CSDX

CREDIT SAISON　Digital Transformation

Major Blow to Business Model

The spread of the Internet and smartphones has led to a **digital shift** in the purchasing channels of customers, slowing down the growth model of the payment business centered on offline marketing channels, which was a strength of Credit Saison.
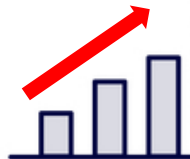
Before Digital	After Digital

External environment

Offline-based consumption

Smartphone-based consumption

Our company

Growth model of the payment business making the best use of face-to-face, offline marketing channels
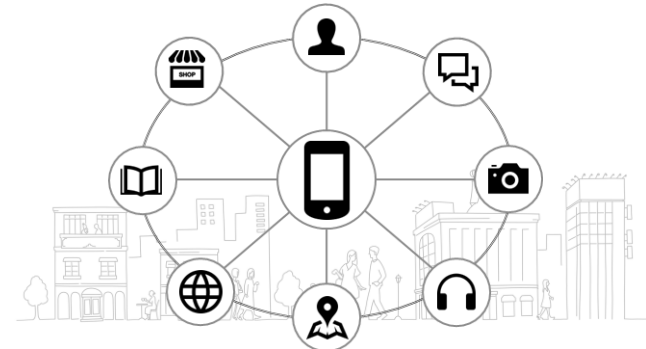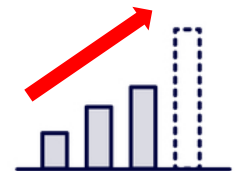
The rise of competitors strong in digital area has slowed down the growth model of our payment business

Number of new cardmembers

Card transaction volume

Number of new cardmembers

Card transaction volume

Digitization Credit Saison Has Been Working On

To respond to the **digital shift,** Credit Saison has implemented measures to reduce development costs through in-house development, reduce business operations with the use of software, and increase the number of online/app members.

Cost reduction rate for in-house development projects CX EX 0% ▶ **61.8%** *Total of FY2021 to FY2022 (expected)	**Rate of fraud prevention** CX EX 81.4% ▶ **92.5%** *FY2019 to FY2021	**Total working time saved by software** CX EX 0 hours ▶ **730,000 hours** *Total of FY2019 to FY2022 (expected)
Ratio of online membership by enrollment year CX EX 75.8% ▶ **86.4%** *FY2019 to FY2022	**The cumulative number of app downloads** CX EX 5.5 million downloads ▶ **10.6 million downloads** *FY2019 to FY2021	**The number of sites with digital counters** CX EX 1 site ▶ **67 sites in total** *FY2019 to FY2021
Percentage of digital channels (payment business) CX EX 80.7% ▶ **87.6%** *FY2019 to FY2022	**SNS followers** CX EX 12,000 followers ▶ **295,000 followers** *FY2019 to FY2021	**Weekly active users of Slack** CX EX 178 users ▶ **3,199 users** *FY2018 to FY2022

Growth of Each Business through Digital

As a **Key Driver** for accelerating the growth of each business, we will **promote digital transformation that integrates reality** and **use data obtained through digitization** to transform customer and employee experience.

Core Concepts of Medium-Term Management Plan
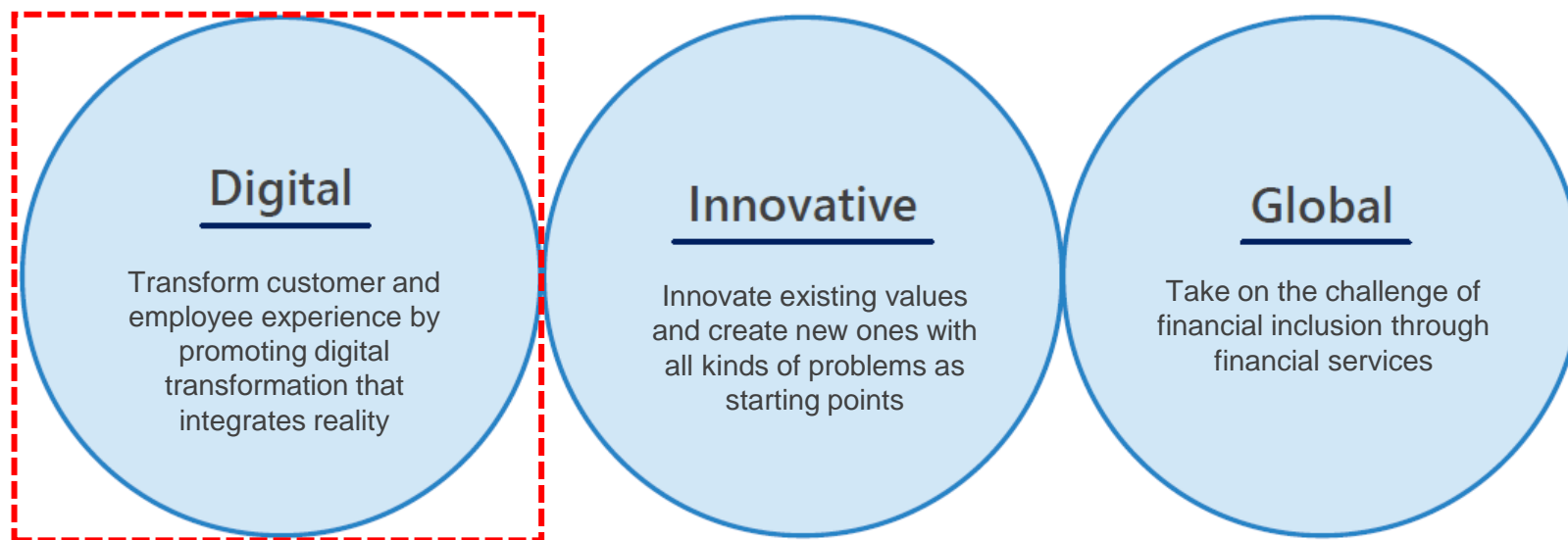
Digital

Transform customer and employee experience by promoting digital transformation that integrates reality

Innovative

Innovate existing values and create new ones with all kinds of problems as starting points

Global

Take on the challenge of financial inclusion through financial services

Customer Experience

Provide emotional experience to customers

Employee Experience

Transform employee experience

Aiming to innovate and transform businesses by utilizing digital technologies, and to be a leader in the digital age by providing exciting experience that exceeds expectations

Basic Framework for CSDX Promotion

The basic framework of CSDX is **to promote strategy to allocate digital human resources and DX for employee experience (EX) and customer experience (CX).**

Basic framework for CSDX promotion

EX   **CX**

Promote bimodal strategy in system development ⟷ **Promote innovation using digital technology**

Promote strategy to allocate digital human resources

EX/CX
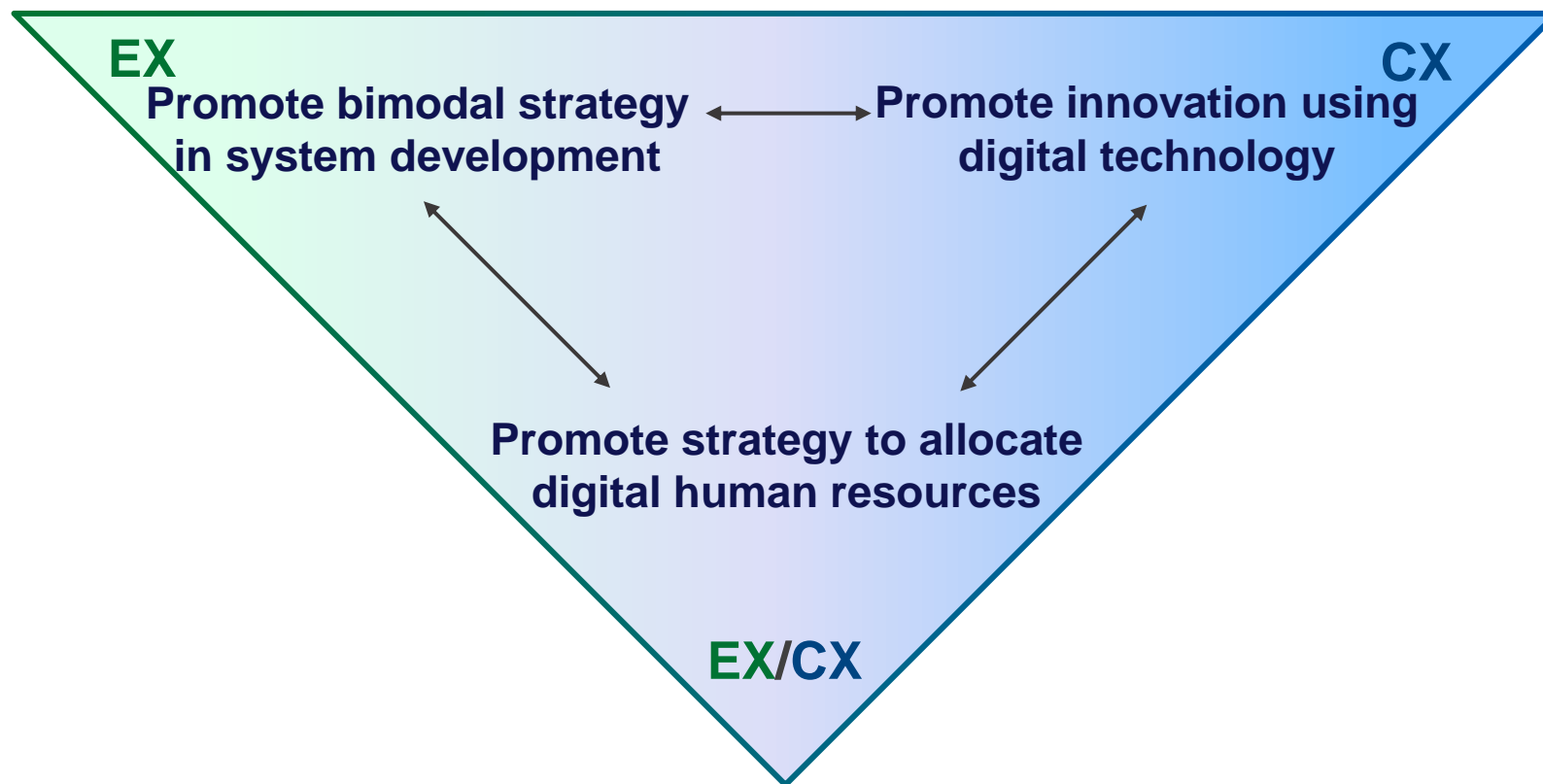
Promotion of Strategy to Allocate Digital Human Resources

Expand the training system for and mid-career recruitment of human resources who promote digital transformation, enabling the deployment of digital human resources linked to the importance and priority of management strategies

Japan

Finance business

Payment business

Overseas

Global business

Data and digital technology   Corporate culture   Networking

Deployment of digital human resources linked to the importance and priority of management strategies

Digital human resources 1,000 employees

Core digital human resources — Mid-career recruitment

Business digital human resources — HR development | New graduate recruitment

Digital IT human resources — Company-wide training | Internal transfer | Training for those interested

Promotion of Bimodal Strategy in System Development

Promote a bimodal strategy **that coordinates both the development of** Mode 1, which emphasizes stability **and is appropriate for areas where failure is not tolerated, and the development of** Mode 2, which emphasizes speedy response *to changing times*

	Mode 1	Mode 2
Timing	Post facto	Advance
Characteristics	Emphasizes stability	Emphasizes speed
Development method	Waterfall	Agile
Application example	ERP,SCM	CRM,MA
Managing division	Managed solely by IT divisions	Managed by various user divisions
Target work	Predictable work	Exploratory work
Metaphors	Samurai, who defends territory and compensation to the death	Ninja, who tries to find out what works
For who?	Operators	Innovators
Emphasis	Efficiency, ROI	Novelty, large returns
If compared to driving	Safe driving that minimizes risks	Driving with an emphasis on speed
Management	Top-down	Bottom-up
Scale	Large	Small
Strength	Leadership, ability to get things done	Mobility, flexibility

Partially excerpted from ZDNet "Aim of Corporate IT 'Bimodal' Brought by Digitalization of the Economy"
http://japan.zdnet.com/article/35075658/

Promotion of Innovation Using Digital Technology

By utilizing digital technology that matches the digital penetration rate of the business, **transform customer and employee experience and create innovative business models to** provide exciting experience that exceeds society's expectations

Innovation

Step 3. **Create business models**	**Digitization**	**Digitalization**	**Digital transformation**
Step 2. **Transform customer/ employee experience**		**Payment business**	**Global business**
Step 1. **Build the CSDX platform**	**Finance business**		

- Promote digital lending business
- Create new businesses and double-tracking

- Create new businesses combining real and digital

- Digitize business processes
- Build next-generation systems
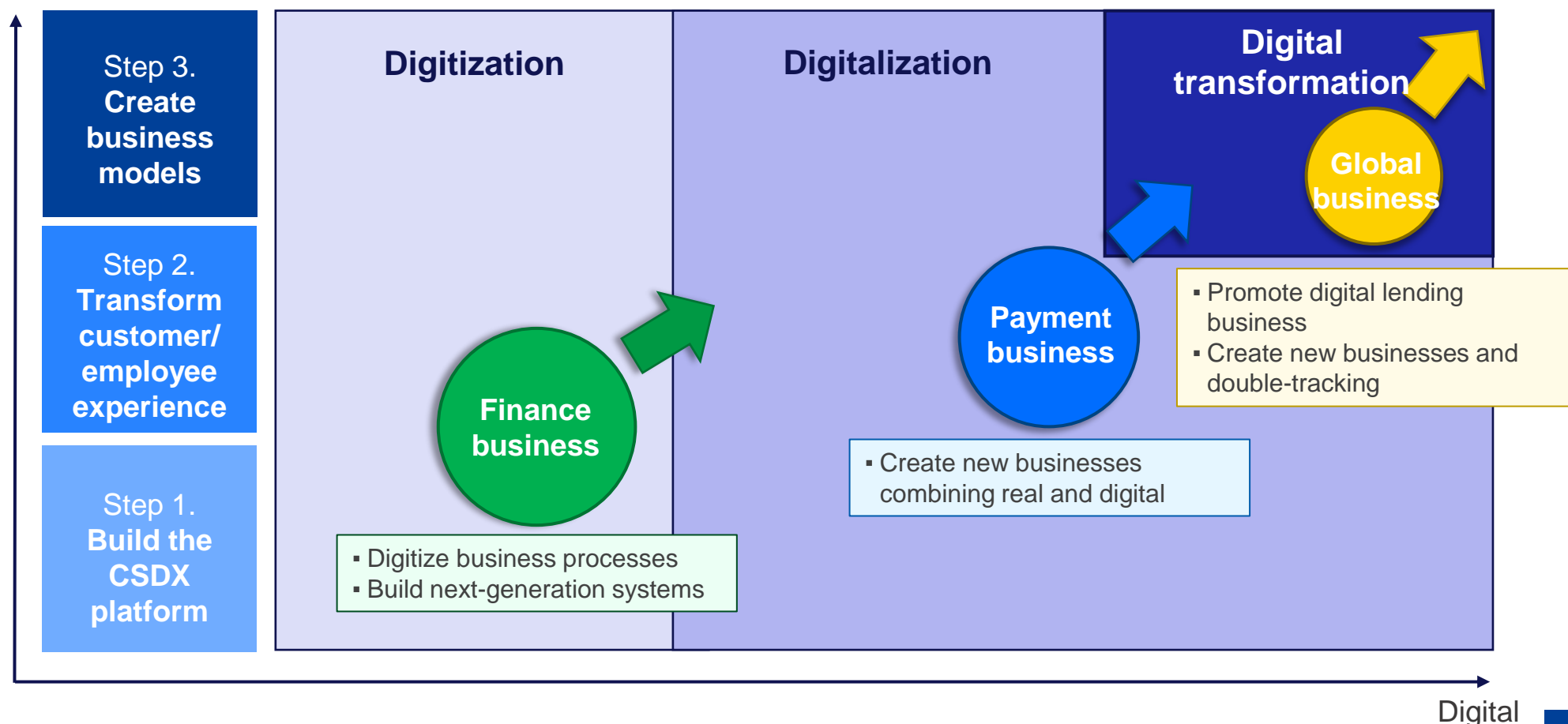
Digital

Five Basic Strategies

To achieve CSDX VISION, **optimize the digital platforms and digital development processes, and create new value and business collaboration** by utilizing digital technology and data

CX: Promote innovation using digital technology

Business creation
Create customer experience combining real and digital

Business co-creation
Provide new value through co-creation

CX/EX: Promote strategy to allocate digital human resources

Digital human resources
Increase digital penetration through resource allocation

EX: Promote bimodal strategy in system development

Digital development process
Optimize business processes

Digital platforms
Strengthen cloud and data utilization platforms

As CSDX TARGET 2024, we will achieve the following four quantitative/qualitative goals.

