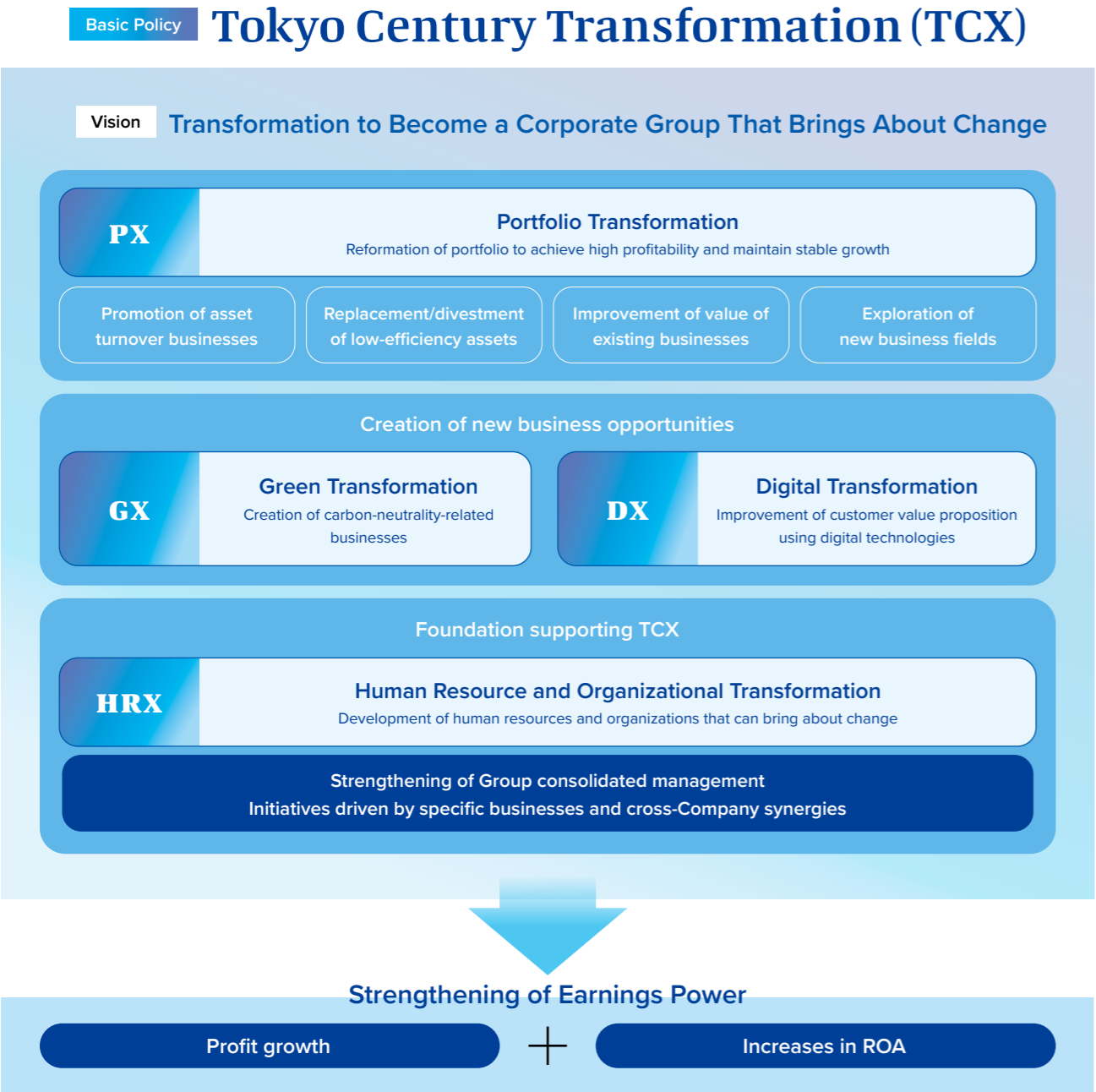


Progress of Medium-Term Management Plan 2027



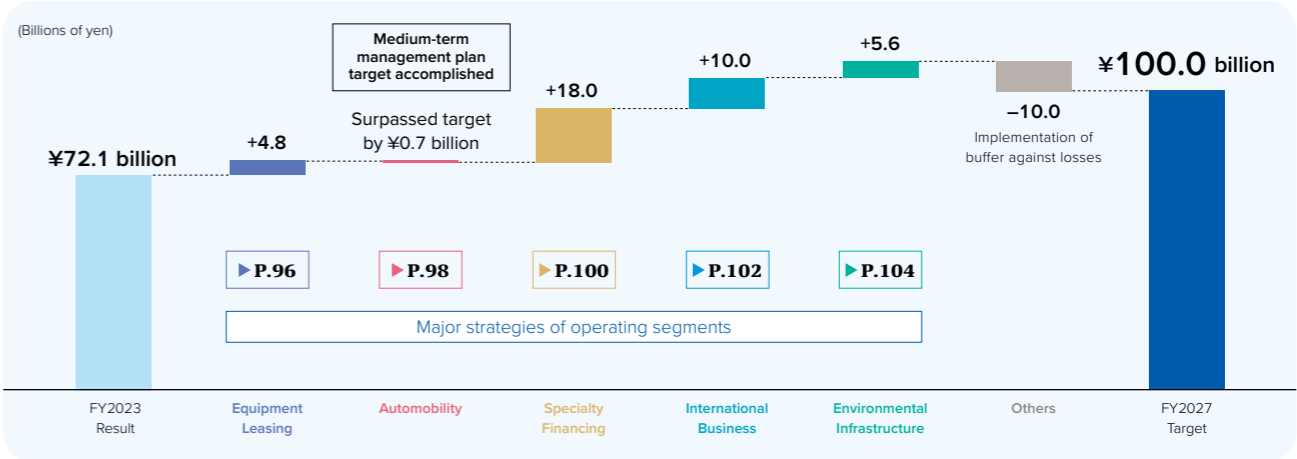
Financial Targets and Non-Financial Targets and Performance

Financial Targets			Non-Financial Targets		
KPI	Results (Fiscal 2023)	Targets (Fiscal 2027)	KPI	Results (Fiscal 2023)	Targets (Fiscal 2027)
Net income attributable to owners of parent	¥72.1 billion	¥100.0 billion	Initiatives for realizing 50% greenhouse gas emissions reduction by fiscal 2030*1	—	33%–50%
ROA (ratio of net income to total assets)	1.2%	1.4%	Employee engagement index (deviation value)*2	53.2	Improve ratio of positive responses
ROE	8.8%	10.0%			

*1 Target of a 50% reduction in greenhouse gas emissions by fiscal 2030 from base year of fiscal 2021 announced

*2 Measured using Motivation Cloud service provided by Link and Motivation Inc. since fiscal 2024; represented as deviation value from nationwide average of 50

Road Map toward Financial Target for Net Income Attributable to Owners of Parent



Progress in TCX

PX
P.44

- Promoted asset turnover businesses and improved asset efficiency through review of equity holdings in certain businesses
- Strengthened investment risk control frameworks

HRX
P.46

- Identified conditions and issues through employee engagement surveys and defined issues to be addressed
- Commenced comprehensive inspection of human resource and organizational systems

GX
P.56

- Accelerated initiatives for seizing growth opportunities related to climate change risk response and expansion of environment-related businesses and services

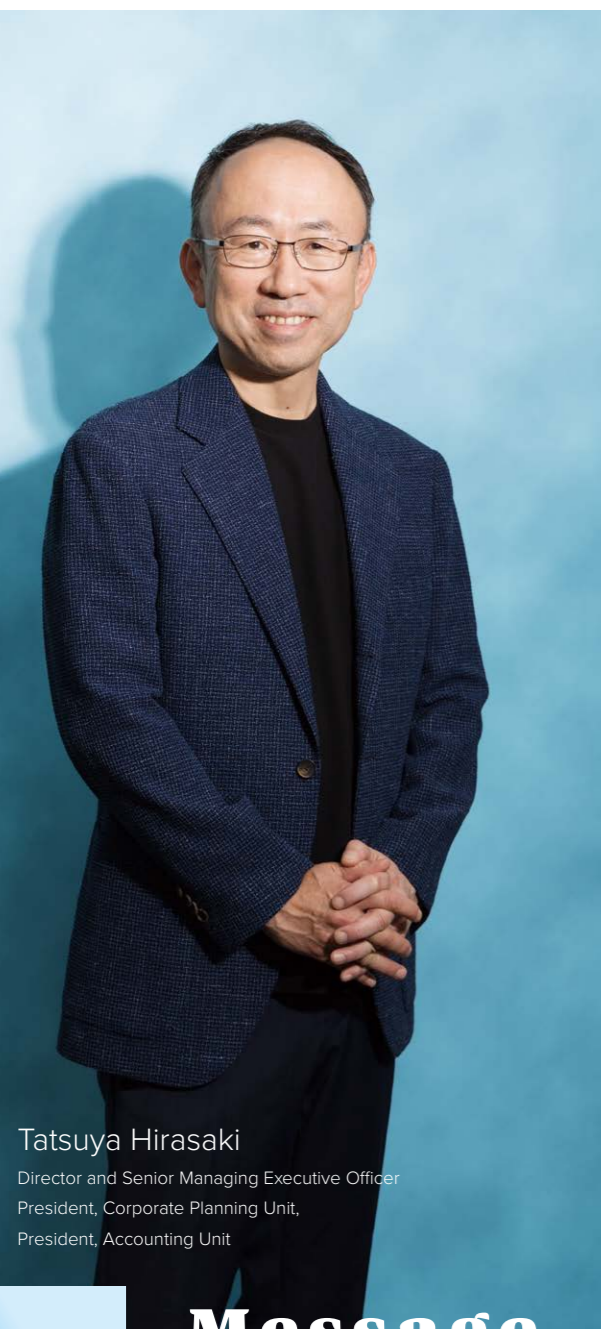
DX
P.60

- Established DX Task Force to promote enhancement of customer value proposition and improvement of operational efficiency in internal processes
- Launched digital transformation training program targeting all officers and employees

