financial literacy in society.

In June 2023, the Japan Financial Services Association and major financial service providers collaborated to establish the Consortium for Enhancing Financial Literacy, in which we also participate. Although we still have some way to go in our efforts to improve financial literacy, we will actively promote this as an industry-wide initiative, not just among ourselves.

■ Optimization of Human and Digital Resources

In the future, we believe that DX initiatives will become a major part of our strategy. In the fiscal year ended March 2023, we worked to develop systems for providing services that customers find more convenient and easier to use by utilizing digital technology. These actions include support for Apple Pay® and Google Pay™, as well as revamping our application forms. To shorten development time, we are continuing our work to upgrade*3 our core system. On another topic, our greatest asset is our track record of working with a cumulative total of over 12 million customers. We have also begun to overhaul our information systems so that we can analyze and utilize this asset even more efficiently and effectively. In order to further accelerate DX initiatives, the Digital Promotion Office was newly established in April 2023, under the Business Planning Department.

While digital technology is naturally an important tool, there are some things that only a human can do. We believe that one is to move the hearts of people.

One of the most important things in our business is to help our customers feel comfortable about communicating with ACOM. To this end, we believe it is important for each and every employee to maintain close connections with customers in a way that comes from the heart, and to communicate with them in a way that makes them feel that they have been able to use their money efficiently to meet their needs.

One of our key medium-term themes is to provide high-quality customer experience through optimization of human and digital resources. Digital offers convenience, and we believe it will become even more important going forward. On the other hand, only humans can move the hearts of people. We believe that it is necessary to thoroughly think through what humans should be tasked with and what can be achieved through digital means.

■ Establishing a Human Resource Base and Improving Engagement

Our human resource base and engagement are important to ensure that employees are fully immersed in what they need to do. We are working to develop an internal environment in which employees can feel motivated and comfortable.

*3
Measures to transform the program structure of increasingly complex and bloated business systems, converting them to systems that can be developed quickly and at low cost

Vision Ingraining Program

In the Vision Ingraining Program, where our Directors serve as facilitators, we gather around 20 employees per session to consider ACOM’s vision. This program aims to increase engagement through having employees share our vision as their own, to clarify the “link between operations and the vision” and “criteria for decision-making in daily behavior.”

Head Office Relocation

Our head office was relocated in December 2022. The old head office was divided into two floors and three blocks, and these physical divisions were creating fragmented communication. By consolidating head office staff on a single floor in the new office, we are naturally creating communication, which itself induces innovation. I also feel that I have more opportunities to meet with colleagues, which leads to faster decision-making.

Salary Level Increase

Though many companies began raising salary levels from April 2023, we led peers in this area, implementing a 3.5% base pay increase in October 2022. Combined with the regular April pay raise, this represents a pay increase of approximately 5.2%. Going forward, we will continue to attract and retain excellent human resources.

As a result of these measures, our engagement scores have remained high compared to companies of similar size.

Though we have strengths in various areas, such as our brand power and creditworthiness, we believe it is our employees who are the true source of our success. Our employees are guided by our founding spirit of a “Circle of Trust” and our corporate philosophy of putting customers first. Not only this, but the more engaged our employees are, the more they will aim to increase our corporate value over the medium to long term, rather than short-term profits. We firmly believe that the true strength underlying ACOM is our employees, who truly share our founding spirit and corporate philosophy, and act with a rigorous consideration for what they can do for our customers and our stakeholders.

As a member of management, I look forward to my ongoing work with our employees who are capable of acting with a sense of ownership and responsibility to realize our corporate philosophy and vision. We also have a responsibility to foster an organizational culture in which such employees can boldly take on challenges without fear of failure. We will do our utmost to show our stakeholders how the entire ACOM organization is growing stronger through the growth of each and every employee.

■ To All Our Stakeholders

We recognize that our Group’s financial services play an important and indispensable role in supporting the national economy. We are also aware of the high expectations our customers have of us, and we understand that reliably meeting those expectations is our social mission.