CSDX TARGET 2024

| Increase in the number of digital human resources to **1,000** | Achieving 80% **cloud migration** | Full digitization **of business processes** | **Building the Saison Data Platform** |

Training of Digital Human Resources

Increase the number of digital human resources to 1,000 **by FY2024 by developing digital human resources through the expansion of training programs, the digital certification program, etc. to accelerate the shift to a digital organization.**

Increase the number of digital human resources to 1,000

FY2021

**Digital human resources
150 employees**

(3.5% of total)

FY2022

**Digital human resources
260 employees**

(5.6% of total)

FY2024

**Digital human resources
1,000 employees**

(20.0% of total)

　*The ratio of digital human resources for FY2024 is calculated based on the number of employees in FY2020.

Expansion of Cloud Utilization Areas

We aim to **migrate 80% of existing major systems to the cloud by FY2024** through cloud-first development of new services and migration of existing systems, actively utilizing cloud services such as Amazon Web Services (AWS).

Achieving 80% cloud migration of existing major systems

Customers

Service area

Future vision

Current

- Customer contact
- Receiving applications for a credit card
- Content distribution
- Online services for members
- Fraud detection
- New services
- Marketing automation
- Screening
- Credit
- Saison CDP
- Collection
- Point management
- Data analysis
- Internal tools
- Authorization
- Core system

Employees

Cloud utilization area
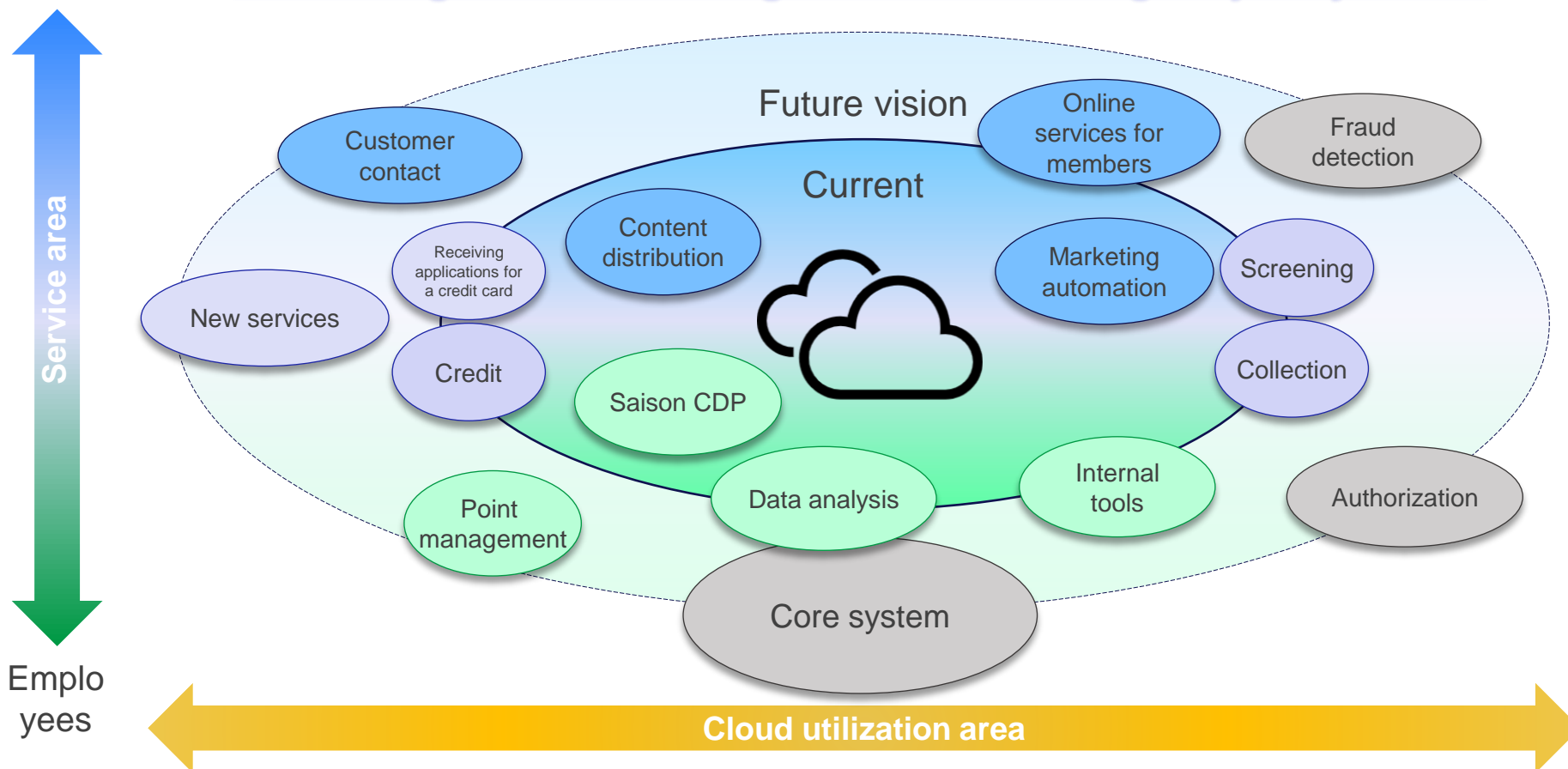
Full digitization of business processes

We aim for **full digitization of business processes** including various tasks and procedures, by promoting paperless work, use of data linkage systems, use of AI that automatically responds to queries, use of BI tools, etc.

Full digitization of business processes

Remote working environment
- Improve remote working environment
- Strengthen security risk measures

Improvement of customer experience through digital
- Digitize contracts by adopting electronic contracts
- Realize multi-channel customer response

Digitization of activity data
- Visualize activity data with the use of BI tools*
- Automate analysis with the use of data analysis tools

Digitization of paper work
- Digitize reception and screening
- Implement automation with the use of data linkage systems

Digitization of customer experience	Digitization of paper work	Digitization of activity data
Enrollment Contract Procedures Inquiry	Screening Decision Settlement	Report Analysis
Seek customer comfort	**Seek operational rationalization**	**Speed up decision-making and accelerate improvement reforms**

*BI tools: Software that analyzes and visualizes a wide range of corporate data

14

Creation of the Saison Data Platform

Create a data platform that can flexibly respond to the needs of customers, partners and external companies, and **reduce lead times for data utilization by using data analysis tools, dashboards, etc.**

Co-creation of promotional opportunities

Co-creation of new shops

External companies

Ad delivery
Ad requests and orders

Digital ad

Saison Data Platform

Data analysis tools

Dashboards

Problem-solving

Sales support

Utilization of tools

Shop data

Smartphone apps

Partners and group companies

Newly acquired tenants and their employees

Usage trends/preferences

Personalized offer

Customers

Creation of mutual customers

Creation of preferential services

CSDX Promotion Structure

We've established a structure where the status of CSDX promotion is reported and examined on a regular basis, mainly by management and CTO/CIO.

President Vice President Directors

Management: **Executives**

Announcement by the executives about CSDX promotion

CSDX Promotion Meeting — Monthly cross-sectoral review of CSDX projects

Promoting department: **Technology Center**

CTO/CIO — CTO/CIO leadership with engineering background

Business divisions

- Processing Business Division
- Credit Division
- Payment Business Division
- Saison AMEX Division
- Finance Division
- Customer Success Division
- Global Business Division

Budgeting and organization

- Corporate Planning Dept.

HR development

- Strategic Human Resources Dept.

IR

- Public Relations Office

Transformation of the Business Portfolio in the Medium-Term Management Plan

2021

52.3 billion yen

	Step 1	Step 2	Step 3	Digital human resources
New businesses / Global business			Create business models	👥
Finance business	Build the CSDX platform			👤
Payment business	Build the CSDX platform	Transform customer/employee experience		👤

20XX

	Step 1	Step 2	Step 3	Digital human resources
New businesses / Global business			Create business models	👥
Finance business	Build the CSDX platform	Transform customer/employee experience		👤
Payment business		Transform customer/employee experience	Create business models	👤

👥 Digital human resources

Roadmap for CSDX VISION

CSDX VISION

| Customer Experience |
| Provide emotional experience to customers |

| Employee Experience |
| Transform employee experience |

Step 3. Create business models

- Promotion of financial inclusion in Southeast Asia and other regions
- Promotion of innovation using digital technology
- Transformation of business portfolio
- Building the Saison Data Platform

Step 2. Transform customer/employee experience

- Development of business digital human resources
- Promotion of the digital development process
- Launch of a digital certification program
- Acceleration of digitization through in-house development
- Realization of 1,000 digital human resources
- Realization of fully digitized operations

Step 1. Build the CSDX platform

- Establishment of a bimodal organizational structure
- Formation of a data analysis team
- Acceleration of cloud-first platform
- Expansion of infrastructure for data analysis visualization
- Achievement of 80% cloud migration
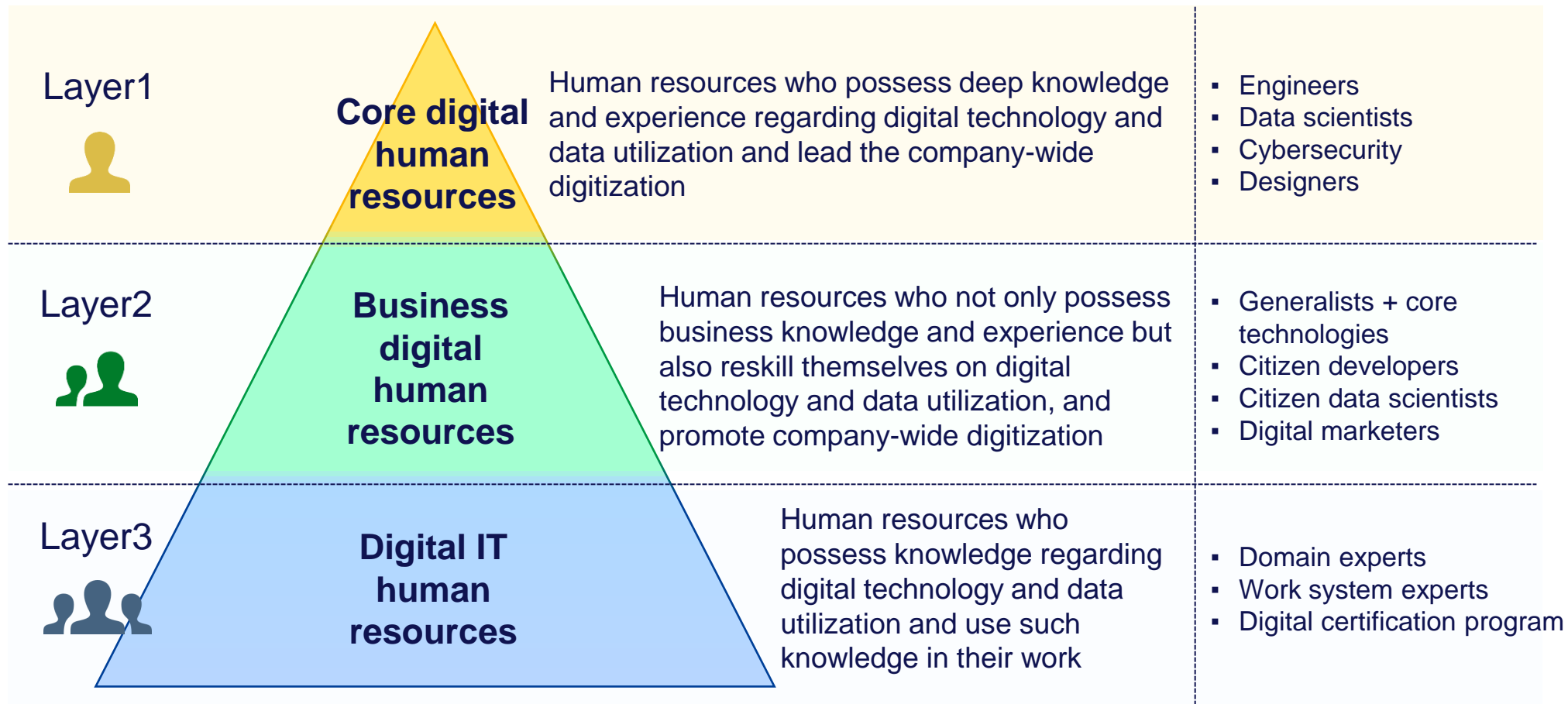
FY2019 – FY2022 – FY2024

Initiatives in CSDX Strategy

Digital Human Resources

Definition of Digital Human Resources in Three Levels

- **Digital human resources are defined in three levels** as below according to their knowledge and skills regarding digital technology and data.
- Promote **the cultivation of digital human resources** by expanding training programs and reforming the organizational structure

Layer1	**Core digital human resources**	Human resources who possess deep knowledge and experience regarding digital technology and data utilization and lead the company-wide digitization	• Engineers • Data scientists • Cybersecurity • Designers
Layer2	**Business digital human resources**	Human resources who not only possess business knowledge and experience but also reskill themselves on digital technology and data utilization, and promote company-wide digitization	• Generalists + core technologies • Citizen developers • Citizen data scientists • Digital marketers
Layer3	**Digital IT human resources**	Human resources who possess knowledge regarding digital technology and data utilization and use such knowledge in their work	• Domain experts • Work system experts • Digital certification program

Core Digital Human Resources

- **Core digital human resources** are those who possess deep knowledge and experience regarding digital technology and data utilization.
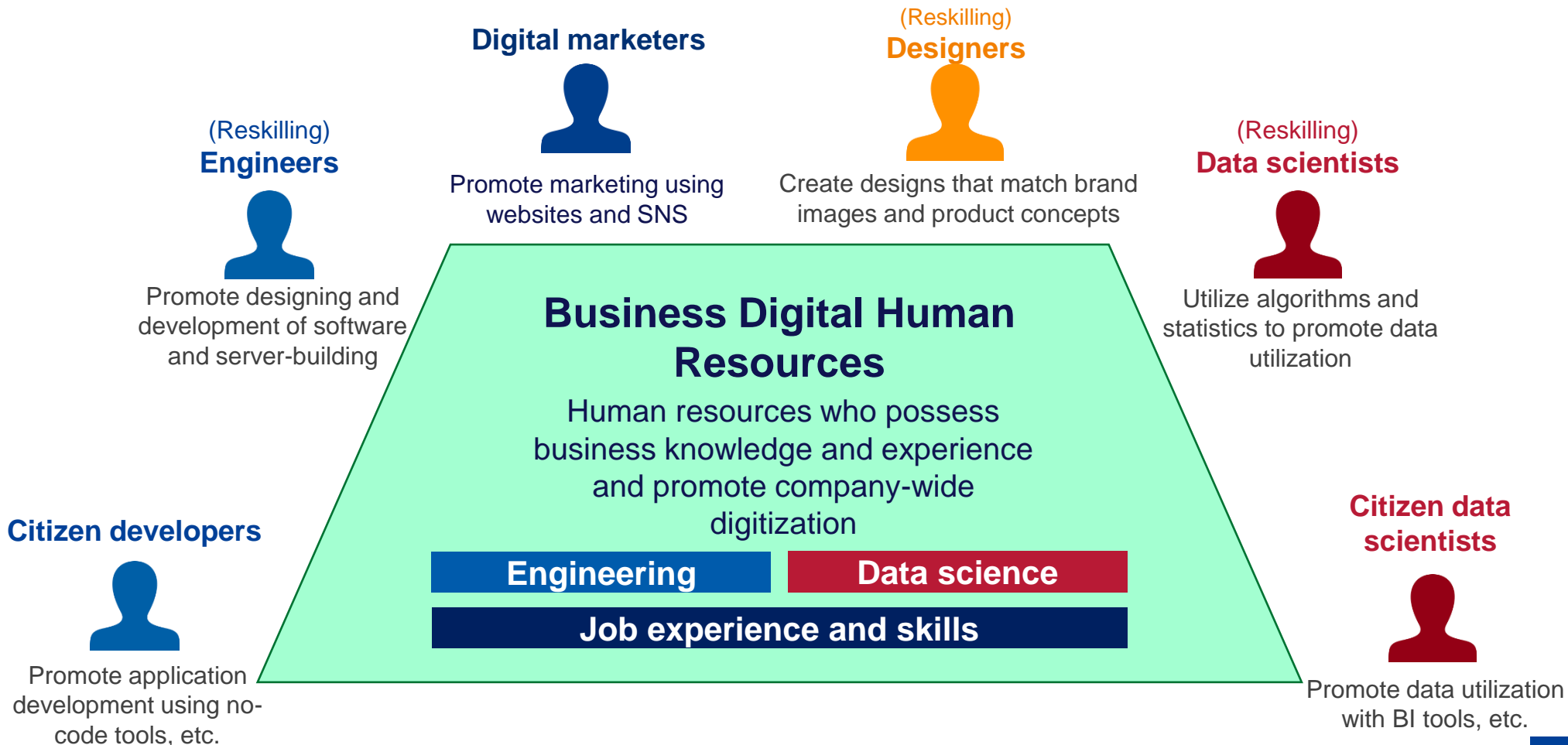- They **lead the company-wide digitization** by software design and development as well as promotion of data utilization.

