

Message from the Director in Charge of Sustainability

A Consistently Growing ACOM that can Meet Stakeholder Expectations

Takashi Kiribuchi
Director and Deputy President



We have established our Basic Policy on Sustainability, aiming to reconcile solving society's challenges with enhancing corporate value.

In addition, we established the Sustainability Promotion Office under the Corporate Planning Department to study and formulate company-wide sustainability plans, and also established a sustainability promotion system through deliberations and decisions on important matters by the Executive Officers' Meeting and the Board of Directors.

Furthermore, we are taking various actions through our materialities (key areas), defined for priority action by ACOM. These actions include, in the environmental field, "promoting environment-friendly corporate activities;" in the social field, "promoting diversity based on the spirit of human dignity," "providing financial services that put customers first," and "pursuing creative and innovative management utilizing digital technology;" and in the governance field, "strengthening governance."

In the environmental field, amid calls for a switch to renewable energy sources to cut CO₂ and other greenhouse gases, we have introduced renewable energy at all locations that have direct contracts with electric power companies.

Also, with respect to the "ACOM Forest," a forest conservation program for employee participation, we have not only signed an agreement with Kanagawa Prefecture in the fiscal year ended March 2022, but we have further signed an agreement with Osaka Prefecture in the fiscal year ended March 2023, launching activities there as well. We believe that this activity contributes to biodiversity through the development and conservation of sound forests.

As a member of society, we will go beyond making effective

use of limited resources and reducing environmental loads from our corporate activities, to actively tackle environmental conservation as part of our social contribution activities.

In the social field, we are carrying out our Vision Ingraining Program for all employees as an activity to help each employee understand the connection between our vision and their own work and to improve employee engagement.

In addition, to motivate employees who have reached the retirement age for their positions, we have added new positions and job qualifications, and introduced three-day or four-day workweek system for employees rehired after retirement.

In addition, we formed the Women's Activity Working Group and the ES Working Group through open internal recruitment, and engaged in activities to promote diversity from the bottom up.

As part of our efforts through our business to support cashless payments, we have launched support for Apple Pay® and Google Pay™ on the AC Mastercard, taking this and other measures to provide greater customer convenience.

In the governance field, we are working toward continuous increase of shareholder value while we ensure the soundness, transparency, and efficiency of management. Under the leadership of our top management, everyone in our organization is engaged in building internal control systems and assuring their effectiveness, as well as evaluating, validating, and improving them.

Going forward, we aim to meet the expectations of all our stakeholders by continuing to contribute to the realization of a sustainable society, and growing together with society. We ask all our stakeholders to give us their continued understanding and support.

Basic Policy on Sustainability

Under our founding spirit of "Circle of Trust," we aim to both solve social issues and raise enterprise value, and realize a sustainable society, through our corporate philosophy of "the spirit of human dignity," "putting customers first," and "creative and innovative management."

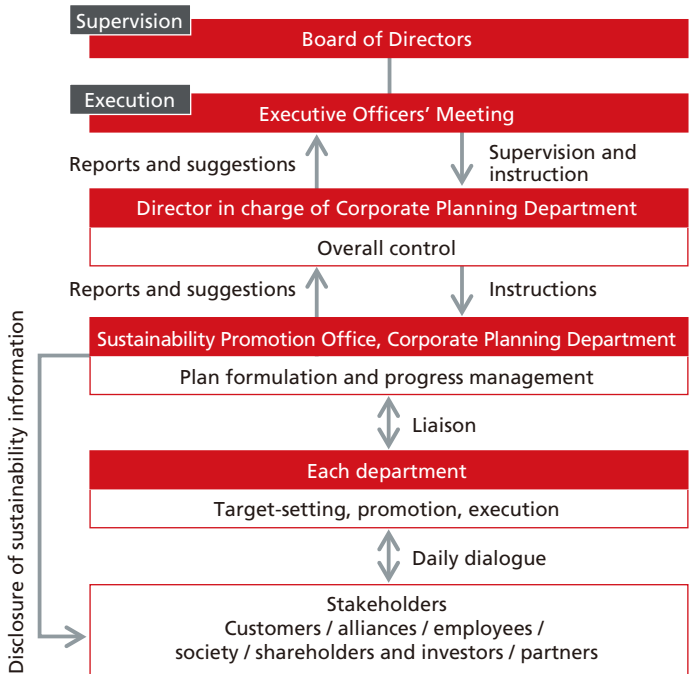
Materialities (key areas)

We have selected key areas for priority action, based on the corporate philosophy that embodies the universal values we must give the highest priority, and on the expectations of our stakeholders for our action on social issues. In the course of our corporate activities, we solve the issues that we are uniquely suited to solve, and contribute to progress in society.