We will do our utmost to fulfill the social responsibility and mission demanded of our Loan and Credit Card Business, Guarantee Business, and Overseas Financial Business, so that we can satisfy the expectations of all stakeholders, and become a company that grows alongside society. We look forward to your continued understanding and support.



Message from the Director in Charge of Finance

Achieve Stable and Consistent Returns Through Sustained Growth in Corporate Value



Kazuki Morishita
Executive Managing Officer

■ Review of the Fiscal Year Ended March 2023

Receivables outstanding increased 4.9% from the previous fiscal year to 2,354.5 billion yen on a consolidated basis, exceeding the previous fiscal year in all three core businesses. This was because in Japan, demand for funds recovered amid a subsiding COVID-19, and sales activities were successful in attracting new customers, improving products and service functions, etc., while in the Overseas Financial Business, we benefited from the impact of the yen’s depreciation in addition to business expansion.

Operating revenues increased 4.4% from the previous fiscal year to 273.7 billion yen on a consolidated basis, mainly due to business expansion, and all three core businesses posted revenue growth. Operating profit increased 151.0% from the previous fiscal year to 87.2 billion yen, mainly due to the absence of the 58.9 billion yen provision for loss on interest repayment recorded in the previous fiscal year, with all three core businesses also reporting higher profit here as well.

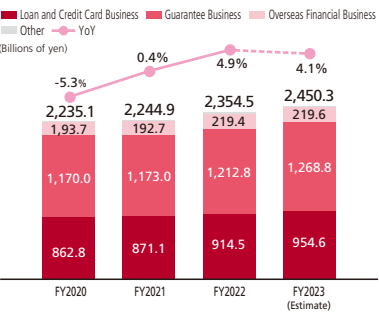
Due to the change in corporate classification related to the recoverability of deferred tax assets at the end of the fiscal year ended March 2022, adjustments for corporate tax, etc. increased

in the fiscal year ended March 2023, resulting in profit attributable to owners of parent decreasing by 1.4% year on year to 54.9 billion yen. However, we believe we have made a good start in the first year of our Medium-term Management Plan.

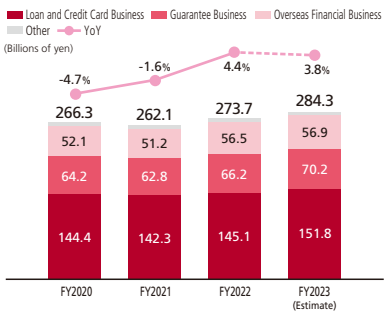
■ Plan for the Fiscal Year Ending March 2024

In the Loan and Credit Card Business, we plan for a 4.4% year-on-year increase to 954.6 billion yen in receivables outstanding, while in the Guarantee Business, we plan for a 4.6% increase to 1,268.8 billion yen, assuming that active demand for funds from the second half of the fiscal year ended March 2023 will continue through the second quarter of the fiscal year ending March 2024 and gradually return to pre-pandemic levels from the third quarter. In the Overseas Financial Business, we plan for 219.6 billion yen in receivables outstanding, the same level as the previous fiscal year, due to the removal of the relaxation of restrictions on borrowing limits to support customers amid COVID-19 in the Kingdom of Thailand, where the majority of our business overseas is located. For overall consolidated receivables outstanding, we are

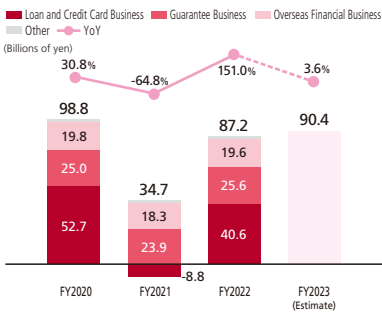
Receivables Outstanding



Operating Revenue



Operating Profit

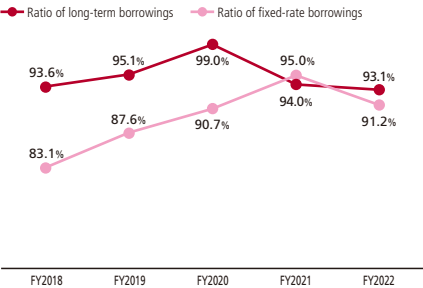


Target and Fiscal Year Ended March 2023 Results for Operating Revenues and Expense as a Share of Receivables Outstanding