Engineers

Promote designing and development of software and server-building

Data scientists

Utilize algorithms and statistics to promote data utilization

Cybersecurity

Support investigations into and improvement of security vulnerabilities

Core digital human resources

Human resources who possess deep knowledge and experience regarding digital technology and data utilization and lead the company-wide digitization

Engineering	Data science
Cybersecurity	Design

Designers

Create designs that match brand images and product concepts

Business Digital Human Resources

▪ **Business digital human resources** are those who utilize their business knowledge and promote application development and data utilization.

▪ They **promote company-wide digitization** through software development and data utilization in collaboration with core digital human resources.

Digital marketers

(Reskilling)
Designers

(Reskilling)
Engineers

Promote marketing using websites and SNS

Create designs that match brand images and product concepts

(Reskilling)
Data scientists

Promote designing and development of software and server-building

Utilize algorithms and statistics to promote data utilization

Business Digital Human Resources

Human resources who possess business knowledge and experience and promote company-wide digitization

Engineering	Data science

Job experience and skills

Citizen developers

Citizen data scientists

Promote application development using no-code tools, etc.

Promote data utilization with BI tools, etc.

Digital IT Human Resources

- **Digital IT human resources** are those who possess knowledge regarding digital technology and data.
- **They learn digital technology knowledge and data utilization methods to use in their own work.**

Domain experts/ Work system experts/ Digital certification program

Learn the latest digital technology and data utilization
methods to promote digitization in their divisions

Digital IT Human Resources

Human resources who possess and use knowledge
regarding digital technology and data for better
efficiency in their job performance

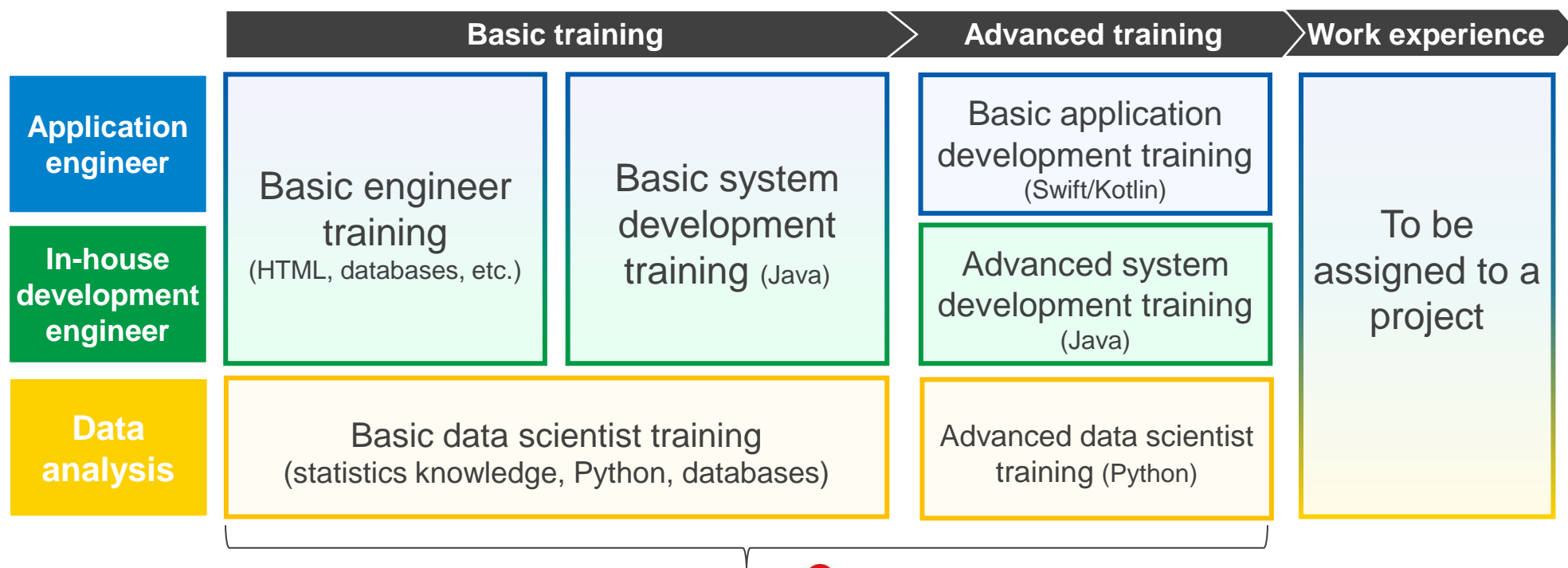| Design thinking | Data utilization | Digital knowledge | Security |

Job experience and skills

Training Engineers and Data Scientists

- **Create our own training programs** for engineers and data scientists **with companies providing training programs**
- Those who take three-month basic and advanced training programs will be assigned to a project to gain work experience

Training programs for engineers and data scientists

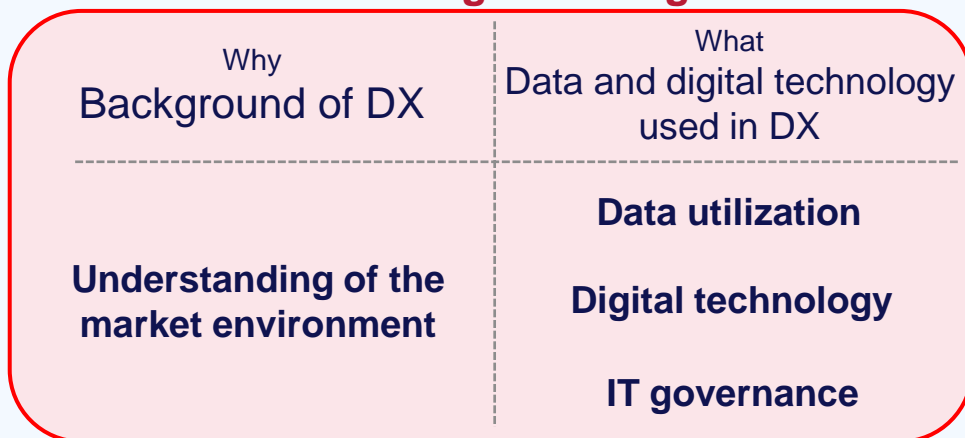|	Basic training		Advanced training	Work experience
Application engineer	Basic engineer training (HTML, databases, etc.)	Basic system development training (Java)	Basic application development training (Swift/Kotlin)	To be assigned to a project
In-house development engineer			Advanced system development training (Java)	
Data analysis	Basic data scientist training (statistics knowledge, Python, databases)		Advanced data scientist training (Python)	

CASAREAL   J's FACTORY
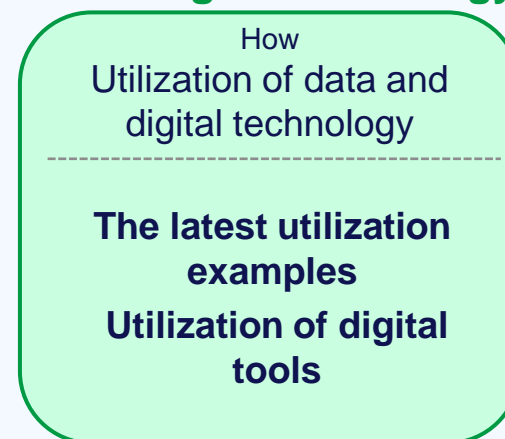
Development of Digital Certification Program

▪ Aim to develop a certification program that helps people **learn ideas and knowledge on mindset and behavior**, such as design thinking and agile working, **changes in the market environment, and knowledge regarding data utilization and digital technology**

Digital certification program

Knowledge-building

Creation of opportunities to utilize digital technology

Why Background of DX	What Data and digital technology used in DX	How Utilization of data and digital technology
Understanding of the market environment	**Data utilization** **Digital technology** **IT governance**	**The latest utilization examples** **Utilization of digital tools**

Mindset	**Top management's messages**	**Design thinking**	**"HRT" Principles**
	CSDX Strategy	**Agile working**	**Fact-based**

Formation of CSDX mindset

Cultivation of Digital Human Resources through the Personnel System

Enhancement of Cultivation of Digital Human Resources with Specialized Skills Courses

- Add job positions for digital human resources to specialized skills courses, which encourage employees to contribute to the organization by utilizing expertise and skills
- Recognize engineers, data scientists and designers as professionals for digital human resources

Specialized skills courses Courses to enable employees to build a career and contribute to the organization while developing expertise

Engineers

Promote designing and development of software and server-building

Data scientists

Utilize algorithms and statistics to promote data utilization

Designers

Create designs that match brand images and product concepts
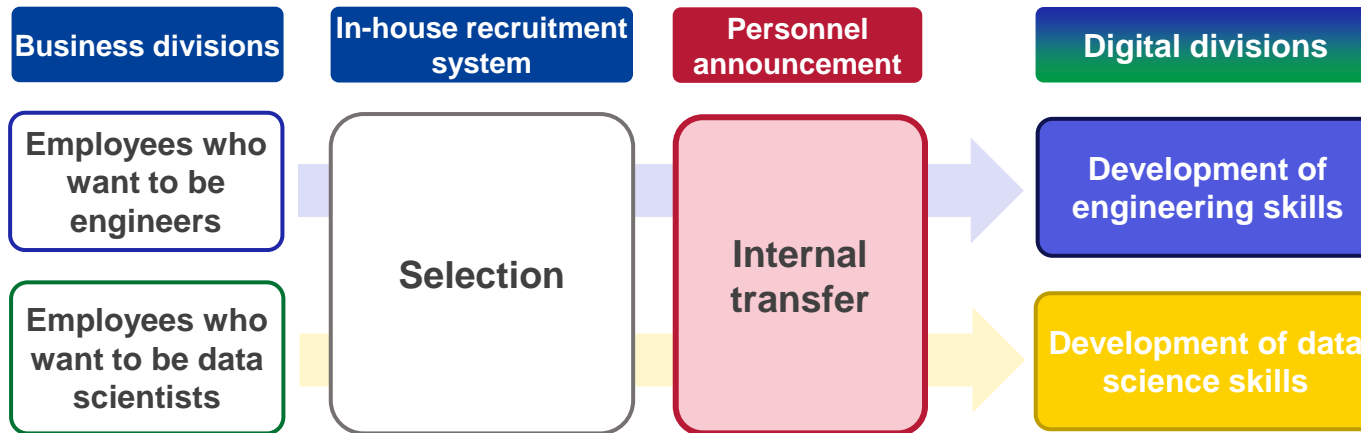
Other job positions

Lawyers, etc.

In-house Recruitment System

- Recruit employees who want to be engineers or data scientists and **transfer them to a digital division**
- Provide opportunities for such transferred employees to **learn digital technology through practical work experience**, such as external training programs and OJT, so they can lead digitization

Develop engineers and data scientists through in-house recruitment system

| Business divisions	In-house recruitment system	Personnel announcement	Digital divisions
Employees who want to be engineers	Selection	Internal transfer	Development of engineering skills
Employees who want to be data scientists			Development of data science skills

Candidates are selected and transferred through personnel announcement to develop engineering and data science skills.

Business digital human resources doing their job

Meeting among members
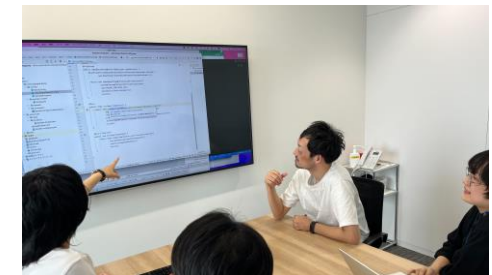
SWITCH SAISON

▪ Hold an in-house venture program "SWITCH SAISON" to **solicit new ideas from employees**

▪ Promote development of "intrepreneurs" (internal entrepreneurs) and speedy commercialization of selected projects

SWITCH SAISON

1,026 projects
Document screening
Solicit a wide range of ideas from employees of all divisions and all ages

75 projects
Pitch presentation
Give a presentation of the project to divisional managers

22 projects
DemoDay
Give a presentation of the project to management

14 projects
Commercialization of selected projects
Implement personnel changes and simplify internal decision-making

Give a presentation to management and divisional managers
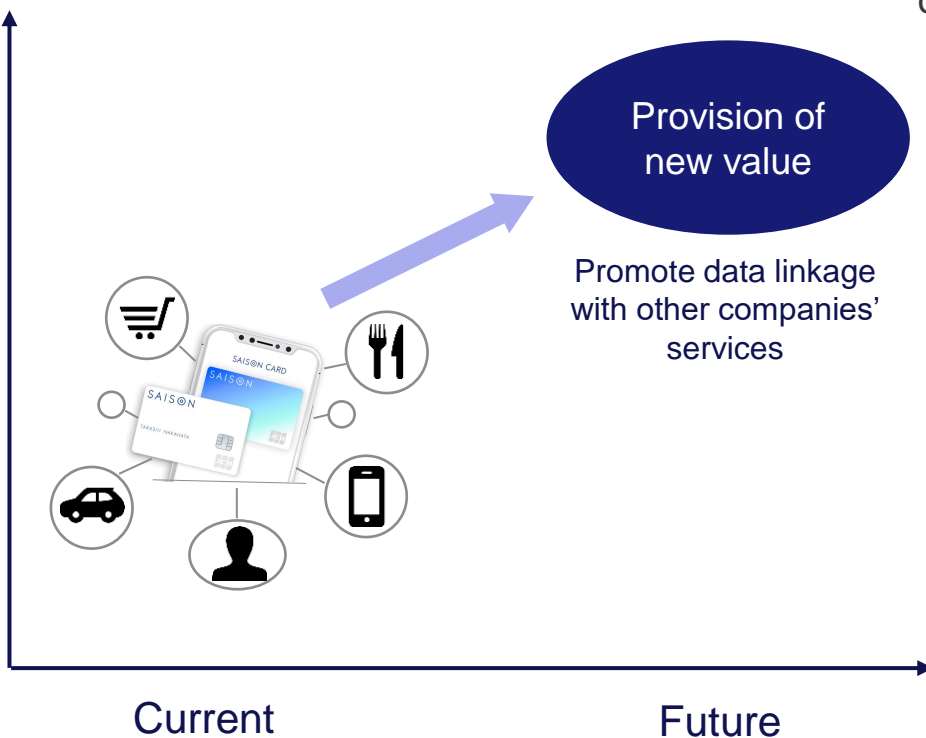
Data utilization

Aims of Data Utilization

- **Promote data linkage with other companies' services** and provide new value through the data ecosystem
- **Promote automation** through data linkage systems and RPA to improve operational efficiency

Provide new value by utilizing data	Improve operational efficiency through data linkage
Create emotional experience for customers based on data	Accelerate business automation and improve operational efficiency

