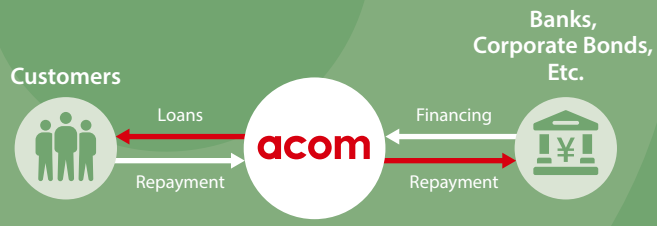
Provide Safe and Secure Financial Services

Loan and Credit Card Business

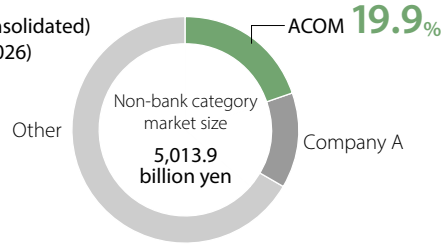
Through our Loan and Credit Card Business, we provide safe and secure financial services that solve issues faced by customers, such as an urgent need for funds or a lack of payment options, and enable customers to make the purchases and enjoy the experiences they ultimately seek.
Our loan service provides small, unsecured loans to customers based on their credit profile, and has provisions in place to meet urgent funding needs as quickly as the same day. We also offer the ACOM Mastercard, which has both cash advance and credit payment functions, to provide greater convenience in payment and meet a wide range of needs.



Market Environment and Outlook

At the end of March 2026, the size of the market for personal card loans in the non-bank industry was approximately 5 trillion yen, of which ACOM had around a 20% share. While declining birthrate and aging population trends continue and the workforce shrinks, competition in the personal card loan market is continually intensifying as new players from other business types enter the market.
At present, the market size continues to expand as the employment and income environment continues to improve. In addition to continued increases in demand for funds for leisure, travel, dining, and other purposes, customer resistance toward personal card loans is declining with the shift in the contract channel to the Internet. We anticipate continued annual market growth of around 3%.

Market Share (Consolidated)
(as of March 31, 2026)



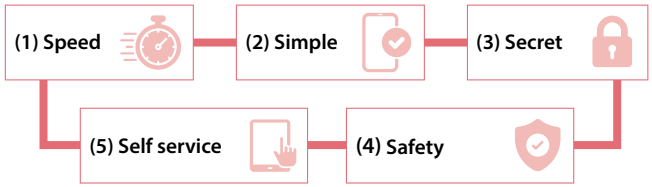
* The market size of the non-bank category represents receivables outstanding (including loans by deed) based on statistics issued by the Japan Financial Services Association

Business Strengths and Features

1) Loan and Credit Card Business

The chief strength of the Loan and Credit Card Business is the wealth of data it has amassed through business with a cumulative total of more than 13 million customers. Leveraging machine learning to analyze this data, we have developed advanced expertise in credit screening. By screening loan applications in as little as 20 minutes via "instant credit," and offering a range of sign-up channels including the internet and automatic contract machines, we are able to provide loans with a short turnaround time.
Furthermore, with approximately 500 instant credit card issuing machines nationwide, we are able to offer a degree of service unmatched by our competitors, including same-day credit card issuance in some cases.
Our Loan and Credit Card Business is characterized by the Five Ss: (1) Speed, (2) Simplicity, (3) Secrecy, (4) Safety, and (5) Self Service. In other words, we are able to provide loans swiftly and conveniently. This enables customers to enjoy a service that is safe and suits their own requirements.



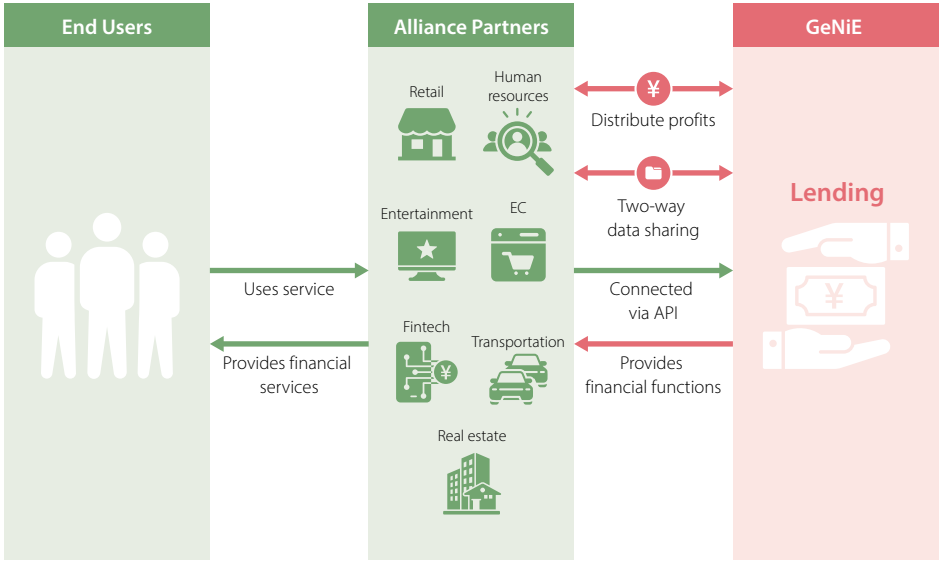


●Provide Safe and Secure Financial Services | Loan and Credit Card Business

2) Embedded Finance

Embedded finance, offered by our consolidated subsidiary GeNiE, which was established in April 2022, enables companies to provide seamless financial services to customers by incorporating finance functions into their own services. Strict laws and regulations such as the Money Lending Business Act present a high barrier to the entry of regular businesses in this field. By using such systems, customers can access financial services through services they are already familiar with using. Embedded finance also enables regular businesses to launch legally compliant financial services under their own branded web services without making a major investment. Complex, highly challenging backend operations such as credit management can be entrusted to the experienced financial service provider.