Major Growth Investments

Segment	Area	Overview
Specialty Financing	Aviation	➔ Acquisition of 30 aircraft from manufacturers and through the secondary market (fiscal 2023)
International Business	U.S. data centers	➔ Investment of U.S.\$459 million in three operating or underdevelopment data centers operated by the NTT Group in Chicago
Environmental Infrastructure	Overseas renewable energy	➔ Acquisition of 34 operating solar power plants in the United Kingdom together with a member of the Schroders Group ➔ Acquisition of two underdevelopment solar power plants in North America together with ITOCHU Corporation

Message from the President of the Corporate Planning Unit



Tatsuya Hirasaki

Director and Senior Managing Executive Officer
President, Corporate Planning Unit,
President, Accounting Unit

Message

With reliable execution capabilities and progress being made toward growth, Tokyo Century will steadily raise the capital market's appraisal of its corporate value.

Management Emphasizing Cost of Capital and Share Prices

In fiscal 2023, Tokyo Century recorded net income attributable to owners of parent of ¥72.1 billion, thereby setting a new record for the first time in four years and ensuring that Medium-Term Management Plan 2027 got off to a smooth start. I hope to sustain this momentum so that we can steadily grow earnings toward reaching the target of ¥100.0 billion set for net income attributable to owners of parent in fiscal 2027. At the same time, however, I recognize the issues presented by our price-to-book ratio (PBR), which represents the capital market's appraisal of Tokyo Century, being lower than 1.0 times.

The medium-term management plan puts forth the financial targets of net income attributable to owners of parent of ¥100.0 billion, return on equity (ROE) of 10%, and a PBR of more than 1.0 times. Based on these targets, as well as the basic policies and measures of the plan, Tokyo Century formulated policies for practicing management emphasizing cost of capital and share prices in December 2023.

► P.39 Figure 1 ROE and PBR

Furthermore, based on preliminary calculations and input from the capital market, we announced that our estimate for Tokyo Century's cost of capital at the time of the medium-term management plan's formulation was 10%. Looking ahead, we will move forward with measures for achieving ROE of more than 10%, the figure for which in fiscal 2023 was 8.8%, and reducing cost of shareholders' equity in order to achieve a positive equity spread and thereby raise our PBR above 1.0 times.

I would now like to go on to discuss some of our specific measures for improving ROE and reducing cost of shareholders' equity.

► P.40 Figure 2 Transformation for Raising PBR above 1.0 Times

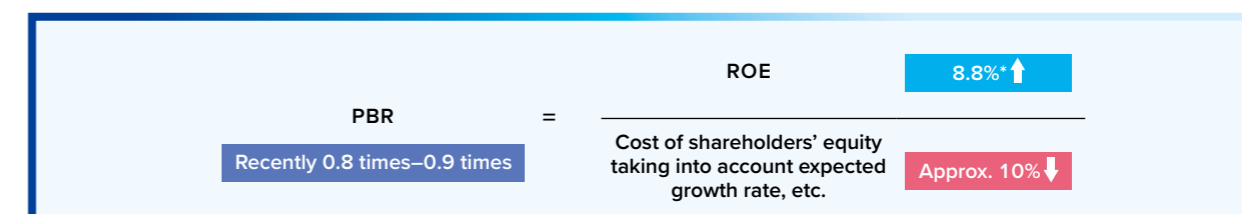
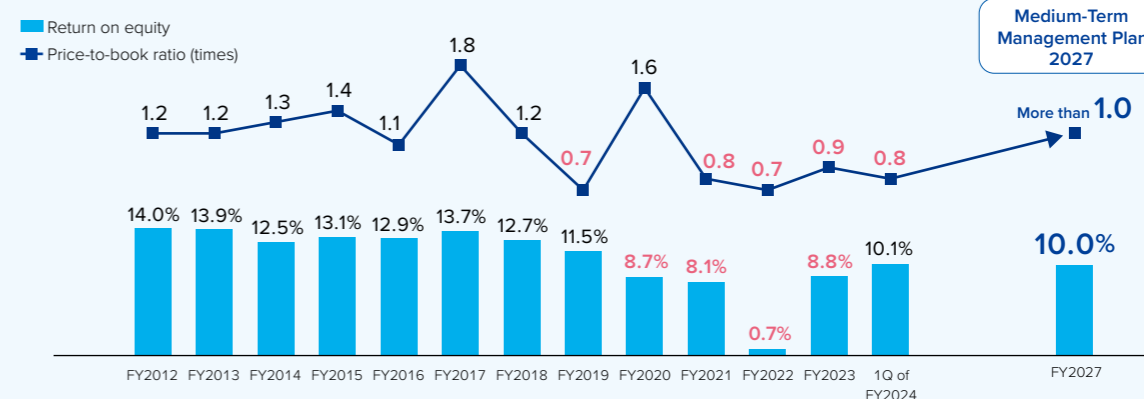
Dedication to Earnings Power and Portfolio Transformation for Achieving Highly Efficient Management

Since the 2009 merger through which Tokyo Century was formed, our earnings growth has been propelled by the expansion of our asset portfolio as we conducted aggressive growth investments and engaged in M&A activities to decrease our dependence on the Equipment Leasing segment. This approach realized ongoing high praise from shareholders and other investors, as indicated by our ROE consistently surpassing 10% and a PBR that long remained above 1.0 times. However, this did not last forever; our ROE dipped below 10% a few years ago, causing PBR to decline to lower than 1.0 times. As of June 30, 2024, the Company's total assets were approximately ¥6.7 trillion while interest-bearing debt came close to ¥5.0 trillion, and ROE had been lower than 10% for some time at this point. This reality suggests that we will face challenges if expanding the volume of our operations is the only approach that management takes toward pursuing growth.

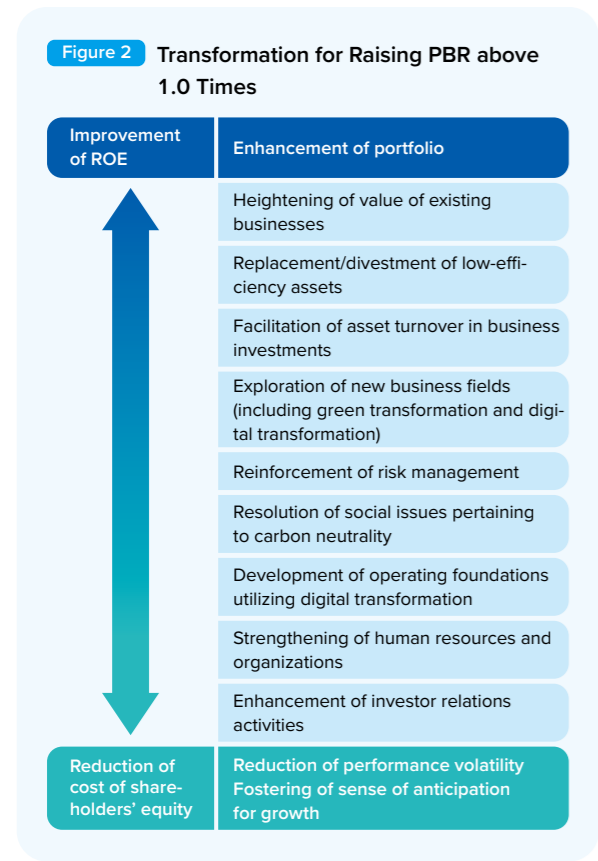
From this perspective, improving asset efficiency will be an important management strategy for ensuring Tokyo Century's ongoing growth. Steps toward this end will include seeking to increase the value of existing businesses and facilitate asset turnover in business investments. At the same time, we will carefully assess the portfolios of each operating segment, divest from assets with low efficiency and growth potential, and reallocate management resources to areas

that offer the high profit margins that shareholders and other investors expect. We thereby aim to improve asset efficiency and grow net income attributable to owners of parent: the numerator in the equation for calculating ROE. This approach hints at the extreme importance of accomplishing the financial targets outlined in Medium-Term Management Plan 2027 through portfolio transformation for building an asset portfolio with substantial earnings power and growth potential. All operating segments are currently aggressively promoting portfolio transformation initiatives. A prime example of the portfolio transformation seen in fiscal 2023 was the revision of our holdings in Orico Auto Leasing Co., Ltd., and Orico Business Leasing Co., Ltd., both of which are joint ventures with Orient Corporation. This move led to these companies being changed from consolidated subsidiaries to equity-method affiliates. During discussions, both internal and external, we came to the realization that, although both joint ventures were delivering reliable performance supported by steadily growing asset portfolios, they would be able to best contribute to improved corporate value by advancing their management strategies as consolidated subsidiaries of Orient Corporation. This decision prompted the change in ownership. The capital recovered through this move, together with the benefits of converting these companies into equity-method affiliates, has driven improvements in Tokyo Century's return on assets (ROA). We plan to continue reassessing our businesses in this manner going forward. However, if all we care about is divesting from businesses, we will no doubt suffer a decline in earnings per share (EPS).