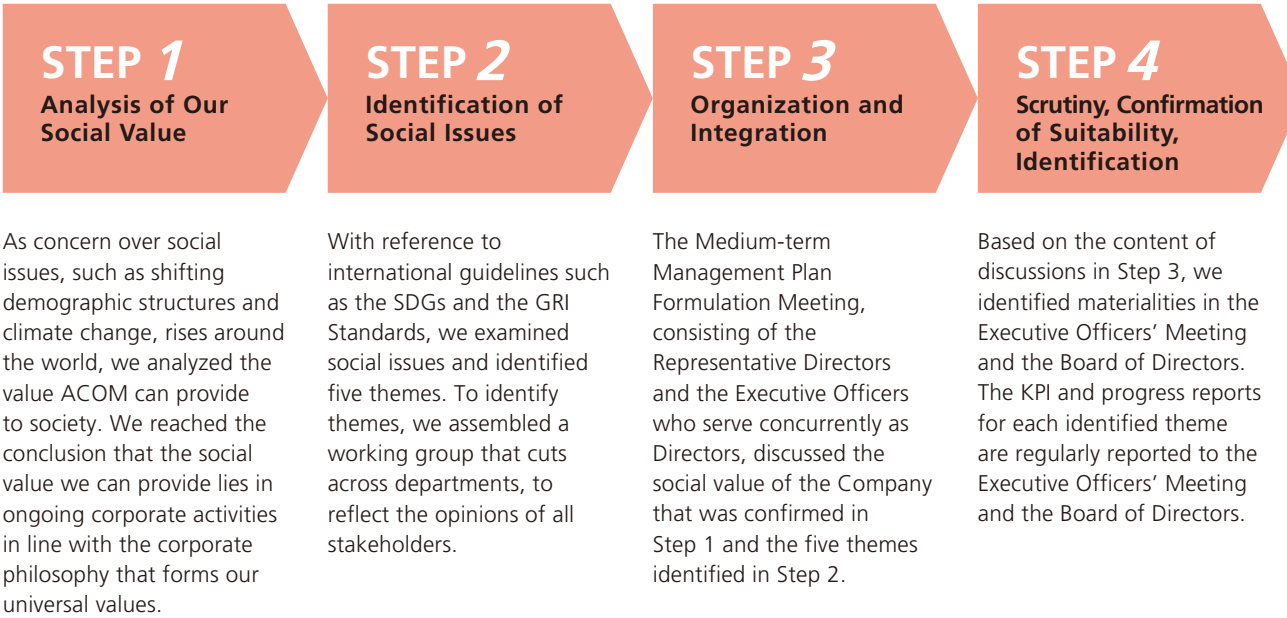


The Sustainability Promotion Organization

Under ACOM's sustainability promotion organization, the Sustainability Promotion Office, which is part of the Corporate Planning Department, studies and formulates company-wide sustainability plans, while key matters are examined and decided by the Executive Officers' Meeting and the Board of Directors. The KPI and progress reports for identified materialities (key areas) are reported to the Executive Officers' Meeting and the Board of Directors on a quarterly basis.



