

## Value Creation Process

Contributing to the creation of a sustainable society that is even more convenient and prosperous than today's by resolving social and environmental issues

[Management Philosophy] leading-edge service company

## Main Management Resources

## Corporate culture that has been handed down in continuous succession



Awareness toward co-creation with all stakeholders

Meritocracy free from age, gender, or educational attainment bias

An organizational culture that allows creative destruction and failure

## Human resources with vitality



Human resources that are active under our common system for all employees

## Innovation creation capabilities



Credit know-how nurtured over the 70-plus years since the Company's founding

Professional human resources well-versed in the payment/finance fields

Service development track record in the finance field

System infrastructure capable of responding flexibly to change

## Rock-solid sales platform



Customer base with an industry-leading number of members

## Sound financial base



Diverse financing based on high creditworthiness

Highest level of creditworthiness for an independent non-bank

Transforming ourselves into a comprehensive life services group centered on financial services

Transforming existing values and creating new values in response to various problems

By promoting digital conversion in combination with real life, change the customer/employee experience

Use financial services as a method to take on the challenge of financial inclusion

The Six Businesses > P5

Payment Business

Entertainment Business

Finance Business

Lease Business

Real Estate-related Business

Global Business

Providing a wide range of advanced security services with the strengths of creditworthiness and a wide customer base

CREDIT  
SAISON

Global

## Materialities for Sustainability

Achieving sustainable growth and improving corporate value through sound corporate management



Creating human resources and an organization where each person can fulfill an active role in their own way



Enriching our customers' lives and enabling them to live happily and true to themselves



Creating a better society through co-creation with partners



Protecting the rich natural environment and culture that enriches life, and energizing people in the region and community



## Requests from the market environment/society

- Declining birthrate, aging population
- Climate change
- Digitalization
- Promoting conversion to cashless operations
- Growing needs for asset formation

## Value Created in Collaboration with Stakeholders



## Financial results

Return on equity (ROE)	7.5%
	(previous fiscal year: 6.5%)
Shareholders' equity ratio	15.4%
	(equity ratio attributable to owners of parent) (previous fiscal year: 15.6%)
Group business profit	¥60.9 billion
	(previous fiscal year: ¥52.3 billion)
Total dividends	¥10.9 billion
	(previous fiscal year: ¥8.6 billion)
Total shareholder return (consolidated)	111.0%
	(previous fiscal year: 85.5%)

## Realization of a resilient organization

Progress in social and environmental initiatives led mainly by the Sustainability Promotion Committee	
Number of committee meetings/working groups held	28 in total
	Committee: Nine times; WG: Climate change 10 times; DE&I: Nine times
Number of dialogues held with shareholders/investors	214
Number of security incidents	0

## Fostering motivation and diverse values

Ratio of female employees	74.5%
Ratio of female managers*1	24.9%
Number of human resources with digital technology backgrounds	Approx. 260
Paid leave take-up rate	86.3%

## New business/Product development

Number of new product releases	Approx. 40
Number of SWITCH SAISON*2 proposals and number of commercialization projects	Approx. 1,000 proposals; four commercialization projects

## Strengthening ability to resolve social and environmental issues

Business alliances aimed at building a carbon-neutral and recycling-oriented society	
Environmental protection activities (operation of Akagi Nature Park)	About 65,000 visitors
Reducing paper consumption by digitizing the flow of operations	
Financial inclusion for the underserved class worldwide, beyond Asia	

\*1 General manager and manager

\*2 Internal venture program

► For details, please see page P35

# Retrospective Overviews of Past Medium-term Management Plans

FY2016-FY2018

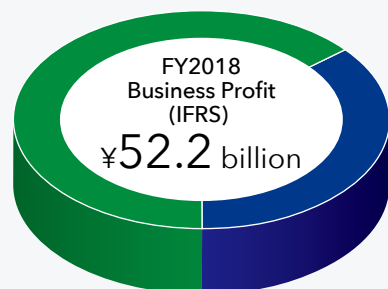
FY2019-FY2021

To FY2022

Further acceleration of efforts to revise the card business and transformation to a general non-bank

Building a Foundation

Transformation and Renewed Growth Neo Finance Company in Asia



## FY2018 Results

EPS	Shareholders' Equity Ratio	ROE
¥186.8	15.3%	6.2%

## Basic Policy

Realize innovation and changing business models

- ▶ Face the challenge of new business models
- ▶ Expand the stock business and the fee business

## Results

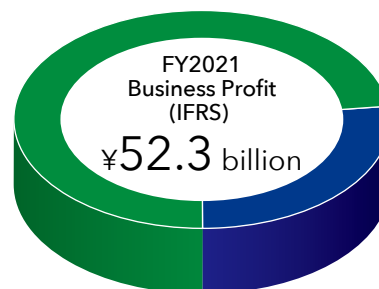
Full migration to the Associated Core System

- ▶ Completed a foundation capable of alliance expansion and product development

Responsive to diverse customer needs

- ▶ Payment platform enhancement/  
Finance Business expansion

Expanded the Global Business into more countries



## FY2021 Results

EPS	Shareholders' Equity Ratio	ROE
¥226.4	15.6%	6.5%

## Basic Policy

Become a finance company advancing with customers for 50 years

- ▶ Provide peace of mind and discover the potential in money

## Results

Achieved a certain degree of progress toward business diversification

## Payment Business

- ▶ Recovery under way due to the effects of shortened business hours and people having refrained from going out

## Finance Business

- ▶ Steady expansion as the second pillar

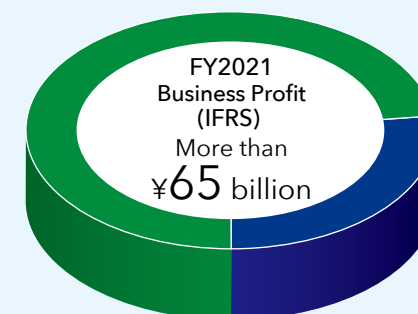
## Global Business

- ▶ Prospect of increased profit contribution as a third pillar

■ Payment Business\*1 ■ Finance Business\*1

## FY2021 business profit

(excluding the impact of provision for loss on interest repayment)



## About the impact of provision for loss on interest repayment

In addition to carefully examining such factors as its past reimbursement record, the Company has posted the necessary allowance required to address future uncertainties, including changes in economic conditions and taken preparatory steps to account for unexpected events with respect to trends in interest reimbursement claims.

In FY2021, the Company recorded a provision for loss on interest repayment of ¥13.6 billion after taking into account the projected future trend of interest repayment claims, etc.

The level of business profit was more than ¥65.0 billion, exceeding the initial target of ¥60.0 billion after excluding this impact.

\*1 The Payment Business includes the Entertainment Business; the Finance Business includes the Lease and Real Estate-related businesses

# Overview of the Current Medium-term Management Plan

FY2022

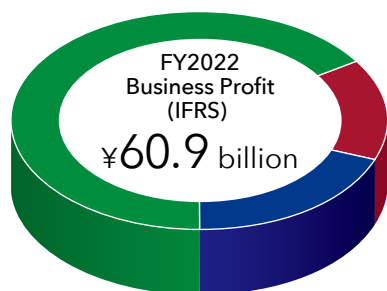
FY2024

Transformation into a comprehensive life services group

New Medium-term Management Plan from FY2024

Business profit  
(initial target)

¥53 billion



FY2022 Results

EPS  
¥278.9

Shareholders'  
Equity Ratio  
15.4%

ROE  
7.5%

■ Payment Business\*1 ■ Finance Business\*1 ■ Global Business\*2

\*1 The Payment Business includes the Entertainment Business; the Finance Business includes the Lease and Real Estate-Related businesses

\*2 From the first quarter of FY2023, the Global Business, which was included in the Payment Business up to FY2022, has been changed to an independent reporting segment

- ▶ Both growth in consolidated contribution including the Global Business and growth in each non-consolidated business trending firmly.
- ▶ Projected to achieve the Company's consolidated business profit target of ¥70 billion for FY2024, one year ahead of schedule.
- ▶ The next Medium-term Management Plan will start anew from FY2024.

¥70 billion

Portfolio transformation

Muscularization of  
the business structure

Aim for more than  
¥100 billion in business profit  
as a medium-term goal  
**Re-growth phase**

## Basic Policy

### Transformation into a comprehensive life services group

Achieving customer success through the fusion of the real and digital worlds

With transformation into a comprehensive life services group as its medium-term management vision, Credit Saison formulated the Medium-term Management Plan for the FY2022 to FY2024 period with the core concepts of innovative, digital, and global, and achieving customer success through the fusion of the real and digital worlds as its mission statement.

#### Vision under the Medium-term Management Plan

- 1 Establish the Saison Partner Economic Zone and Reinforce Cooperation among the Group's Companies
- 2 Revitalize the Payment Business
- 3 Promote Healthy Growth and Expansion into New Fields for the Finance Business
- 4 Accelerate Global Business Development and Further Growth Expansion

## Basic Concept

Continue and penetrate the three concepts and accelerate the drive of each business.

**Digital Innovative Global**

#### Growth Strategy Framework

Sales expansion

Global  
▶ P21

Payment  
▶ P27

Finance  
▶ P29

Improved  
profitability

#### Reinforcement of Business Foundation

CSDX  
Strategy  
▶ P38

Human Resource  
Strategy  
▶ P31

Financial Capital  
Strategy  
▶ P41





Achieving sustainable growth and improving corporate value through sound corporate management



Creating human resources and an organization where each person can fulfill an active role in their own way



Enriching our customers' lives and enabling them to live happily and true to themselves



Creating a better society through co-creation with partners

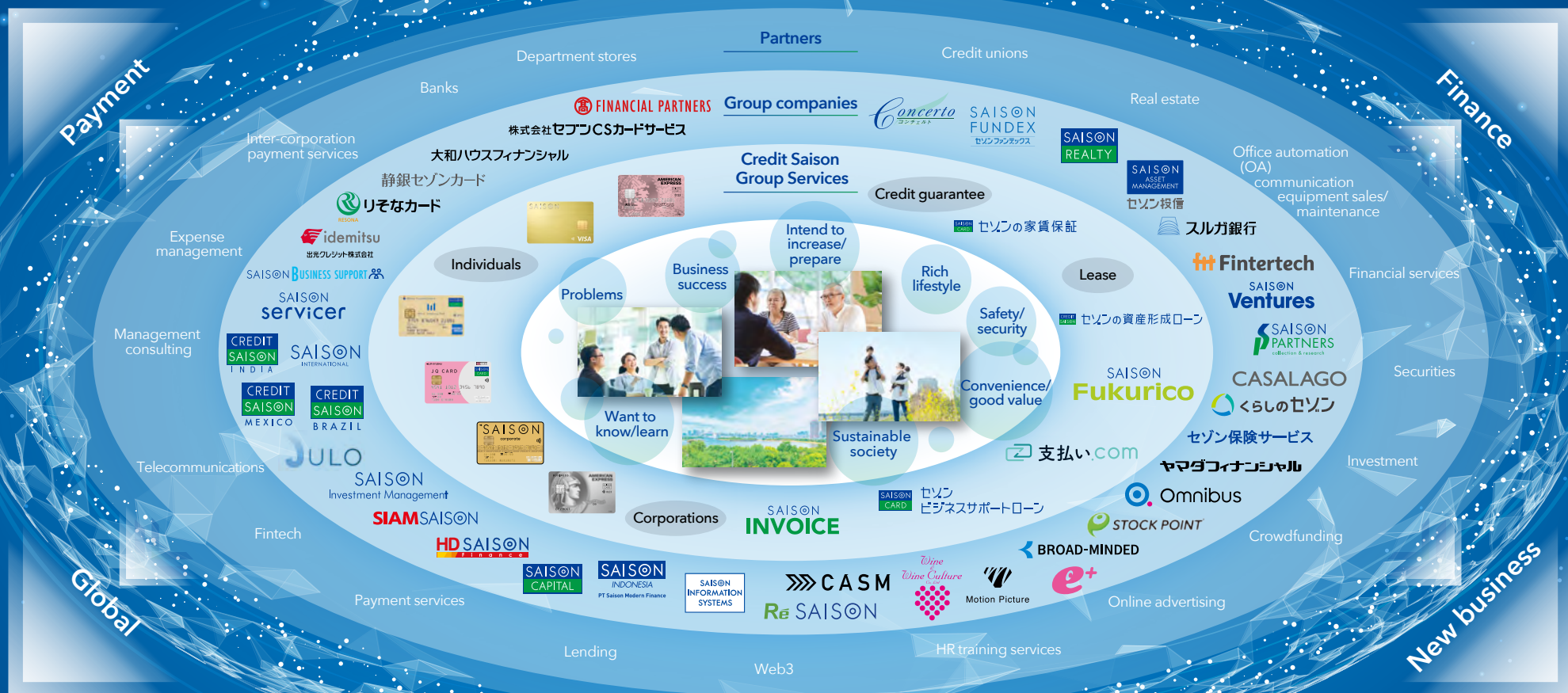


Protecting the rich natural environment and culture that enriches life, and energizing people in the region and community

# Establishment of the Saison Partner Economic Zone and Reinforcement of Cooperation among the Group's Companies

## Establish the Saison Partner Economic Zone

In transforming ourselves into a comprehensive life services group, our goal is to establish the Saison partner economic zone. We will pursue synergies with Group companies in addition to our existing business partners with the aim of becoming a non-bank with a strong presence in each of the Payment, Finance, and Real Estate-related businesses. Specifically, we will actively promote initiatives that allow our existing alliance partners to utilize the Group's base of approximately 35 million customers and expand our share of corporate transactions through Group collaboration. In addition to developing new products in the fields of payment, asset management, and real estate, we will create value suited to individual customers by combining resources of Saison partners through the diversification of coordinated relationships and services.





# Establishment of the Saison Partner Economic Zone and Reinforcement of Cooperation among the Group's Companies: Interview with the Executive Officer in Charge



**Hironao Wakamei**

Executive Officer  
In charge of Group Strategic  
Management Dept.  
General Manager, Group  
Strategic Management Dept.

## Taking on the challenge of establishing the Saison Partner Economic Zone with all Group employees working in unison



**Please tell us about the new initiatives launched as part of Credit Saison's integrated Group management with its affiliated companies and the resulting synergy toward transforming into a comprehensive life services group as raised in the Medium-term Management Plan from FY2022.**

We have engaged in Group management that aims to enhance corporate value while respecting the independence of each of our affiliated companies and maintaining a sense of friendly competition. As a result, we have started to form a corporate Group that stays true to Credit Saison with its rich diversity and engagement in a wide range of businesses. Under the current Medium-term Management Plan, we have put forth the basic goal of transforming into a comprehensive life services group, and aim to build the Saison Partner Economic Zone with an awareness of integrated Group management.