GeNiE's embedded finance services have an overwhelming competitive advantage in three areas: speed, cost, and quality. First, even companies without a financial license can implement the system in as little as two months, significantly shortening the lead time to business launch. Another major advantage is that there are no upfront implementation or operating costs, allowing companies to begin at no cost. In addition, GeNiE offers high-quality lending functionality that leverages expertise developed through ACOM's industry-leading loan business, enabling companies to incorporate financial services with confidence.



Able to use financial services with familiar services

Able to offer financial services under own brand without a financial license

Provides a seamless customer experience by leveraging ACOM's expertise and user-friendly systems

Speed

2 MONTHS

Can be implemented in as little as two months even without a financial license

Cost

0 YEN

No upfront or operating fees for entering into an alliance

* Additional fees may apply if custom system development is required

Quality

NO. 1

High-quality lending functionality that leverages ACOM's expertise

TOPIC

Initiatives to Prevent Financial Fraud

●Financial Education Programs

To protect the interests of consumers and promote the sound development of the consumer finance market, we have been holding financial education programs at universities and high schools since 2013. In addition to providing in-person lectures, we are working to expand our communication with initiatives such as publishing educational videos on our own website in order to provide more people with opportunities to learn. In our lectures, we present real examples of financial troubles involving card loans, which are becoming an increasingly familiar matter to young people, and warn of the risks.

Moreover, we are cooperating with the Financial Literacy Improvement Consortium* and our parent company, MUFG, to hold financial education programs. In recent years, financial crimes have become increasingly sophisticated and complex, and a growing number of people, especially young people, are falling victim to schemes such as scams involving start-ups, side jobs, part-time jobs, or investments. As a member of the card loan industry, we will continue with our financial education efforts to help prevent financial trouble.

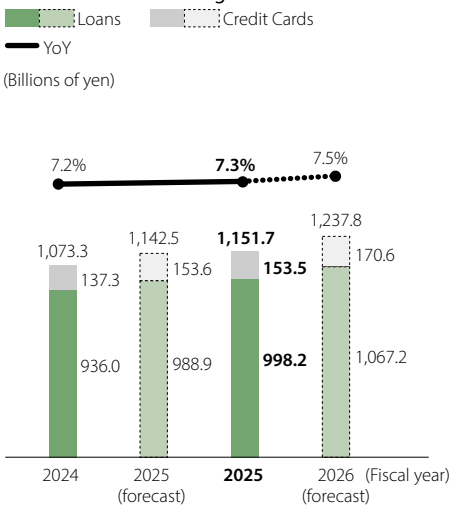
* A group established in June 2023 as a cooperative effort between the Japan Financial Services Association and four major money lenders to prevent financial trouble and improve financial literacy.

●Social Media Initiatives

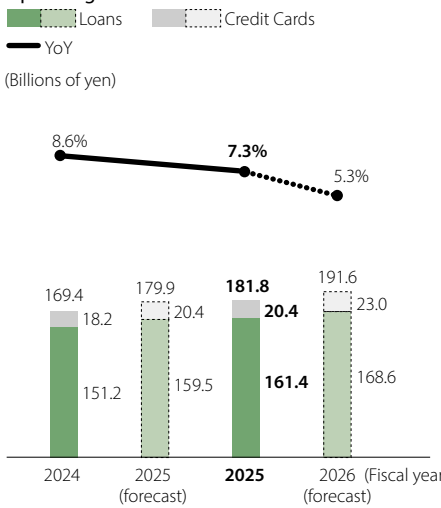
On TikTok, which is widely used by young people, we are working with well-known creators to produce educational short videos aimed at preventing financial fraud. By increasing exposure to this content using a platform familiar to young people, we hope to prevent financial fraud before it can occur.

Provide Safe and Secure Financial Services | Loan and Credit Card Business

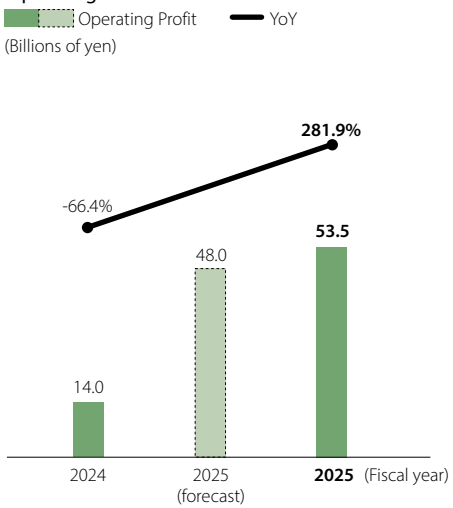
Receivables Outstanding



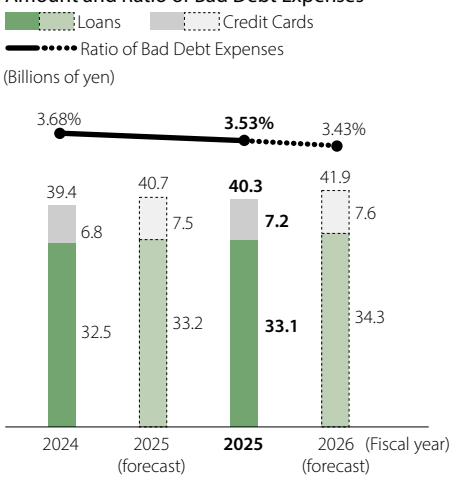
Operating Revenue



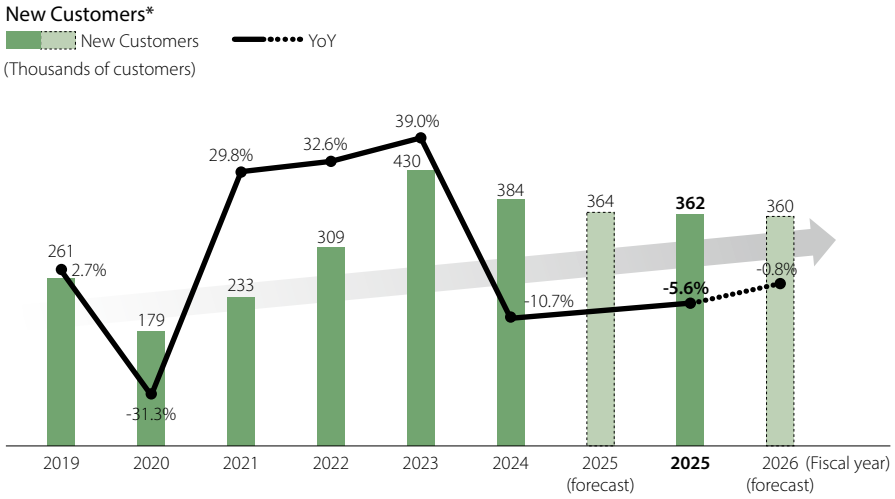
Operating Profit



Amount and Ratio of Bad Debt Expenses*



New Customers*



* The amount and ratio of bad debt expenses exclude receivables waived due to interest repayment claims