Figure 1 ROE and PBR



* ROE in fiscal 2023



Accordingly, we must use the capital recovered through portfolio transformation to invest in growth fields in order to heighten EPS and ultimately improve how the capital market assesses Tokyo Century. We can see this approach in action in the data center business we are developing together with the NTT Group as well as in numerous other exciting projects built upon the strength of Tokyo Century's partnership strategy. In this manner, we are moving forward with portfolio transformation initiatives that will allow us to conduct decisive growth investments in business fields with the potential for high growth and also synergies with our existing businesses.

Revising the level of equity, the denominator in the equation for calculating ROE, is one method for contributing to improvements in ROE. However, we believe that, given our level of risk exposure, the current level of equity is appropriate for maintaining financial health and stabilizing our fund procurement.

Reduction of Cost of Shareholders' Equity

Reducing cost of shareholders' equity requires that we improve the stability and predictability of our performance to ensure that there are no surprises for shareholders and other investors. Under the previous medium-term management

plan, which covered fiscal 2020 to fiscal 2022, we were forced to record massive losses due to the materialization of tail risk in forms such as the COVID-19 pandemic and Russia's invasion of Ukraine. It goes without saying that this had an impact on our stock price. We therefore recognize how important it is that we continue to deliver a level of performance that makes people want to invest in Tokyo Century so as to foster a strong sense of anticipation for our growth.

There are three main tasks that we will tackle in order to accomplish this: (1) Reinforcement of comprehensive risk management, (2) fostering of anticipation for growth, and (3) enhancement of investor relations activities. By addressing these tasks, we aim to reduce cost of shareholders' equity.

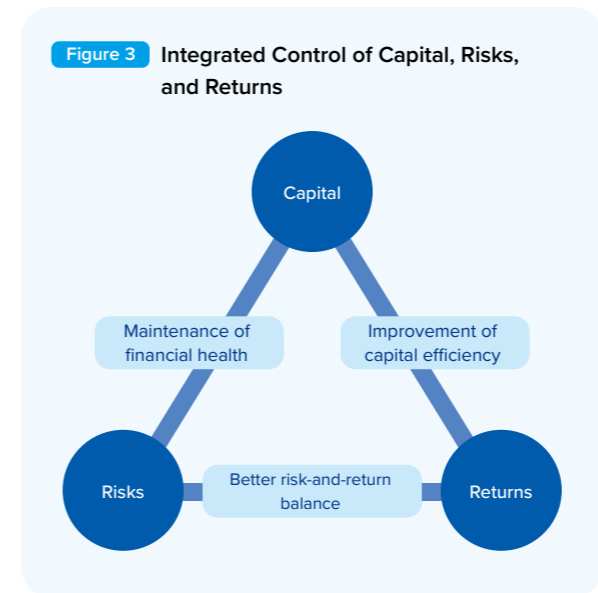
(1) Reinforcement of Comprehensive Risk Management Through integrated control of capital, risks, and returns, we will maintain financial health, improve capital efficiency, and achieve a better risk-and-return balance in order to maximize earnings.

The mission of our risk management efforts is to allow Tokyo Century to boldly take risks when appropriate for supporting growth and value creation. However, as massive losses were recorded under the previous medium-term management plan and ROE is currently at a low level, it is clear that reinforcing risk management is a crucial task needing to be tackled. We are approaching this task from four perspectives, management of capital use rate guidelines, management of risks and returns emphasizing cost of capital, entrenchment and enhancement of the investment management framework, and country risk and global risk readiness.

▶ P.41 Figure 3 Integrated Control of Capital, Risks, and Returns

With regard to management of capital use rate guidelines, we measure capital use rates, which represent the ratio of risk exposure to economic capital, and set guideline levels to keep risk amounts within a certain level of capital buffers. By effectively controlling capital use rates, we will maintain financial discipline while boldly taking the necessary risks and conducting growth investments.

To facilitate management of risks and returns emphasizing cost of capital, we are working to utilize return on invested capital (ROIC) spread, which is ROIC less weighted average cost of capital, in a more sophisticated manner. Tokyo Century regularly monitors the ROIC spread as an indicator of the risk-and-return balance of specific business areas reflecting business and risk characteristics. Going forward, we believe it is vital to expand our utilization of this indicator beyond just monitoring in order to emphasize cost of capital, which involves a focus on risks and returns, in such endeavors as the replacement of assets in our portfolio and the assessment of businesses. Preparations for introducing ROIC spread in these processes are being advanced.



Under the investment management framework, we confirm the anticipated level of profitability after considering capital costs based on the inherent risks as one of our quantitative standards, as well as the compatibility with Tokyo Century's strategies as one of our qualitative standards, in the process of selecting investments and conducting progress management. In addition, shared withdrawal standards applicable to all projects and individual withdrawal standards applied to specific projects are implemented for use in determining when withdrawal from an investment should be discussed. These provisions help us practice effective portfolio management. Frontline organizations have received a number of straight-to-the-point remarks as a result of our implementation of this framework. Regardless, I still believe that a framework for assessing the appropriateness of investments from various angles and based on a variety of risk scenarios is imperative to ensuring disciplined governance functions. For this reason, I hope to provide forums for vigorous discussion among relevant parties to help entrench and enhance this framework.

Lastly, we need to enhance country risk and global risk readiness. The portion of our asset portfolio accounted for by assets located outside of Japan is increasing, particularly in our aircraft leasing business. We therefore intend to ramp up monitoring of political, social, economic, and other operating environment changes in the relevant regions. We are also moving forward with the development of country-specific exposure guidelines and the designation of countries not eligible for financing or investment.

(2) Fostering of Anticipation for Growth Tokyo Century will advance in its pursuits by conducting growth investments to lay the groundwork for value creation and foster a sense of anticipation for its growth in the capital market.

As we reinforce risk management, I also look to help Tokyo Century advance in its pursuits by conducting the growth investments that will lay the groundwork for creating value in the medium to long term. On April 30, 2009, soon after the Company was born out of the merger, our market capitalization was around ¥65.0 billion. Today, this number has climbed to about ¥800.0 billion. This impressive growth is a result of our ability to live up to the expectations of the capital market by aggressively undertaking M&A activities and other investments, without fear of failure, to expand our business scale and create growth drivers. This approach, I believe, is also one of the most important factors toward reducing cost of shareholders' equity.

Major growth investments in fiscal 2023 included the acquisition of aircraft to expand the asset portfolio of aircraft leasing subsidiary Aviation Capital Group LLC as well as investments in new growth businesses, such as a data center business in the United States and overseas renewable energy projects. Despite our conducting these investments, I feel that we have not sufficiently lived up to the expectations of shareholders and other investors. To respond to such expectations, we at Tokyo Century are uniting in our quest to seize hold of business opportunities so that the capital market will come to recognize the earnings growth that will be fueled by our growth investments.

(3) Enhancement of Investor Relations Activities Based on the input gained through investor relations activities, Tokyo Century will bolster information disclosure and address management issues.

The enhancement of investor relations activities is imperative to the reduction of cost of shareholders' equity. Bolstering information disclosure is, of course, an important part of this process. At the same time, we intend to practice active engagement with shareholders and other investors to enable management to earnestly address their input and requests so that we can steadily address any issues identified. Through this process, we seek to heighten the sense of anticipation toward our growth and alleviate any concerns regarding the volatility of our performance via conscientious communication with the capital market in order to foster trust.

When I look back on fiscal 2023, I am reminded of the new disclosure initiatives we commenced in this year, such as the posting of data books on the Company's website and the release of information on the progress toward achieving the targets for net income attributable to owners of parent for specific operating segments in quarterly IR presentation

Message from the President of the Corporate Planning Unit

materials. Our estimate for cost of shareholders' equity and our revision of dividend policies were also a result of our arranging various opportunities for discussion with shareholders and other investors in Japan and overseas. This disclosure of our efforts to practice management emphasizing cost

of capital and share prices has been received incredibly well. Going forward, we will continue proactive efforts to bolster information disclosure and address management issues to foster a sense of anticipation toward the growth and transformation of Tokyo Century.

Balance Sheet Management

Tokyo Century promotes effective balance sheet management with the goal of maintaining its financial health and raising ROE above 10%. For fiscal 2027, the final year of Medium-Term Management Plan 2027, we aim to achieve ROE of 10%, a goal that is prefaced on our building a balance sheet comprising total assets of around ¥7.0 trillion and which results in a shareholders' equity ratio of around 14%. On June 30, 2024, we had already increased total assets to approximately ¥6.7 trillion and posted a shareholders' equity ratio of about 14%. One major factor behind this outcome

was the fact that a lot of our assets are denominated in U.S. dollars, which meant that the recent depreciation of the yen served to increase the value of our balance sheet. However, the differences in interest rates between the United States and Japan and other factors suggest that the yen depreciation trend will gradually reverse going forward. Accordingly, there has been no change to the scale of assets or the shareholders' equity ratio deemed appropriate under the medium-term management plan.