Innovation

Provision of new value

Promote data linkage with other companies' services

Current   Future

Process optimization

Improvement of operational efficiency

Automate and streamline operations by promoting data linkage

Data linkage

Current   Future
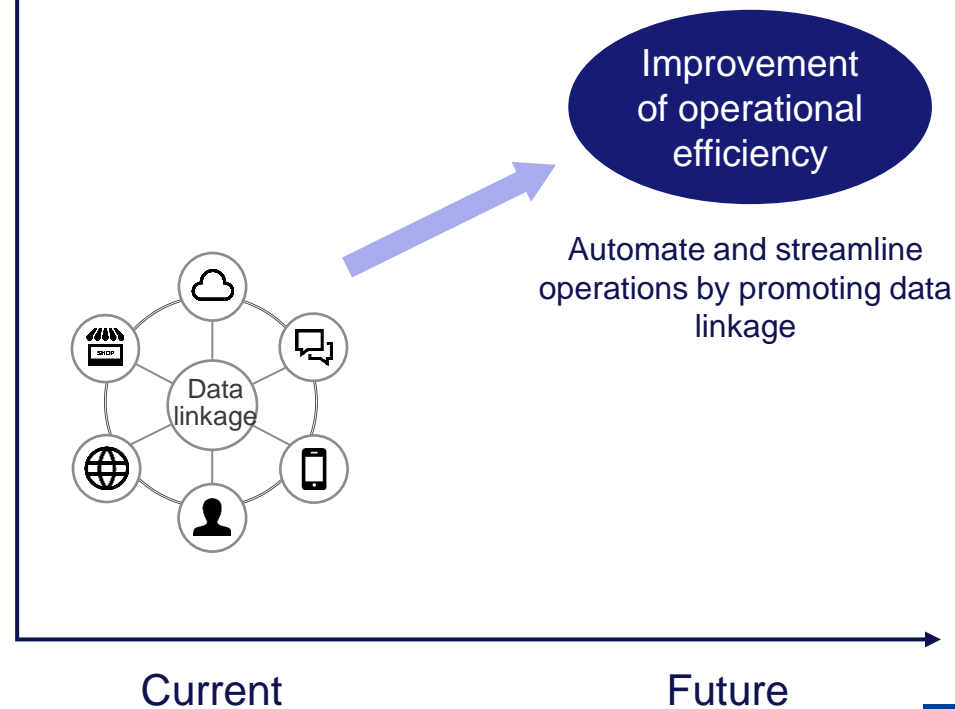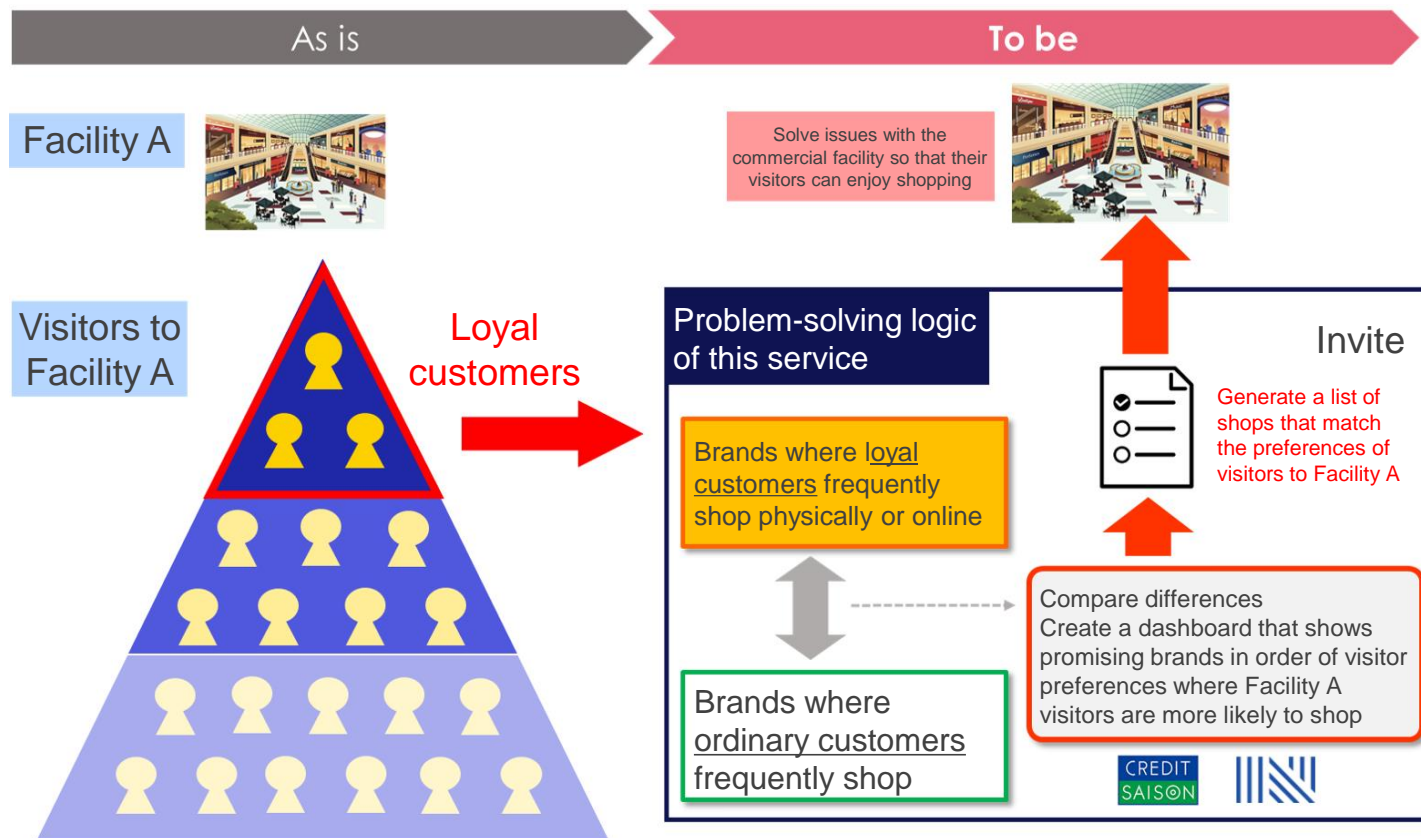
Retail Tenant Selection Support Service (Nowcast)

- Analyze consumption behavior of customers visiting commercial facilities based on credit card data
- **Launch a service in collaboration with Nowcast Inc.** that provides a ranking list of tenants that meet the tastes of visitors
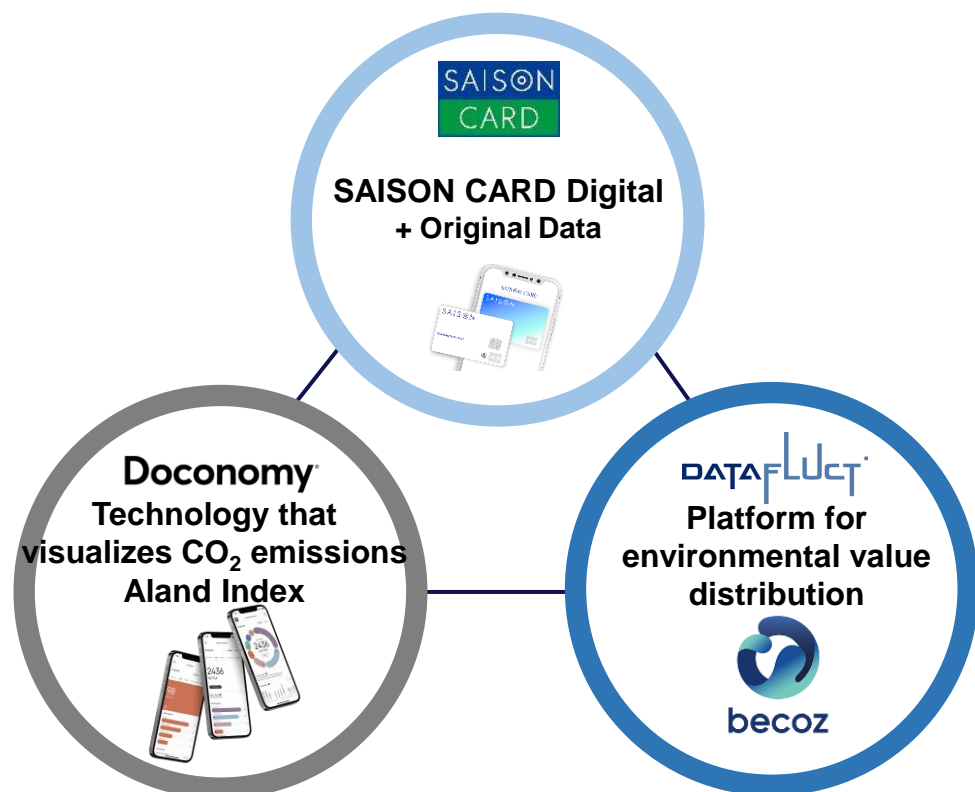
Service to support retail tenant selection

As is | To be

Facility A

Solve issues with the commercial facility so that their visitors can enjoy shopping

Visitors to Facility A

Loyal customers

Problem-solving logic of this service

Invite

Generate a list of shops that match the preferences of visitors to Facility A

Brands where loyal customers frequently shop physically or online

Compare differences
Create a dashboard that shows promising brands in order of visitor preferences where Facility A visitors are more likely to shop

Brands where ordinary customers frequently shop

SAISON CARD Digital for becoz

- Link credit card usage data with Doconomy AB and DATAFLUCT, Inc.
- Visualize CO_2 emissions based on credit card usage for the first time as a Japanese credit card company

Share credit card payment data among the three companies

SAISON CARD Digital + Original Data

Doconomy®
Technology that visualizes CO_2 emissions Aland Index

DATAFLUCT
Platform for environmental value distribution

becoz

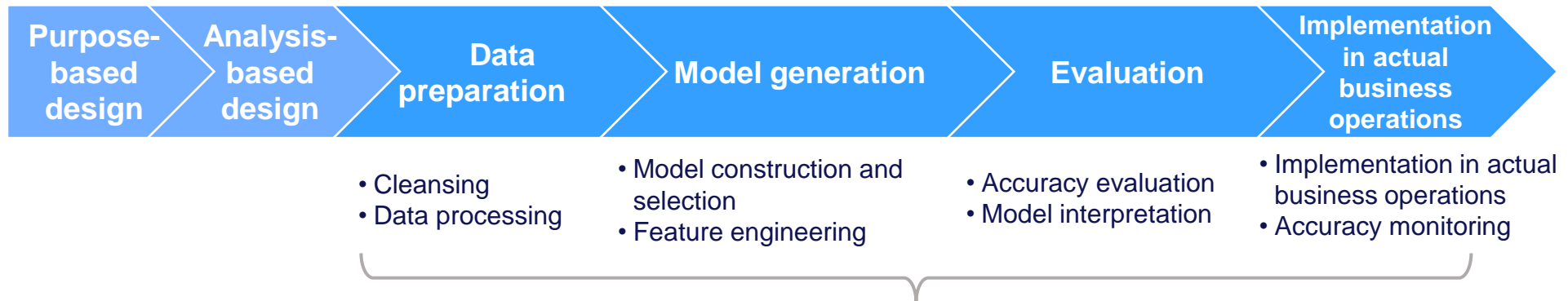**Visualize CO_2 emissions based on credit card usage**

Use of DataRobot, AI Cloud Platform

- Use DataRobot, which is an AI cloud platform, to utilize data in screening and risk management
- Construct a high-precision model for screening standards and risk management involving a large amount of data

DataRobot

Use of DataRobot, AI Cloud Platform

Purpose-based design	Analysis-based design	Data preparation	Model generation	Evaluation	Implementation in actual business operations
		• Cleansing • Data processing	• Model construction and selection • Feature engineering	• Accuracy evaluation • Model interpretation	• Implementation in actual business operations • Accuracy monitoring

Realize construction of high-precision models in various fields

DataRobot utilization areas
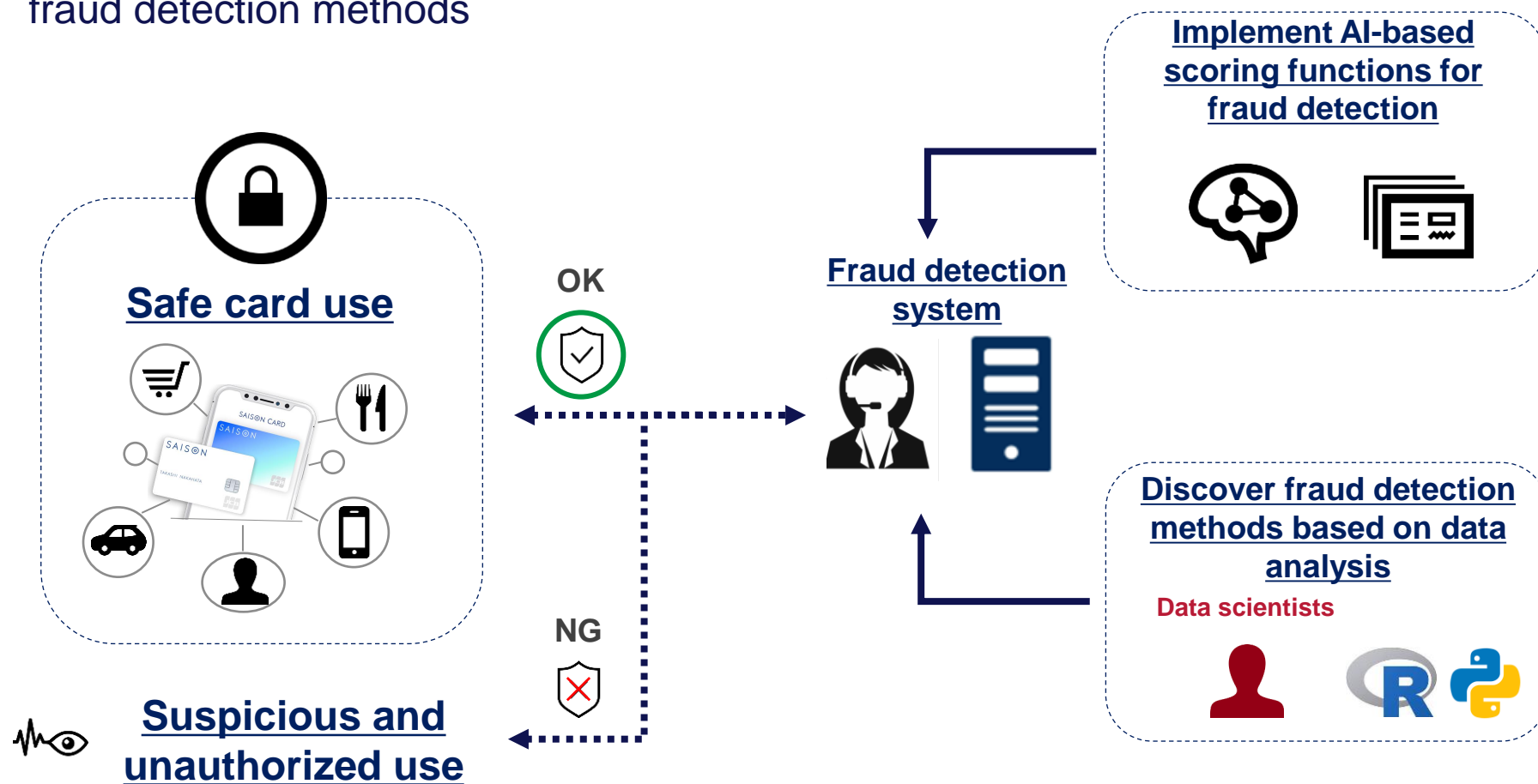
- Screening
- Risk management
- Anti-fraud measures
- Higher efficiency in calls
- ...