* Unsecured

Financial Results

In the fiscal year under review, receivables outstanding exceeded our initial forecast. The increase was attributable to strong additional borrowing by existing customers amid a recovery in consumer spending, various promotional campaigns, and the continued appropriate extension of credit through the proactive collection of income certificates.

Operating revenue outperformed expectations amid a rise in receivables outstanding. Operating profit exceeded plan on lower interest repayment expenses and successful control of provision for bad debts. Interest repayment expenses declined because the provision for loss on interest repayments was decreased based on a comprehensive consideration of factors such as the external environment and a greater-than-expected decline in interest repayment claims and the corresponding reversal amount.

The main factor contributing to control of provision for bad debts was a decline in the ratio of customers with a short transaction history, who have a relatively high default rate. Customers with a short transaction history tend to have unstable borrowing behavior and a higher rate of default because their repayment habits are insufficiently established. Once customers have been using our services for more than a certain period, their repayments stabilize and their default rate steadily decreases.

In FY2023 and FY2024, the release of pent-up demand following the end of the COVID-19 pandemic resulted in a surge of new customers, which temporarily increased the ratio of customers with a short transaction history. However, in recent years, customer acquisitions have decreased as pent-up demand diminished, resulting in a lower ratio of customers presenting a high rate of default. This change in the composition of our customer base enabled us to control provision for bad debts in recent times.

Message from the Director

Senior Managing Director
Yuji Kinoshita



Key Themes for the Medium Term

- **Enhance brand strength** by rebuilding perceptions
- Provide a **high-quality customer experience** by enhancing customer service quality and the speed of credit screening
- Expand **GeNiE Inc.'s** business alliances

Targets for March 31, 2028

- **Ensure that ACOM is always chosen by customers** by delivering peace of mind and fulfilling desires for immediate purchases and experiences
- Expand GeNiE's alliance to **approximately 60 partners**
- Aim for receivables outstanding of **1,314.9 billion yen**

The Loan and Credit Card Business finished the first year of the Medium-term Management Plan ahead of target. In the second year of the plan and onward, we will maintain this momentum and continue to accelerate initiatives centered around medium-term key themes in order to deliver results exceeding the plan.

One of our medium-term key themes in our current Medium-term Management Plan is "Enhance brand strength by rebuilding perceptions." This theme is rooted in our desire to establish a strong brand that inspires customers to see ACOM as their first choice when wanting to make a purchase or enjoy an experience immediately.

In rebuilding perceptions, one indicator we consider to be important is the ratio of customers with zero loans at other companies. This indicates the ratio of customers with no experience of card loans at other consumer finance or credit card companies using ACOM as their first loan provider, and is closely related to the "first time" key message that we have been presenting in our branding activities. Customers with no loans at other companies tend to steadily increase their borrowing from us as they build a relationship with us. These customers make up approximately half of our new contracts—this is one of ACOM's strengths. It is our medium- to long-term mission to further increase this ratio.

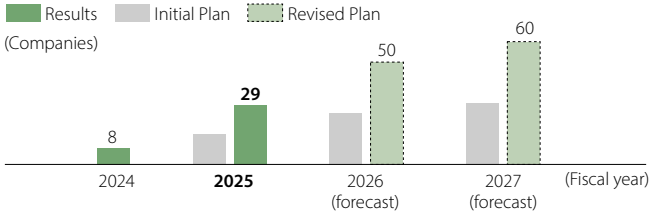
However, we recognize that consumer awareness surveys show that a certain fraction of people still feel resistance toward using consumer finance. In response to these circumstances, we are working to rebuild perceptions through our branding activities. Specifically, we intend to accelerate our brand penetration by communicating a sense of security and trust at every consumer touchpoint.

One initiative in this area is our commercials, which present relatable situations where ACOM can be relied on together with the sound bite "ACOM for the First Time," which we have been using for some time. In addition, we are actively emphasizing our position as a member of MUFG Group in order to promote recognition of ACOM as a company that can be used with peace of mind. Through these efforts, we aim to shift popular awareness to the point that the idea of borrowing money brings ACOM to mind.

With regard to GeNiE, we set a target for achieving partnerships with 30 or more companies in the final year of the Medium-term Management Plan, but have already achieved partnerships with 29 companies in the first year of the plan. Given this progress, we have revised our target for alliance partnerships and will now aim for approximately 60 partnerships by the end of the final year of the Medium-term Management Plan.

Even so, it is a fact that ties with some alliance partners are stronger than with others. When we form a partnership with a company in an industry highly compatible with lending that has strong funding needs, the resulting number of new applications can be several tens of times the figure received via another company.

Expansion of GeNiE Inc.'s Business Alliance



We think that one key to business growth going forward will be to not only expand our alliance, but also emphasize relationships and find ways to secure more partners that we can build strong partnerships with.

In the two remaining years of the plan, we will work to steadily expand our network of strong partnerships with a view to achieving single-year positive profits during the period of the next Medium-term Management Plan as early as possible.