Shareholder Returns

Tokyo Century's basic dividend policy is to provide stable, long-term returns to shareholders, and we are pursuing increases in dividend payments founded on continuous earnings growth while maintaining a payout ratio of about 35%. Up until the commencement of Medium-Term Management Plan 2027, Tokyo Century refrained from reducing dividend payments to reflect earnings growth trends. Under this new

plan, however, we have adopted a progressive dividend policy indicating that, in principle, we will not lower dividend payments, in order to clarify our stance toward ongoing dividend increases based on input from shareholders and other investors. As for fiscal 2024, we look to steadily grow earnings to enable us to issue annual dividend payments of ¥58 per share, an increase of ¥6 year on year.

Interest Rate Fluctuation Risks

The Bank of Japan canceled its negative interest rate policy and then increased the policy interest rate to 0.25% in July 2024, creating a need to carefully monitor trends in interest rates pertaining to the yen given that Japan now has positive interest rates. The Asset Liability Management Committee, which meets quarterly, is tasked with furnishing flexible responses to changes in the financial market by sharing information on yen interest rate scenarios and funding cost estimate revisions based on recent trends and setting hedge ratios and other fund procurement policies. Our projections for fiscal 2024 are based on the assumption that market interest rates will increase by 0.25% in December 2024, following up on the increase of the same degree implemented in July. The higher interest rates are expected to increase funding costs in the short term. Tokyo Century will combat

the impacts of this trend by maintaining hedge ratios at a level appropriate to compensate for these increases. In terms of our business, I am committed to enhancing our responsiveness toward positive interest rates to enable all employees to go about their business activities with an understanding of how the current operating environment is different from the one seen previously. Based on our recent performance, I think I can say that we are responding to the interest rates appropriately. Nevertheless, I look to go further to ensure that we can gain interest income over the medium term and to differentiate ourselves through value-added services, rather than purely competing with our financial functions. Through this approach, I aim to contribute to higher earnings power for Tokyo Century.

Promotion of TCX

In promoting Tokyo Century Transformation (TCX), portfolio transformation, as well as the human resource and organizational transformation, green transformation, and digital transformation that support portfolio transformation, will be of the utmost importance. Concerning human resource and organizational transformation, specifically, it is crucial that we transform the human resources and organizations responsible for promoting TCX. To this end, we are utilizing the results of employee engagement surveys to close the gap between the actual conditions and the ideal state for the Company.

The principle that the Company and its employees should be on equal footing underpins all of our human resource and organizational transformation efforts. Based on this principle, we are reexamining what the Company expects of employees and what the Company can provide or how it can support them in meeting these expectations and arranging

forums for exchanges of opinions among officers and employees for the purpose of sharing the recognized issues and discussing future initiatives. Fostering a corporate culture and developing human resources take time, and the results of our initiatives will not be immediately apparent.

Accordingly, we will need to adopt a medium- to long-term perspective with regard to our initiatives. Moreover, our human resource and organizational transformation must be linked to our business strategies. Enhancing human resource and organizational transformation strategies contributes to improved employee engagement and helps employees with highly specialized skills feel motivated and make larger contributions through their work. This, in turn, will lead to greater earnings power and improved corporate value for Tokyo Century.

Measures for Accomplishing Goals of Medium-Term Management Plan 2027 and Achieving Growth Thereafter

As part of our road map for accomplishing the goals of Medium-Term Management Plan 2027, we have disclosed operating segment-specific income targets together with detailed information on the business strategies to be implemented to accomplish said targets. This approach has been praised by many of the shareholders and other investors we spoke to in Japan and overseas for how it facilitates a greater understanding of our plan. I therefore feel confident in saying that we have painted a clear picture for the capital market of our management concept and our path going forward. As we have communicated to the capital market the path we will take going forward, we will next need to dedicate our efforts to erecting new business pillars that can function as drivers of growth and to promoting portfolio transformation. It is management's responsibility to ensure that we make strong progress in these endeavors.

For fiscal 2027, the final year of the medium-term management plan, we have set the financial targets of net income attributable to owners of parent of ¥100.0 billion, ROA of 1.4%, and ROE of 10%. As I mentioned, the tasks needing to be addressed in order to reach the plan's targets are clear. So long as we continue to push forward in addressing these tasks, I think that it is incredibly feasible for us to meet our financial targets.

Everyone at Tokyo Century is committed to maximizing our corporate value, accomplishing our targets, and thereby encouraging shareholders and other investors to support our ongoing growth. I would like to ask you for your ongoing support in the months and years to come.



PX Transformation Pursuing a Highly Profitable and Stable Portfolio

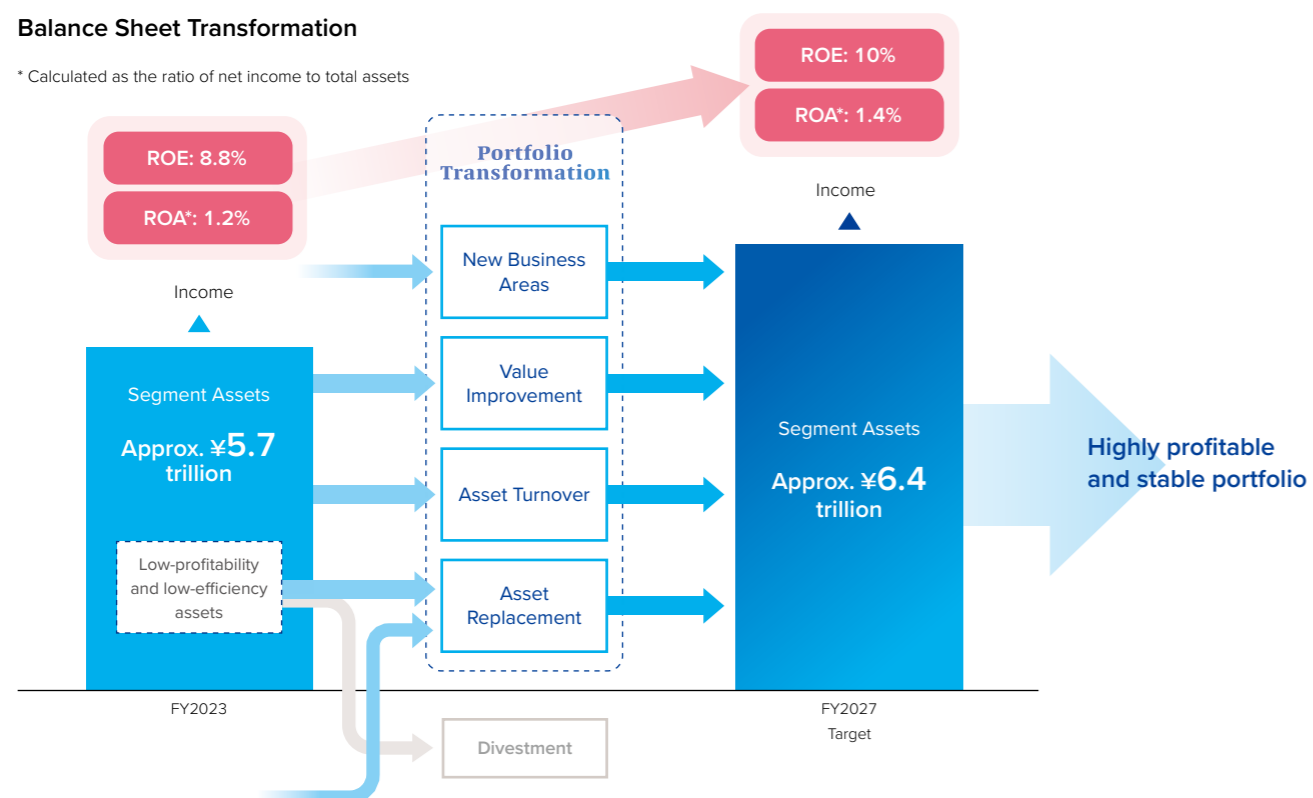
In crafting Tokyo Century's long-term corporate value improvement story, it is absolutely essential that we pursue a highly profitable and stable business portfolio by improving asset and capital efficiency, reducing performance volatility, and achieving steady earnings growth. As we work toward the targets of return on assets (ROA) of 1.4% and return on equity (ROE) of 10% set for the final year of Medium-Term Management Plan 2027, we will push forward with portfolio transformation on a Companywide basis with a strong focus on income growth and ROA improvement.