Improvement of Fraud Detection Accuracy through Data Analysis

- Work on countermeasures against unauthorized use through data analysis every day to ensure safe card use
- Improve fraud detection accuracy by implementing AI-based scoring functions and new fraud detection methods

Implement AI-based scoring functions for fraud detection

Safe card use

OK

Fraud detection system

NG

Suspicious and unauthorized use

Discover fraud detection methods based on data analysis
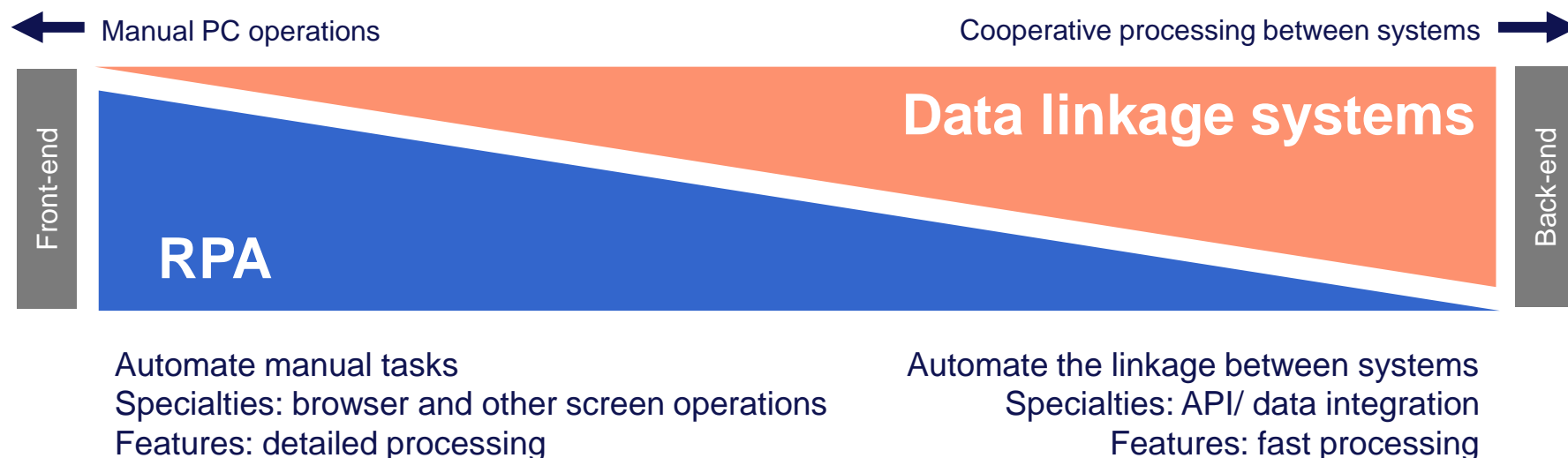**Data scientists**

Promotion of the Use of Data Linkage Systems and RPA

- Adopt RPA systems for sensitive tasks such as browser screen operations
- Promote the use of data linkage systems for tasks that require a large number of processes, such as linkage between systems

Streamline operations with data linkage systems and RPA

← Manual PC operations   Cooperative processing between systems →

Front-end

Data linkage systems

RPA

Back-end

Automate manual tasks
Specialties: browser and other screen operations
Features: detailed processing

Automate the linkage between systems
Specialties: API/ data integration
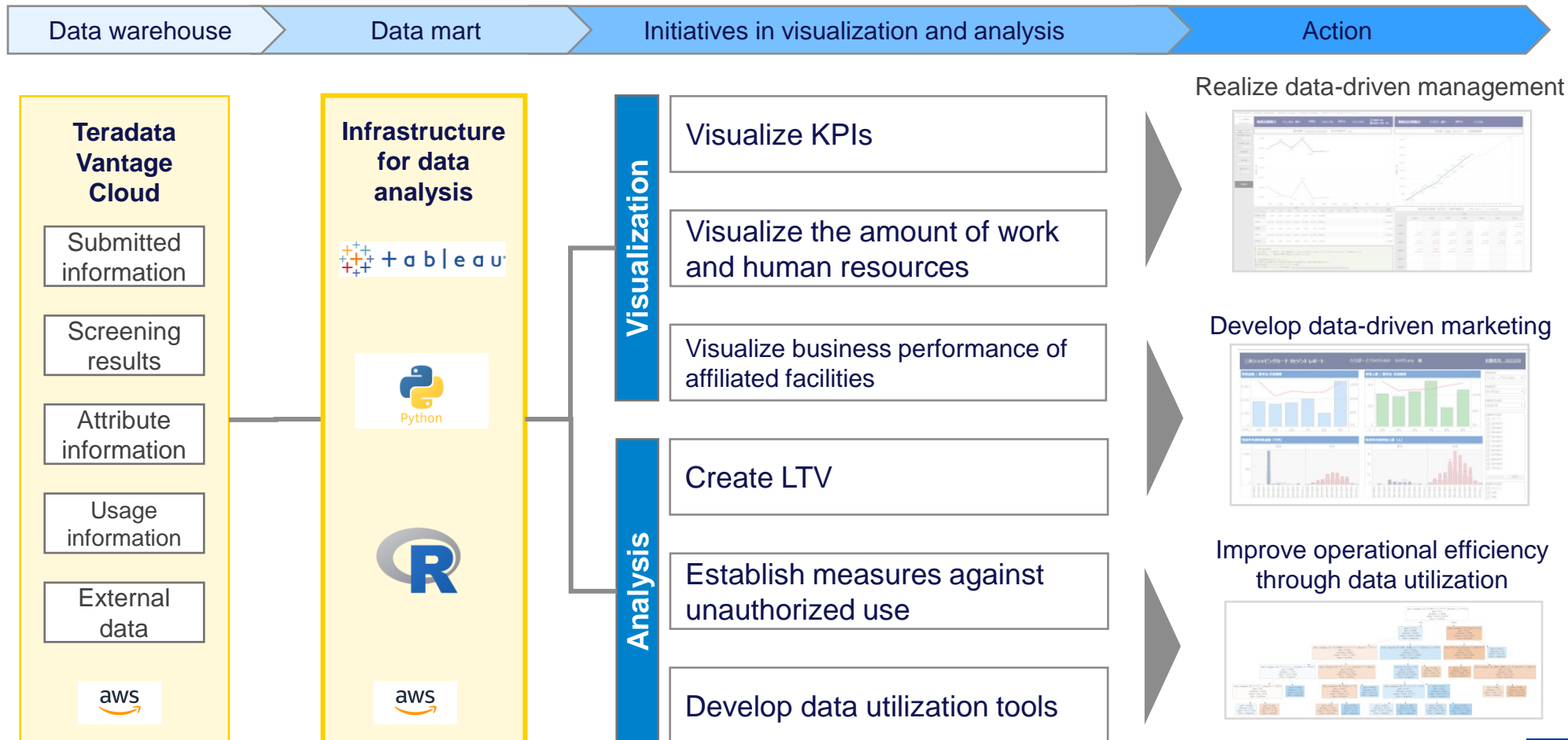Features: fast processing

Digital Platforms

Status of Cloud Utilization

Until 2019, our cloud migration was focused on systems close to the customers, such as content distribution. **Now, we are promoting cloud utilization in areas close to the core system, such as data analysis environment, screening and credit.**

○ Systems fully or partially migrated to the cloud

2019 | **2022**

AWS utilization
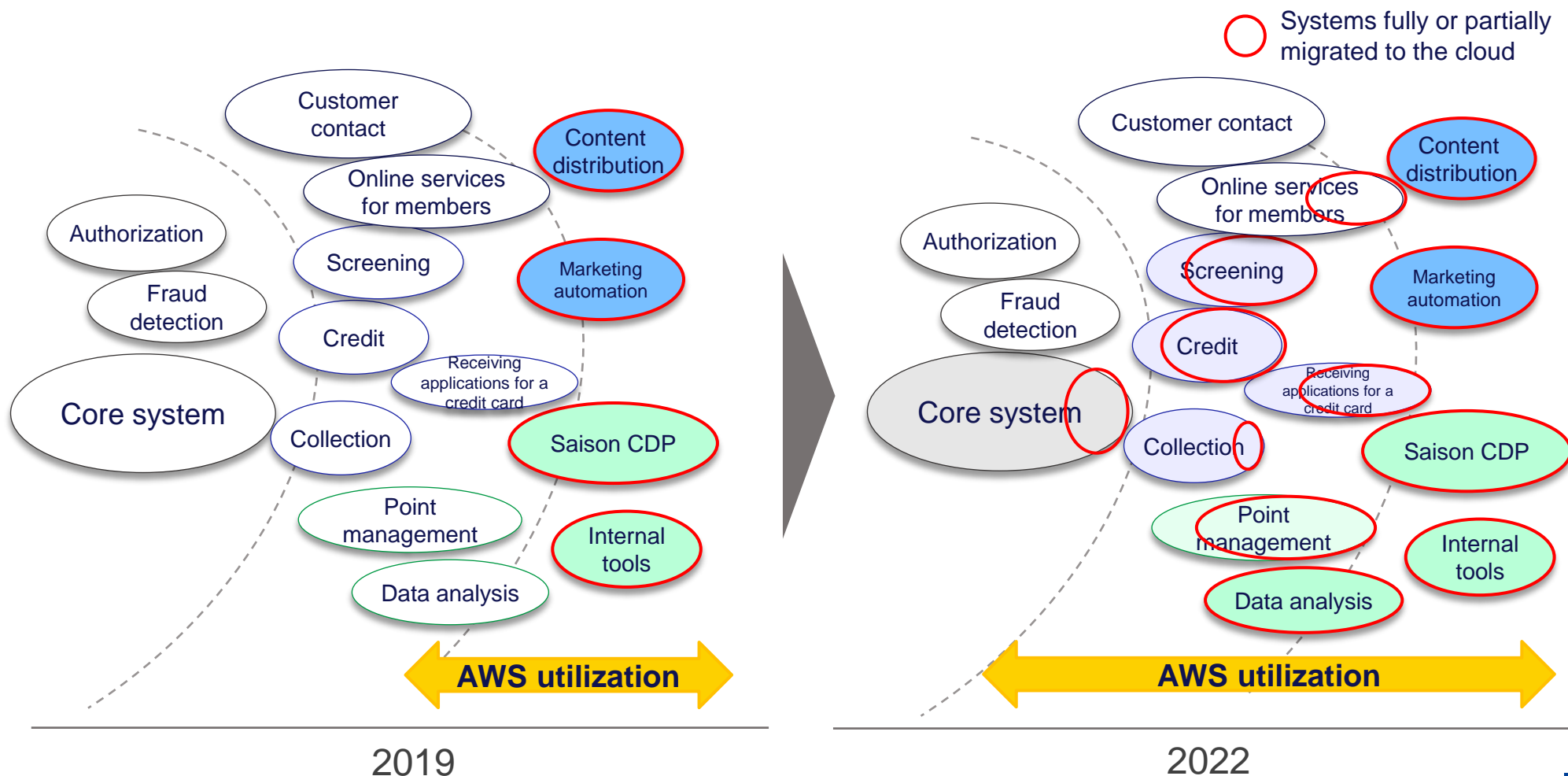
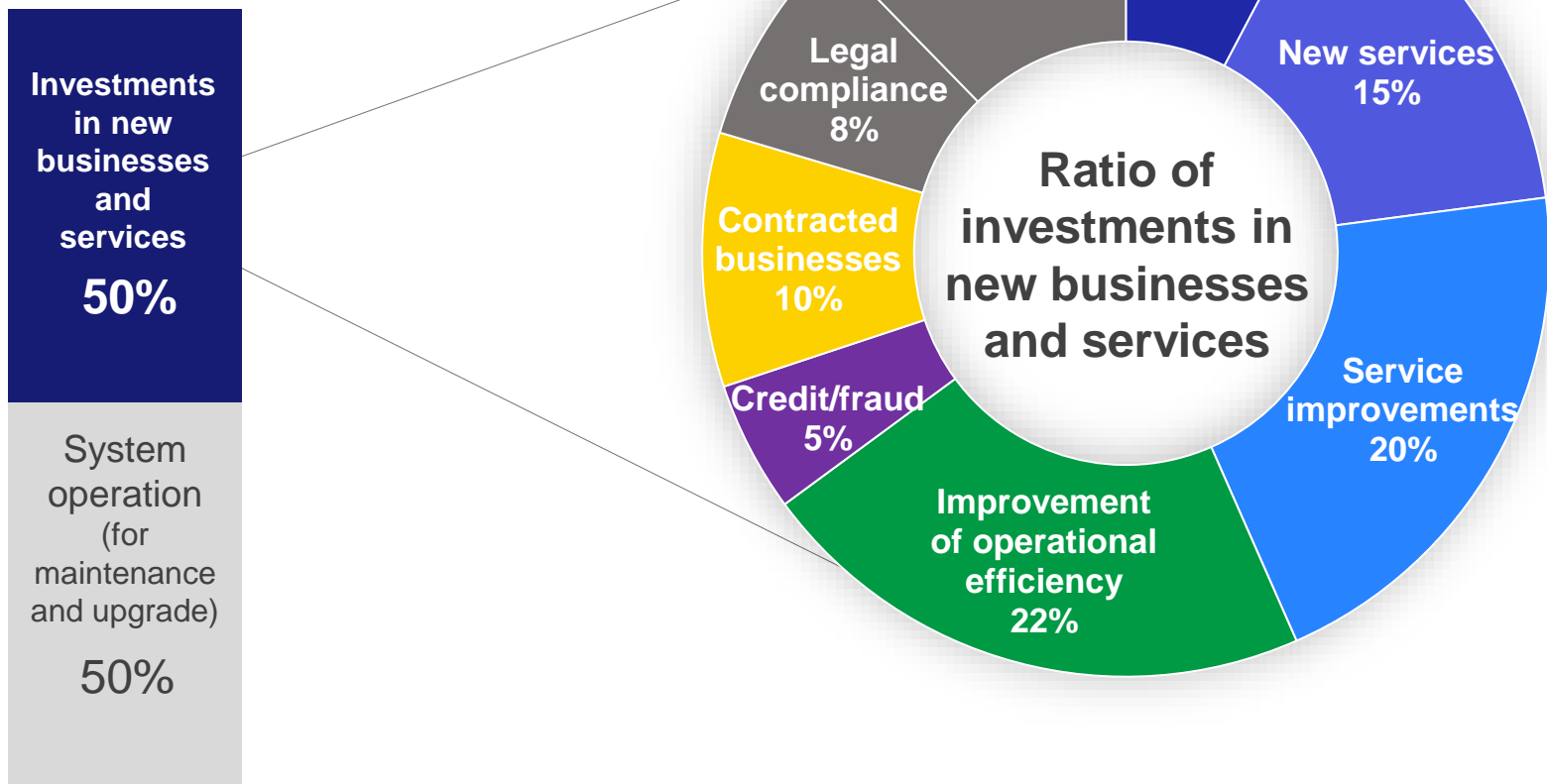# Development of Cloud-based Infrastructure for Data Analysis

- Build new cloud-based infrastructure for data analysis to enable rapid linkage with customer information and external data
- Make full use of BI tools such as Tableau and Python/R for **data-driven management and marketing**

Data warehouse	Data mart	Initiatives in visualization and analysis	Action

Teradata Vantage Cloud
- Submitted information
- Screening results
- Attribute information
- Usage information
- External data

aws

Infrastructure for data analysis

tableau

Python

R

aws

Visualization
- Visualize KPIs
- Visualize the amount of work and human resources
- Visualize business performance of affiliated facilities

Analysis
- Create LTV
- Establish measures against unauthorized use
- Develop data utilization tools

Realize data-driven management

Develop data-driven marketing

Improve operational efficiency through data utilization

Budgets for IT and Digital Investments

- Manage IT and digital investments and plan investment budgets across divisions
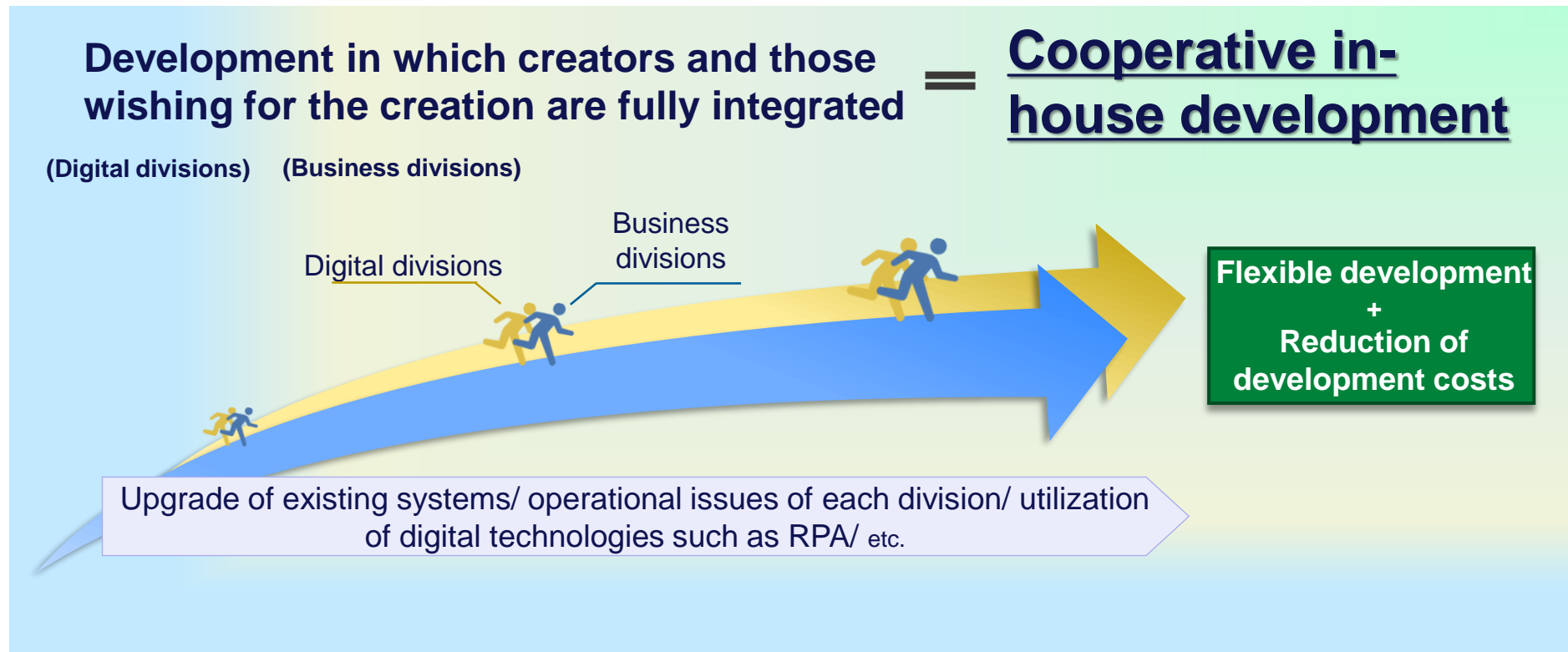- Secure investment budgets that can be flexibly allocated to new businesses, service improvements, etc.