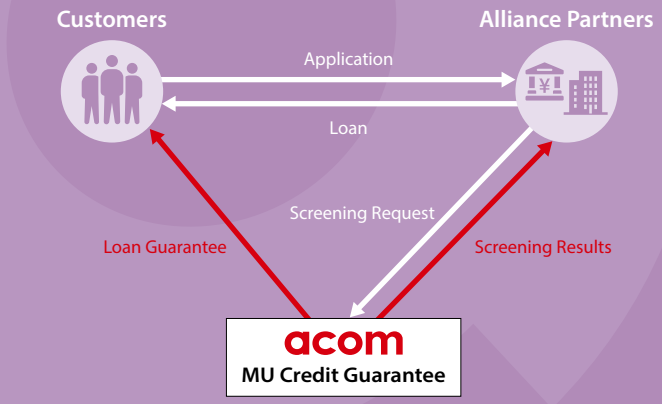
From a medium- to long-term perspective, we aim to achieve a society where people can choose to borrow money with peace of mind when the need truly arises. We think that finance should be a tool that enables people to take on challenges and fulfill their aspirations in life. GeNiE aims to be a presence that seamlessly blends into all kinds of familiar services and can be used, when necessary, without any sense of excessive burden.

GeNiE's product range will not be limited to loans. We launched a deferred payment service in 2026, and will expand into new fields such as wallet services, increasing the range of industries we can form partnerships with. In addition, we will work to leverage the data exchanged with alliance partners and "reinvent loans" by offering optimal conditions to each customer. We will create new models and contribute to invigorating the market as a whole.

Provide Safe and Secure Financial Services

Guarantee Business

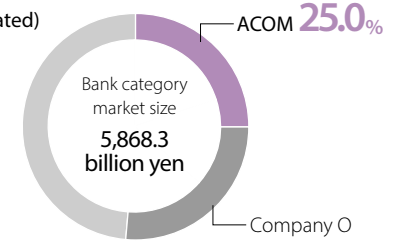
The Guarantee Business provides credit guarantees, underwriting customers' repayment of card loans taken out with our alliance partners in return for fees based on the outstanding amounts. This is a cooperative business, in which we provide support tailored to each alliance partner's requirements and work together with them to achieve growth in loan products. ACOM Group's Guarantee Business is centered on ACOM and one of the Group's consolidated subsidiaries, MU Credit Guarantee.



Market Environment and Outlook

The market size of the bank category as of the end of March 2026 is approximately 5.8 trillion yen, of which ACOM Group has a 25% share.
At present, the market size continues to expand as the employment and income environment continues to improve, with increased demand for funds for leisure, travel, and dining, and other purposes.
Given the robust demand for funds, we anticipate continued annual market growth of around 3%.

Market Share (Consolidated)
(as of March 31, 2026)



* The market size of the bank category represents the personal card loan receivables of domestic banks and shinkin banks based on statistics issued by the Bank of Japan

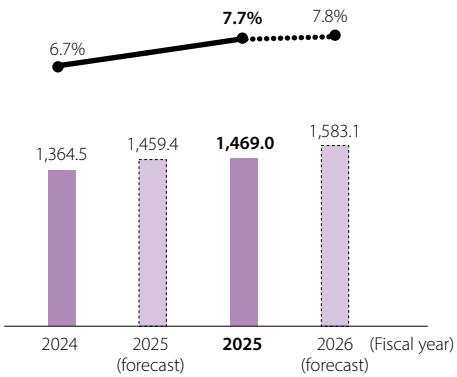
Business Strengths and Features

The chief strengths of the Guarantee Business are our expertise in credit screening and loan servicing that we have developed in the loan business over the years.
Using this expertise as a foundation, we offer credit screening systems and support for promoting sales. In addition, we second employees with expertise in ACOM's loan business to alliance partners to provide human support such as guidance for telemarketing. Approximately 200 employees are currently working on secondment at alliance partners to promote sales of loan products.
Furthermore, by avoiding service area overlap under our "one prefecture, one bank" alliance policy, we maintain a close relationship with our alliance partners while controlling competition over customers. We offer meticulous support that suits each alliance partner's requirements and circumstances. Aspects include market analysis insights, support for promotions, marketing ideas, and workflow optimization. As a result of these efforts, guaranteed receivables now exceed 20.0 billion yen per alliance partner.

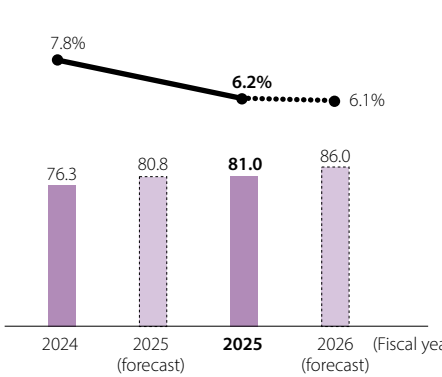
Expertise from Loan Business	"One Prefecture, One Bank" Alliance Policy
Provision of credit screening systems	Prevention of trade area cannibalization
Secondment of experienced personnel	Meticulous service through close partnerships

Provide Safe and Secure Financial Services | Guarantee Business

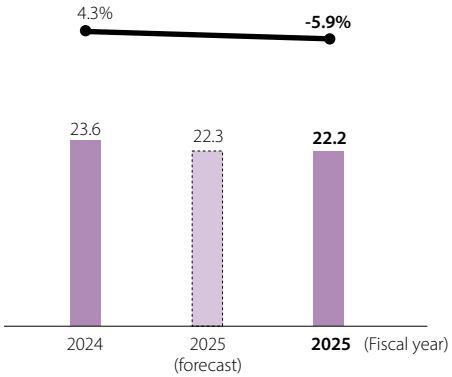
Guaranteed Receivables



Operating Revenue

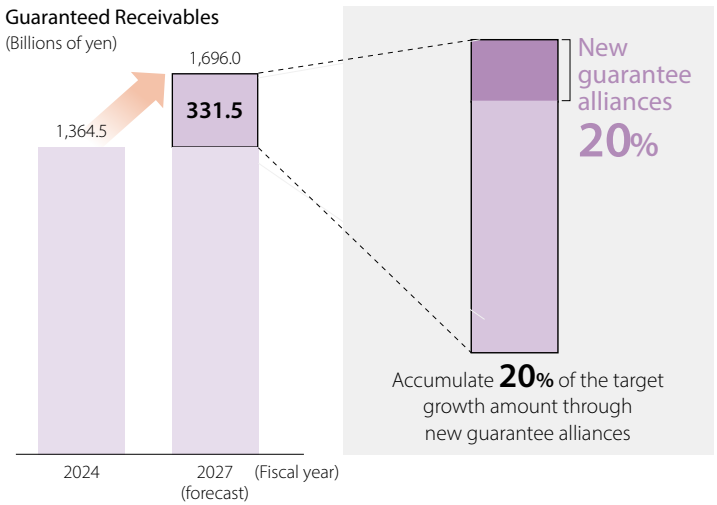


Operating Profit



Expansion of New Guarantee Alliances





Financial Results

Guaranteed receivables benefited from an increase in new customers and strong additional use by existing customers amid a recovery in consumer spending. Progress exceeded plan as a result of strengthened new customer acquisition through joint advertisements by multiple alliance partners using common advertisement materials, the promotion of various marketing initiatives through channels such as technical guidance secondments, and the development of new alliance partners including business companies.