Overview of Portfolio Transformation Initiatives

- Promotion of Asset Turnover Businesses**
 Utilizing our discerning eye for the value of ICT equipment, aircraft, ships, real estate, and other assets, we will promote asset turnover businesses that entail investing in and selling assets at the ideal timing in order to build a quality portfolio.
- Replacement and Divestment of Low-Efficiency Assets**
 Tokyo Century will conduct exhaustive qualitative assessments, looking at factors such as growth potential and risks, and quantitative assessments of ROA, return on invested capital (ROIC) spread, and other indicators and replace low-profitability and low-efficiency assets with higher-quality assets in order to enhance its business portfolio.
- Improvement of Value of Existing Businesses**
 The business models of existing businesses will be reviewed to instill a focus on profitability and efficiency.
- Exploration of New Business Fields**
 We will seek to develop new growth businesses through the Companywide acceleration of the implementation of our partnership strategy and of green transformation and digital transformation initiatives that contribute to the resolution of social issues.
 Moreover, ongoing examinations will be conducted by operating segments as we aim to construct Companywide frameworks for investing in growth fields.

Balance Sheet Transformation

* Calculated as the ratio of net income to total assets



Investment Risk Control

It is crucial for Tokyo Century to practice appropriate control of the increasingly diverse investment risks. For this reason, we have introduced an investment management framework and are strengthening our control frameworks through management based on ROIC spread.

Investment Management Framework

Tokyo Century has introduced an investment management framework to facilitate effective investment governance. Under this framework, quantitative and qualitative evaluations are conducted as part of the process of screening individual investment projects, and the appropriateness of the triggers defined for commencing the withdrawal process is assessed. After investment, projects are monitored on an ongoing basis to gauge progress with regard to quantitative and qualitative standards and determine whether a project has become applicable under withdrawal standards. The results of this monitoring are used to make decisions when promoting portfolio transformation.

For more information, please refer to "Investment Management Framework" on page 113.

ROIC Spread Management

Tokyo Century regularly monitors ROIC spread, which is ROIC less weighted average cost of capital (WACC), as a cost-of-capital-based indicator of the risk-and-return balance of specific business areas, taking into account business and risk characteristics in such monitoring. Going forward, ROIC spread will be utilized to identify issues needing to be addressed in order to achieve an ideal risk-and-return balance as part of promoting portfolio transformation.

For more information, please refer to "ROIC Monitoring in Operating Segments" on page 114.

Initiatives in First Year of Medium-Term Management Plan 2027

In fiscal 2023, the first year of the medium-term management plan, Tokyo Century made steady progress in initiatives for supporting future portfolio transformation efforts, such as reassessing low-efficiency businesses and promoting real estate, ship, data center, and other asset turnover businesses.

Case Study 1 Replacement and Divestment of Low-Efficiency Assets

Revision of Holdings in Two Subsidiaries

Tokyo Century has revised its holdings in two subsidiaries that are joint ventures with Orient Corporation, promoting a partial transference of our equity holdings in these companies and resulting in their conversion to equity-method affiliates.

Although the reduction of our holdings lowered the stake of the profits of these companies attributable to the Company, the resulting decrease of approximately ¥200.0 billion in segment assets effectively doubled asset efficiency (ROA). Ongoing growth will be pursued at these companies following their conversion by utilizing the Orico Group's capabilities to bolster their sales capacity.

Case Study 2 Promotion of Asset Turnover Businesses

Development of Asset Turnover Businesses Related to Aviation and Shipping

Tokyo Century is promoting the sale of assets in aviation and shipping businesses when market prices are high in order to improve asset efficiency.

Going forward, we will maintain an up-to-date understanding of the market prices for aircraft, ships, real estate, and other products so that we can turn over these assets at the ideal timings to improve asset efficiency.

HRX

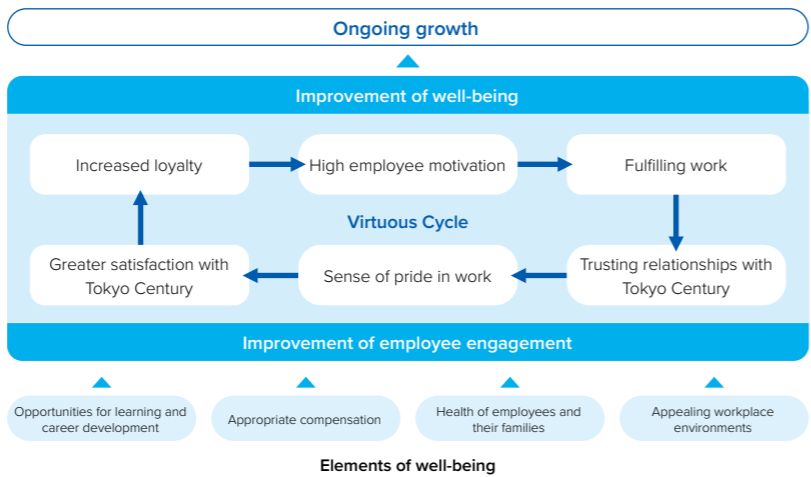
Human Resource and Organizational Strategies

Tokyo Century carries out human resource and organizational strategies to foster people with a propensity for self-transformation and who possess creativity and ambition and are thus capable of advancing its management and business strategies.



Improvement of Employee Well-Being

Tokyo Century believes that cultivating an awareness of well-being among officers and employees is imperative to the advancement of its human resource and organizational strategies. For this purpose, we aim to create a virtuous cycle built on trust between the Company and its employees and on strong employee engagement in order to improve well-being. We are convinced that this process will contribute to the ongoing growth of Tokyo Century.



Details of Human Resource and Organizational Strategies

Tokyo Century is moving forward with a variety of initiatives aimed at the development of highly capable organizations and the empowerment of individual employees.

Category	Directives under Medium-Term Management Plan 2027	Major Initiatives
Improvement of employee engagement	Development of organizations in which employees are highly motivated and capable of transforming themselves to bring about change	<div><div>TC Biz Challenge Project (new business proposal system)</div><div>Career Challenge Program (internal recruitment system)</div><div>TC-Mee+ (internal communication enhancement project)</div><div>360-degree evaluations</div><div>One-on-one meetings (periodic meetings for providing feedback pertaining to human resource evaluations, etc.)</div></div> <div>Major KPIs and Targets of Medium-Term Management Plan 2027</div> <div>Employee engagement index: Improve</div>
Acceleration of human resource recruitment and development initiatives	<div>Recruitment of individuals with specialized expertise who can lead transformation of management and business strategies</div> <div>Introduction of human resource systems for utilizing highly specialized individuals</div> <div>Provision of opportunities for learning to allow employees to tackle new challenges</div> <div>Cultivation of human resources capable of creating new businesses</div>	<div>Digital transformation training</div> <div>Career development support</div> <div>Dispatches to business schools</div> <div>Human resource development programs</div> <div>Major KPIs and Targets of Medium-Term Management Plan 2027</div> <div>Ratio of mid-career hires: Maintain or improve ratio</div> <div>Investments in human resource recruitment and development: More than ¥800 million by fiscal 2027</div>
Allocation and positioning of human resources	<div>Allocation of human resources to growth areas</div> <div>Talent management approach for strategic human resource positioning</div> <div>Appropriate compensation in reflection of growth</div>	<div>Establishment of Basic Policy on Health and Productivity Management (fiscal 2021)</div> <div>Other KPIs and Targets</div> <div>Ratio of employees receiving specific health guidance: 80% or more</div> <div>Rate of employees undergoing regular health check-ups: 100%</div> <div>Rate of employees undergoing stress checks: 100%</div>
Development of safe and secure workplace environments	<div>Cultivation of health awareness and support for prevention, early diagnosis, and treatment of illnesses</div> <div>Improvement of productivity through development of comfortable and motivating workplaces</div>	
Organizational management	<div>Development of frameworks not bound by the conventional confines of organizations in focus areas</div> <div>Promotion of systems that reward ambition</div> <div>Creation of frameworks for communication and knowledge sharing</div>	<div>Formulation of diversity plan (fiscal 2023)</div> <div>Establishment of Tokyo Century Group Human Rights Policy (fiscal 2021)</div> <div>Major KPIs and Targets of Medium-Term Management Plan 2027</div> <div>Ratio of women among new-graduate hires: Maintain or improve ratio (fiscal 2023: 53.2%)</div> <div>Other KPIs and Targets</div> <div>Ratio of female managers among all managers: At least 30% by 2030</div> <div>Ratio of employees with disabilities: Maintain ratio above legally mandated level</div>
Promotion of diversity, equity, and inclusion	<div>Fostering of corporate culture founded on respect for human rights</div> <div>Development of workplaces in which diverse individuals can exercise their unique skills</div>	
Branding	<div>Advancement of internal branding activities targeting employees</div> <div>Enhancement of brand image to aid in human resource recruitment</div>	

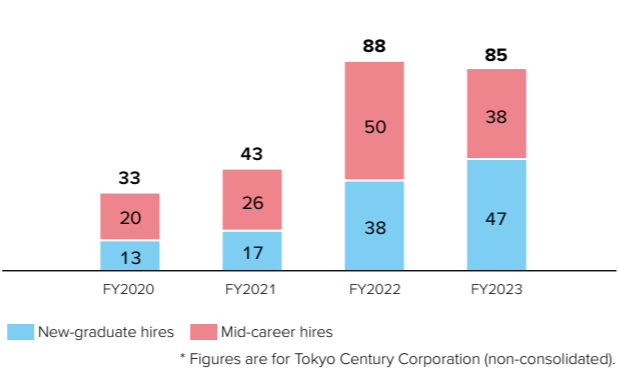
HRX

Human Resource Recruitment

1 Enhancement of New-Graduate and Mid-Career Individual Recruitment Activities

The recruitment of talented and diverse human resources as well as human resources with highly specialized skills is imperative to Tokyo Century’s ability to not only create new services and businesses that extend beyond the boundaries of financial functions but also achieve ongoing growth through its business activities. Accordingly, we are actively working to enhance our recruitment activities targeting new-graduate and mid-career individuals.