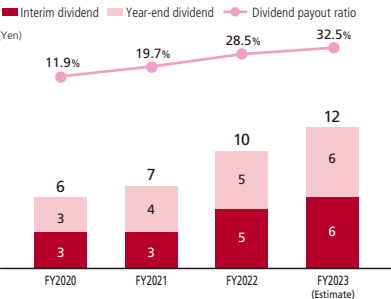
	Loan and Credit Card Business		Guarantee Business		Overseas Financial Business	
	Target	Results	Target	Results	Target	Results
Operating revenue	16.5%	16.3%	5.0%	5.3%	27.0%	27.4%
Operating expense	11.5%	11.7%	3.5%	3.3%	17.0%	17.9%
Financial expenses	1.0%	0.3%	0%	0.0%	1.5%	0.7%
Provision for bad debts	3.5%	3.7%	2.5%	2.1%	8.0%	9.7%
Other operating expenses	7.0%	7.7%	1.0%	1.2%	7.5%	7.5%
Operating profit (ROA)*	5.0%	4.6%	1.5%	2.0%	10.0%	9.5%

* Operating profit to receivables outstanding

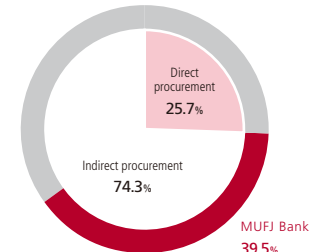
Long-term and Fixed-rate Borrowing Ratio (Non-consolidated)



Dividend per Share /Dividend Payout Ratio



Composition of Lenders



targeting 2,450.3 billion yen, an increase of 4.1% over the previous fiscal year.

For operating revenue, we plan a 3.8% year-on-year increase in consolidated operating revenue to 284.3 billion yen, mainly due to business expansion, a 3.6% increase in operating profit to 90.4 billion yen, and a 5.4% year-on-year increase in profit attributable to owners of parent to 57.9 billion yen.

■ Approach to Procurement of Funds

With regard to procuring funds, we are working to optimize borrowing ratios between long- and short-term, and fixed and variable interest rates with a focus on cost while maintaining stability. To ensure stable funding, we are working to maintain and improve our A+ credit rating and to adjust the composition of our lender base.

The composition of lenders is based on a 1:1:1 ratio of (1) direct financing through methods such as straight bonds and commercial paper, (2) borrowing from MUFG Bank, our main bank, and (3) borrowing from other financial institutions, with the balance flexibly adjusted in consideration of market conditions. In the fiscal year ended March 2023, the issuance of straight bonds was postponed due to an unstable bond-issuing environment, and the ratio of direct financing temporarily declined to about 25%, but in the fiscal year ending March 2024, we aim to recover the ratio of direct funding to about 30%, while closely monitoring market conditions.

We are conservatively managing our borrowing ratios, aiming for 90% in long-term borrowings and 80% or more at a fixed interest rate. Considering the possibility that market interest rates may rise in the future, we will flexibly respond to the market environment to ensure stable fund procurement while controlling funding costs by increasing long-term and fixed-rate borrowings at the right time for new borrowings.