Operating revenue was slightly higher than the initial forecast due to an increase in guaranteed receivables. Meanwhile, operating profit was more or less in line with plan, mainly as a result of an increase in provision for bad debts accompanying growth in the number of new loans and guaranteed receivables.

Regarding the expansion of new guarantee alliances—one of our key themes for the medium term—we formed guarantee partnerships with one business company and five financial institutions in the fiscal year ended March 2026. During the three years of the Medium-term Management Plan, we aim to accumulate 20% of the target growth amount of 330.0 billion yen from new guarantee alliances, and progress with respect to balance growth is largely on track. We recently established an alliance partnership with Tomato Bank, Ltd. in April 2026, and are scheduled to establish a partnership with ORIX Bank in October 2026. Going forward, we will continue with negotiations to expand our network of alliance partners.

Message from the Executive Officer

Executive Managing Officer
Wataru Yoshioka



Key Themes for the Medium Term

- Further strengthen cooperation with existing guarantee partners and expand new guarantee alliances

Targets for March 31, 2028

- Build unwavering partnerships with all-round support, and establish a brand image that **encourages companies to partner with ACOM and continue working together as partners**
- Aim for a credit guarantee balance of **1,696.0 billion yen**
- Accumulate 20% of the 331.5 billion yen increase in guaranteed receivables through new guarantee alliances

Strengthening cooperation with existing guarantee partners was a key theme for the medium term in initiatives for the fiscal year ended March 2026. In line with this theme, we have produced advertisements, provided advertising support centered around joint advertising for alliance partners to use, improved UI and UX, and developed seamless contract schemes. Furthermore, to increase customer utilization of card loans, we not only shared operational expertise through our usual technical guidance secondments, but also deployed personnel who could make immediate contributions toward addressing alliance partners' issues, providing focused support on practical levels such as sales. It is our view that by building support frameworks tailored to each alliance partner's characteristics, we were able to build a foundation for energizing alliance partners on an ongoing basis.

In terms of expanding new guarantee alliances, we formed new guarantee partnerships with one company and five banks: The Mortgage Corporation of Japan, Resona Bank, Saitama Resona Bank, Kansai Mirai Bank, AEON Bank, and PayPay Bank. Making progress on partnering with financial institutions with different business conditions and business characteristics has helped to strengthen our foundation for medium- to long-term growth.
As a result of these initiatives, in the fiscal year ended March 2026, which was the first year of the Medium-term Management Plan, we achieved growth in excess of our plan, with 1,469.0 billion yen in guaranteed receivables.

Partnered with One Company and Five Banks in 2025

The Mortgage Corporation of Japan	Kansai Mirai Bank
Resona Bank	AEON Bank
Saitama Resona Bank	PayPay Bank

Turning to the market environment, competition has intensified, and we understand that this trend will continue. In addition, the increase in financing costs accompanying the rise in the policy rate is becoming increasingly salient as a key issue in maintaining alliance partners' profitability.

Given these circumstances, in the fiscal year ending March 2027, we will leverage the foundation we have established to redouble our support of our alliance partners. Specifically, we will expand support for advertising, and also support a shift to digital solutions to increase convenience for customers through UI and UX enhancements. At the same time, we will work to optimize cost efficiency and increase profitability by redoubling efforts to upgrade credit assessment practices and provide focused support for alliance partners' sales activities.

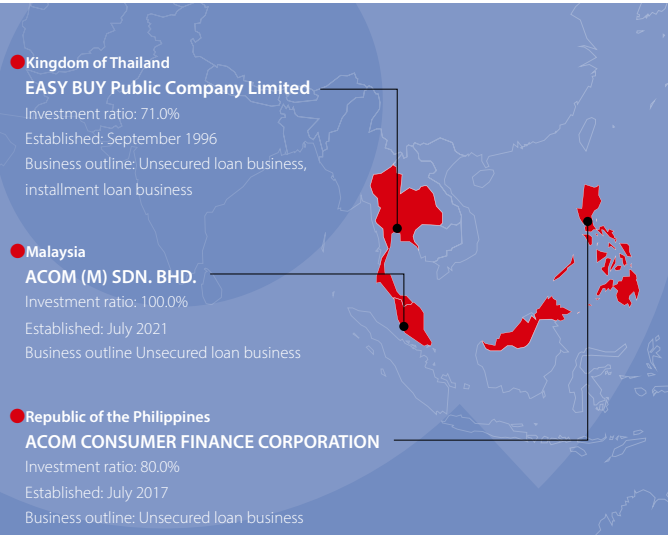
With regard to new guarantee alliances, we will work to further expand opportunities for growth by continuing to form new guarantee alliances with emerging financial institutions such as online banks, in addition to forming alliances with regional financial institutions in blank areas while firmly maintaining the Guarantee Business' basic policy of "one prefecture, one bank."

Going forward, we will work to build unwavering partnerships by providing our alliance partners with continuously updated ACOM expertise, while establishing a brand image that encourages companies to partner with ACOM and continue working together as partners. We will press on as an ideal business partner, aiming to achieve the No. 1 market share in guaranteed receivables and make ACOM a dominant presence.