Numbers of New-Graduate and Mid-Career Hires*



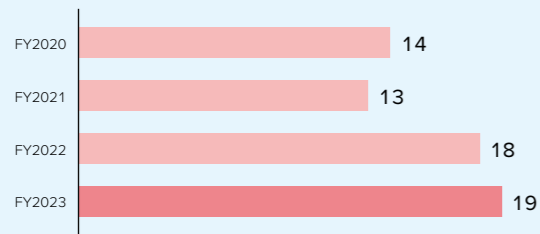
2 Career Development Support

Tokyo Century emphasizes the importance of supporting employees in accomplishing their individual career goals to empower them to excel at the Company.

Career Challenge Program

The Career Challenge Program is an internal recruitment system designed to provide employees with opportunities for charting their own career course. This system has proven to be indispensable to supporting autonomous career development, and, since its launch, an aggregate total of 64 individuals have taken advantage of the Career Challenge Program to transfer to their desired division.

Number of Users of Career Challenge Program



Career Design Consultations and Meetings

Career design consultations and meetings are offered to provide employees with a venue for receiving consultation on a wide range of career-related topics to help them objectively evaluate these concepts in order to shape their career plans, feel empowered and exercise their individuality at work, and determine how best to approach their goals.

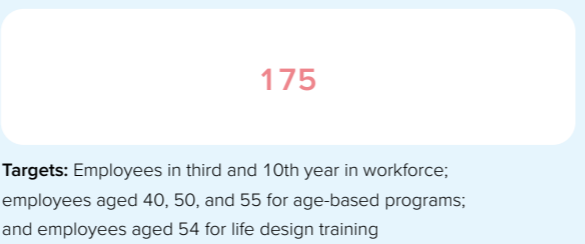
Number of Participants (Fiscal 2023)



Career Design Training

Tokyo Century offers career design training to provide opportunities for employees to reflect on their careers and assess their strengths, weaknesses, and values. Moreover, these training programs allow employees to use trait analysis tools to gain an objective understanding of their personalities and the skills they should build upon to be used when considering their future careers.

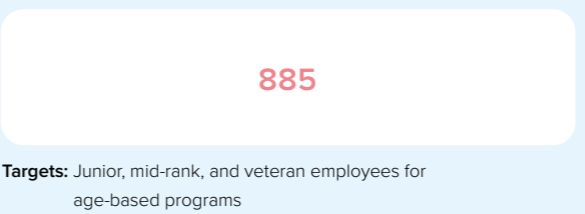
Number of Participants (Fiscal 2023)



TC Career Seminars

Tokyo Century began arranging TC Career Seminars in fiscal 2021 to help employees learn about the types of thinking and actions required to chart their own career paths. Since fiscal 2023, we have been organizing workshops in which interested employees who have participated in TC Career Seminars explore the topics discussed at the seminars more deeply and are encouraged to reflect these concepts in their actions.

Number of Participants (Fiscal 2023)

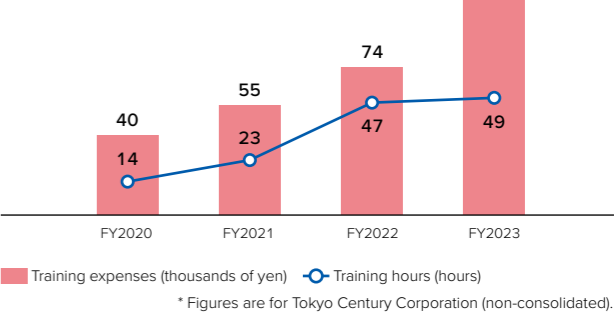


Human Resource Development

1 Enhancement of Employee Training Programs

Tokyo Century is branching out from financial services to develop new services and businesses, and this undertaking necessitates the accumulation of more specialized knowledge pertaining to assets, services, and businesses. Accordingly, we are enhancing our employee training programs to better provide leasing, finance, and other basic knowledge and to help employees develop the skills they need in their respective areas of business.

Training Expenses per Employee / Training Hours per Employee*



2 Major Training Programs

Training Program Menu

Target	Standard employees				Management			
	First year	Second year	Third year	Fourth year and beyond	Managers	Deputy general managers	General managers	Executive officers
Associated skills	Basic business skills			Financial analysis (applied)	Expected roles Management skills	Leadership Human resource evaluation	Management strategy	Strategy structuring Management skills
	Logical thinking	Presentations	Strategic thinking					
	Leasing and finance	Sustainability, digital transformation, and business fields						
	Marketing	Financial analysis (basic)						
Required training	Introductory training	Presentation training	Strategic thinking training	Screening training	New manager training	New deputy general manager training	New general manager training	New executive training
	Interim training							
	Intensive courses	Business field understanding training I	Business field understanding training II		Future leader development program			
	Follow-up training							
Business-specific training	Training programs based on strategies for specific businesses or segments							

Segment-Specific Training Programs (Does Not Include All Programs)

Equipment Leasing	➡ Knowledge Lab (improvement of sales capabilities by sharing best practices) ➡ Mentorship programs (support for junior employees emphasizing dialogue)
Automobility	➡ Business seminars (seminars for fostering new business creation mindset and exploring new ideas through coordination with internal and external partners)
Specialty Financing	➡ Opinion-sharing forums and job rotation training for junior employees (opportunities to experience procedures outside of one's assigned division) ➡ Lectures for junior and mid-rank employees (acquisition of knowledge pertaining to finance, company analyses, market trends, etc.)
International Business	➡ Training for individuals going on overseas assignments (improvement of knowledge and skills necessary for overseas assignments) ➡ Middle-management training (cultivation of overseas base manager candidates)
Environmental Infrastructure	➡ Workshops (improvement of understanding and knowledge pertaining to renewable energy businesses) ➡ Legal seminars (improvement of environmental regulation compliance and other practical skills)

HRX

3 Cultivation of Managers

As Tokyo Century is focused on the cultivation of future management personnel, we dispatch candidates to business schools and help candidates gain experience in performing management tasks through secondment to overseas subsidiaries.

Moreover, a program was launched in fiscal 2021 to help managers learn about management strategies, human resource management, and other necessary management theories.

Number of Individuals Dispatched to Business Schools
(Aggregate total for fiscal 2020–fiscal 2023)

17

Number of Individuals Participating in Manager Training Programs
(Fiscal 2023)

87

TOPIC | Global Training Programs

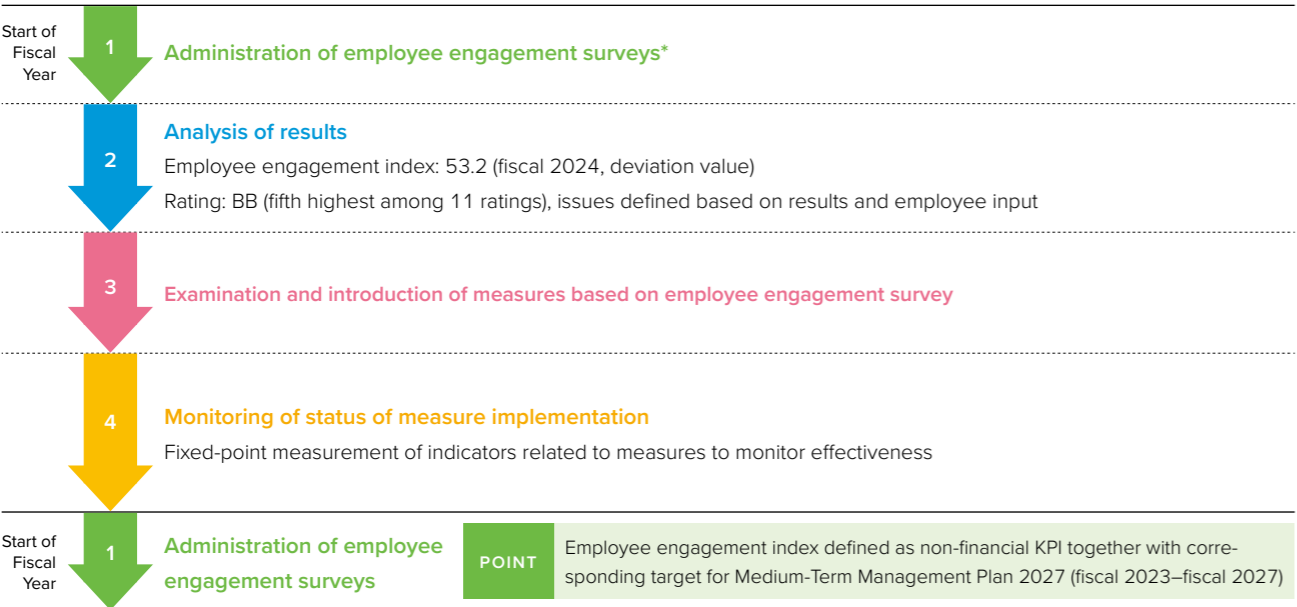
Tokyo Century has implemented global training programs targeting global employees (candidates for overseas management and supervisory positions) at overseas bases to cultivate future leader candidates. These training programs include groupwork discussions on business transformation case studies and other topics as well as explanations of the Tokyo Century Transformation (TCX) policy of Medium-Term Management Plan 2027, thereby serving as opportunities to raise the understanding of global employees with regard to Tokyo Century’s management policies. Through these training programs, we aim to foster a sense of unity within the Group and cultivate individuals capable of leading globally minded management in pursuit of future business growth.