As an example, as we recognize that communication is the most important aspect of business cooperation, the Credit Saison Chairman and President visit each affiliated company in person in addition to receiving explanations of initial business plans and progress reports from affiliated companies. This approach provides a forum for them to cooperate directly with our affiliated companies in their short-, medium-, and long-term business strategies and progress updates, as well as to exchange opinions, thereby serving to create opportunities to think about managing the Group as an integrated whole. As part of our efforts to deepen information sharing at the front lines, we established a new Group intranet, introduced a common-use Slack environment, and made other improvements to the information sharing infrastructure used by Group companies. At the same time, we are advancing initiatives to share information in face-to-face settings, including sales representative exchange meetings.

Moreover, we introduced shared services (outsourcing of accounting and other back-office operations to Credit Saison) for some affiliated companies in an effort to improve the efficiency of operations and have also begun building a framework to reinforce and rationalize sales. Currently, we are working to expand the number of eligible companies by launching Group-wide task forces, which include members from both Credit Saison and our affiliated companies as part of ongoing investigations.

We are also implementing branding strategies and are working to foster a more unified image for the Group by naming our companies, products, and services after "Saison."\*



**How are these initiatives progressing? Please tell us about the major outcomes and any challenges that have arisen.**

We have seen a tendency for the Group as a whole, including Credit Saison, to focus on customer satisfaction and profit generation from its own perspective. Although I do not intend to deny the marketing strengths that we have developed in a way that stays true to Saison in their entirety, this approach tends to lead to discussions and actions regarding partial optimization. Yet, to realize integrated Group management, each employee of the Group must think and act from the perspective of overall optimization. As I see it, the most important aspect for achieving this perspective is for Credit Saison and each affiliated company to possess an interest in and attempt to learn about the businesses of the other members. We will therefore advance related initiatives with a focus on building frameworks and mechanisms, as well as on strengthening communication, for this purpose.



**To achieve the goal of transforming into a comprehensive life services group, what do you think the Group must do in particular going forward?**

Each Group employee must undergo a further change in his or her mindset. Starting next spring, we will accelerate personnel exchanges between Group companies via internal recruitment along with efforts to strengthen communication, and will begin considering rationalization through the consolidation of branches. Moreover, I feel that we must reinforce the personnel system in a way that links contributions to the Group with employee evaluations, as well as strengthen management and accounting systems that help visualize the degree of contribution by our affiliated companies. There are many things left to do. And as a member of the Group, I will place our customers first as I act with an awareness of optimization for the entire Group.

\* Atrium Co., Ltd., was renamed Saison Realty Co., Ltd. (April 2023), and JPN COLLECTION SERVICE CO., LTD., was renamed SAISON COLLECTION SERVICE CO., LTD. (July 2023)

## Establish the Saison Partner Economic Zone and Reinforce Cooperation among the Group's Companies

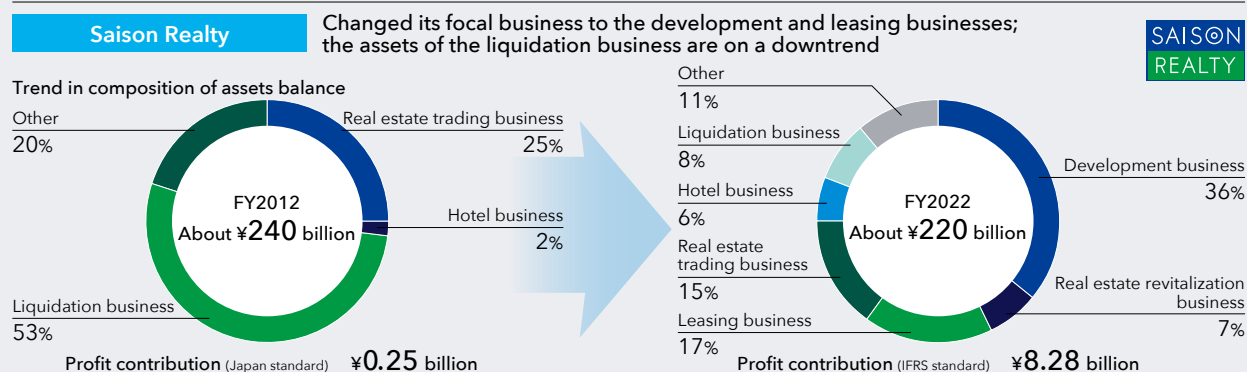
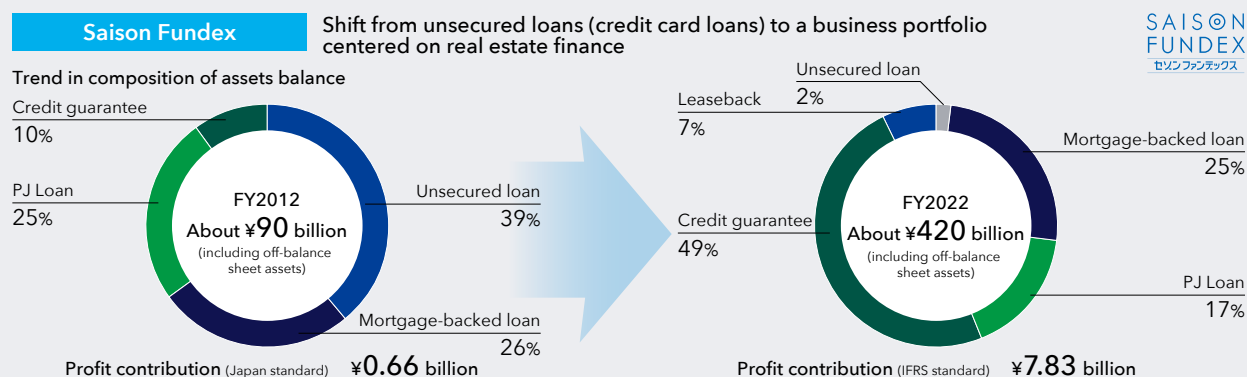
The management style taken by each Group company has focused on the independence of each company, without being hemmed in by brands or capital relationships. Moreover, we will maintain the independence of each company into the future as we aim to differentiate ourselves from our competitors and establish a comprehensive life services group that offers the greatest convenience to our customers. To achieve these aims, we will further strengthen Group product coordination with respect to each customer in a customer-oriented manner within the Saison Partner Economic Zone, a loose network of horizontal connections.

### Outcomes of integrated Group management

#### Contributions to profits by Saison Fundex Corporation and Saison Realty Co., Ltd.

Saison Fundex and Saison Realty have exhibited remarkable outcomes amid efforts to advance integrated Group management.

In particular, Saison Fundex is undergoing a business model change, transitioning from its conventional business portfolio centered on unsecured loans to one centered on real estate finance.



### Case study

We are working to generate synergy at the frontline level by holding exchange meetings attended by corporate sales representatives from each Group company, which provide opportunities for participants to get to know each other.

This effort promotes the exchange of opinions toward generating ideas that help utilize the Group's resources in an integrated manner with the aim of transitioning to a comprehensive life services group and provide value to our customers.

In FY2023, we held these meetings two times, during which we advanced efforts to strengthen coordination toward establishing relationships between the Group and our customers through a total of 30 presentation proposals, including complex proposals that combine the functions of each company.

Moreover, this effort expanded communication channels between Group companies and served to broaden the Group's integrated profits by forming relationships that connect each company in a direct, even-footed, and timely manner.



Corporate sales representative exchange meeting

## SAISON ASSET MANAGEMENT CO., LTD.

### Enabling periodic monthly investments through Credit Saison-issued credit cards

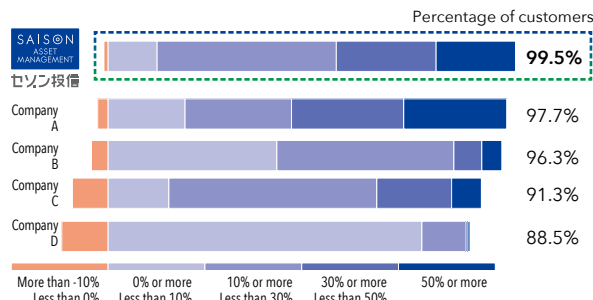
Since its founding in 2006, SAISON ASSET MANAGEMENT has held the philosophy of aiding asset formation in a way that supports well-being for the valuable future of each of our customers. Under this philosophy, it has provided long-term asset growth funds that have received the support of many of our customers, with more than 150,000 contracts totaling approximately ¥700 billion in assets under management (as of November 30, 2023).

With the start of the New NISA system in January 2024, Credit Saison-issued Saison Card and UC Card members are now able to use their credit cards to make periodic monthly investments in the three investment trusts that can be purchased using SAISON ASSET MANAGEMENT general transaction accounts.



#### Percentage of customers by investment trust profit/loss (other businesses)

No.1 99.5%



January 2024  
SAISON ASSET MANAGEMENT  
launches the new  
"Saison-to-tsuzuku"  
Internet transaction service



Enables "Invest by Card" for up to  
¥100,000 per month using  
Credit Saison-issued credit cards



\* Source: Prepared by Credit Saison based on "Analysis on the Common KPIs Comparable Across Investment Trust Distributors," Financial Services Agency (as of March 31, 2023)

\* R&I Fund Award

Shisan Keisei Tatsujin Fund "10-year Investment Trusts/Foreign Stock Core Superior Fund Award"

The R&I Fund Award is presented to provide reference information based on the past data R&I believes to be reliable (however, its accuracy and completeness are not guaranteed by R&I) and is not intended to recommend the purchase, sale or holding of particular products or guarantee their future performance. The Award is not the Credit Rating Business, but one of the Other Lines of Business (businesses excluding Credit Rating Business and also excluding the Ancillary Businesses) as set forth in Article 299, paragraph (1), item (xxviii) of the Cabinet Office Ordinance on Financial Instruments Business, etc. With respect to such business, relevant laws and regulations require measures to be implemented so that activities pertaining to such business would not unreasonably affect the Credit Rating Activities. Intellectual property rights including copyright and all other rights in this Award are the sole property of R&I, and any unauthorized copying, reproduction and so forth are prohibited.

\* Refinitiv Lipper Fund Awards Japan 2023

Shisan Keisei Tatsujin Fund "Investment Trusts/Mixed-asset Japanese Yen-backed Flexible/10-year Assessment Period/Best Fund Award"

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\* This content is prepared for the information purpose only, and not a legal disclosure document under the Financial Instruments and Exchange Law of Japan. Investment trusts invest in securities that fluctuate in price, so their base value will fluctuate. As a result, the price may be lower than the purchase price. Additionally, investment trusts incur fees such as trust fees set for each issue. The risks and expenses of each investment trust are detailed in the prospectus. Therefore, please make sure to check all contents of prospectus of each fund provided by the distributors before applying for subscriptions.

Trade name: SAISON ASSET MANAGEMENT CO., LTD.

Financial instruments business operator: Kanto Local Finance Bureau (FIBO) No. 349

Member association: The Investment Trusts Association, Japan

## Broad-minded Co., Ltd.

### Launch of Saison Money Navi

In August 2022, Credit Saison and Broad-minded Co., Ltd., entered into a capital and business alliance in aims of further expanding and growing the financial service domains of both companies. As part of our efforts to strengthen coordination involving financial advisory (planning) services, in July 2023 we launched Saison Money Navi, an online financial planning service that allows users to designate a financial planner and reserve meeting times online. This service allows users to receive free consultations regarding a wide range of financial issues, including insurance, investment trusts, bonds, stocks, mortgages, and real estate transactions.

## オンラインFPショップ セゾンのマネナビ

produced by BROAD-MINDED

### Wait-free reservations

All steps from reservation making to meetings are completed online.



### Features of Saison Money Navi

#### Financial planner designation

Customers can designate a specific individual from among nearly 100 financial planners.



Nearly 100 financial planners available

#### Consultation on all manner of financial issues

Users can consult regarding a wide range of financial issues, including life insurance, investment trusts, bonds, stocks, mortgages, and real estate transactions, entirely online.



Insurance consultations



Mortgage consultations



Asset management

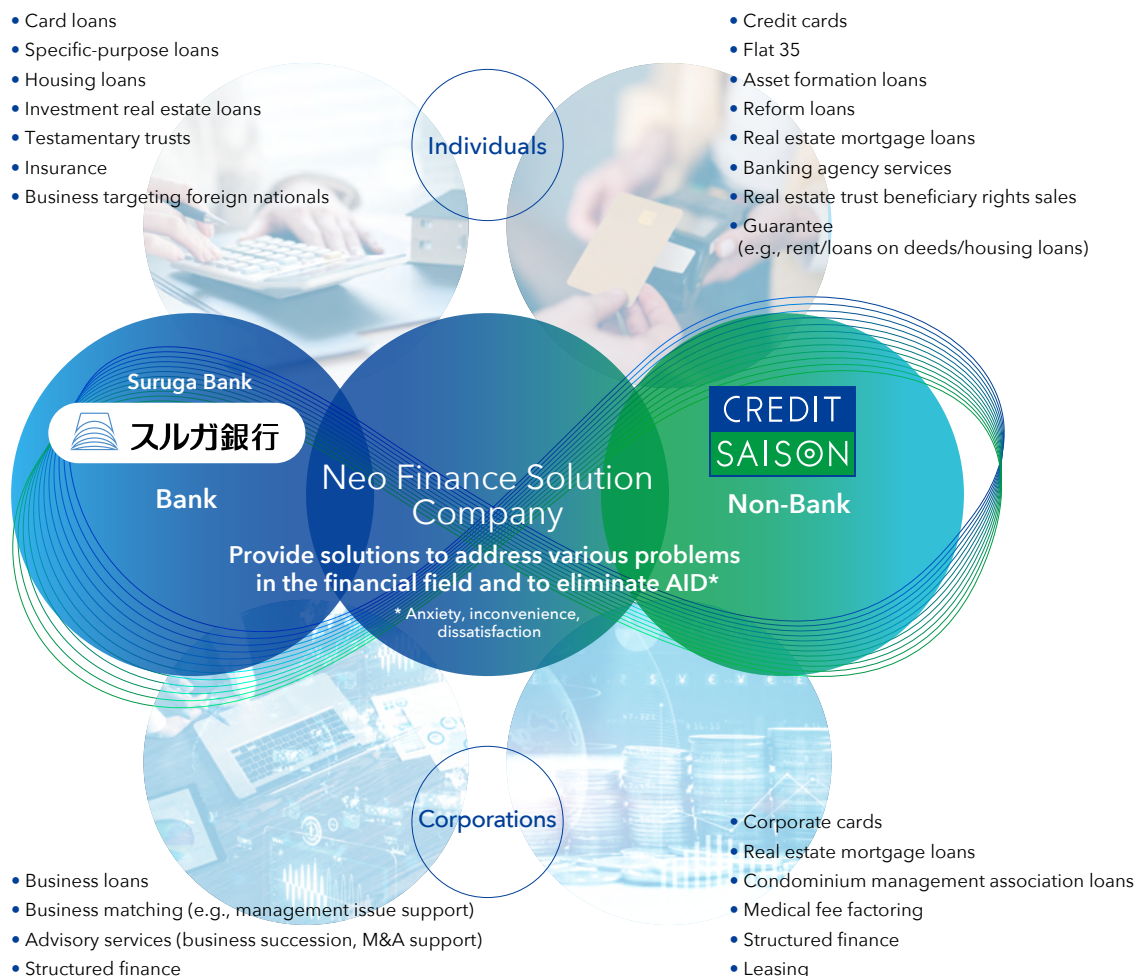




## Capital and Business Alliance with Suruga Bank Ltd.:

## Creating a Neo Finance Solution Company

Credit Saison entered into a business alliance with Suruga Bank Ltd. in May 2023. In recent years, the business environment surrounding the Company has become competitive, requiring it to differentiate itself from a wide variety of players because more competitors such as banks, securities companies, and insurance agencies are offering comprehensive financial services, while banking services have expanded through the use of BaaS. The business environment surrounding Suruga Bank is also changing beyond the traditional boundaries of the banking industry, with general business companies now offering banking services and Fintech companies diversifying their payment services. Credit Saison and Suruga Bank will closely and rapidly collaborate in order to create a new business model that combines the strengths of both banks and non-banks, with the aim of enhancing the medium- to long-term corporate value of both companies.