The Materiality Identification Process



Sustainability Targets and Achievements

| | Key areas | Major Initiatives | Targets and Initiative Direction | Initiative Achievements in the Fiscal Year Ended March 2023 | Achievement Level | Related Key Medium-term Themes | SDGs | |
|---|---|--|--|--|---|--|----------|---|
| E | Promote corporate activities based on care for the environment | Introduction of renewable energy | Switching to renewable energy sources for power consumption under direct contracts by March 2023 | Switched all direct contracts with electric power companies by June 2022 (approx. 630 stores, 3 corporate locations)▶ P.21 | ○ | Strengthen sustainability promotion system and expand the initiatives | | |
| | | Efforts to achieve net-zero GHG emissions | Achieving net-zero GHG emissions in house by 2030 | Electricity contracted by management companies is being gradually switched to renewable energy sources | ○ | | | |
| | | Reduction of power consumption for ATMs, electric signboards, etc. | Energy use intensity: 1% year-on-year reduction | 107.0% (up 7%) compared to the fiscal year ended March 2022* | × | — | | |
| | | Continued implementation of “green purchasing,” where items with the lowest possible environmental impact are selected and purchased | Considering environmental impact when purchasing goods and promoting the purchase of low-impact products | Continued implementation of preferential green purchasing in accordance with purchasing operation rules | ○ | — | | |
| | | Participation in community cleanup activities | Participating in cleanup activities held in the areas with ACOM locations | Participated in cleanup activities in Tokyo’s Minato, Chiyoda, and Chuo wards, as well as Osaka City and Yokohama City (100 cumulative participants) | ○ | — | | |
| | | Implementation of forest conservation activities | Running The “ACOM Forest” Forest Conservation Program | Signed agreement with Osaka Prefecture following agreement with Kanagawa Prefecture, holding four activity events (75 cumulative participants)▶ P.22 | ○ | — | | |
| S | Promote diversity based on the spirit of human dignity | Creation of comfortable work environments (promotion of health and productivity management, consideration of diverse work styles) | Number of employees working long hours (over 80 hours of monthly overtime): 0 as of March 2025 | Zero employees as of March 2023 | ○ | Establish human resource base by strengthening recruitment, training and retention | | |
| | | Promotion of female employee empowerment (promotion of diversity) | Increasing the ratio of female managers | As of April 1, 2023, the ratio of female managers is 8.7% (Up 3.2 percentage points year on year; section manager or above) | Conducted a study of measures by the Women’s Activity Working Group▶ P.23 | | | ○ |
| | | | | Conducted one Woman Career Program training session for young female employees | | | | |
| | | Support for persons with disabilities | Ratio of employees with disabilities (upholding the statutory ratio) | 2.57% as of March 2023 (statutory ratio: 2.30%) | ○ | Increase employee engagement through ingrainin of vision | | |
| | | Implementation of the Vision Ingraining Program to improve engagement | Improving employee attitude survey scores | Up 3.1 percentage points compared to the fiscal year ended March 2022▶ P.24 | ○ | | | |
| | | Implementation of the Challenge what you want to start! Project | Implementing the Challenge what you want to start! Project every year (total: three times) | Ran for the first time, selecting five employees from 413 applicants▶ P.25 | ○ | Enhance brand strength by rebuilding perceptions | | |
| | | Support for culture and the arts | Continuing to hold the ACOM Miru Concert Monogatari | Held 13 times, with a cumulative total of 7,359 visitors and 203 employee volunteers▶ P.26 | ○ | — | | |
| | Provide financial services that put customers first | Promotion of CS management | Improvement of customer satisfaction (CS) mindset | Held the CS Awards in February 2023, viewed by all employees▶ P.27 | ○ | Provide high-quality customer experience through optimization of human and digital resources | | |
| | | | | 3,381 CS experience cards submitted | | | | |
| | | Reflection of customer feedback | Ongoing implementation of improvement activities based on CS improvement cards | 1,330 CS improvement cards submitted (88 adopted) | ○ | | | |
| | | | | Changed transfer loan unit from 10,000 yen to 1 yen | | | | |
| | | | | Modified member website and application | | | | |
| | | Efficient and effective customer attraction | Loan and Credit Card Business outstanding balance: 908.5 billion yen in March 2023, 946.8 billion yen during the fiscal year ending March 2024, 984.2 billion yen in March 2024, 260,000 new customers each year (780,000 total) | In March 2023, 914.5 billion yen balance (+6.0 billion yen compared to plan), 309,000 new customers (+49,000 compared to plan)▶ P.29 | ○ | | | — |
| | | | | Stimulation of local economies through the Guarantee Business | | | | Expanding new guarantee partnerships and revitalizing existing partnerships, resulting in consolidated guarantee outstanding balances of: 1,197.9 billion yen in March 2023, 1,254.0 billion yen in March 2024, and 1,319.4 billion yen in March 2025 |
| | | Contribution to the Asian economy, especially ASEAN | Expanding into new countries Overseas Financial Business outstanding balance: 197.1 billion yen in March 2023, 199.8 billion yen in March 2024, 203.8 billion yen in March 2025 | Obtained money lending business license for Malaysian subsidiary ACOM (M) SDN. BHD.▶ P.33 | ○ | | | Expand into new countries Expand business base in countries where we already have a presence |
| | In March 2023, 219.5 billion yen balance (+22.3 billion yen compared to plan) | | | | | | | |
| | Pursue creative and innovative management hat uses digital technology | Support for cashless payments | Supporting payment by smartphone | Launched AC Mastercard Apple Pay® and Google Pay™ support in April and May 2022, respectively▶ P.35 | ○ | Take on the challenge of creating new business and services for growth in the next term | | |
| | | New business offering financial services in the as-a-service model | Launching new business during the fiscal year ended March 2023 | Established GeNiE, Inc. in April 2022, and currently taking actions toward new business launch | × | | | |
| G | Strengthen corporate governance | Advancement of Corporate Governance Code compliance | Properly complying with the Corporate Governance Code | Disclosed the status of compliance with all 83 principles of the Corporate Governance Code in the Corporate Governance Report▶ P.39 | ○ | Strengthen governance by upgrading risk management | | |
| | | | Introduced a stock-price-linked compensation system (phantom stocks) in February 2023 | | | | | |
| | | Risk management | Establishing organizations and meeting bodies | Implementation analysis and evaluation of the effectiveness of the Board of Directors | ○ | | | |
| | | | Implementing company-wide activities to foster a risk-aware culture | Held internal study sessions and training sessions a total of 520 times, with participation by 4,092 employees | | | | |
| | | Compliance | Practicing risk management based on risk ownership | Each of the Representative Directors and Executive Officers concurrently serving as Directors sent a risk message to all employees | ○ | Foster a compliance culture | | |
| | | | Implementing measures to revitalize communication | Developed and implemented communication measures in all departments and offices | | | | |
| | | | Promoting measures for ensuring no harassment company-wide | Held 109 harassment training sessions (with 950 participants) Regularly provided harassment-related information | | | | |

*In line with the clarification of reporting standards based on the Energy Conservation Act, since the fiscal year ended March 2023, we have included energy usage from the data centers that we use as tenants.
(When not including electricity usage from the above data centers, energy use intensity in the fiscal year ended March 2023 was 98.6%)