Process of Improving Employee Engagement through Employee Engagement Surveys

Medium-Term Management Plan 2027 defines the employee engagement index as a non-financial KPI. This index is measured through regular employee engagement surveys. By analyzing the results of these surveys, we are able to identify issues and implement improvement measures to further heighten the employee engagement index.

Cycle of Improving Employee Engagement through Dialogue



* Results measured using Motivation Cloud service provided by Link and Motivation Inc.

Message from the President of the Personnel Unit



I am committed to conducting the necessary investments and providing opportunities for employees to learn and exercise their skills as we seek to foster an organization that commends ambition.

Toshiyuki Otobe
Managing Executive Officer
President of the Personnel Unit

Tokyo Century got its start in leasing, and then it went on to grow while expanding its business scope through entry into new business fields, like automobility, aviation, real estate, and environmental infrastructure, in response to social changes and customer needs. If we want to continue growing into the future, we will need to take a bottom-up approach toward addressing any issues we face while creating new products and services that meet customer needs. Whether or not we can do so will hinge on our ability to heighten the individual skills of our employees. Under Medium-Term Management Plan 2027, Tokyo Century has defined its desired human resources as being “people with a propensity for self-transformation and who possess creativity and ambition.” Such people should be characterized by a propensity for self-transformation that enables them to change and grow, creativity for generating high levels of value in response to the various issues and needs of customers and society, and a sense of ambition that propels them to seek new challenges without fear of failure or hardship.

Moreover, our future growth will depend on whether we can recruit and retain talented human resources. I therefore think we need to heighten our ability to communicate the information on Tokyo Century to external stakeholders. This will be imperative to inspiring a wider range of talented individuals to take an interest in the Company and to deepen their understanding with regard to our business as well as our corporate culture,

workplace environment, and workstyles. Recently, during interviews with individuals seeking to work at Tokyo Century, I have been sensing the diversification of the types of values people hold toward their job and the idea of working. If we want more people to choose Tokyo Century as their place of employment, we need to present concrete details on not only our work conditions and job types but also the kinds of career plans we offer and the skills and sense of achievement to be gained by working at the Company.

We must also develop a workplace environment that ensures employees are highly motivated on the job as well as systems that fairly reward them for their accomplishments. The current human resource systems were put in place more than a decade ago. We have continued to update these systems over the years in response to social changes. However, we have recently undertaken a more comprehensive inspection of our systems based on the results of an employee engagement survey implemented in fiscal 2024 and input from employees. I want Tokyo Century to be a place where every employee is capable of bringing about change and growing into the type of person who can help address the issues faced by customers and society. To this end, I am committed to conducting the necessary investments and providing opportunities for employees to learn and exercise their skills as we seek to foster an organization that commends ambition.



Dialogue Employee Roundtable

Visions for the Future of Tokyo Century

The future growth of Tokyo Century will be driven by the employees in their 20s and 30s today. The following is a discussion between four such employees who are currently tackling challenges together with our customers on the front lines of business that paints a picture of the types of people in these age groups working at Tokyo Century and their motivations toward their jobs.



● Sho Kimizu

Sho Kimizu is a mid-career hire now in his eighth year at Tokyo Century. A member of the Specialty Financing segment, he is currently being seconded to Advantage Partners Inc., a private equity fund in which the Company invests.



● Shoko Taniguchi

Shoko Taniguchi joined Tokyo Century as a new-graduate hire and is currently in her 10th year at the Company. In the Equipment Leasing segment, after conducting sales for leasing operations in the Tokyo metropolitan area, she took advantage of our internal recruitment system to transfer to a position involving the sale of leases and financing to corporate customers.



● Ryo Koike

Ryo Koike entered the Company as a mid-career hire and is only in his second year. He is currently helping create new mobility-related businesses as a member of the Next Generation Automobility Business Division in the Automobility segment.



● Sakura Sugiura

Sakura Sugiura, a new-graduate hire now in her seventh year at Tokyo Century, has experience in auto leasing operations at a subsidiary in Singapore as a member of the International Business segment. Today, she is involved in supporting business development at overseas subsidiaries and affiliates in Southeast Asia and other areas.

Motivations for Deciding to Join Tokyo Century

Kimizu

I used to work at a financial institution. At financial institutions, we face restrictions when it comes to activities like equity investment. I thus found myself yearning to engage in projects that were free of such restrictions, and this is when I discovered Tokyo Century. When I joined the Company, it just happened to be in a period of aggressive M&A activities aimed at expanding its aviation business as well as its principal investment business, which was anticipated to become a new pillar of earnings, in the Specialty Financing segment. So, although I was still young, I was immediately able to take part in large investment projects and start making contributions, and this has really heightened my motivation at Tokyo Century.

Taniguchi

Tokyo Century is relatively free of restrictions when compared with other companies in the financial industry. This was one factor that motivated me to join. Another major factor was the appeal I felt toward the people working at Tokyo Century. You see, I had the opportunity to take part in an internship at Tokyo Century when I was still in school. During the internship, a member of the leasing sales team let me sit in on a business negotiation. This gave me a glimpse of the process of advancing projects together with customers, and I was able to see how the Company's personnel always had their feelers out, seeking hints for proposals they could make to satisfy customers in various industries. This fueled a strong desire in me to become a person who can do this type of job.

Koike

I think we all had similar reasons for joining. I too decided to join Tokyo Century due to the appeal of its unrestricted business and to the people who worked therein. At the job interview, I, of course, got asked the usual questions, you know, the ones about your motivation for applying or the vision for your career. However, I also feel that a lot of the questions I was asked were aimed at figuring out if I was the type of person they wanted to work with. The organization I am currently working in is tasked with creating new earnings pillars and value propositions. I think it is important for such organizations to be flat and to offer peace of mind. The atmosphere I sensed at the interview filled me with feelings of hope for working at Tokyo Century and for the possibility of pursuing

ambitions at an organization with these qualities.

Sugiura

I believe that Tokyo Century is accepting of who people actually are, and where there is no need to embellish oneself. When I was still in school and looking for work, I had a lot of worries about how I could make use of my strengths at a company and whether a company would be accepting of me. When talking with the recruiter for Tokyo Century, I remember just how warm and friendly they were when approaching me. This was one reason why I joined the Company. I was also looking for a company where I could be involved in a global business, a desire I had felt based on my experience studying abroad. This made Tokyo Century, which was actively developing overseas operations, extra appealing to me.

Measures for Advancing TCX, a Basic Policy of Medium-Term Management Plan 2027

Taniguchi

Portfolio transformation always comes up in conversations at Tokyo Century, and I often find myself thinking about it in my everyday work. The Equipment Leasing segment is facing a challenging operating environment, and everyone is keenly aware of how we cannot hope to survive if all we do is provide financial functions. This awareness has led us to the shared understanding that portfolio transformation is not about just expanding our portfolio for the sake of growth. Rather, it is an approach toward heightening profitability. I have thus seen a rise in projects aimed at generating returns through means such as value-added proposals.

Sugiura

We are also mindful of emphasizing the profitability of projects in the International Business segment. Moreover, an understanding with regard to portfolio transformation is taking hold at the Tokyo head office. However, it is not so easy to promote this understanding among the employees working at overseas subsidiaries and affiliates. Such employees have the important mission of focusing on their sales activities to get their numbers up. We therefore need to strike a balance while transforming our existing businesses to improve profitability. So, I think it will take some time for the benefits of this approach to appear in the numbers.

Koike

I feel that we are making progress when it comes to human resource and organizational transformation. Tokyo Century offers an

Dialogue

Employee Roundtable



incredibly robust range of training and other human resource support systems. The range of this support really lets you know just how serious Tokyo Century is about improving the value of its people. As for digital transformation, I think it is important for everyone to visualize the ultimate goals to be achieved through digital transformation. By doing so, people should then discuss how they want to use digital technologies to address a specific issue. This would make it easier to clearly identify the steps needing to be taken to proceed.

Kimizu I agree. In addition to digital transformation, Tokyo Century is promoting green transformation. I understand that both types of transformation are important to Tokyo Century's growth. What we probably need to do next is to help everyone incorporate both digital and green transformation into their work and recognize them as familiar and close-at-hand concepts. If people often think about how these types of transformation can be applied to their specific work, they will come to understand just how they relate to them. This process will help these concepts to become entrenched on the front lines.