October 2023

Collaboration in the mortgage business

Commence handling of mortgages with Credit Saison guarantees at Suruga Bank



November 2023

Collaborative development of the real estate finance business

Commence joint provision of "collaboration loans"



Total of all business fields over the next five years (FY2023 to FY2027)

Aim for **¥350 billion or more** in new loans

Summer 2024 (Planned)

Establishment of Saison Branch by Suruga Bank

Spring 2024 (Planned)

Co-commercialization of Saison Platinum Business AMEX Card



**Katsumi Mizuno**

Credit Saison Co., Ltd.  
Representative,  
Executive President and COO

### The ideal partner for driving innovation

Banking functions are essential in both enhancing the services Credit Saison provides to its customers and transforming into a comprehensive life services group, a key goal identified in its Medium-term Management Plan. Recognizing each other as a partner that is capable of maximizing corporate value, Credit Saison, as a non-bank service provider with strengths in the retail business, and Suruga Bank, as a banking institution, entered into a capital and business alliance by engaging in seamless collaboration. Moreover, the corporate culture of Suruga Bank, which has conceived of many innovative services even as it functions as a regional bank, has much in common with that of Credit Saison, which I believe will enable the two entities to create new services that do not currently exist in the market.

I believe that mutual understanding, respect, and disclosure are essential to a successful capital and business alliance. As both Credit Saison and Suruga Bank move toward a common goal, I feel it is important for us to maintain a closeness that allows us to speak honestly and in a way that transcends our respective positions. This includes respecting our particular corporate cultures based on a clear understanding of our unique situations, and by constantly communicating to ensure we maintain the same level of information as the business environment changes moment by moment. We have already initiated steps to exchange human resources not only at the executive officer and general manager levels but also at the staff level. I believe that further energizing communication and deepening relationships will serve to generate true synergy.

### Growing together and creating new added value

To realize our corporate philosophy of “I’m glad you’re here...I’m glad we met,” we raised the management strategy of evolving the retail and solution businesses. By seamlessly combining the broad range of functions developed by Credit Saison in its quest to become a comprehensive life services group with our retail banking functions, I felt we would be able to create a business model that was better able to eliminate the disadvantages faced by our customers over a broader range of their everyday lives. Another reason I decided to form the alliance was because I was certain that working together would allow us to provide new added value to both our own customers and those of Credit Saison, and that Credit Saison would serve as a partner in aiming to achieve growth for both companies.

The most important aspect to succeed with this new business model that combines a bank and a non-bank is building a relationship of trust between the two companies. I also feel it is important to facilitate open communication at different levels and between different fields, not just at the executive officer level, as is typical. We have already initiated steps to dispatch employees between the companies and to engage in personnel exchanges between departments for this reason. And I have heard from our employees that they have found it easy to discuss matters because the two companies have similar corporate cultures, that they have been stimulated in a positive manner, and that new ideas will likely emerge. I therefore intend to continue creating forums where employees can speak informally and openly with each other and to deepen this relationship so that we can stimulate each other, grow together, and provide new added value to our customers.



**Kosuke Kato**

Suruga Bank Ltd.  
Representative Director and President



## Global Business: Interview with the Director in Charge

### Focusing on the global rollout of the successful business model we created in India, growing profits and ensuring financial inclusion for all



**How is the progress of the growth strategy “Accelerate Global Business Development”?**

In April 2022, we established our International Headquarters (IHQ) in Singapore. FY2022 was a year in which we took a big step forward, particularly in the globalization of our core lending business. In addition to Vietnam, which has always driven our contributions to profits, we have seen surging growth in our post-pandemic business in India. Given the successes in India, we leveraged the business model we built and established our presence in Brazil and Mexico where, similar to India, there are large Fintech ecosystems. In Indonesia, we acquired JULO, a company specializing in digital lending, as an affiliate company to grow our lending business in the market.

As far as our core investment business is concerned, the investments we made at an early stage approximately ten years ago have appeared as a major gain on investment valuation. However, the current global business environment for venture investment has cooled due in part to uncertainty about the macro environment, including rising interest rates. Based on this, we are currently taking a more selective focus to our venture investments but continue to be committed to our focus of backing founders in the seed and early stage who are solving important problems. We remain on lookout for businesses which are synergistic with our lending business and building networks in each market.



**Tell us about the initiatives being undertaken for operations in India, which is experiencing rapid growth.**

Upon first entering the Indian market our business model was BtoB or BtoBtoC. By focusing on lending to underserved individuals and micro, small, and medium enterprises (MSMEs) through partner Fintech players and emerging lenders, we have kept risks associated with credit and collection to a minimum. As a result of having raised our local presence, we accumulated a vast amount of data and knowledge, and this has led to more business opportunities than ever before. Therefore, in FY2023, in order to scale up the business, the B-to-C model was launched, taking the existing risk-diversified business model to the next level. For individual customers, we offer an embedded finance\* service in partnership with non-financial companies with a big customer base. Our lending products are embedded in their app, and we built our capability in managing credit and collections in-house. In addition, we are also developing lending for MSMEs. In order to effectively communicate with MSMEs, we have implemented a ‘phygital’ strategy since FY2022, which integrates both digital and physical domains. This strategy leverages our extensive network of approximately 40 branch offices established throughout India. We are confident that this approach will allow us to better serve our clients and meet their needs.

\* A system in which a company's financial services are embedded within the services provided by non-financial businesses and offered to end users; also known as “plug-in finance.”

### Kosuke Mori

Director, Senior Managing  
Executive Officer  
Overall Global Business execution  
Head of Global Business Division



**Q | What are your thoughts on the factors behind growth in the global business?**

Our lending business has grown even while responding to the rising cost of funding amidst escalating interest rates and regulatory changes related to Fintech. The main reason for this is the strength of the local team, which is able to think and act on its own, and IHQ and Credit Saison that support it. Talented young professionals in the local teams are actively engaged in the business with a sense of ownership, as if they themselves were business entrepreneurs. Enabling us to achieve the maximum potential of such our people is the existence of our unique DNA and culture, which encourages people to think while moving forward without fear of failure. Moreover, the IHQ and Credit Saison both work together like two sides of the same coin, providing a strong foundation to support the business in areas such as finance and accounting, legal affairs, business development, and governance. In addition, one of our strengths is the nimble decision making of our management team, which was able to give the go-ahead to enter Brazil and Mexico a mere half year after commencing a full-scale market survey, and despite us making initial inroads into India.

Even though we consider the expansion of our global business in the face of high interest rates and rising geopolitical risks as a major step forward, we cannot rest on our laurels and must continue to strive for success. Whether we can scale up our business with BtoB and BtoC business models, and whether we can expand it globally will be judged after FY2023.



**Q | Please tell us about your business strategy going forward.**

We are confident that our global business will significantly grow, both through lending and investment business. We will pursue business expansion through our subsidiaries in India, Brazil, Mexico, and Indonesia. In our lending business, there are few synergies expected by operating in geographical proximity to each other. This is because each country has a completely different business environment. In Southeast Asia, for example, languages, cultures and ethnic groups are diverse, and the level of development of regulations, business licenses and infrastructure, including digital infrastructure, varies from country to country and region to region. Therefore, we focus on selecting regions to enter based on the scale of their Fintech ecosystem rather than geographic conditions. We will continue to examine potential countries to expand our business all over the world, including Africa, Latin America, Central Asia, and Eastern Europe. In addition, the most valuable resource needed to expand the global business is human resource. Going forward, we will continue striving to retain outstanding human resource.

**Q | Please tell us your thoughts on contributing to the SDGs through financial inclusion.**

Our business contributes directly to financial inclusion and creating employment opportunities, which are themes under the SDGs. As a non-bank company, we are different from typical impact investment funds in that we are an operating company with local roots, committed to the market from a long-term perspective and engaged in investment and lending. In the fall of 2023, we published our first Impact Report from our IHQ to broadly inform the public about our efforts. We continue to contribute to society by further promoting financial inclusion.

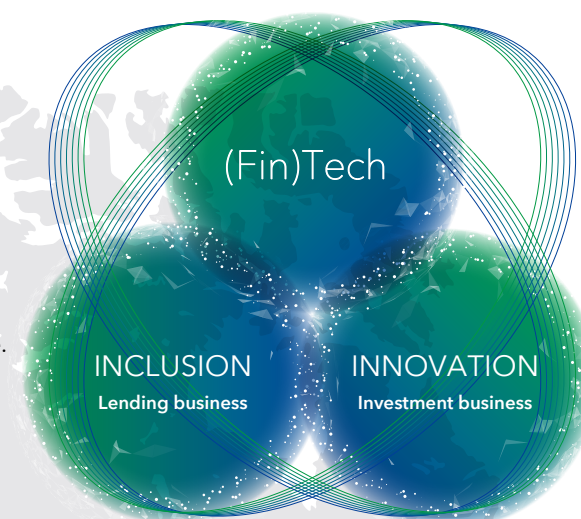
# Accelerating Global Business Expansion

## Accelerating Global Business expansion

Credit Saison is expanding its global businesses mainly in Southeast Asia and India, focusing on core enterprises are lending and investment. In addition, we established lending subsidiaries in Brazil and Mexico in FY2022, bringing the total number of countries where we operate to seven. In the lending business, we work on realizing financial inclusion through lending to the underserved\*, and in the investment business, we pursue returns while at the same time creating synergies with existing businesses through investments in startups by our corporate venture capital (CVC) in Singapore.

We keep contributing to the company's growth by accelerating the expansion of global business driven by our IHQ in Singapore.

\* Individuals and enterprises with insufficient access to financial services from banks and other traditional financial institutions



## (Fin)Tech-led INCLUSION and INNOVATION



## Accelerating India business

Kisetsu Saison Finance (India) Pvt. Ltd. (hereafter, Credit Saison India) engages in the lending business for the underserved in India and has achieved remarkable growth since the launch of its operation in 2019.



### Deploying multifaceted businesses through four business models

Credit Saison India is rolling out multi-product, multi-vertical strategies based on four business models. As of September 30, 2023, it saw its balance of receivables grow to approximately ¥150 billion and its consolidated contribution to profit in the first half of the fiscal year steadily expand to ¥910 million, making it the primary growth driver for the global business.

#### Wholesale

Lending to Fintech players, emerging lenders, and other non-banks.

They are in charge of whole process of lending to end-borrowers, from acquiring end-borrowers to collecting.

#### Partnership lending

Lending through partnerships with fintech players. Credit Saison India provides loans to end customers and holds credit balance.

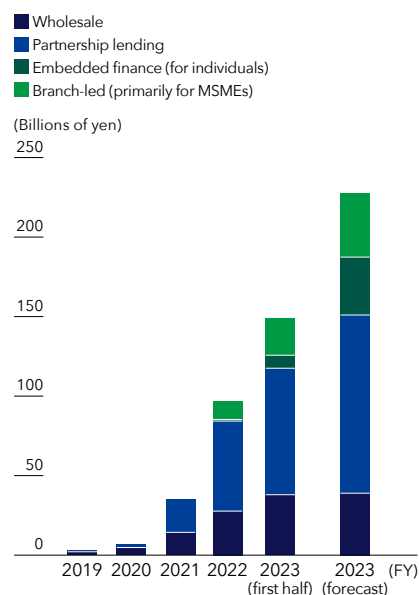
#### Embedded finance (for individuals)

Lending through partnerships with non-financial companies. Credit Saison India services are embedded in apps offered by companies who have a big customer base such as mobile telecom carriers, etc.

#### Branch-led (primarily for MSMEs)

Direct lending, primarily to MSMEs. Utilizes branches throughout India as sales offices.

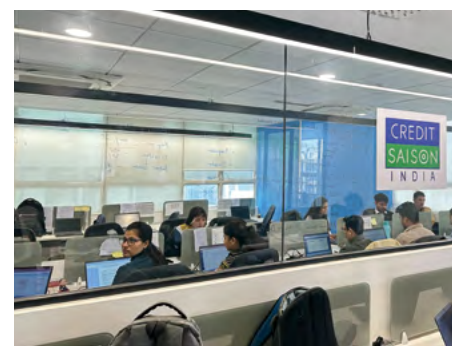
Changes in the balance of receivables held by Credit Saison India



### Toward a further leap Business strategy

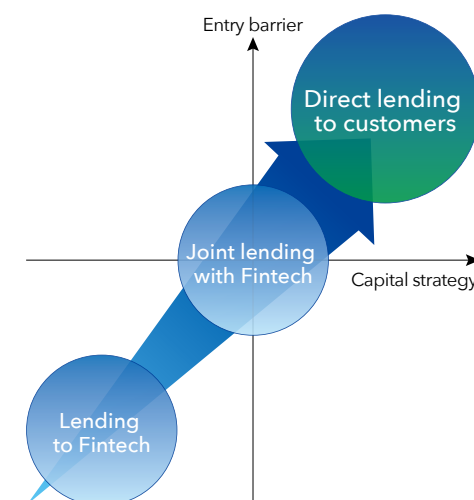
Through lending based on partnerships with Fintech players and others, Credit Saison India has been building its business foundation while acquiring data and knowledge. In 2021, it launched direct lending services based on this experience, and has since offered strategic initiatives such as embedded finance and branch-led lending tailored to customer types.

And it continues to differentiate itself from its competitors by diversifying its businesses and to take on the challenge of high profitability business models.



Credit Saison India has opened 40 branches throughout India

### Stepped strategy from BtoBtoC to BtoC



### Capital strategy

Credit Saison India raises strategic financing in order to support rapidly expanding business and to ensure advantageous interest rates.