Budgets for IT and digital investments

Investments in new businesses and services

50%

System operation (for maintenance and upgrade)

50%

Ratio of investments in new businesses and services

- Other 12%
- New businesses 8%
- New services 15%
- Legal compliance 8%
- Contracted businesses 10%
- Credit/fraud 5%
- Improvement of operational efficiency 22%
- Service improvements 20%
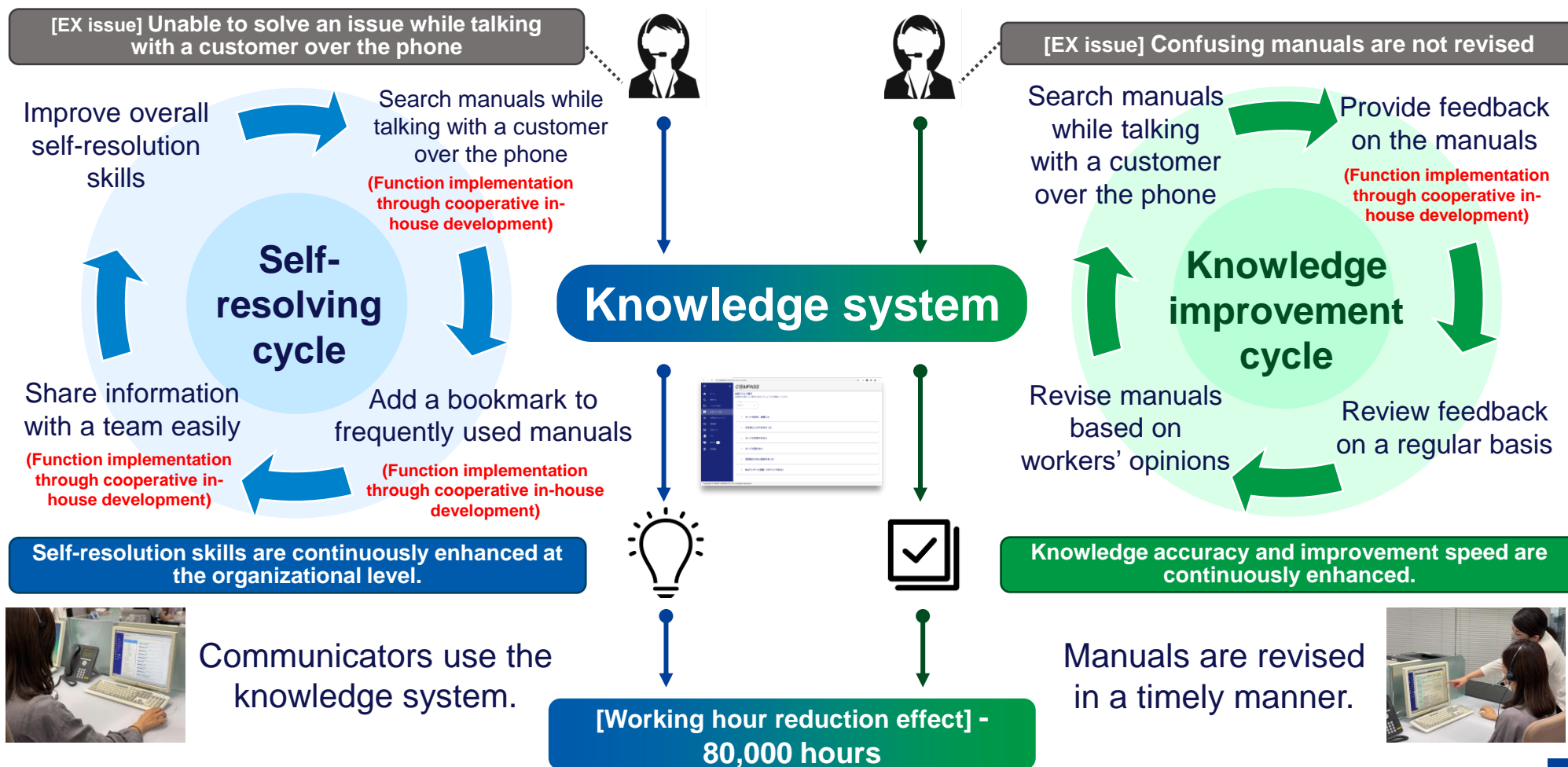
Digital Development Process

Acceleration of Cooperative In-house Development

- Accelerate cooperative in-house development**, in which the digital divisions and business divisions work together for flexible system development while examining systems that will help solve business problems**

Development in which creators and those wishing for the creation are fully integrated **=** **Cooperative in-house development**

(Digital divisions)   **(Business divisions)**

Business divisions

Digital divisions

Flexible development + Reduction of development costs

Upgrade of existing systems/ operational issues of each division/ utilization of digital technologies such as RPA/ etc.

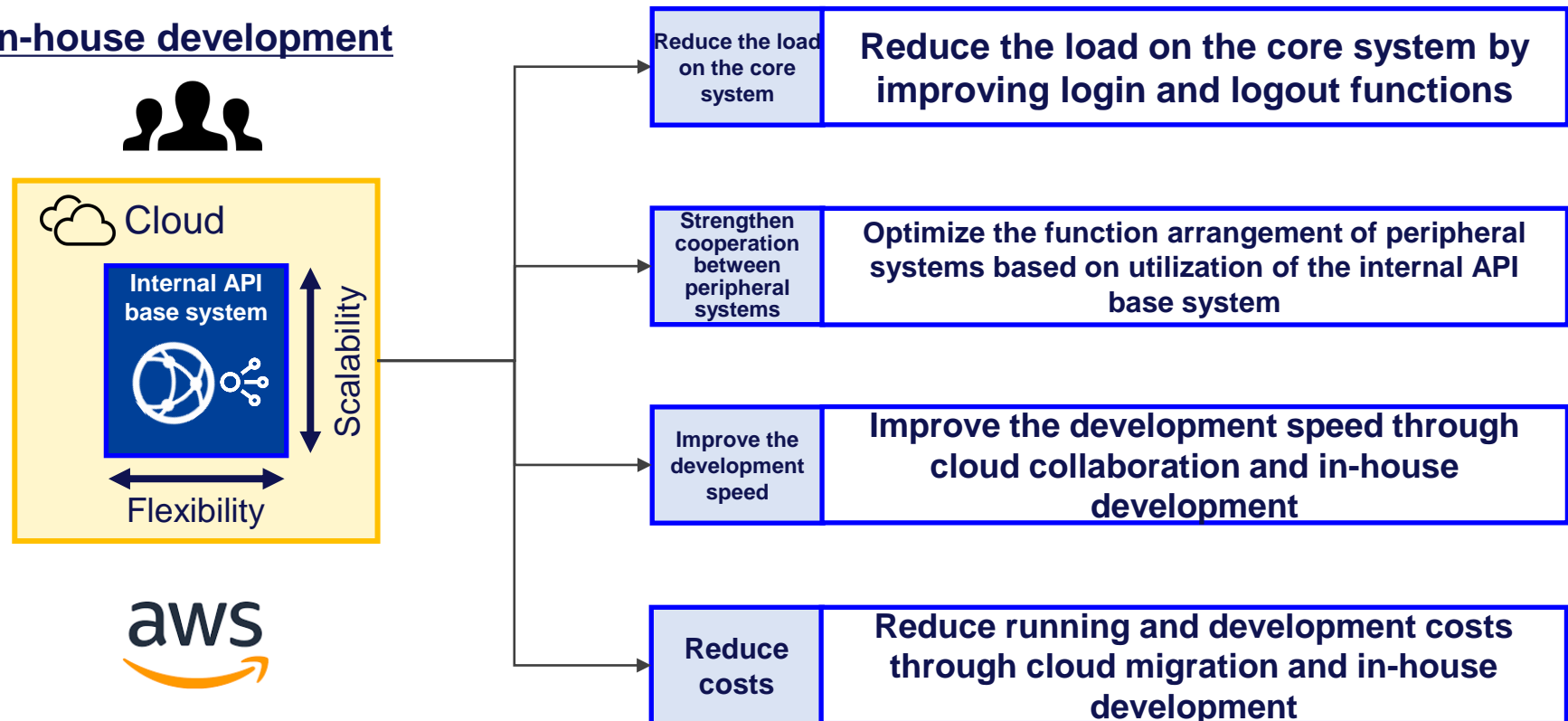# In-House Development Example (1): Knowledge System

- A knowledge system has been developed in-house which enables highly accurate searches over the 20,000-page-long call center manuals.
- Functions that improve knowledge accuracy will be continually added to the developed knowledge system in order to improve customer service quality.

[EX issue] **Unable to solve an issue while talking with a customer over the phone**

[EX issue] **Confusing manuals are not revised**

Self-resolving cycle

Search manuals while talking with a customer over the phone
(Function implementation through cooperative in-house development)

Improve overall self-resolution skills

Share information with a team easily
(Function implementation through cooperative in-house development)

Add a bookmark to frequently used manuals
(Function implementation through cooperative in-house development)

Knowledge system

Knowledge improvement cycle

Search manuals while talking with a customer over the phone

Provide feedback on the manuals
(Function implementation through cooperative in-house development)

Review feedback on a regular basis

Revise manuals based on workers' opinions

Self-resolution skills are continuously enhanced at the organizational level.

Knowledge accuracy and improvement speed are continuously enhanced.

Communicators use the knowledge system.

Manuals are revised in a timely manner.

[Working hour reduction effect] - 80,000 hours

44

Cooperative In-house Development Case (2): In-house Development of the Internal API Base System

- Establish a structure to promote flexible development through in-house development of the internal API base system, where **the load on the core system and optimization of the function arrangement of peripheral systems** are examined with business divisions

In-house development

Cloud

Internal API base system

Scalability

Flexibility

aws

Reduce the load on the core system	**Reduce the load on the core system by improving login and logout functions**
Strengthen cooperation between peripheral systems	**Optimize the function arrangement of peripheral systems based on utilization of the internal API base system**
Improve the development speed	**Improve the development speed through cloud collaboration and in-house development**
Reduce costs	**Reduce running and development costs through cloud migration and in-house development**

Improvement and Creation of Service Functions through In-house Agile Development

- Realize **in-house development and upgrade of smartphone apps** through in-house agile development by app engineers
- **Change interfaces and designs for faster implementation of new features and services**

Realize in-house development and upgrade of smartphone apps for improvement of UI/UX and faster development
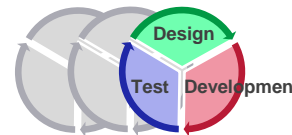
In-house development and upgrade of smartphone apps

- Change interfaces and designs
- Provide customer-friendly functions and services
- Improve operation speed through app redesign

Application engineer

Agile development

Design
Test   Development

- Ensure faster implementation of new features and services
- Realize seamless integration with apps
- Adopt developers' ideas into app functions

Card services

Preferential services

Preferential services

New services

Flexible Changes to the Development Process

- Create an in-house development system combining cooperative and agile features, which makes it possible to **select the development process that best suits the nature of the development**
- Choose **hybrid development with vendor partners** when system development speed needs to be improved, etc.

Digital Development Process

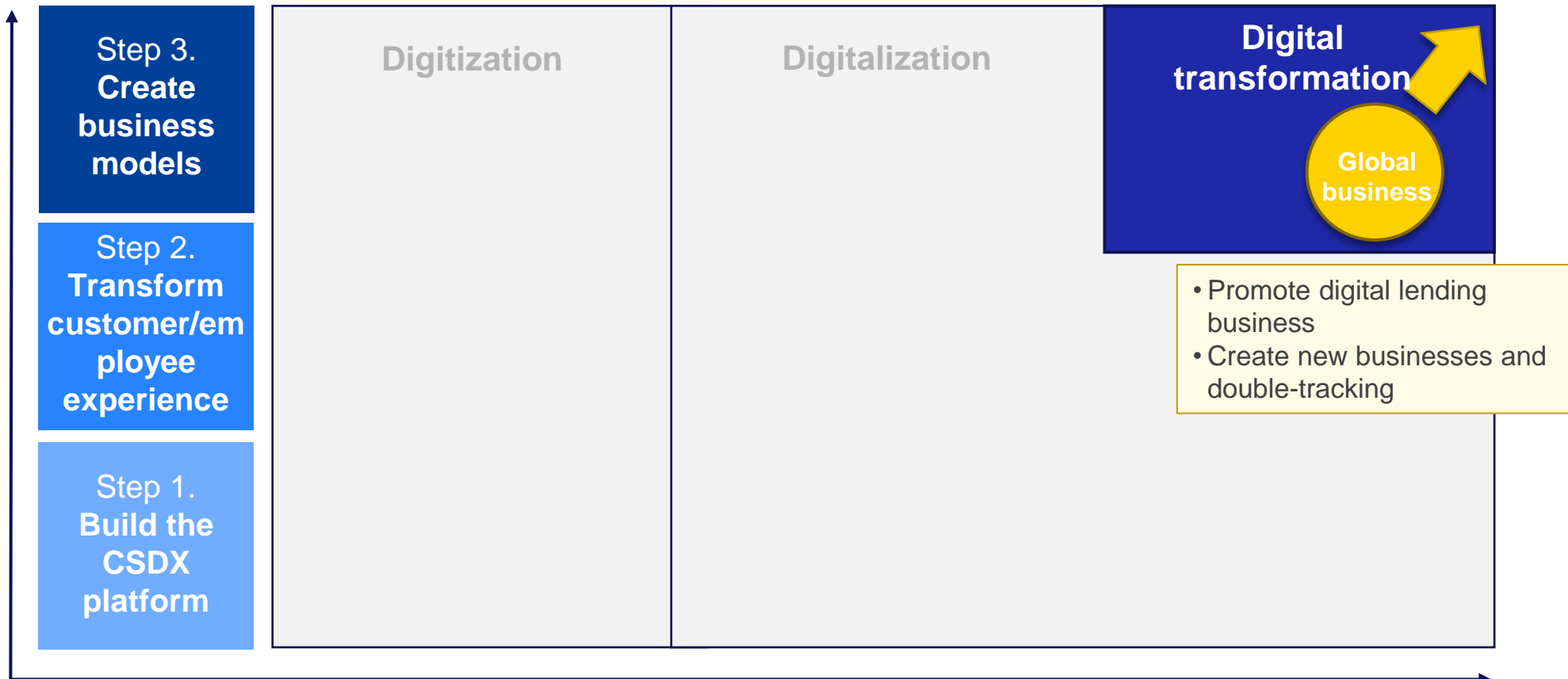Flexibly change the development process according to the nature of the development

Mode 1

Promote development of systems that help employees solve problems through discussion with business divisions

Cooperative development

Bimodal in-house development

EX   CX

Hybrid development with vendor partners

Agile development

Mode 2

Promote rapid development of systems with business divisions that improve customer experience