■ Capital Policy

Our basic policy with regard to capital is to work to balance (1) optimizing shareholders’ equity, (2) expanding return to shareholders and (3) strengthening profitability. In the past, we have suffered harm to our shareholders’ equity due to making provisions for loss on interest repayment. However, since the fiscal year ended March 2018, we have enhanced our retained earnings and increased our shareholders’ equity ratio from the perspective of ensuring management safety. During the previous

Medium-term Management Plan period (from the fiscal year ended March 2020 to the fiscal year ended March 2022), we have gradually expanded shareholder returns while continuing to place the highest priority on optimizing shareholders’ equity.

In the current Medium-term Management Plan, our stated aim is a shareholders’ equity ratio of approximately 25%, a dividend payout ratio (calculated by adding credit guarantee balance to consolidated total assets) of approximately 35% and ROE of approximately 10% for the end of the fiscal year ending March 2025. Our basic policy on dividends is to expand return to shareholders on the basis of high profitability and optimized shareholders’ equity. In the fiscal year ended March 2023, the first year of our current Medium-term Management Plan, we raised the dividend payout ratio to 28.5% against a final year target of around 35%, while keeping ROE at 9.9%, which was within expectations. For the fiscal year ending March 2024, we plan to pay an interim dividend of 6 yen and a year-end dividend of 6 yen, for an annual dividend of 12 yen per share and a dividend payout ratio of 32.5%. Moving forward, we aim to maintain stable and consistent dividends.

■ Dialogue with Shareholders and Investors

As Chief General Manager of the Corporate Planning Department since 2020, I have been involved in the planning and formulation of company-wide management strategies and capital policies, and I maintain a constant awareness of the expectations on our Group by our shareholders, investors and other stakeholders. While our Vision simply states that we are to enhance corporate value, we understand that you have expectations in various areas, such as our stock price, ROE, and medium- to long-term growth potential of earnings and profits.

From this June, I will be in charge of the Finance Department, which is in charge of fundraising and investor relations, and I look forward to hearing directly from shareholders and investors about their expectations and opinions of our Group. It would give me great pleasure to use this very valuable opportunity to learn from you and hear your honest opinions, which I will share with the Board of Directors and others to use as a reference for overall management. Your continued understanding and support will be greatly appreciated.

Progress in the Medium-term Management Plan

Medium-term Management Plan
(Fiscal Year Ended March 2023 to Fiscal Year Ending March 2025)

Key Points

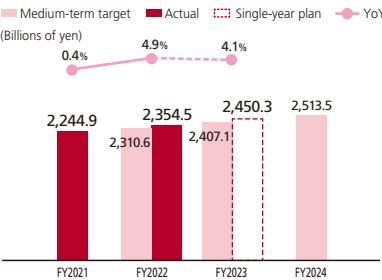
Viewed as a period to make strategic moves to expand our business domain for future growth in each of our businesses

Targets

- We are aiming to surpass pre-COVID-19 levels in each of the three core businesses through accommodating cashless payments and digital investments
- We are targeting operations worth 2.5 trillion yen across the three core businesses and the Embedded Finance Business
- Aiming for increased revenue and profit for three consecutive years

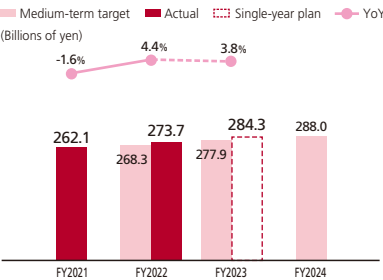
Receivables Outstanding

Amid a subsiding COVID-19 pandemic, our Loan and Credit Card Business and Guarantee Business are steadily expanding thanks to a well-targeted response to emerging demands for funds. In the Overseas Financial Business, business was expanded and balances outstanding were boosted thanks to foreign exchange impact from a depreciating yen. In the fiscal year ending March 2024, we estimate we will exceed our target for the second year of the medium-term plan by approximately 40 billion yen, with the assumption that the active demand for funds will persist through the second quarter and gradually return to pre-pandemic levels from the third quarter onward.