Credit Saison India received a AAA rating from Care Ratings, an Indian rating agency, in March 2022, and a AAA rating from CRISIL Rating, one of the largest ratings in March 2023. To date, it has borrowed from 28 financial institutions, including top local banks. Moreover, it issued Credit Saison's overseas subsidiaries' first bond(Non-Convertible Debentures) last August, and it has steadily been growing while gaining the trust of local markets.





### Credit Saison India CEO's interview

## Becoming a lending powerhouse in India



### What are some of the initiatives and secrets that Credit Saison India has adopted to achieve its goals since its establishment?

We think "Execution" is a key in company's operations and business. With this in mind, putting together a core team that can execute the planned roadmap is one major factor in our success. At the senior management level, we have a great team who have been able to work together to operationalize all areas that are needed for a regulated NBFC to operate in India and scale up the lending business while ambitious but in a resilient manner.

Now coming down to how we have been able to execute this, I believe OKRs (Objective and Key Results) have played a very critical role here to enable this. OKRs serve as a method to set specific objectives to be achieved over a certain time period, present and measure quantitative results. We have streamlined our OKR process a lot over the years and we now have it in a state whereby it's a very clear structure on what we need to do across all of our business verticals quarter on quarter and helps align various teams across all functions and verticals. OKRs have allowed us to have cross collaboration across teams with a clear visibility of what each function needs to do in order to enable our goals. In a nutshell, Execution is King! But using OKRs to Execute is God!



### What is your strategy for future growth?

The vision of the business as we got started was to build out a neo-lending conglomerate in India. While many of other new age NBFCs are a mono line lending company, we see ourselves as a multi-product, multi-vertical company. We have ensured continued growth by committing to building a business with the right foundation. With the right and optimal capital strategy both from an equity (eg IPO) and debt perspective, our aim now is to go beyond just building out a neo lending conglomerate and become a diversified lending powerhouse here in India.



Presha Paragash CEO (left)  
Kisetsu Saison Finance (India) Pvt. Ltd.



### Beyond Asia to Latin America

Credit Saison established subsidiaries in Brazil in February 2023 and in Mexico in March 2023, thereby marking our successful entry into Latin America. Both countries have the underserved who lack sufficient access to financial services. while both have recently experienced rapid development in infrastructure (Fintech ecosystem), partly due to government support. Based on the knowledge and experience acquired through our business in India, Credit Saison will provide financial services tailored to the local needs with the aim of realizing financial inclusion in Latin America.







Actively promote local talented resource



### Investment Business: CVC

Saison Capital Pte. Ltd., Singapore-based CVC entity, have continued to actively invest in early-stage startups in India and Indonesia. Saison Capital has led and participated in investments across fintech, business-to-business commerce and e-commerce. Moreover, in September 2022 we established Saison Crypto Pte. Ltd.. which has also led and participated in investments across real world assets, decentralized finance and web3 developer tooling.



Saison Capital member speaking on a panel for the Asia PE-VC Summit 2023

### Web3 domain investments (examples)









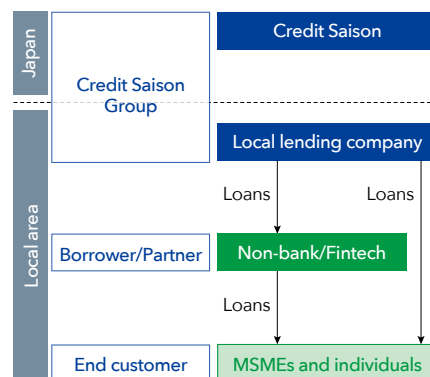
## Publishing the Group's first Impact Report

In November 2023, we published our first Impact Report for the Group by Saison International Pte. Ltd. Saison International formed a dedicated team led by members who have experience and knowledge of impact, and instilled the concepts of ESG and impact across the global business to maximize the generation of positive impact.

### Impact investment goals and business models



Credit Saison provides loans to the underserved in emerging countries through Singapore-based Saison Investment Management Pte. Ltd. as well as other lending subsidiaries.



### Feedback from service users

The mother of two children, Ms. Sophanaren opened a clothing and accessory shop five years ago.

"Although I had applied for loans at various financial institutions in the past, I never passed the screening process. So, the loan I received from MAXIMA Microfinance (a borrower of Saison Investment Management) was my first, which allowed me to increase my purchases."



Phat Sophanaren (resident of Cambodia)

## On Publishing the Impact Report

First of all, we are pleased to publish our first Impact Report and to be a part of this integrated report to share our progress to the stakeholders. This year, the focus has been on defining a relevant ESG and Impact framework for the global business, to date we have been able to implement this for some of our subsidiaries. In the medium term, we wish to complete this process by fully developing and integrating the ESG and Impact lens in all subsidiaries to achieve financial inclusion, that has been at the core of our impact strategy.

In impact investing, it is essential to 'measure' to visualize how much impact has been generated. But some of our counterparties do not necessarily have the data we request them to report. This means we constantly need to raise awareness and adapt to the reality of our business, and we try to improve impact data collection efficiency, hopefully in more automated way. Besides, measurement is not all. Once we get the necessary data, one critical aspect of our job is to increase our impact and incentivize our partners to do a better job, e.g. in putting in place the necessary policies and procedures to mitigate their negative impact on the environment or to better protect their customers. Other than Financial inclusion, Climate has been a hot and emerging topic over the past years, and we believe there is room to increase our contribution and demonstrate our sense of innovation in this area as well.

Last but not least, Saison International has expanded its mandate, geographical footprint and team over the past years. Our assumption is that this should translate into increasing positive impact, however, if we are not careful it could also potentially increase vulnerability to environmental and social risks. Today, we are trying to strengthen our capacity to measure and demonstrate our contribution to positive impact but also our internal capacity to manage and mitigate our potential negative impact. By strengthening both capacities, we hope it will contribute to Credit Saison's growth and strategic positioning in Japan, and globally.



Marie Anna Bénard  
Head of Impact  
Saison International Pte. Ltd.

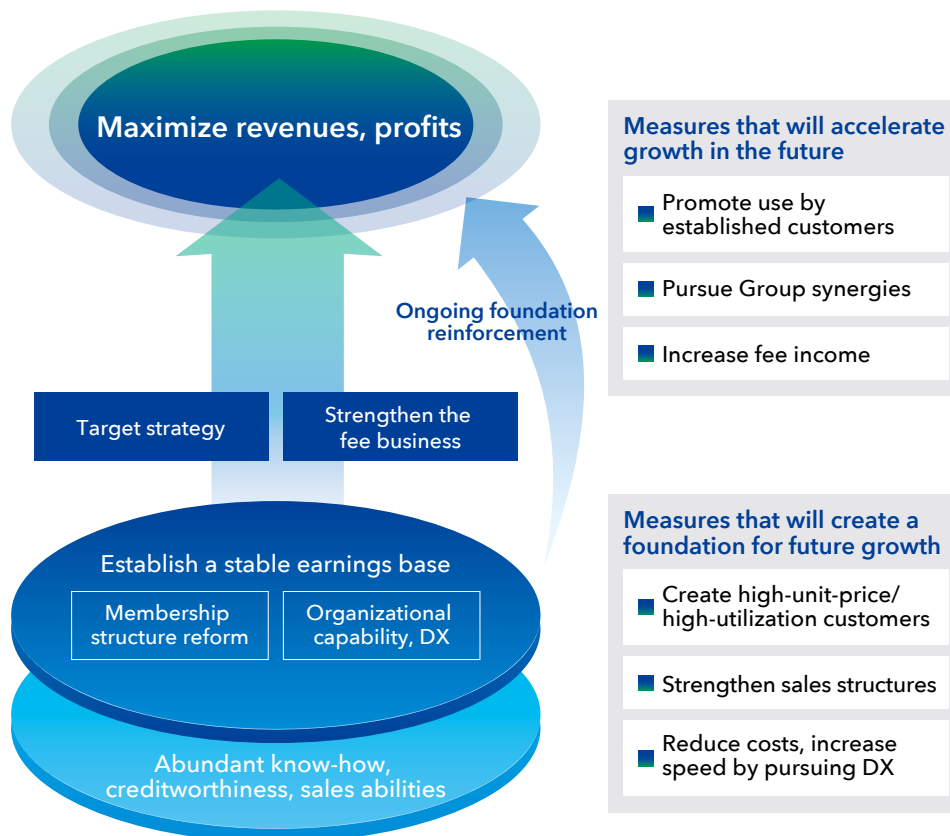
► Click here for the Impact Report (English version) visit: <https://saison-international.com/impact/>



# Revitalization of the Payment Business

## Payment Business strategy basic concepts

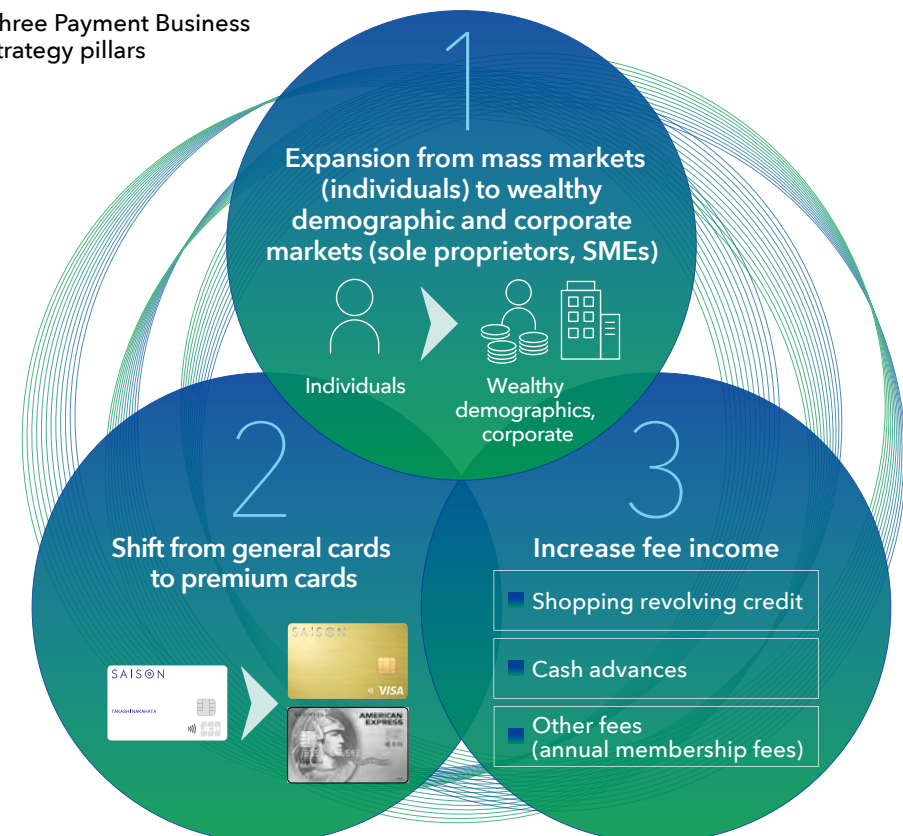
The Payment Business is developing strategies aimed at expanding the wealthy demographic and corporate markets, shifting to premium cards, and increasing fee income. We are making steady progress in the “New GOLD Card Strategy” and “AMEX Strategy” in the current Medium-term Management Plan, cultivating high-unit-price/high-utilization customers, strengthening sales structures, and reducing costs through DX.



To accelerate this growth, we will first strive to “create an exhilarating experience” and “provide a comfortable cashless lifestyle” for customers in their daily lives, thus retaining new customers and turning them into active users. At the same time, we will work to expand fee businesses such as shopping revolving credit and cash advances.

We are working to maximize revenues and profits by establishing a stable earnings base that will serve as a foundation for growth, leveraging the abundant know-how, creditworthiness, and sales abilities we have cultivated to date.

## Three Payment Business strategy pillars

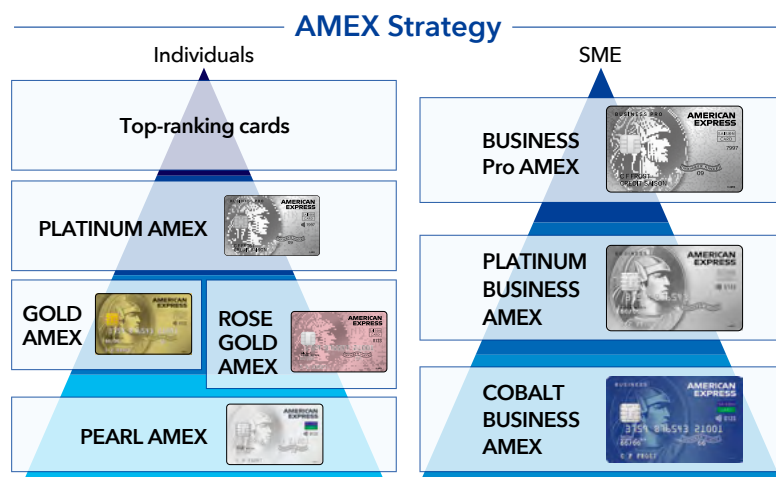




## Payment Business strategy in the current Medium-term Management Plan

To revitalize the Payment Business, we are acquiring customers such as individuals, SMEs, and those in wealthy demographics through the AMEX Strategy and promoting the use of premium cards as their main cards through the New GOLD Card Strategy. We are encouraging a wide range of individual customers gained through cards with no annual fees to upgrade to premium cards, with the aim of them adopting premium cards as their main cards to increase the per-customer spend and annual spending. In the corporate field, we are developing cards for SMEs and wealthy demographics.