Share the issues

Development by vendor partners

Share the issues

Improve the system development speed
Ensure stable maintenance and operation

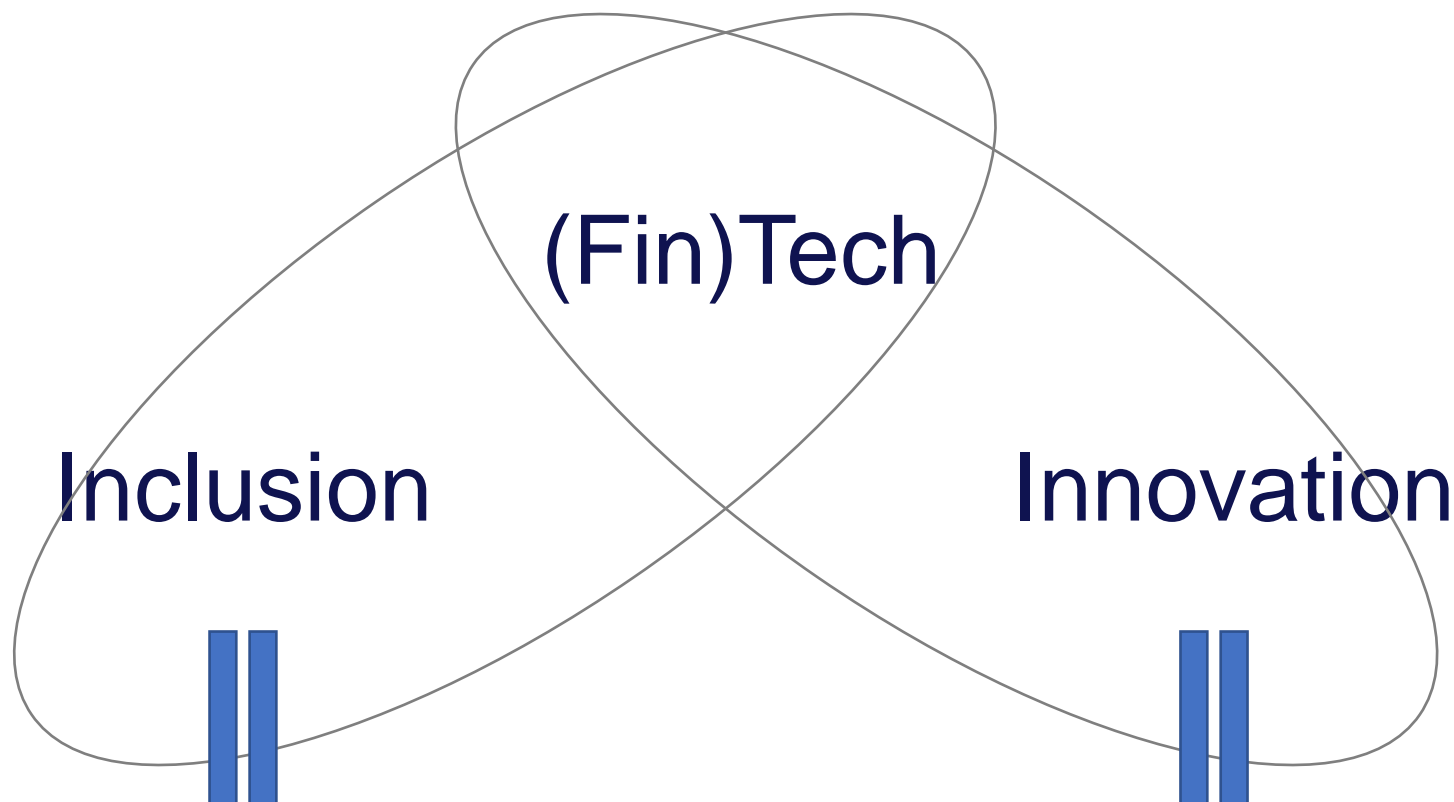# Promotion of Innovation Using Digital Technology
Global Business

By **utilizing digital technology that matches the digital penetration rate of the business**, transform customer and employee experience and create innovative business models to **provide an exciting experience that exceeds society's expectations**

Innovation

	Digitization	Digitalization	Digital transformation
Step 3. **Create business models**			**Global business**
Step 2. **Transform customer/employee experience**			• Promote digital lending business • Create new businesses and double-tracking
Step 1. **Build the CSDX platform**			

Digital

(Fin)Tech-led INCLUSION and INNOVATION

(Fin)Tech

Inclusion

Innovation

Lending business

Investment business

Expansion of Lending Business Using API (India)

- Develop a loan management system independently as a common platform for digital lending
- **Collect loan data** from fintech companies **to use for our direct marketing**

Independently develop a common platform for digital lending using API

Person in need of funds

Fintech companies

KisetsuSaison Finance

Financial institutions

Loan

Loan

Loan

Independent development

Kisetsu Saison Finance Meeting scene

Providing a common platform/ using collected data

Kisetsu Saison Finance Engineers
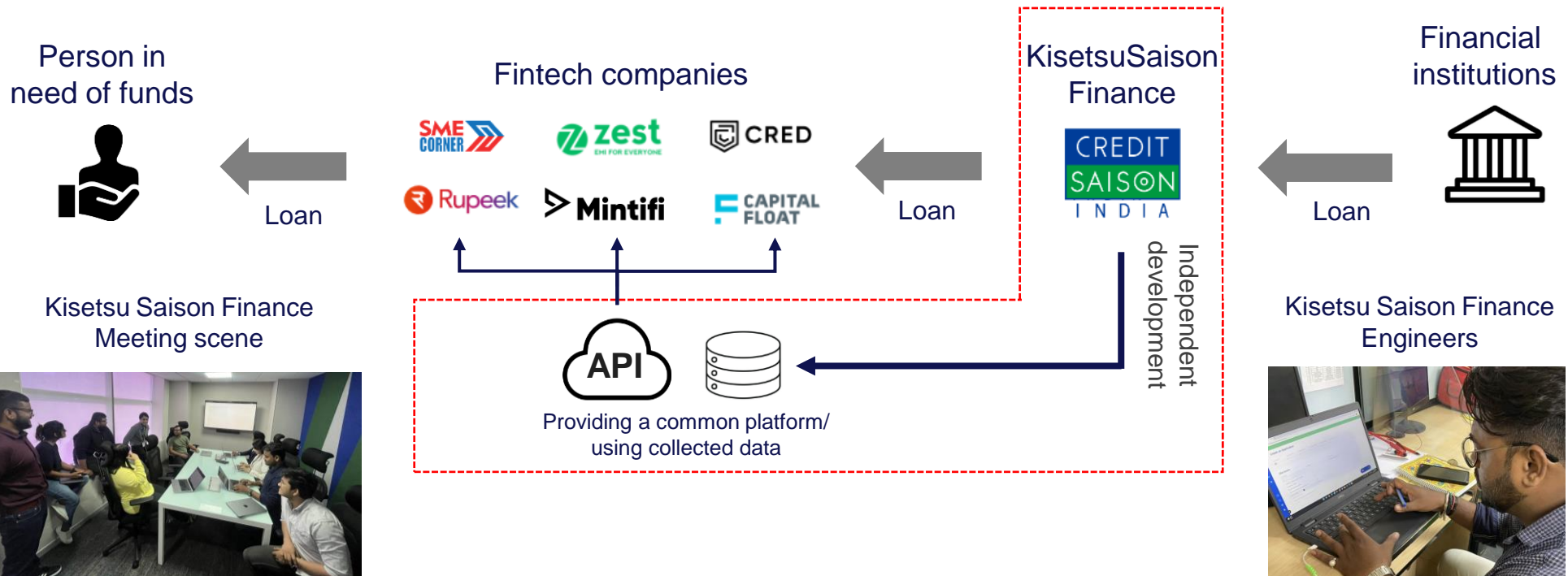
Expansion of Lending Business Using Digital Data
(Indonesia)

Build a mobile app **platform for credit and risk assessment using digital data** to provide the digital lending business to the underserved

Create an AI-led model to assess risks based on more than 5,000 data items

Insufficient infrastructure information such as personal credit standing	▶	Collecting digital data such as operation logs at the time of granting credits	▶	**Creation and operation of an AI model** utilizing digital data

Infrastructure information

Over 5,000 data items

AI model
- Personal authentication
- Credit scoring
- Review of classification
- Repayment optimization

Investment in Companies Utilizing Latest Digital Technologies (Saison Capital)

Invest in early seed companies in Southeast and South Asia that **utilize digital technologies, such as fintech and embedded finance, to address national challenges in the financial sector**

SAISON CAPITAL

Create business synergies by networking with companies with advanced technologies

Major investment targets of Saison Capital

Lumma — Embedded Fintech

avalon — Crypto Wallet

SAISON CAPITAL

infina — Wealth management

.jia — Lending
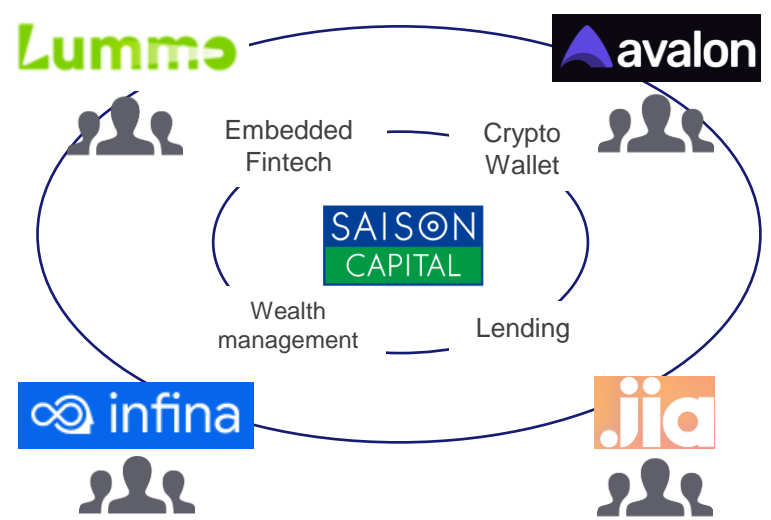
Hold a Product Manager Breakfast meeting on a regular basis

Maximized Use of Global Business Resources

Lending business	Capital & Insight	**Investment business**
Provide financial services to the underserved		Earn returns on investment/ gain insight into global business expansion

- Exchange information on the construction of digital native services, etc.
- Discuss system architecture configuration
- Develop human resources and network with other companies through ongoing exchange programs

- Exchange information on Web3 and other advanced technologies
- Interact with global startup companies
- Examine new business models

Meeting with Kisetsu Saison Finance

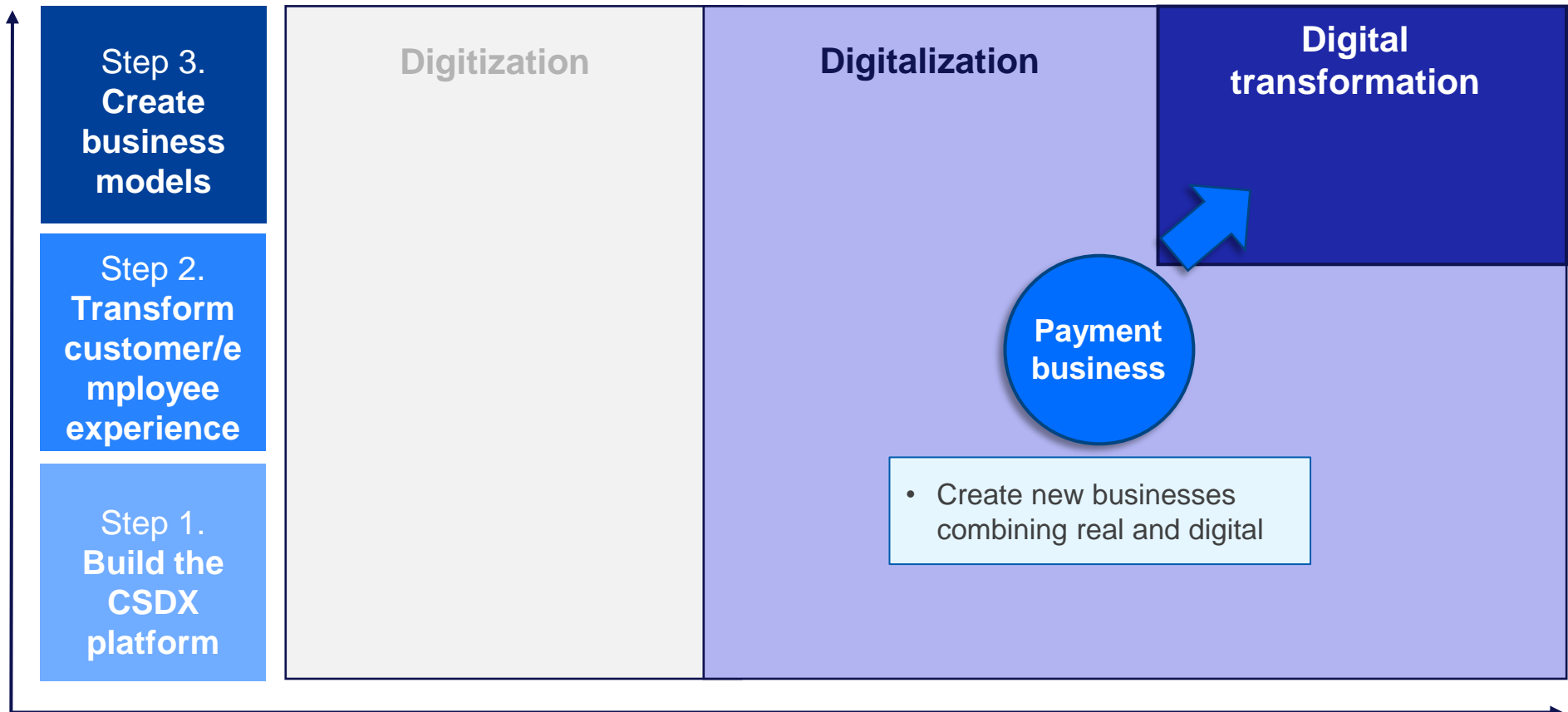Session on Web3 with Saison Capital

Innovation

(Fin)Tech
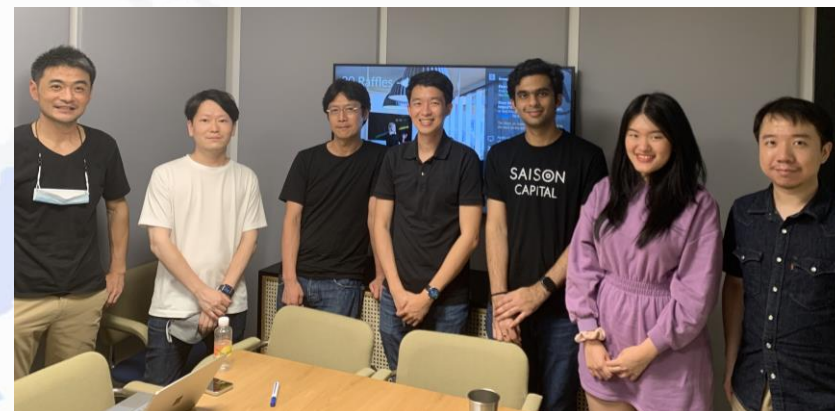
Inclusion

Promotion of Innovation Using Digital Technology
Payment Business

By **utilizing digital technology that matches the digital penetration rate of the business**, transform customer and employee experience and create innovative business models to **provide exciting experience that exceeds society's expectations**

Innovation

	Digitization	Digitalization	Digital transformation
Step 3. **Create business models**			
Step 2. **Transform customer/employee experience**			**Payment business**
Step 1. **Build the CSDX platform**		• Create new businesses combining real and digital	

Digital

Enhancing Customer Communication through Digital

- Provide content that gives customers **a sense of excitement and achievement** even before they become a cardmember on the smartphone app
- Able to **appeal to customers in a prompt manner by sending personalized notifications** based on their card usage, etc.

< Before enrollment > Gold meter

[Provide a sense of excitement and achievement]
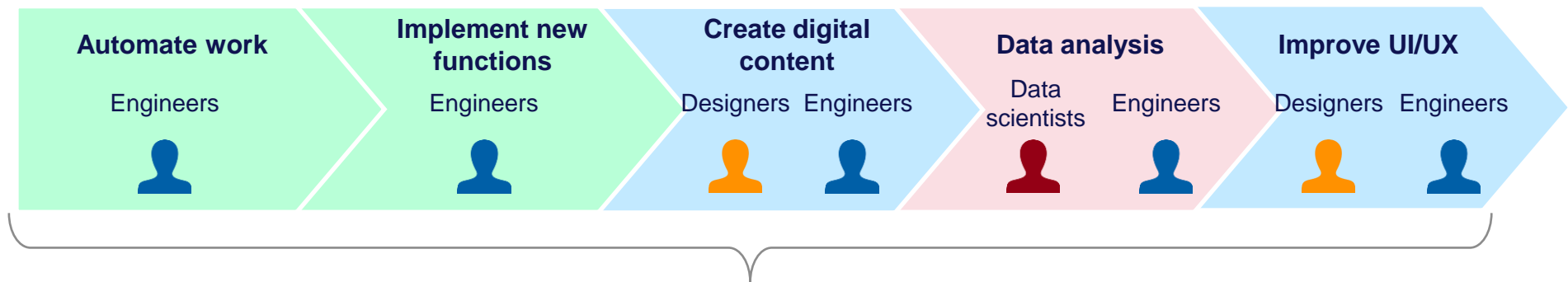
Give membership benefits based on usage

< After enrollment > Usage amount meter

[Keep cardmembers motivated to use their cards]

Increase benefits based on usage

| Automate work	Implement new functions	Create digital content	Data analysis	Improve UI/UX
Engineers	Engineers	Designers Engineers	Data scientists Engineers	Designers Engineers

— Prompt customer communication through digital shift

From creation of digital content and system development to data analysis, we do it all in-house.