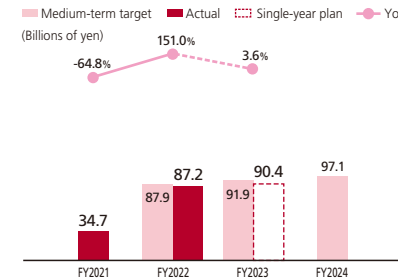
Operating Revenue

Revenue increased 4.4% year-on-year mainly due to business expansion. In the fiscal year ending March 2024, we estimate we will exceed our target for the second year of the medium-term plan by approximately 6 billion yen.



Operating Profit

Strong performance in attracting new customers and the associated advertising costs led to operating profit falling short of our estimate in the Loan and Credit Card Business. However, operating profit rose in the Guarantee Business and Overseas Financial Business, leading to us falling slightly below targets overall. Since we have incurred expenses early in our strong customer attraction phase, our estimate is that we will also fall short of the target in the fiscal year ending March 2024 as well, the second year of the medium-term plan. However, since new customers create a customer base for securing future earnings, we will aggressively invest in expenses where we are able to attract new customers.



Our basic approach to capital policy

Continuously raise financial soundness and expand return to shareholders

Basic approach to dividends

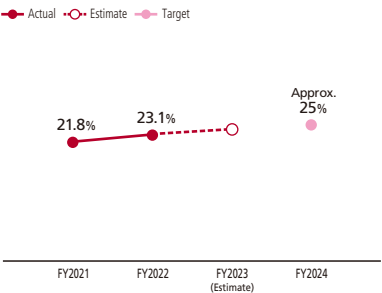
Expand return to shareholders on the basis of high profitability and appropriate capital adequacy

Targets for March 2025

Shareholders' equity ratio^{*1} Approx. **25%** Dividend payout ratio Approx. **35%** ROE Approx. **10%**

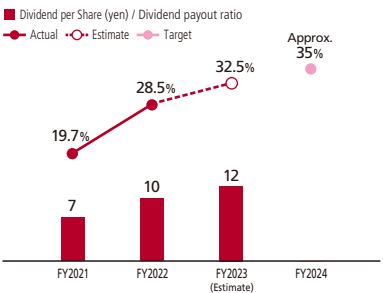
Shareholders' Equity Ratio^{*1}

Expecting to steadily build toward our 25% target.



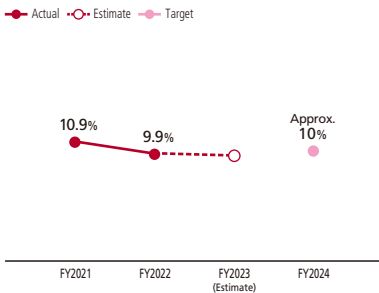
Dividend per Share /Dividend Payout Ratio

Steadily increasing dividends and payout ratio each term.



ROE (Profitability)

Continuing to focus on maintaining 10% ROE.



^{*1} Shareholders' equity ratio, calculated by adding credit guarantee balance to consolidated total assets