### Establish a new model centered on the "AMEX Strategy" and the "New GOLD Card Strategy"



### Promote cards to be used as a main card with the new royalty service SAISON GOLD Premium Card

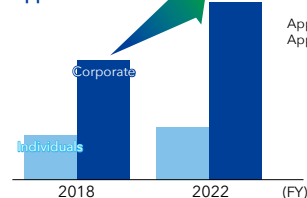


### Expansion of wealthy demographic and corporate (sole proprietors, SMEs) markets

#### Shopping spend per customer

Corporate market  
approx. 3.5x larger than individual market

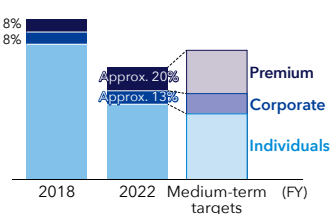
Approx. 20% rise



#### New issuance breakdown share

2018 ▶ 2022 (FY)

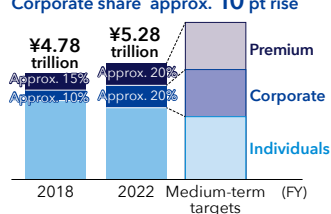
Wealthy demographic (premium)  
approx. 12 pt rise  
Corporate share approx. 5 pt rise



#### Shopping transaction value breakdown share

2018 ▶ 2022 (FY)

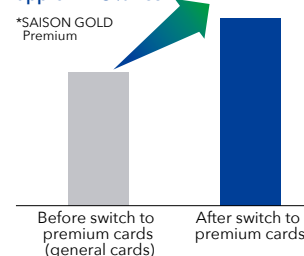
Wealthy demographic share  
approx. 5 pt rise  
Corporate share approx. 10 pt rise



### Shift to premium cards

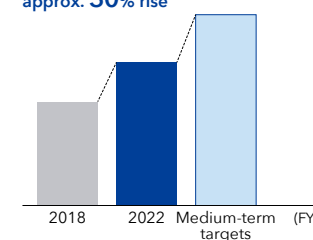
#### Unit price around the switch to premium cards

Unit price around the switch  
(annual average)  
approx. 40% rise



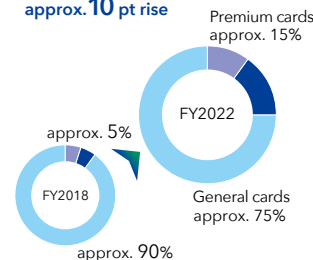
#### Share of members who spend more than ¥1 million annually (individuals, SMEs)

2018 ▶ 2022 (FY)  
approx. 30% rise



#### Cardholder composition ratio

Premium card share  
approx. 10 pt rise



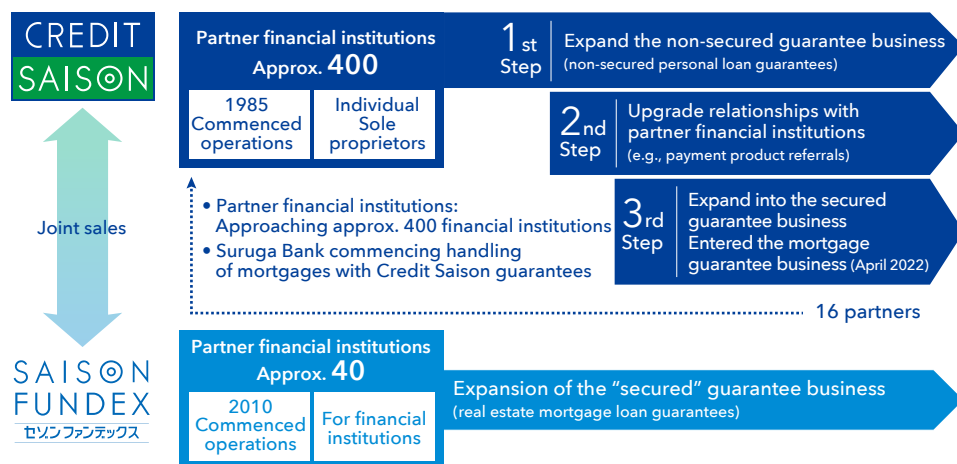


# Promotion of Healthy Growth and Expansion into New Fields for the Finance Business

## Key initiatives in the Finance Business

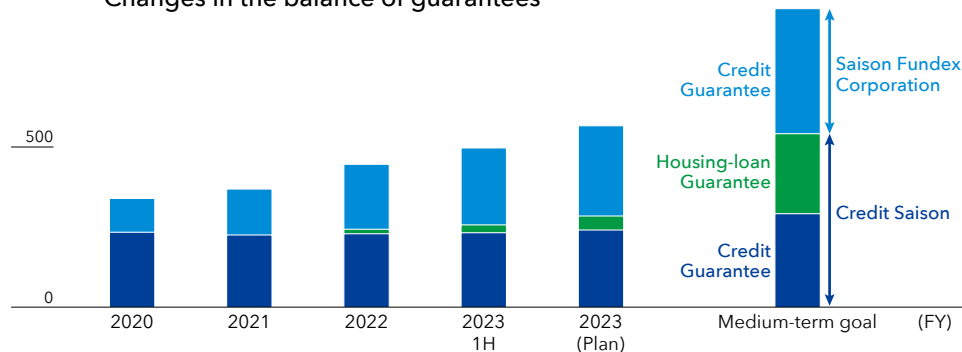
### Expansion of the Guarantee Business in the Secured Area

While focusing largely on the unsecured area to date, the Company is working to expand its business domain and bring it to a further growth phase by entering the secured market. Building on our collaboration with Saison Fundex Corporation, a company that entered the credit guarantee business in 2010, we will expand guarantee business activities in the secured field.



(Billions of yen)  
1,000

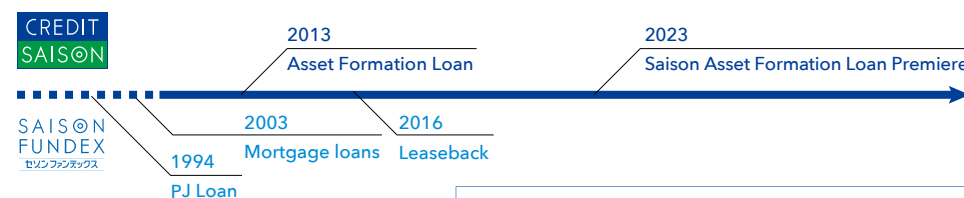
Changes in the balance of guarantees



### Growth of the real estate finance business

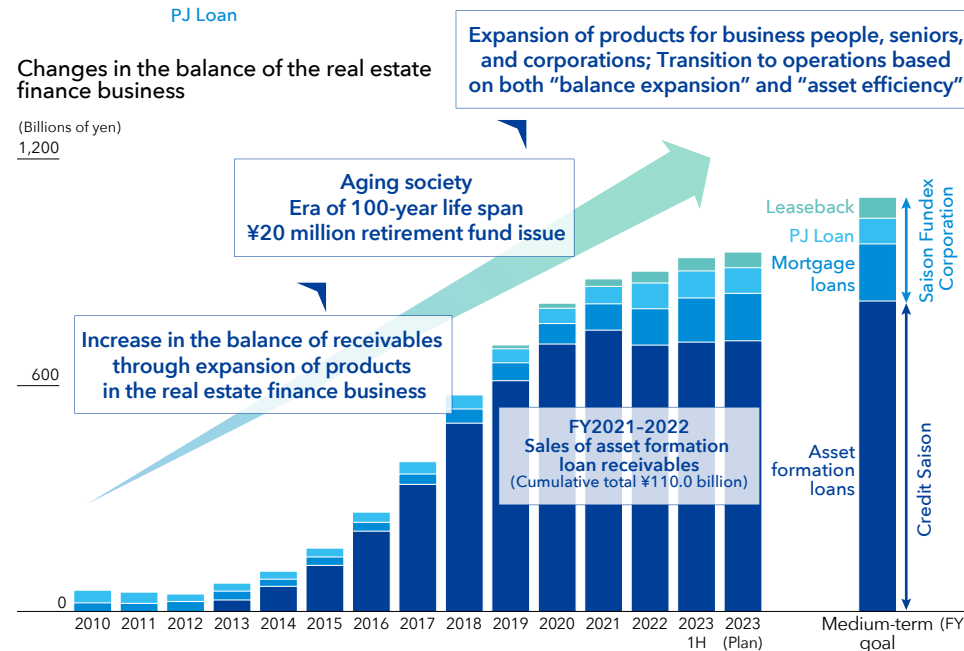
We are steadily expanding the real estate finance business by implementing a variety of measures, including efforts to expand products for business people, seniors, and corporations. We are working toward further growth together with Saison Fundex.

#### Expansion of products in the real estate finance business



#### Changes in the balance of the real estate finance business

(Billions of yen)  
1,200



# Integrating the Finance Business and the Payment Business

## Growth of the rent guarantee business

In FY2022, younger age groups in their 20s and 30s accounted for a large part of enrollees, with approximately 55% of customers being in their 20s. By creating a route through which credit card rent payments serve as the trigger for transitioning to use as a primary card, this effort helps to attract customers with high Life Time Value (LTV).

To further promote this initiative, we revised the organization in October 2022 to reposition the Rent Guarantee Department as part of the Payment Business Division instead of the Finance Division.

## Rent guarantee as an effective channel for attracting new customers

Centered on young customers in their 20s and 30s

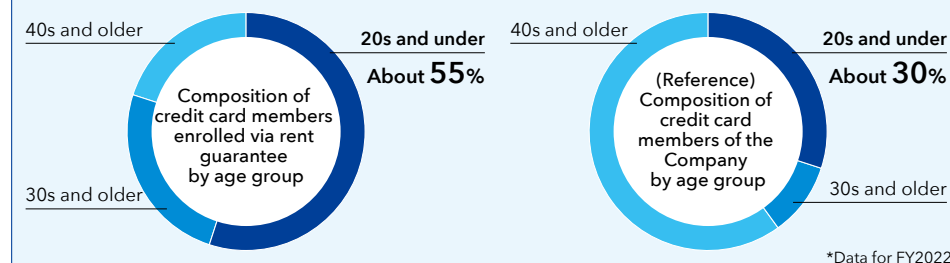
Attract a younger customer base

Long-term engagement through transition to a primary card

## Attract members with high LTV

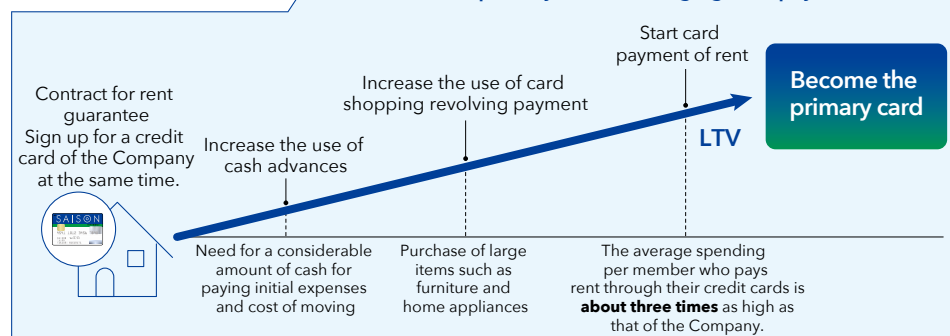
### Retention of young people

The ratio of those in their 20s and younger enrolled for our credit cards via rent guarantee is about double those enrolled for our credit cards.



### Become the primary card

Grow them into primary cards leveraging card payment of rents.



## Growth of the rent guarantee business and DX promotion

Because Credit Saison advanced DX for the rent guarantee business at an early stage, we have been able to roll out this business through a combination of paperless operations and automation, thereby allowing us to deploy it without investing human resources even as operational volumes have expanded.

## Application of DX to the rent guarantee business

Improve business efficiency through integrating rent guarantee screening into credit card screening and the shift of business processes to DX.

Integration into credit card screening

Shift to paperless operation

Digitization of manual work

Speed up screening



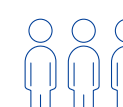
Expand the number of new customers

Improve operational efficiency



Increase processing volume per person

Reduce labor costs



Optimize the number of personnel

# Human Resource Strategy: Interview with the Executive Officer in Charge



**Kazue Yasumori**

Managing Executive Officer  
Head of Strategic Human  
Resources Dept., Processing  
Business Division,  
General Manager,  
Processing Business Division

**While taking advantage of each and every person's individuality and strengths, realizing "a sustainable society that is even more convenient and prosperous than today's"**



**Credit Saison has adopted the goal of strengthening the capabilities of the human resource responsible for business growth under its current Medium-term Management Plan. What is the Company's definition of "professional human resources"?**

The term "professional human resources" refers to employees who deeply cultivate areas of specialization and employees who newly cultivate areas covering a wide variety of the business. While refining existing products and services based on global trends and customer feedback, those employees who can deeply cultivate areas of specialization play an important role that can grow one into 10, 10 into 100, and can sometimes lead 100 to 0. In contrast, those employees who can newly cultivate areas while experiencing a wide variety of business fields are playing a valuable role in creating one from zero, regardless of the form of existing products and services. In both cases, it is necessary to cultivate a high level of perspective and broad outlook that enables the employees to achieve the results required by management strategies while being aware of their strengths, aspirations, and social conditions.



**Please tell us about the main goals under the current Medium-term Management Plan that are geared toward the Company's transformation into a comprehensive life services group as well as the progress made, the degree of achievement, and the challenges you are facing in that transformation.**

To play a part in "a sustainable society that is even more convenient and prosperous than today's," we need employees from diverse backgrounds with a variety of experiences, ways of thinking, and work styles to play active roles. Employees with a sales mindset who realize digital thinking based on logic and a focus on customer satisfaction are essential for creating a new Credit Saison. With the goal of creating 1,000 human resources who possess digital IT skills by FY2024, we will have trained a total of 260 core and business human resources with

digital IT skills at the Technology Center by FY2022, and will focus on developing human resources skilled in digital IT through collaboration between the Technology Center and each business division in FY2023.

I also believe that it is necessary to promote female employees and mid-career employees to management positions so that diverse human resource possess the ability to make decisions. In FY2022, the percentage of female managers (i.e., general managers and managers) was 24.9%, which is not low by any means. However, because the ratio of female managers is insufficient compared to the overall ratio of female employees in the Company, I would like to take new initiatives to give all employees the opportunity to take on positions with decision-making authority.



**What is the particular focus of your human resources strategy under the new Medium-term Management Plan to be announced in May 2024?**

There are three ideas that we are focusing on for our human resources strategy under the new Medium-term Management Plan. The first is "strengthening the creation of professional human resources for deep and new business cultivation." Next, in collaboration with business divisions, comes "Human Resource Business Assist," the building of personnel functions by means of specific initiatives based on the characteristics and issues of the business divisions. Finally, there is "diversity based on work-life fullness."

We will continue to address the creation of professional human resources—for example, by expanding opportunities for dialogue in the selection process for our internal open recruitment system, which we refer to as open challenge, revising the assessment program with an emphasis on diversity, and strengthening the mid-career recruitment of human resources who possess specialized knowledge—while revising our operations and standards.

In the building of business division personnel functions, we will assign human resources to concurrently serve in the Strategic Human Resources Department and at business divisions. This comes in response



Achieving sustainable growth  
and improving corporate  
value through sound  
corporate management



Creating human resources  
and an organization where  
each person can fulfill an  
active role in their own way



Protecting the rich natural  
environment and culture that  
enriches life, and energizing people  
in the region and community



to the situation where issues such as recruitment, training, labor, organizational revitalization, and reassignment vary depending on the business division, and responding with uniform operations and systems is beset with difficulties. By understanding the actual situation in more detail and attempting to resolve issues, we aim to become an entity that can ultimately assist in the growth of the business division from a human resources perspective.

The term “work-life fullness” means bringing about fulfillment both for the Company and yourself, at work and at home, rather than just one or the other. We design systems and create environments to not only accommodate diversity in terms of attributes, such as gender, age, disability, and nationality, but also to bring about fulfillment in a variety of life stages as individual people. For example, employees have periods of time away from work for reasons such as childbirth, childcare, and nursing care, and the Company has put in place leave systems for these purposes. If, however, employees wanted to leave the Company to acquire skills or expand their knowledge, their only option was to quit. We are thinking of a system that will change this common practice and allow them to return as valuable assets to Credit Saison.