SAISON CARD Digital

▪ **Accelerate alliance formation with companies in different industries and data marketing** with the SAISON CARD Digital service, which offers functions to **complete** card issuance and payment **on smartphones**

Payment function

Data marketing

Applications can be completed in as little as 5 minutes via smartphone
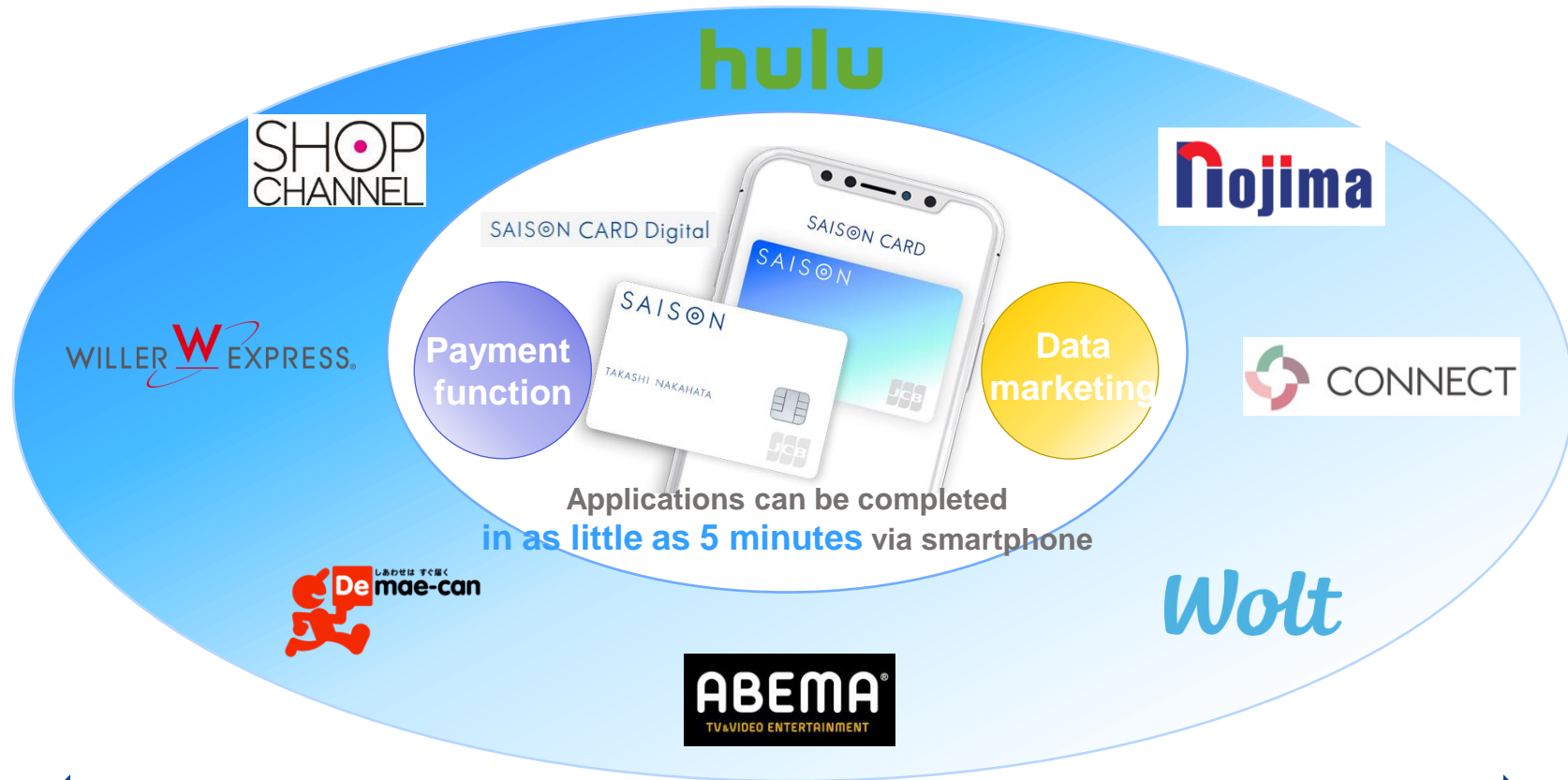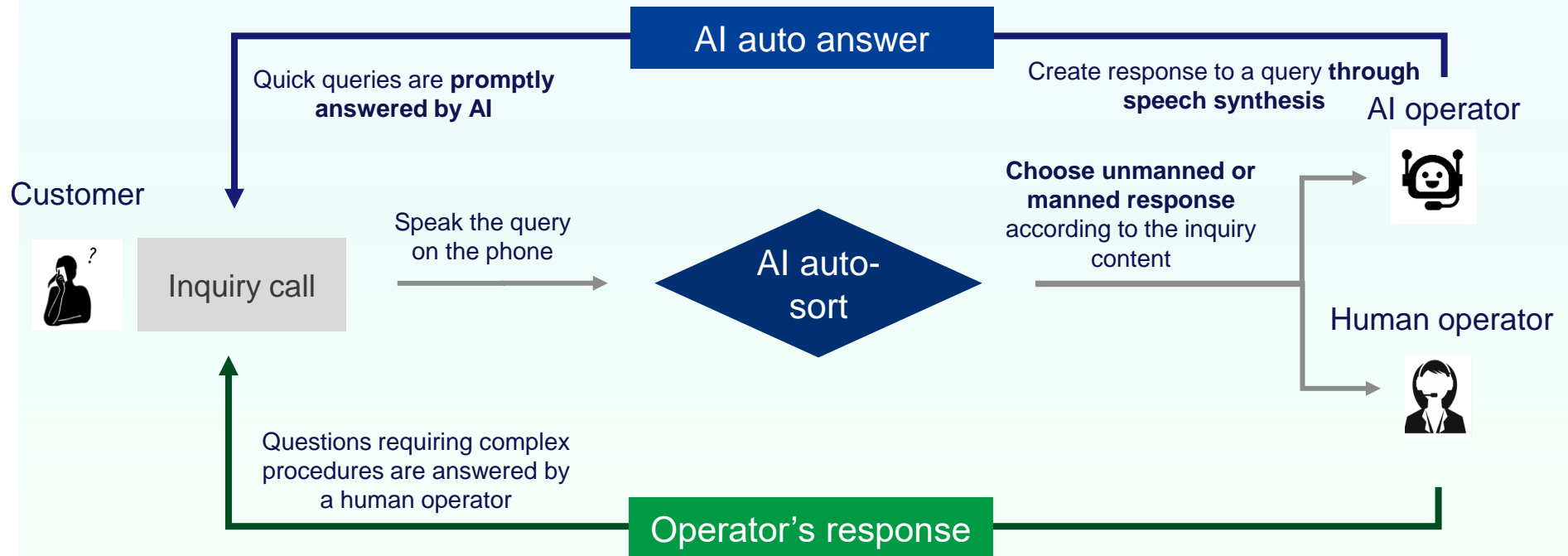
Alliance with over 200 companies *As of the end of November 2022*

Interactive AI Operator

- Introduce a new interactive AI operator to improve customer experience in calling
- **Routine queries are answered by AI, and complex queries are handled by human operators**

Interactive AI Operator

AI auto answer

Quick queries are **promptly answered by AI**

Create response to a query **through speech synthesis**

AI operator

Customer

Choose unmanned or manned response according to the inquiry content

Inquiry call

Speak the query on the phone

AI auto-sort

Human operator

Questions requiring complex procedures are answered by a human operator

Operator's response

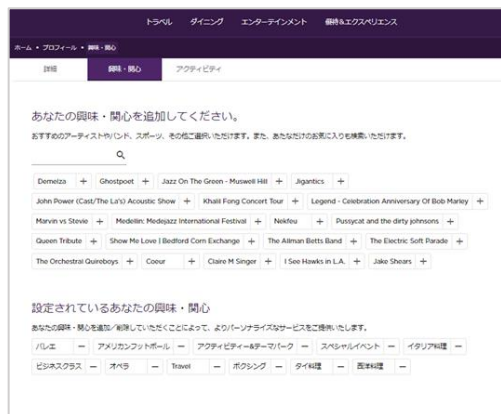# Provision of Digital Concierge Service

- Develop **Japan's first 24-hour manned live chat concierge service** in collaboration with the TEN Group
- Provide recommendations that suit each customer's lifestyle based on their interests and requests

Improve service convenience and provide optimal recommendations at the same time

Submit information about interests to Saison Premium Concierge

Provide information on special offers by restaurants that suits the customer's lifestyle

Saison Premium Concierge

- Concierge service available via chat
- Switchable from chat support to phone support
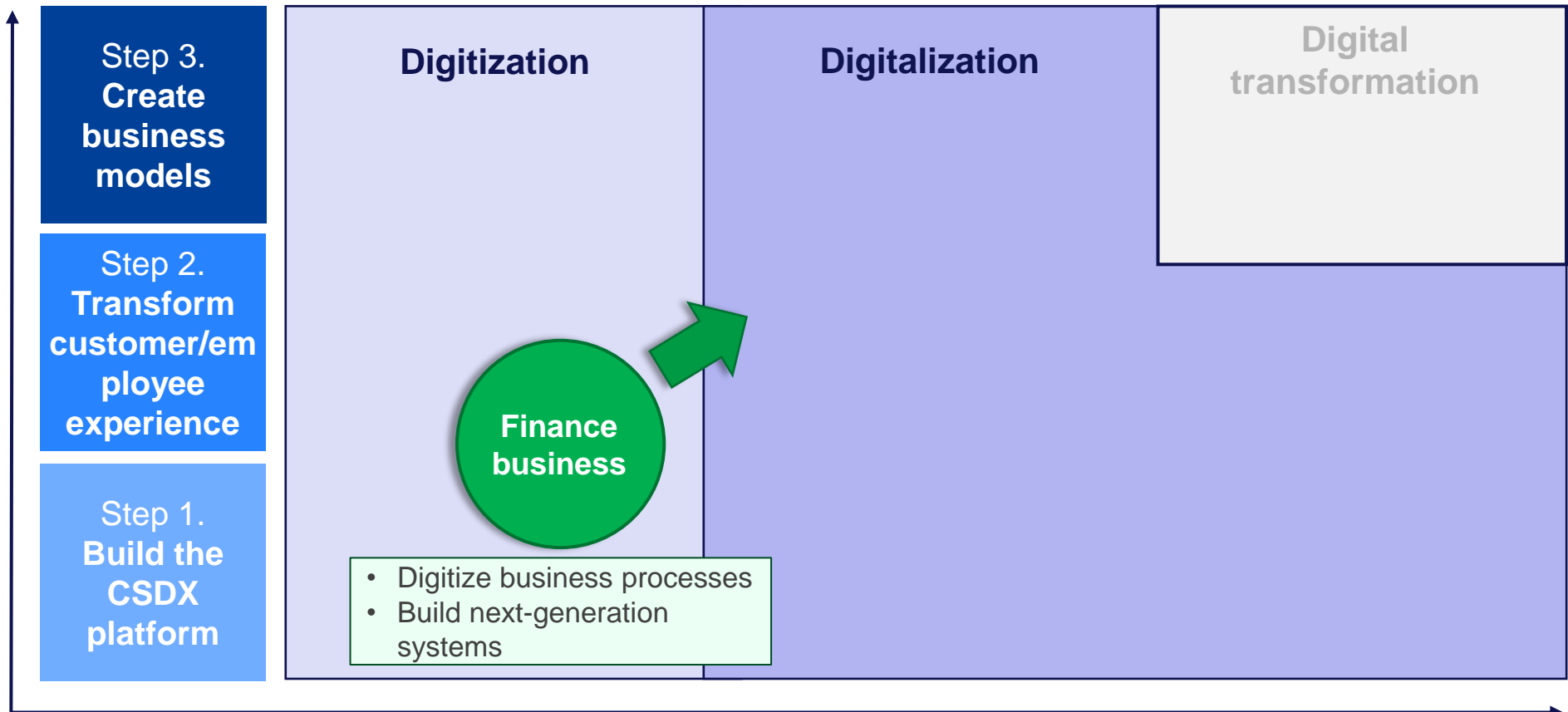- Provide optimal recommendations based on requests

Promotion of Innovation Using Digital Technology
Finance Business

By **utilizing digital technology that matches the digital penetration rate of the business**, transform customer and employee experience and create innovative business models to **provide exciting experience that exceeds society's expectations**

Innovation

|	Digitization	Digitalization	Digital transformation
Step 3. Create business models			
Step 2. Transform customer/employee experience	**Finance business**		
Step 1. Build the CSDX platform	• Digitize business processes • Build next-generation systems		

Digital

Review of Customer Leads Using Smartphone App

- Add a function to submit a rent guarantee application to the credit card smartphone app, **which shows the screening results immediately on the app**
- When the application for rent guarantee is completed, **the Saison Card will be automatically registered as the payment method for rent, etc.**

セゾンの家賃保証
Rent Quick

Make complicated procedures such as application and payment registration easier on smartphones

Application for rent guarantee ❯ Rent guarantee screening ❯ Application for card payment
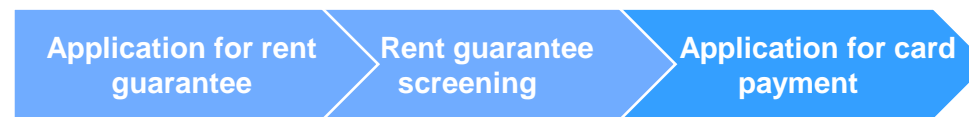
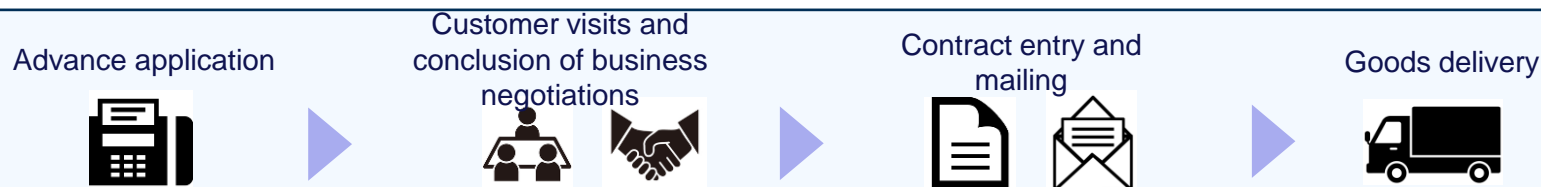## Procedures can be completed easily with the smartphone app

- Application for rent guarantee can be submitted on the app
- The screening results will be shown immediately on the app
- Rent will be automatically paid by card

Digitization of Lease Contracts

- Digitize paper-based procedures for lease contracts, such as documents, telephone calls and written agreements, to make these procedures simpler, faster, and more efficient

| Conventional way of concluding a lease contract (paper-based) | Advance application | Customer visits and conclusion of business negotiations | Contract entry and mailing | Goods delivery |

Digitize all screening processes

| Digitized way of concluding a lease contract | Online advance application | Online interview | Online formal application | Goods delivery |

Online advance application
- Simpler entry form
- No need for phone calls
- No need for inquiry about the balance

Online interview
- No need for visits
- Time saving

Online formal application
- No need for collection of applications
- Reduction of mailing costs
- Visualization of screening progress

Digitization of Mortgage Screening

- Digitize paper-based mortgage screening procedures, such as documents, telephone calls and written agreements, to make these procedures simpler, faster, and more efficient

Conventional way of applying for a mortgage (paper-based)	Application → Confirmation of submitted information → Screening/decision → Confirmation of the results → Notification of the results → **1–2 business days**

Digitize all screening processes

Saison's digitized way of applying for a mortgage — E.g. Preliminary review	Online application → Confirmation of submitted information → Automated screening/decision → Confirmation of the results → Notification of the results → **30 minutes at the earliest**

- Online application: • Digitization
- Confirmation of submitted information: • Digitization • Saving time in confirmation
- Automated screening/decision: • Automation • Saving time in screening
- Confirmation of the results: • Digitization • Saving time in confirmation