Overview and Progress in Key Themes for the Medium Term

Strategic Category	Key Themes for the Medium Term	Overview	FY2022 Progress
Business strategies	Foster a compliance culture	<ul style="list-style-type: none">● Strengthen communication● Promote no-harassment	<ul style="list-style-type: none">● Conducted evaluations based on three elements: awareness, action, and results, revealing strong progress toward forming a compliance culture
	Enhance brand strength by rebuilding perceptions ^{*2}	<ul style="list-style-type: none">● Carry out the Challenge what you want to start! Project● Streamline advertising strategies	<ul style="list-style-type: none">● Started the project with support programs for five challengers● Improved cost per customer acquired
	Provide high-quality customer experience through optimization of human and digital resources	<ul style="list-style-type: none">● Create a function for submitting identification documents via web browser● Examine separation of duties between human and digital resources	<ul style="list-style-type: none">● Implemented function for submitting identification documents● Adjusted UI and monitor image submission completion rates to improve the completion rates
	Create new business and services for the next growth phase	<ul style="list-style-type: none">● Create the Embedded Finance Business● Form a data utilization project	<ul style="list-style-type: none">● Though the Embedded Finance Business is behind schedule for launch, it is being prepared● The data utilization project was institutionalized as the Digital Promotion Office in April 2023
	Expand guarantee partnerships with financial institutions and establish guarantee partnerships with companies	<ul style="list-style-type: none">● Continue negotiations with potential partners● Acquire new partners outside of the banking industry	<ul style="list-style-type: none">● Started a guarantee partnership with LINE Credit in March 2023
	Further strengthen cooperation with existing guarantee partners	<ul style="list-style-type: none">● Strengthen promotions through the use of joint advertising● Revitalize cooperation with existing partners through UI/UX improvements	<ul style="list-style-type: none">● Continued to implement existing measures, e.g., joint advertisements● Unified formerly per-partner advertising agencies, offering potential for attracting more new customers
	Expand into new countries	<ul style="list-style-type: none">● Expand into markets with large populations● Investigate entry/investment method and business for entry	<ul style="list-style-type: none">● Made steady progress in preparations for business launch in Malaysia● Continued explorations of countries for entry other than Malaysia
	Build our business base in countries where we already have a presence	<ul style="list-style-type: none">● Explore market expansion measures (EASY BUY)● Strengthen new application acquisition (ACF)^{*3}	<ul style="list-style-type: none">● Achieved balance plan for EASY BUY in Thailand● Tightened credit policy for ACF in the Philippines due to worsening delinquency conditions
	Optimize the debt protection system	<ul style="list-style-type: none">● Reinforce partnership with IR Loan Servicing, Inc.● Improve work environments	<ul style="list-style-type: none">● Carried out various measures generally as planned for organization, systems, and human resources (education)
	Build system infrastructure that can respond flexibly and quickly to environmental changes	<ul style="list-style-type: none">● Upgrade our core system● Overhaul our information systems	<ul style="list-style-type: none">● Despite some delay in progress, continued to focus toward project completion
Function strategies	Establish human resource base by strengthening recruitment, training, and retention	<ul style="list-style-type: none">● Continue to recruit talented personnel● Promote diversity	<ul style="list-style-type: none">● Made progress generally in line with plans in all areas of recruitment, training, and retention
	Increase employee engagement through ingraining of vision	<ul style="list-style-type: none">● Produce the Vision Book● Implement effective training	<ul style="list-style-type: none">● Distributed the Vision Book and implemented the Vision Ingraining Program
	Strengthen and expand sustainability promotion system and initiatives	<ul style="list-style-type: none">● Identify materiality (priority issues)● Formulate the Environment Policy, enhance climate change initiatives	<ul style="list-style-type: none">● Identified materiality● Introduced renewable energy
	Strengthen governance by upgrading risk management	<ul style="list-style-type: none">● Foster and ingrain a risk-aware culture● Clarify IT and information security management cycle	<ul style="list-style-type: none">● Fostered a risk-aware culture through internal study sessions and messages from Directors
	Create a highly productive work environment by improving operational efficiency	<ul style="list-style-type: none">● Expand utilization scope and increase development speed for RPA● Promote paperless operation by eliminating unnecessary forms, converting documents to electronic formats and reviewing business processes	<ul style="list-style-type: none">● Reduced annual working hours by over 90,000 vs. target of 60,000
	Maintain stability and improve cost efficiency by optimizing procurement methods	<ul style="list-style-type: none">● Maintain a balance in the composition of lenders● Consider diversification of procurement methods in view of environmental changes	<ul style="list-style-type: none">● Reduced financial expenses by 22.3% year on year to 4 billion yen

^{*2} Perception: Consumers' impressions, as well as awareness, recognition and perception of companies and brands that become causal factors in purchasing decisions

^{*3} ACF: ACOM CONSUMER FINANCE CORPORATION