**Q** | **Following on from 2017 and 2022, the Company made further revisions to the personnel system in April 2023. Please tell us about the aims of those revisions and about any initiatives that have been particularly successful.**

With the aim of enabling every employee to utilize their individuality and strengths to take on challenges without fear of failure and to allow failure as an organization to lead to growth, we have renewed our human resource systems on two occasions. We unified employee categories, organized grade categories, introduced an assessment program, and created a new career path called a specialist position, which is equivalent to a manager. The number of people being promoted to specialist positions is increasing, probably because they have been able to recognize their own areas of strength after having attended the assessment program and demonstrated results.

As career paths were previously limited to manager positions primarily in the management field, I think this was a great source of

anxiety for employees who were unable to envision their future careers even after having cultivated their specialist fields. It is my belief that having achievements in their own areas of expertise recognized and then having them proceed to the next step will produce significant results for both our employees and the Company.

In April 2023, we expanded the eligibility conditions for taking the assessment program and made revisions that required applicants to apply voluntarily. Because autonomous career development is essential for utilizing the diverse career paths provided by the human resource system, we have revised the course with the aim of encouraging participants to take on challenges on their own initiative and, even if they fail, they can understand the important points and aim for the next step.

Initiatives such as study sessions and roundtable discussions with experienced people have expanded in FY2023 to encourage participants in each business division, and I feel that the vertical and horizontal connections that go beyond work have become stronger.



A photo taken when participating in the “SAISON CAMPUS” company cafeteria renewal project that led to the creation of opportunities for dialogue.

**Q** | **As the strengthening of human resource gains in importance, what kind of initiatives do you have in mind for Credit Saison going forward? Also, please tell us what you expect from your employees.**

I would like them to have many conversations with people they have never had contact with before, both inside and outside the Company. Nowadays, this or that effect, such as time or cost performance, is being talked about, but I would like them to have the opportunity to come into contact with and understand many values without being limited to short-term effects. To build “a sustainable society that is even more convenient and prosperous than today’s,” we will need the ability to discern the true nature of things and the ability to think of ways to satisfy diverse values. I would like to create a new Credit Saison together with employees who are able to learn things they didn’t know, think for themselves, come up with answers, and take action without being confined within individual team, or company boundaries.

# Human Resource

## Human resource strategy designed to realize management and business strategies

Since its establishment, Credit Saison has, in the face of various difficulties, continued to view people as the source of its value creation while taking on challenges as a leading-edge service company. Aiming for a “sustainable society that is even more convenient and prosperous than today’s,” for the very reason that we have now adopted “transforming ourselves into a comprehensive life services group” in our medium-term management vision, we are making active investments in human resource. These investments are based on the idea that “career advancement and a willingness to face challenges on the part of professional human resource who continue to create new value” are what drives value creation to realize management strategies centered on the three points of focus of our human resource strategy. That three-point strategy—management, business, and human resources—forms a whole, and we will continue to create value that is unique to Credit Saison.

**A sustainable society that is even more convenient and prosperous than today's**  
**Transforming ourselves into a comprehensive life services group**

A group of professionals who continue to create new value

Setting human resource KPIs,  
measuring the level of awareness and  
effectiveness of human resource policies

Implementing effective, engagement  
survey-based human resource policies

### Three points of focus

Creating environments  
in which diverse human resource  
are able to leverage their individual  
strengths and play active role.

#### 1 Career advancement of diverse human resource

- Strengthening of mid-career recruitment
- Creating environments that make the most of individuals
- Work styles unconstrained by age or company career
- Gender equality
- Hiring of people with disabilities
- Global synergies

Fostering an  
organizational climate that  
enables the taking on of  
challenges and allows failure

#### 2 Corporate culture to embrace challenges

- Open challenge (Group-wide recruitment system)
- FOC promotion meetings
- NEXT SAISON
- SWITCH SAISON
- Fostering a willingness to take on challenges

Supporting education for  
human resource who learn/  
grow independently

#### 3 Proactive learning/growth

- Assessment programs
- Diverse training programs
- Support for gaining qualifications
- Support for career self-direction

Workplace environments that  
support the success of employees

#### 4 Health management

Employees Materialities for sustainability

Creating human resource and an organization where  
each person can fulfill an active role in their own way

## Initiatives designed to realize corporate value creation

Credit Saison's Human Resource and Culture RESOURCE	Points of Focus/Main Initiatives INPUT/ACTION	FY2022 Initiative Results OUTPUT		Value Creation OUTCOME
		FY2022 Actual	Targets	
Diverse human resource	1 Career advancement of diverse human resource	Strengthening of mid-career recruitment	Mid-career recruitment 110 people up 59.4% YoY	A comprehensive life services group that helps to resolve the world's problems
		Recruitment training of digital savvy human resource	No. of human resource with digital technology backgrounds 260 up 73.3% YoY	
		Promotion of DE&I	Ratio of female managers 24.9% up 1.6 pt YoY	
		Diverse work styles	Ratio of eligible employees taking childcare leave Female 100% Male 58.5%	
Meritocracy free from age, gender, or educational attainment bias	2 Corporate culture to embrace challenges	Fostering a willingness to embrace challenges	Internal recruitment entrants 180 people Appointees 55 people	A comprehensive life services group that helps to resolve the world's problems
			NEXT SAISON Results 10 projects in progress, 5 projects under consideration	
DNA of facing challenges and initiating reforms	3 Proactive learning/growth	Education system restructuring/ reskilling	Amount invested in human resource development ¥137,000/person up 8.4% YoY	A comprehensive life services group that helps to resolve the world's problems
Common personnel system for all employees	4 Health management	Mental health measures	Ratio of employees who have undergone a stress test 89.9%	A comprehensive life services group that helps to resolve the world's problems
		Countermeasures to lifestyle-related diseases	Ratio of employees who received regular health checkups 100%	

\* Planning to quickly achieve targets set under the action plan (FY2022-2024) and to set new target values

## TOPICS Introduction of engagement survey

With the aim of each organization making self-directed organizational improvements and implementing effective human resource measures, we introduced an engagement survey for all employees in December 2023. We will continue to review and implement effective measures to revitalize the organization and human resource while closely monitoring employee engagement.

## Career advancement of diverse human resource

We believe that innovation is brought about by bringing together human resource who possess diverse personalities, strengths, and values, including in terms of age, gender, disability, nationality, lifestyle, career, and work style. Valuing the spirit of DE&I, we are working to create environments in which everyone can fulfill an active role in their own way.

### Strengthening of mid-career recruitment

To achieve our Medium-term Management Plan, we are mainly promoting the mid-career recruitment of professional human resource to ensure diversity in knowledge and experience as well as to break the mold of homogeneity. To accelerate the realization of our business strategies, we are creating synergies with members with different abilities. We have also put in place a rework entry system that allows members who, due to various reasons, were unable to continue working and left to rejoin the Company under the same conditions as when they left, subject to certain conditions. In response to changes in the labor market, we aim to secure ready-to-work human resources who can play active roles in our company.



### Creating environments that make the most of diverse individuals

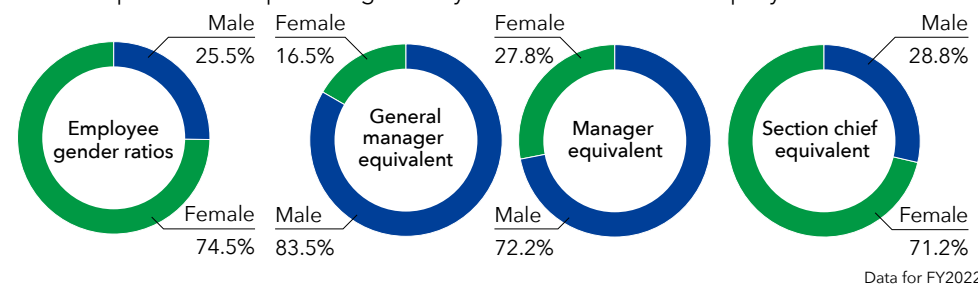
To provide comfortable working environments for human resource who possess diverse experiences, skills, and values, we have put in place systems that enable flexible work styles, such as side jobs, telework, and flextime. Having also revised the compensation system for specialized human resource, we are creating a multi-track career path, such as creating a new career path called specialist position that is equivalent to a section manager position, and promoting the creation of environments in which employees can make the best use of their individual strengths and skills. We have also introduced a peer bonus system that allows employees to express their gratitude and foster a culture of recognizing each other's achievements.

### Work styles unconstrained by age or company career

In 2017, we introduced a common personnel system for all employees and thereby realized equal pay for equal work. This has eliminated disparities in wages and systems based on employee classification and age, while providing compensation based on the role played. We are continually creating a culture and environments in which each individual, regardless of age or career history, can fulfill an active role in their own way and create new value.

### Gender equality

Having respected diversity since the 1980s, Credit Saison has introduced a personnel system that maximizes the abilities of each and every employee. With regard to promoting women's empowerment, we believe that one of our key strategies is for female employees, who account for more than 70% of our employees, to play roles in which they can have a say and contribute to the Company, and we aim for the ratio of female managers to reach 25% by FY2024. To achieve this, we are implementing a variety of initiatives, including holding seminars to support the balance between childcare and work. We are also working to increase the number of male employees taking childcare leave, such as by holding roundtable discussions for male employees involved in childcare. In addition to fostering a workplace culture in which everyone can participate in childcare regardless of gender, we are encouraging women to continue working by sharing the balance of childcare and housework with their partners while promoting work-style reforms across the Company as a whole.



### Employment of people with disabilities and environment creation

So that employees with disabilities can continue to be active in their own unique ways, we provide a variety of work locations (e.g., assignment to various divisions, ubiquitous office teams that cut out and consolidate administrative tasks, Saison Farm indoor farms) tailored to individual characteristics and skills, and are working to improve such work environments. We are also strengthening initiatives to support their retention, including workshops to deepen the understanding of disabilities and interviews with employees with disabilities, the employees working with them, and their supporters.

## ■ Creation of global synergies

At our overseas bases, we recruit members of various nationalities with a focus on local hiring and are promoting local business operations under the leadership of local talent by appointing local talent to our management teams. In addition, holding the SAISON GLOBAL SUMMIT once a year and providing opportunities to exchange diverse values, we are working to promote DE&I through, for example, the sharing of details about business activities, religious understanding, and language support.

## ■ Corporate culture to embrace challenges

To provide new value to society as a leading-edge service company, we are fostering a challenge-oriented culture across the organization based on two underpinning factors: a willingness to take on challenges without being afraid of making mistakes and a climate of cooperation with greater psychological safety. The challenges we face in further expanding a corporate culture to provide added backup to employees as they themselves face challenges will continue.

## ■ Open challenge (Group-wide recruitment system)

Based on our management strategies, we are recruiting employees for our focus business fields, new businesses, and Group companies. In FY2022, 30.6% of those employees who volunteered for recruitment postings were transferred to their desired departments, where they are now taking on challenges and playing active roles in new fields, including at Group companies.

## ■ FOC promotion meetings

Giving rise to a flood of communication within and outside the Company, including Group companies, we launched FOC (Full of Communication) promotion meetings in April 2023 to promote activities designed to increase the number of employees we know both inside and outside the Company and to break down barriers to communication. Through four projects, we are aiming to increase speed toward business development by conducting activities centered on all types of communication.

### FOC promotion meeting projects



DonGreen

Employee interaction utilizing Akagi Nature Park



Interceding

Creating work environments through interceding



TGIF

Interactions outside of work that expand the community



Tarekomyu

Smooth internal communication system

## ■ NEXT SAISON

This initiative aims to have executives exhibit leadership and consider the future of Credit Saison together with employees to achieve management strategies. Executives themselves take the lead in promoting a new Credit Saison, including creating new businesses and expanding existing businesses, while involving our employees. This has led to new initiatives, such as the launch of ReSAISON Co., Ltd., which was established in August 2022 and aims to realize a recycling-oriented economy. Through interactions with top management, employees also learn how to think from the perspective of managers.



Scene from a NEXT SAISON activity



## ■ SWITCH SAISON

We have been holding this program since 2019 as an internal venture program to help employees bring their ideas to fruition in a speedy fashion. This program aims to foster a culture in which employees can spontaneously come up with ideas on their own initiative and to improve their skills, encouraging employees to take on challenges. Four out of a cumulative total of approximately 1,000 proposals have been commercialized, and a variety of initiatives created, including SAISON TEACHER corporate lessons financial education program and on-site lessons and employee YouTuber SAISON KAZUYA.

## ■ Initiatives designed to foster a willingness to take on challenges

The Company aims to create an environment in which all employees can take on challenges with enthusiasm and contribute to the organization. Therefore, in April 2023, we reviewed the eligibility requirements for the assessment program, expanded the eligibility, and changed to a candidacy system. We are hoping that this will allow employees to take on the challenges of advancing their careers on their own initiative, thereby leading to further corporate growth.



## Proactive learning/growth

As the transformation of our business portfolio continues, it will be necessary for employees to transform themselves and to establish a culture of self-learning to realize management strategies. Our company supports the learning of each and every employee who is oriented toward self-growth and continuous development.

### ■ Assessment program

In FY2022, we introduced assessment programs for promotions to manager equivalent and section chief equivalent grades. By means of this program, employees clarify those of their own strengths and abilities that need to be developed by visualizing individual abilities, such as problem discovery and interpersonal collaboration, from a variety of aspects. We aim to bring about improvements in the accuracy of skill development and for proactive learning to be encouraged.

### ■ Diverse training programs

	Junior employees	Mid-level employees	Managers	Management
Tiered and role-based skills	Initial orientation training	Promotion training		Resilience training
	Follow-up training (New graduates)	Demonstrated skill measurement program	Management update training	
			Harassment training	
	Skill improvement training		Training for newly appointed managers	
Specialized skills	Specialized skill improvement training			
	Support for acquiring work-related qualifications			
Self-development	Optional training			
	Saison learning			
	DE&I-related training			
	FP literacy improvement training			

### 1. Tiered skill training

We provide training for employees to acquire role-appropriate abilities and skills. Used as opportunities for employee proactive learning and career reskilling, we aim for this training to lead to the growth of employees and the Company alike.

### 2. Specialized skill training

Each division conducts skill improvement training that combines training and practice in its own specialized area, such as sales, finance, digital technology, and customer support, as well as study sessions aimed at gaining qualifications.

### 3. Training for managers

To facilitate the skill development of every employee, it is important for them to have support and encouragement from their superiors. Aiming to provide management with the ability to produce results in difficult circumstances, the Company is providing its employees with opportunities to learn management and ways of thinking to create new value.