Provide Safe and Secure Financial Services

Overseas Financial Business

We established loan businesses in the Kingdom of Thailand, the Republic of the Philippines, and Malaysia with a view to capitalizing on the strong growth of the retail finance sector in the ASEAN region markets. Though ASEAN is experiencing rapid economic development, the region faces challenges; for instance, many in the region do not have bank accounts or credit cards and lack access to financial services. By providing services to a wide range of customers and meeting their needs, the Group has contributed to the development of the ASEAN economy. Businesses in this area have grown to account for around 20% of ACOM Group's operating revenues.



Business Strengths and Features

The strengths of the Overseas Financial Business are our experience and expertise, gained not only in the Japanese loan business, but also through approximately three decades of business operations overseas in the Thai personal loan industry, which has enabled us to become the number one brand in terms of local non-bank market share.
In expanding our business domain centered on ASEAN and making inroads into new countries, we believe that another of our strengths is our ability to build a business foundation at a relatively early stage by leveraging the expertise gained through these successes.

In Japan:
Extensive experience in the loan business

×

In Thailand:
Approx. 30 years of business development



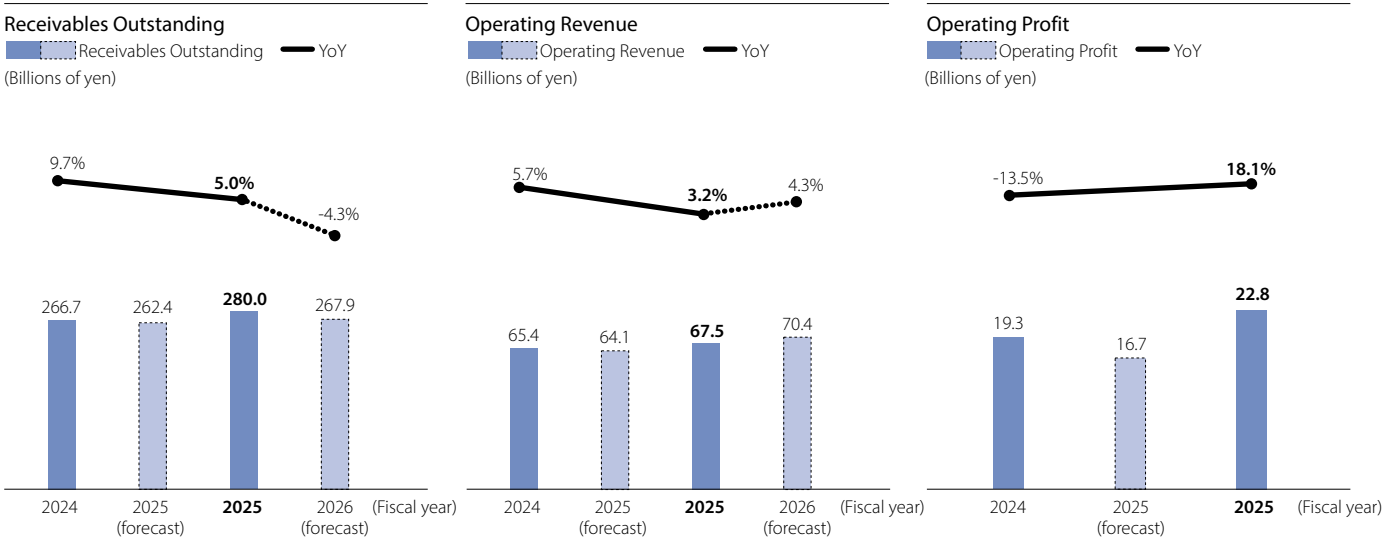
EASY BUY 30th anniversary celebration

Market Environment and Outlook

In the Overseas Financial Business, Thailand accounts for a significant fraction of receivables outstanding. As of December 31, 2025, the size of the personal loan market in Thailand was approximately 470.0 billion baht (approximately 2,300 billion yen). Out of this figure, the market size of the non-bank category was approximately 300.0 billion baht (approximately 1,500 billion yen). EASY BUY is a top brand with the number one market share in the non-bank category.
Going forward, the personal loan market is expected to contract due to the effect of various regulations introduced against the backdrop of a persistently high household debt ratio; however, we will drive business forward to maintain the top market share.
The size of the unsecured personal loan market in the Philippines is approximately 580 billion pesos (approximately 1,550 billion yen). This market is anticipated to grow given the country's continued population growth and relatively large young generation, which is expected to drive future demand for financing.
The market in Malaysia is also expected to expand against a backdrop of rising incomes underpinned by a stable economy.

* Figures for market size are as of December 31, 2025

Provide Safe and Secure Financial Services | Overseas Financial Business



Financial Results

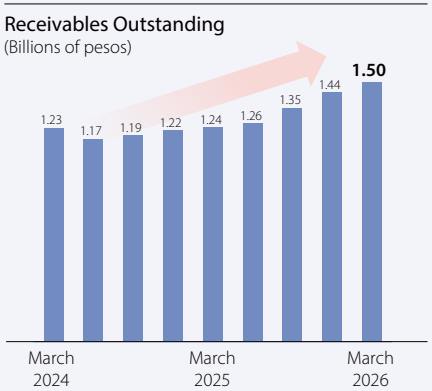
Although due to the effect of various regulations, business volume contracted at EASY BUY, which comprises the majority of the Overseas Financial Business, receivables outstanding significantly exceeded our forecast on greater-than-expected yen depreciation.
Operating revenue showed more progress than expected as a result of the foreign exchange impact of the weaker yen. Meanwhile, ACF and ACM both saw increased revenue on a local currency basis against a backdrop of growth in receivables outstanding.
Operating profit exceeded plan on a decline in provision for bad debts at EASY BUY.