### 4. Optional training

We are providing systems that allow every employee to freely choose and attend training programs commensurate with the level of competency they wish to acquire. While making self-learning a habit, we are supporting behavior that promotes the growth of employees and of the Company.

### 5. Saison learning

We launched this in-house tutoring system, which was developed based on a suggestion (NEXT SAISON) from an officer, in June 2022. Designed to invigorate exchanges between employees and spur self-development, employees playing the role of instructor provide in-house classes on various themes including business skills and operational knowledge. To convey gratitude to the instructors, Eikyufumetsu Points can be gifted using a peer-to-peer bonus system.

### ■ Support for acquiring qualifications

In addition to qualifications that are essential for business operations, we also provide support for gaining qualifications that are judged necessary for improving work performance. We help turn employees into professionals by subsidizing the costs of advance learning and examinations to gain qualifications.

#### Examples of subsidized qualifications

Money lending business specialist, Personal information handling specialist, IT passport, Securities sales representative, AML/CFT standard, Financial planner, etc.

### ■ Support for employee self-directed career development

Centered on the career development sheet, a support mechanism is in place that allows employees to think about their careers and take the initiative regarding their future. In addition, supervisors at the department manager level and above gather once a year and hold human resource development meetings to discuss in detail every employee's performance status, aptitude, and training methods, while also taking the wishes of individual employees into account. This has been ongoing since 2019, and we are formulating effective and systematic development plans from a multifaceted perspective and building an organizational structure to support and develop our employees.



## Health management

In the belief that that the realization of our management strategies is based on the health of our employees and healthy work environments, we are striving to create workplace environments in which employees can continue to thrive and are thus promoting a variety of initiatives.

### ■ Resilience Program as an approach to top management

To develop people and organizations that are strong in the face of change in the lead-up to our third founding, we focused on the ability to powerfully lead an organization in times of adversity (resilience) and implemented the Resilience Program for officers. By having

officers set examples worth following; make a habit of enhancing the four vital forces of physical, emotional, cognitive, and spiritual strength; and spread throughout the organization, we aim to have employees continue to work with vigor and happiness.



### ■ Activities to address women's health issues

So that female employees, who constitute more than 70% of all employees, can continue to work in good health, we are implementing initiatives in response to their life-stage changes. In parallel with the development of Femtech (a product and service that uses technology to solve women's health issues), which was proposed by female employees as a new business, we are conducting seminars and internal awareness-raising activities based on the concept of aiming to create workplaces where women can work in a healthy manner both mentally and physically.

### ■ Helping employees to continue working while receiving treatment

Through our Self-Management Assistance Program, we support employees who have been forced to take a leave of absence due to health issues, be they mental or physical, so that they can continue working independently after they have returned to work. The goals and health condition of each such employee are checked at each phase, and their supervisor, an industrial physician, a public health nurse, and the Strategic Human Resources Department work together while supporting the employee during the leave of absence, when returning to work, and after they have returned to work.

### ■ Initiatives to optimize working hours and promote a work-life balance

With the aim of optimizing working hours, employees and their supervisors monitor holidays and leave usage as well as the status of overtime work on a daily basis, while the Time Management Committee, including labor and management, advances initiatives to improve working hours. Having established systems that support flexible work styles, such as hourly paid leave, half-day paid leave, full flex-time, and telework, we aim to enhance and upgrade our employees' work-life balance.

	FY2020	FY2021	FY2022
Average monthly overtime hours worked	9.3	10.1	11.4
Total annual hours worked	1,797.2	1,787.4	1,768.8
Average paid holidays usage rate (%)	72.4	73.5	86.3
Average paid holidays used (days)	13.1	14.0	15.2

# CSDX Strategy: Interview with the Director in Charge



**Kazutoshi Ono**

Director, Senior Managing Executive Officer and CDO, CTO Group-wide DX Strategy, Why SAISON Strategy Head of CSDX Development Dept., Customer Success Division

## Significant progress regarding in-house development and other aspects of the CSDX Strategy

In FY2022, we made significant progress in our CSDX strategy. Although the original scope of our shift to in-house development was centered on software, data analysis, and design, we also recently launched an in-house development team in the area of IT infrastructure. This expansion is allowing us to rebuild our mobile device, network, security, and other systems into modern iterations that are more robust and that offer greater flexibility and convenience. In other words, this past year saw the scope of our in-house development expand beyond the application layer to include the infrastructure layer. In terms of customer experience, we also developed several of our own systems related to SAISON GOLD Premium that are currently in use by many of our customers. And we have made frequent improvements to these following their release. Another major example of progress was our successful in-house development of a new ID platform called SAISON ID, which enables customers with multiple credit cards to log in using one ID.

Until recently, Credit Saison recruited and trained human resources with a focus on digital professionals hired from outside the Company (core digital human resources) and on reskilled human resources that transferred through in-house recruitment programs (business digital human resources). Starting in the current fiscal year, however, we have begun promoting digital literacy acquisition for all employees. In this way, employees from business divisions besides those involved in digital technologies and IT will, in accordance with the characteristics of their duties, successively acquire no-code and low-code tools that they will use to automate their own duties. Some business divisions have already produced results through these initiatives. Similarly, in March 2023 we held an event during which the management team participated in no-code and low-code boot camps of their own accord to show what it looked like to take action, thereby serving as a good example for this effort.

On the other hand, in FY2023 Credit Saison welcomed its 74th year in business. And given this long history, we still see room for improvement in the many manual operations and paper-based operations among those duties that have continued unchanged throughout our history. Although we managed to automate a total of 790,000 hours' worth of work from FY2019 to FY2022, we will accelerate the shift to paperless operations using those systems we have released since FY2019 and those systems that are currently under development. Shifting to in-house system development will also do more than simply enable automation and efficiency improvements, however. It will also allow us to address the rapid changes in the market and to make more frequent service improvements, thereby serving as a powerful tool in continuously maintaining our competitive advantages in today's rapidly changing environment.



Achieving sustainable growth and improving corporate value through sound corporate management



Creating human resources and an organization where each person can fulfill an active role in their own way



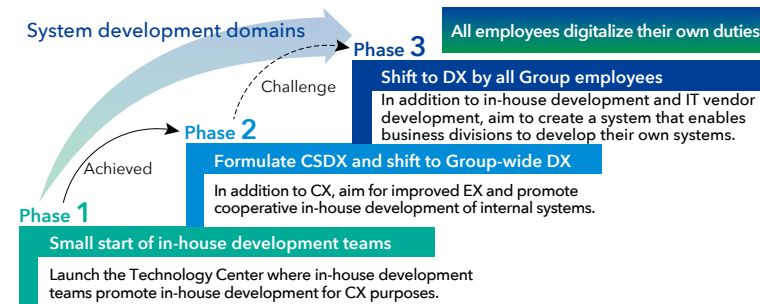
Enriching our customers' lives and enabling them to live happily and true to themselves

## Group-wide DX

The Technology Center, which as CTO I worked with two career-track employees to launch in March 2019, has now been functioning for a full four years, and as of September 2023 had grown into an organization consisting of 117 members. Today, the Center promotes in-house development and data use over a wide range of areas, from software development to data analysis and system design.

As the first phase of our efforts to establish an environment for Group-wide DX, we launched in-house development teams from scratch and implemented additional functions for our Saison Portal smartphone mobile app while recruiting engineers and system designers. We also advanced in-house development for the area of customer experience (CX). In Phase 2, we further expanded the scale of these efforts and conducted in-house recruitment programs for career-track employees aiming to reskill themselves. In addition to CX, we aimed to improve employee experience (EX). Specifically, we advanced in-house development of internal systems used by our employees and constructed a system that bundles together those business divisions involved in IT and in-house development into a single business division so that their respective strengths mutually complement each other.

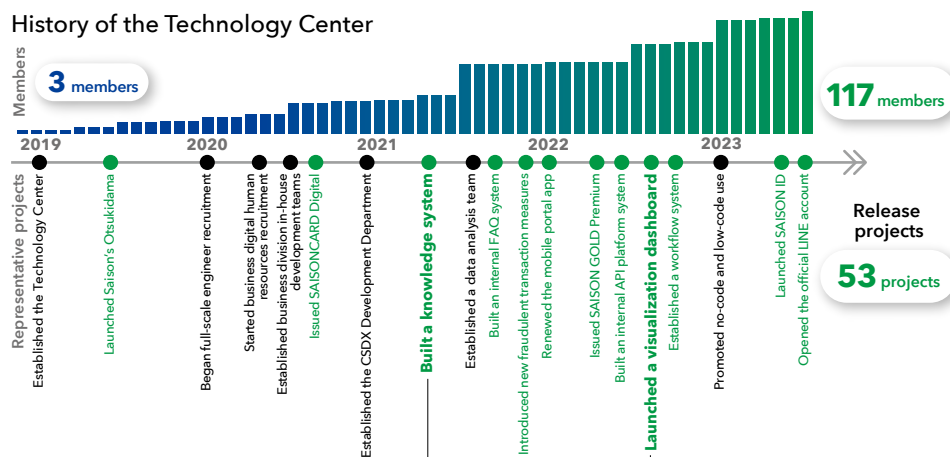
We will advance Phase 3 under the concept of DX by all Group employees with the aim of creating an environment that will enable business divisions to develop their own systems as a third option in addition to in-house development and development by IT vendors. In this way, we will not rely on efforts in which IT-related departments alone advance digitalization but also construct an internal training system for no-code and low-code tools that will enable individual employees at their respective business divisions to effectively utilize digital technologies.



## Promoting in-house development through CSDX

Our in-house development efforts that initially began with the release of the new Saison's Otsukidama campaign have successfully gone on to develop more than 50 projects, including mobile apps for SAISON GOLD Premium, internal API platform systems, improved fraud detection accuracy, and our official LINE account. Similarly, these efforts have also enabled data use.

### History of the Technology Center



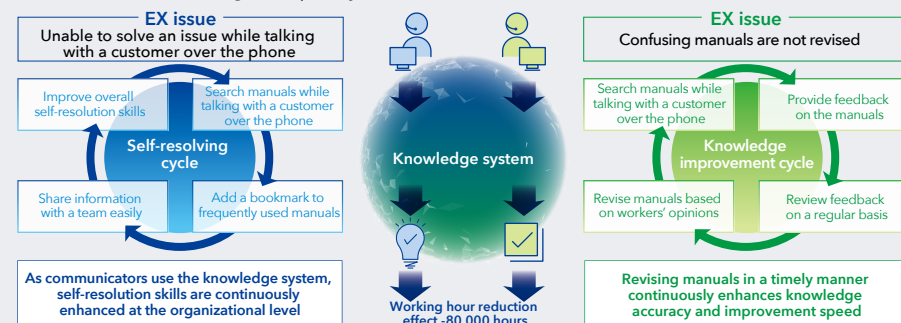
Keeping the development of internal systems in-house aims to enable digital human resources and business side human resources to “accompany” each other as we develop these systems. Specifically, digital human resources travel to the front lines of the business departments to directly experience the issues faced there as they work to develop systems intended to help solve these challenges. This approach realizes a development system that creates simple prototypes in-house and makes improvements as feedback is received from the business side.

**Developer side and requesting side**  
develop systems in a fully combined manner = Accompanied in-house development



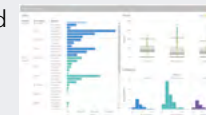
### In-house development case study [1]: Customer service manual system

In August 2021, through an in-house development we converted our roughly 20,000 pages of customer service manuals into a knowledge system for the communicators at our call centers, thereby enabling them to immediately search the required items when talking with customers over the phone. We also reviewed the business process for reflecting feedback from the front lines, and equipped the knowledge system with a function that feeds back the contents of these manuals. This effort has allowed our staff to respond to inquiries that they were unable to resolve on their own previously and successfully reduced approximately 80,000 hours' worth of work. We have continued to add new functions that improve this system's accuracy since its release with the aim of raising the quality of customer service.



### In-house development case study [2]: Visualization dashboards

In August 2022, we began full-scale development of visualization dashboards using Tableau, a BI tool\*. Departments involved in digital technology have taken charge of developing the dashboards for the primary sales coefficients for each business division, sales performance at collaborating commercial facilities, and survey results, and are working to develop these dashboards in cooperation with the business departments. This effort has allowed us to replace the Excel-based manual data aggregation work and data processing work that varied by worker with a flow that updates this data in real time, which is accelerating the speed of data-based decision-making.



\* Business Intelligence tool  
Software that analyzes and visualizes different types of data held by companies, and aids in management strategy decision-making and operations



## Digital human resources

We categorize our digital human resources into three layers, where core digital human resources possessing digital skills, business digital human resources possessing business knowledge, and digital IT human resources who have acquired knowledge on digital technology through reskilling engage in joint development as they advance digitalization Group-wide.



## No-code and low-code tool use

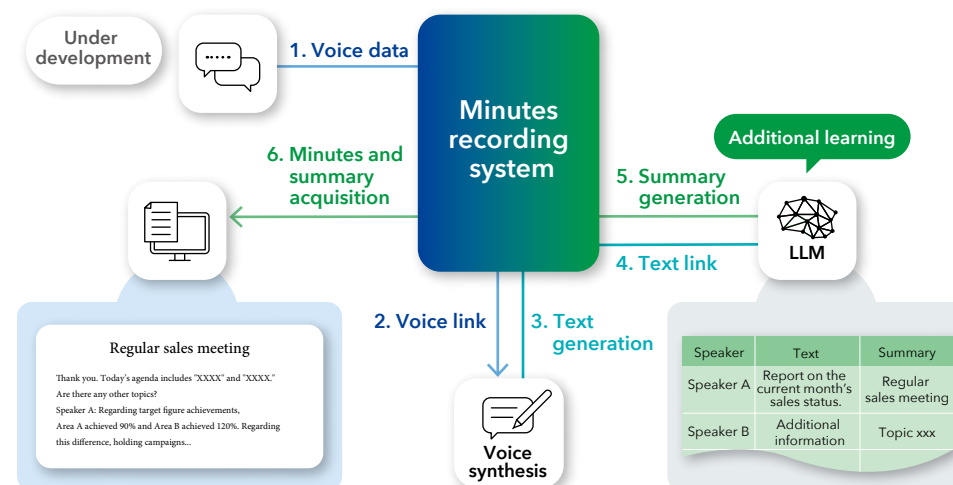
To expand the use of no-code and low-code tools, Credit Saison promotes reskilling for all of its employees. The management team has taken the initiative in participating in boot-camp training programs to gain actual experience in what can be achieved with no-code and low-code development. We have also issued concurrent posts for business divisions and digital divisions, where the individuals assigned to these posts acquire knowledge on these tools as they promote the development of hybrid systems that solve



the issues faced by their own divisions. To enable all employees to acquire and utilize no-code and low-code tools in the future, we are developing and have begun recruiting participants for our own training programs in the current fiscal year. As part of these training programs, we have prepared teaching materials that utilize the Company's data, as well as verification tests that identify the status of knowledge acquisition, in support of knowledge acquisition by participants. After acquiring this knowledge, those who have participated in this training program are expected to develop and use dashboards that solve problems faced by their own divisions.

## Generative AI use

In today's business environment, we expect the use of generative AI to emerge as an important element that produces competitive advantages. For this reason, we have raised the promotion of generative AI use as one of the core challenges in the current fiscal year's CSDX. As of November 2023, we had developed our own ChatGPT specifically for internal purposes, which is already starting to be used by every employee. Moreover, as a new system designed to improve the efficiency of internal operations, we have begun developing our own system that converts voice data from meetings at and outside the Company into text, and that uses generative AI to prepare meeting summaries and minutes. We will continue to utilize generative AI to drive innovation in new services and existing systems that serves to improve the efficiency of our business and enhances the satisfaction of our customers.



# Financial Capital Strategy: Interview with the Executive Officer in Charge



**Masaki Negishi**

Managing Executive Officer  
and CFO  
Head of Treasury &  
Accounting Dept.,  
General Manager, Global  
Business Division,  
In charge of Corporate  
Planning Dept.

## Rapidly executing investments that directly connect to growth

Although we are still engaged in ongoing discussions regarding the new Medium-term Management Plan, one of the major themes is actualizing initiatives that enhance corporate value in a way that goes beyond expanding profit scale, while also holding medium- and long-term perspectives.

As an independent non-bank, Credit Saison achieves growth by deploying businesses with localized characteristics both in Japan and abroad. In particular, we are focused on creating business opportunities abroad and will therefore continue to execute sufficient growth investments. And by enhancing the earning power of the businesses operated by each company in Japan, we intend to produce investment capacity and to enhance capital efficiency on a consolidated basis. Similarly, we intend to advance these initiatives along the axes of profit growth, capital efficiency enhancement, and capital cost optimization while also combining short-, medium-, and long-term initiative time frames.

As part of the financial capital strategy, we must find a way to safely achieve major growth as soon as possible amid the differing growth paces, asset scales, and risks experienced by each business. For this reason, we are also seeing a growing importance in discussions by the ALM Committee and Board of Directors regarding management resources, and in particular their allocation with an awareness that includes capital productivity. Moreover, because strategies involving finance and capital are part and parcel with management strategies (growth strategies), we are also seeing greater relevance for the departments in charge of our management strategies, financial strategies, and IR to engage with the Company and the outside world in a unified manner. In particular, to advance initiatives intended to realize management with an awareness of capital costs and the share price, we believe it is critical to hold dialogue within markets as part of the story for the overall strategy.

To increase shareholder value, we must take action that strengthens our corporate structure and that continues to expand our business. In addition, we will strive to enhance internal reserves that will enable us to undertake these initiatives, even as we look to return profits to our shareholders by making suitable, stable, and continuous dividend payments to them in light of the fact that we are starting to make progress in establishing a foundation for profit growth over the medium to long term. In this respect, taking into account the gain on negative goodwill coinciding with the transition of Suruga Bank to an affiliated company accounted for by the equity method during the second quarter of FY2023, we intend to offer a normal dividend of ¥80 and a special dividend of ¥20, for a total year-end dividend of ¥100 in FY2023.



Achieving sustainable growth  
and improving corporate  
value through sound  
corporate management



Enriching our customers' lives  
and enabling them to live  
happily and true to themselves

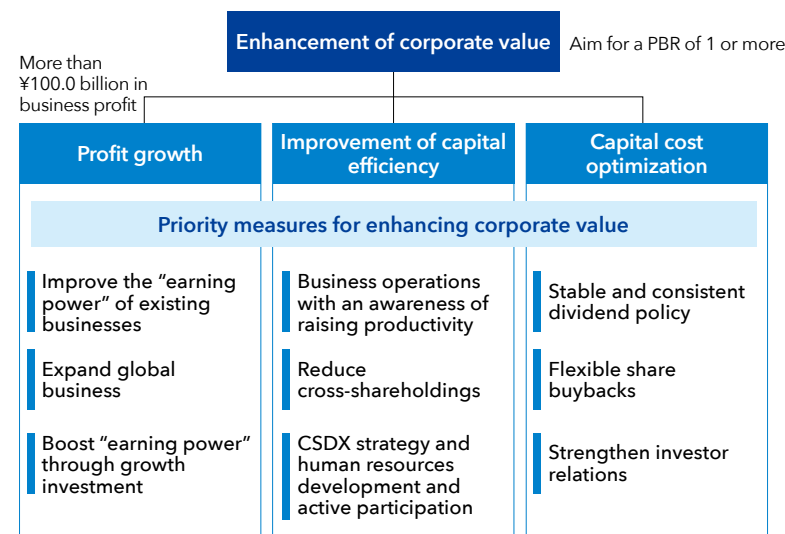


Creating a better society  
through co-creation  
with partners

## Approaches to realizing management with awareness of capital costs and the share price

We will focus on the following three points as priority measures aimed at enhancing corporate value and at achieving a PBR of 1 or more as part of our efforts to realize management with an awareness of capital costs and the share price.

### Components in enhancement of corporate value



Note: Details will be announced in the new Medium-term Management Plan (May 2024)

### Level of surplus capital

Level of surplus capital factoring in future organic growth:  
Approx. ¥50.0 billion

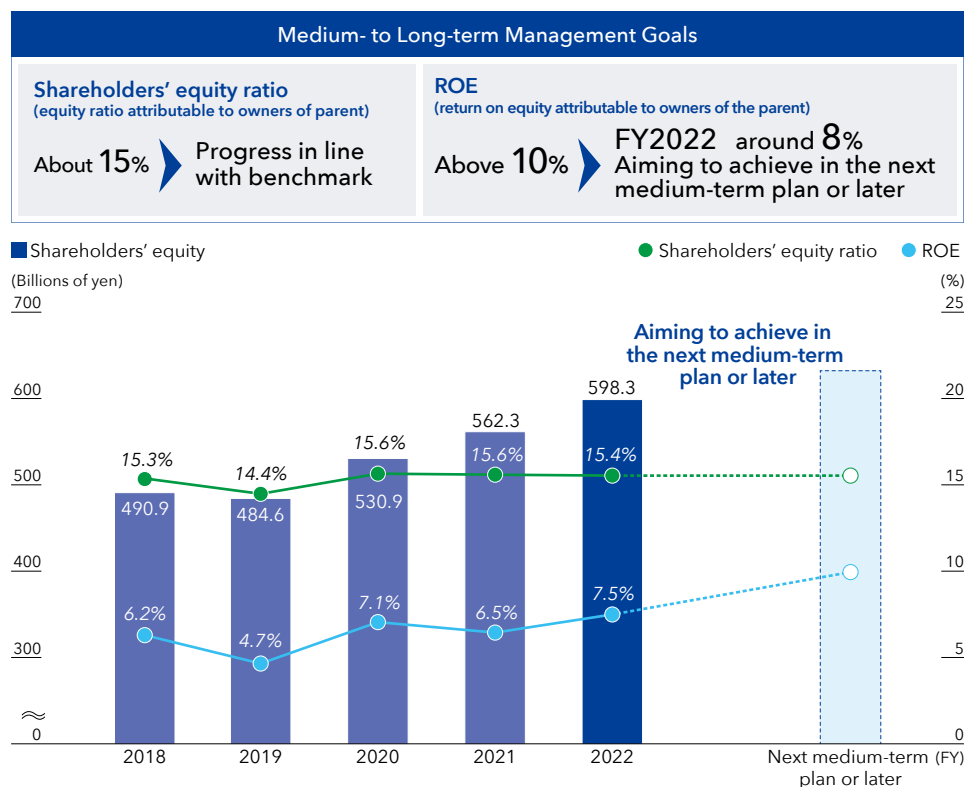
### Status of share buybacks

There is no change to the policy of implementing share buybacks, which will be resolved separately by the Company's Board of Directors once there is a clearer outlook on the surrounding environment

## Medium- to long-term management goals

With the aim of enhancing corporate value, the Group has raised maintaining and improving financial soundness as a priority issue, and considers the shareholders' equity ratio (equity ratio attributable to owners of parent) and ROE (return on equity attributable to owners of the parent) as the most important indicators among the primary indicators that are seen as important for management. As an independent non-bank company, securing a specific shareholders' equity ratio stands as a crucial aspect when considering the Company's credit rating and transactions with the financial institutions that serve as our creditors.

Amid concerns of higher interest rates in the future, stable financial operations and more robust risk capital management that supports such will become even more relevant.



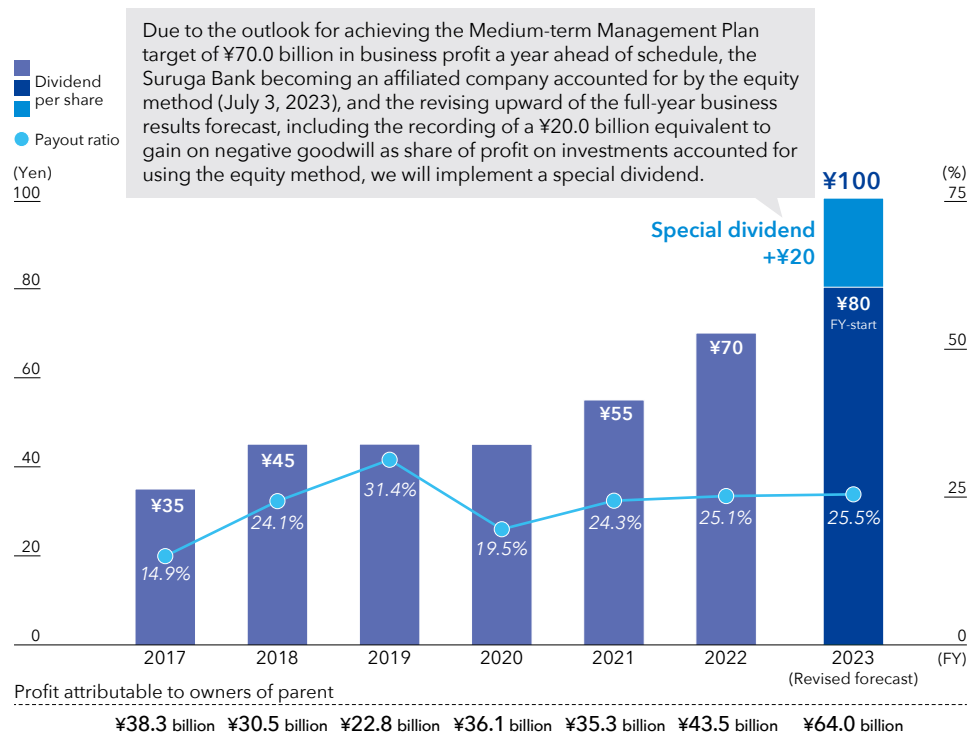
## Shareholder returns and dividends

The Company believes taking action that strengthens its corporate structure and that continues to expand business is important for increasing shareholder value. Meanwhile, in regard to returning profits to shareholders, we intend to enhance internal reserves for enabling these actions, even as we endeavor to make suitable, stable, and continuous dividend payments to our shareholders.

We have not made any changes to our policy on returning profits to our shareholders, and we plan to maintain a stable, continuous dividend policy as well as to continue to flexibly implement our share buyback policy at the proper timing.

### Basic policy on dividends

### Stable, continuous dividend



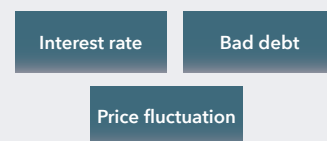
## Basic approach to risk capital management

- ALM is introduced to measure risk and allocate risk capital for each business.
- Profit and loss fluctuation risks are measured by aiming at a confidence level of 99.75% using an Earnings at Risk (EaR) model to maintain an A+ rating.
- Remeasurement is performed regularly to reflect track record updates and changes on the balance sheet.

### Assets categorized by business



### Risk factors



## Major revisions in FY2022

### Top priority

As a non-bank with interest-bearing debt of approximately ¥2.5 trillion, the Company will have sufficient risk capital to maintain an A+ credit rating from R&I.

### Background to review of the Risk Capital Allocation Model

Implement a review of the surplus risk capital allocation model considering changes in the Company's business environment, including the outlook for contribution to business profit of the Finance Business, which has grown into the second pillar, and the Global Business to become the third pillar in a shift from the business model based on the existing payment business.

### Results of review of major items

Confidence level, including EaR required to maintain A+ credit rating  
99.75% ▶ No change

Percentage of consolidated shareholders' equity to be secured as minimum required capital  
20% ▶ Revised to 15%

Risk allocation model for each business  
Non-consolidated: finance-related business  
Consolidated: review of Real Estate-related Business/Global Business, etc.

## Basic policy of fund procurement

### Basic policy

We will place importance on stability and cost when diversifying our procurement methods and will maintain our conservative approach to financial operations as we shift to long-term, fixed interest rate fund procurement in preparation for interest rate increases.

### Initiatives for reducing risks and procurement costs

#### Indirect financing:

Strengthen relationships with existing business partners, cultivate new business partners, diversify procurement sources, continue the basic policy on interest-bearing debt

#### Direct funding:

Diversify funding methods, maintain a rating that indicates a sound financial base

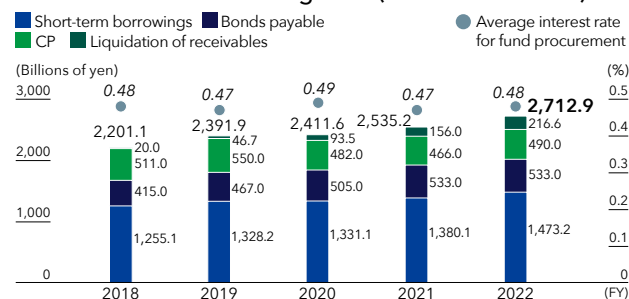
**As of the end of March 2023, consolidated interest-bearing debt (including lease debt of ¥13.9 billion):**

¥2,805.1 billion (debt accounted for 55.4%, corporate bonds for 18.9%, CP for 17.5%, and securitizations for 8.2%)

### Sound financial base

- Credit Rating ▶ R&I **A+**
  - Issuance of **20-year** bonds, first among card companies
- | Date         | Amount (¥ billion) |
|--------------|--------------------|
| June 2017    | ¥10 billion        |
| April 2018   | ¥15 billion        |
| April 2019   | ¥12 billion        |
| January 2021 | ¥8 billion         |
| October 2021 | ¥13 billion        |

### Balance of interest-bearing debt (non-consolidated)



### Structure of interest-bearing debt

- Almost **70%** of the interest-bearing debt is composed of long-term funds
- Fixed interest rate procurement accounts for about **60%** of the total
- A committed credit line, etc. of **¥480 billion** is secured in terms of liquidity facility

### Long-term/fixed borrowing ratio (non-consolidated)