TOPIC

Aiming to Turn a Profit at ACF and ACM at an Early Stage

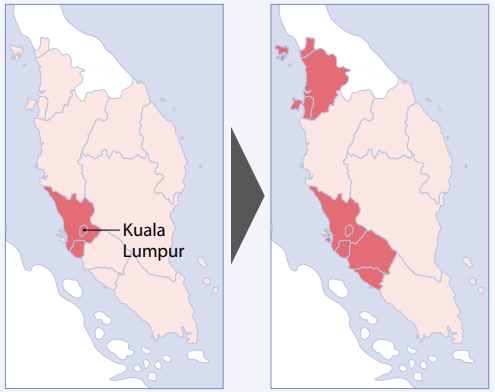
ACF (Philippines)

- Gradually expand balance on a local currency basis
- Continue strengthening controls on delinquency with the aim of turning a profit at an early stage



ACM (Malaysia)

- Gradually expand customer attraction area
- Continue to expand customer attraction area with the aim of providing services across all of Peninsular Malaysia



Expansion Into New Countries

Cambodia

- Entered into an agreement to acquire shares in a Cambodian microfinance institution as part of our efforts to enter the country's financial services market.



Message from the Executive Officer

Executive Managing Officer
Masahiko Ota



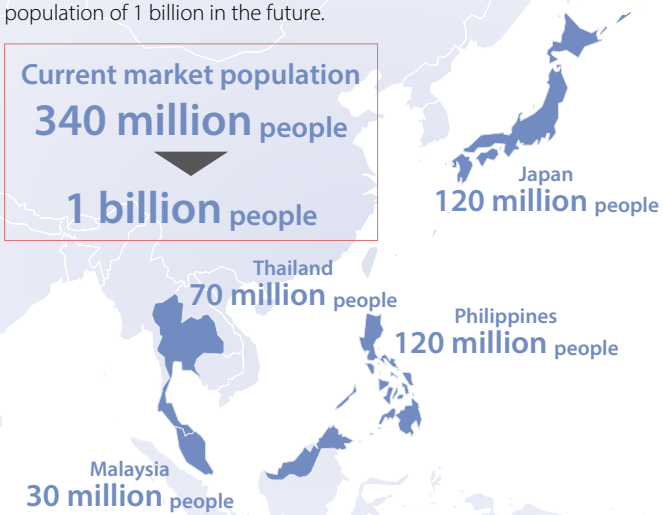
Key Themes for the Medium Term

- Appropriately responding to regulations and maintaining a high-quality portfolio under EASY BUY (Thailand)
- Aiming to turn a profit at ACF (Philippines) and ACM (Malaysia) at an early stage
- Expanding into new countries

Targets for March 31, 2028

- Aim to start new businesses in **one or more countries during the three years** of the Medium-term Management Plan
- Aim for receivables outstanding of **257.5 billion yen**
- Aim for single-year positive profits at ACF (Philippines) and ACM (Malaysia) in the final year of the Medium-term Management Plan

Currently, ACOM Group operates in Japan, the Kingdom of Thailand, the Republic of the Philippines, and Malaysia. The combined population of these countries is around 340 million. We aim to expand into one or more new countries during the Medium-term Management Plan period, with a view to achieving a market population of 1 billion in the future.



Developing New Markets

When we consider entering a new country, whether by developing a business from scratch or undertaking a merger or acquisition, we set certain conditions for entry and carefully evaluate how appropriate the venture is as an investment and what potential it has to sustainably enhance corporate value. Two evaluation criteria that we have positioned as particularly important are market size and regulatory environment. Specifically, we consider factors such as demographics, economic growth, prospects for growth in demand for financing, and the feasibility of offering unsecured card loans, and identify candidate countries and regions that have business potential.
We will work to expand into new countries at an early stage while appropriately managing investment risk based on these requirements.

Existing Markets

・EASY BUY (Thailand)
Since January 2024, various regulations aimed at controlling the household debt ratio have progressively come into effect, including stricter rules on credit extension and solicitation. Even amid this challenging environment, operating profit exceeded plan in the first fiscal year of the Medium-term Management Plan as a result of a decline in provision for bad debts due to control of delinquencies. Going forward, we will promote business activities with a view to tackling peripheral financial businesses.

・ACF (Philippines)
Shortly after the business was launched, the quality of loans declined due to the COVID-19 pandemic. To overcome this situation, we tightened credit standards with the aim of stabilizing the receivables portfolio, which had the effect of temporarily reducing receivables outstanding.
At present, we are steadily increasing the balance of receivables while maintaining loan quality, and the scale of the business has grown significantly larger than during the pandemic.
We will continue to steadily expand the business with the aim of achieving single-year positive profits in the final fiscal year of the Medium-term Management Plan.

・ACM (Malaysia)
At the time of its launch, ACM operated with a customer attraction area limited to Kuala Lumpur, but this was expanded to Malacca in January 2025, and Penang in July of the same year. Going forward, we will expand the customer attraction area to extend service coverage across all of Peninsular Malaysia within the period of the Medium-term Management Plan.
We will continue to steadily expand the business with the aim of achieving single-year positive profits in the final fiscal year of the Medium-term Management Plan.

Promote Environment-friendly Business Activities

Initiatives to Address Environmental Issues

Environmental issues, including climate change, are important matters that affect the stability of society and the economy, and are also closely linked to the sustainability of business activities and changes in the business environment. Rather than addressing environmental issues merely in response to societal demands, we consider such action to be an important management challenge that helps to maintain and strengthen our business foundation in the medium to long term. Accordingly, we have positioned "Promote environment-friendly business activities" as a material issue.
We aim to fulfill our social responsibilities and enhance corporate value over the medium to long term by promoting environment-friendly business activities in line with our Environment Policy.

Environment Policy

In recent years, environmental problems such as global warming have become more serious, and companies are being required to take environmentally friendly measures such as reducing their emissions of CO_2 and other greenhouse gases. As a member of society, we will not only make effective use of limited resources and reduce the environmental impact of our corporate activities, but also actively engage in environmental preservation activities as part of our social contribution activities.

1. We will promote environmentally friendly corporate activities and strive to reduce environmental risks to society.
2. We will comply with environment-related laws and regulations, and proactively respond to societal expectations.
3. We will assess and review the impact of our corporate activities on the environment and strive for continuous improvement.
4. We will endeavor to ensure that our employees understand this policy and to educate them about the environment.
5. We will publish this policy on our website and through other channels, making it widely available to the public.

Approach to Environmental Issues in Light of Business Characteristics

Although our business has only a limited direct impact on the environment via greenhouse gas emissions and similar factors, it is indirectly linked to the environment through office operations, use of IT infrastructure, and the supply chain.
In consideration of these business characteristics, we appropriately assess and manage the impact our business activities have on the environment, and strive to minimize that impact.

Environmentally Friendly Initiatives

Efforts to Achieve Net-zero GHG Emissions

Although our GHG emissions under Scope 1 (direct emissions) are limited, emissions under Scope 2 (indirect emissions) arising from electricity use associated with business operations account for a certain fraction of our emissions profile. In consideration of these characteristics, we are working toward achieving net-zero GHG emissions with initiatives centered around reducing Scope 2 emissions. As part of these efforts, in the fiscal year ended March 2023, we switched all electricity used at outlets and corporate locations that contract directly with electric power companies to renewable energy. We are now gradually switching to renewable energy at the outlets and locations where the electricity contracts are held by management companies.

Expanding Cardless Transaction Functions

As one of our initiatives for reducing environmental impact through products and services, we are providing services that enable cardless transactions and payments. Our card loan service enables cardless ATM transactions using a smartphone app, and our credit card service supports virtual cards and smartphone payments. Furthermore, in February 2026, we introduced integration with PayPay accounts, enabling customers to top up their PayPay Money balances using our smartphone app and use PayPay Money to make repayments. Through these initiatives, we intend to control resource use associated with card issuance while improving convenience for customers.



Borrowing and repayment using PayPay Money

Consideration for Resource Circularity in Equipment Renewal

As part of our disaster safety measures, we replaced the emergency helmets at all our locations in the fiscal year ended March 2026. Rather than discarding the 2,662 helmets that had reached the end of their service life, we recycled them to put the resources to good use.
We also undertake initiatives to reduce waste and promote resource circularity in regular business activities.

Compliance with Environmental Laws and Regulations

We strive to appropriately manage and conduct our business activities in line with environmental laws and regulations, including those concerning the prevention of global warming and proper waste disposal. As a result of this effort, there were no major violations of environmental laws and regulations in the fiscal year ended March 2026.

Promote Environment-friendly Business Activities

Information Disclosure Based on TCFD Recommendations

Using the disclosure framework recommended by the Task Force on Climate-related Financial Disclosures (TCFD), we are working to strengthen our climate-related governance and enhance our risk management through scenario analysis.

Governance

We have established a governance system under which the Sustainability Promotion Office within the Finance Department takes the lead in presenting matters concerning our climate change response policies and the status of related initiatives to the Executive Officers' Meeting and the Board of Directors for deliberation or reporting, and the Board of Directors oversees our responses to climate-related risks and opportunities.

Strategy

We believe that achieving a sustainable global environment is important to the continuity of our business activities. Accordingly, we have identified "Promote environment-friendly business activities" as one of the material issues that we must address as a priority.
We identify and recognize risks and opportunities related to climate change in our business activities, qualitatively analyze their impacts, and confirm the resilience of our management strategies. In response to the transition and transformation toward a decarbonized society, we aim to increase our corporate value by providing financial services and improving their market appeal.

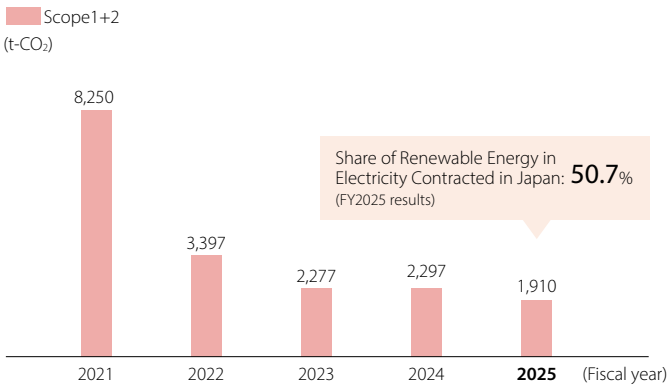
Risk Management

At ACOM, the relevant departments and sections identify, assess, and control the risks designated for management under the Risk Management Regulations. Furthermore, our Compliance and Risk Management Department provides integrated management of risks. Risk management activities in business execution are reported at Risk Management Report Meeting. The Corporate Risk Committee discusses and examines important matters concerning risk, monitors the risk management situation, and submits recommendations and reports its findings to the Board of Directors.
Within this risk management system, climate-related risks are managed under our integrated risk management framework, as they can give rise to or amplify credit risk, market risk, and other types of risk.

Metrics and Targets

We have set a target of achieving net zero greenhouse gas emissions (Scope 1 and 2) by the fiscal year ending March 2031. To achieve this target, we are promoting the use of renewable energy and implementing energy-saving measures.

Trends in Greenhouse Gas Emissions



Recognition of Risks

For more information on our TCFD-aligned disclosures, please refer to our website. https://www.acom.co.jp/corp/english/csr/theme/environment/

Risk Categories		Examples of Risks	Damage	Risk	Time Frame
Transition risks	Policy, legal, and regulatory risk	Increases in business costs due to the tightening of regulations related to climate change and changes in the tax system, such as the introduction of a carbon tax	Direct	Low	Medium to long term
	Market risk	Decline in outstanding loan and other balances due to economic deterioration caused by global warming and reduced demand for funds	Indirect	Medium	Medium to long term
	Reputation risk	Decline in share price due to stakeholder criticism of an inadequate response to global warming or insufficient disclosure	Direct	Low	Medium to long term
Physical risks	Acute risk	Impact on business continuity due to damage to offices and facilities from extreme windstorms and floods	Direct	Medium	Short to long term
	Chronic risk	Business relocation costs due to a rise in sea level	Direct	Medium	Long term

Recognition of Opportunities

Opportunities	Examples of Opportunities	Time Frame
Resource efficiency Energy sources	● Promotion of resource and energy conservation ● Use of renewable energy	Short to long term
Products and services	● Contributing to the environment and society through investment in green bonds, etc.	Short term
Markets	● Earning the trust of business partners and capital markets through appropriate initiatives and disclosures on climate-related issues	to long term
Resilience	● Ensuring business continuity by building a robust BCP system	Short to long term