Principles Emphasized When Pursuing Goals Together with Customers and Partners

Kimizu When it comes to chasing our ambitions together with customers and partners, it is not enough for Tokyo Century to just provide funds. This is why I work with the customer or partner to try to identify and address the root cause of the management issues they face. As we also have different areas of expertise, communication and exhaustive discussion can help realize benefits greater than the sum of their parts. This can, in turn, contribute to

earnings for Tokyo Century. I am currently being seconded to a private equity fund. There, I work together with investees on a daily basis to identify and resolve each of their issues with regard to their management systems and business models. My goal is to help them become companies capable of ongoing growth so that they can create economic benefits for their stakeholders. It is important to closely monitor the issues faced by the management and employees of investees and to constantly think of the solutions Tokyo Century can provide to address these issues while continuing to work to foster mutually beneficial win-win relationships.

Taniguchi My approach is similar to that of Mr. Kimizu. I devote my efforts to building trusting relationships with our customers. Just meeting with customers frequently does not suffice; we have to grasp customers' needs at an early stage and propose solutions to them from a variety of angles. This approach can enable us to learn something new about one another or help flesh out discussions on the next step we should take. I like to focus on maintaining such relationships as they can lead to new possibilities. When we base our actions on Tokyo Century's partnership strategy, we are able to make convincing proposals to customers that involve various teams, which can broaden the scope of our activities. This is a unique element of Tokyo Century's competitive edge, and something I want to broadcast more.

Sugiura When working with overseas subsidiaries and affiliates to partner with local companies, I try to propose strategies that are appealing to both sides. Sometimes, I will research industry trends to determine what local partners we can work with to grow the business of both the partner and also Tokyo Century. I may also formulate hypotheses about the issues or needs a prospective partner might have by reading their website or

disclosed materials. These are some aspects of my approach toward collaborating with overseas subsidiaries and affiliates.

Koike The Automobility segment develops a lot of businesses that are closely linked to end users. This is why I always try to go about my work while remaining cognizant of the principle of market-oriented thinking advocated by Senior Managing Executive Officer Masato Osugi, who is president of the Automobility Business Development Unit. Finding hints for new businesses requires that we look into what kinds of issues are faced in the market and think about what partner would be best to help us tackle these issues. Understanding market needs is paramount to our business and something I always try to be mindful of. I, of course, sometimes consider tackling new challenges together with partners. However, I try to never forget that the onus is mainly on us at Tokyo Century to tackle said challenges.

Career Goals at Tokyo Century

Kimizu I really feel that I am making progress in the career path I had envisioned while tackling numerous challenges along the way. I want to use the platform that is Tokyo Century to continue to grow as a person, and I do not just mean by acquiring new skills or knowledge; I aspire to become someone with whom people enjoy working, someone who people regard as creative and innovative.

Taniguchi My goals are not that lofty; I just want to be involved in a business that helps address social issues, which will allow me to get the sense that Tokyo Century and I are helping make the world a better place. In my work, I hope to focus on making Tokyo Century a company that partners feel is beneficial to work with and on becoming someone deemed valuable by society. However, I still need to

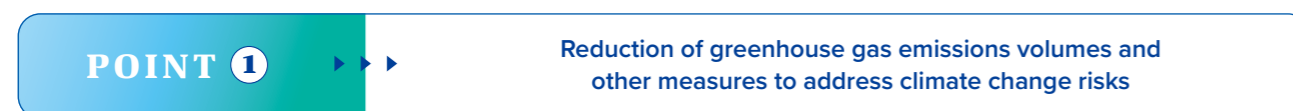
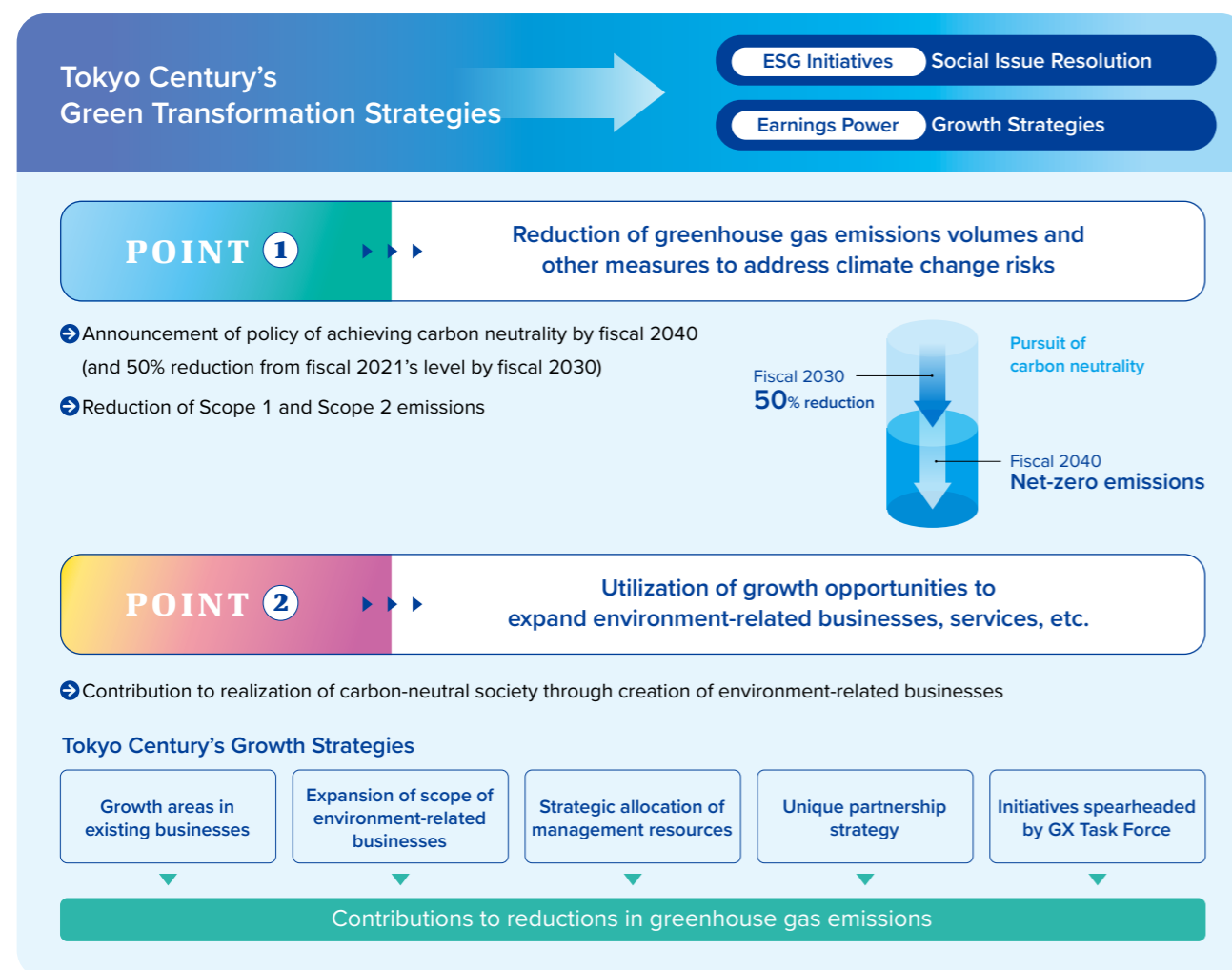
study a lot of specialized fields and increase my own skills and personal magnetism in order to accomplish my goals.

Koike Rather than thinking about what I want to do, I adopt the perspective of how I can contribute to society. Specifically, I am motivated in my work by a desire to create a society in which driving or owning a car can make people's lives happier and more fulfilling. Recently, younger people have been moving away from cars, and society has been changing in a way that makes purchasing and owning a car less appealing as an option. I therefore want to help Tokyo Century create products and services that make cars something more familiar to such people and which increase the levels of happiness and satisfaction they feel in their daily lives. I also hope to become someone who can lead efforts to create such products and services. For the time being, my goal is to contribute to the vision of becoming the top mobility service company in Japan laid out in Medium-Term Management Plan 2027.

Sugiura My goal is similar to that of Mr. Koike; I want to develop my career in a manner that involves me in businesses that make people's lives more fulfilling and the economy more enriched. The spread of QR code payments, for example, is changing society in a way that makes it possible to provide highly convenient services for people who previously could not get a bank account or credit card. I therefore see significant potential for Tokyo Century to use its strengths in financial services to develop businesses that create such value and to contribute to the resolution of social issues in this way. I am committed to working hard in my day-to-day tasks to ensure that I can shape my career in the manner I have described.

GX Promotion of Carbon-Neutrality-Related Businesses

Green transformation is one type of transformation advocated under the TCX concept. In pursuing green transformation, the Tokyo Century Group seeks to achieve carbon neutrality and to create environment-related businesses that cater to society's carbon-neutrality needs.



Importance of Responding to Climate Change

The Tokyo Century Group's Management Philosophy calls on us to contribute to the creation of an environmentally sound, sustainable economy and society. We recognize the fight against climate change as an important opportunity for growth toward accomplishing this objective, and a concerted Groupwide response is thus being furnished to address climate change. One of the key issues of Tokyo Century's materiality is "contribution to decarbonized society," and we are striving to help resolve social issues while achieving ongoing growth and improvements to corporate value.

Greenhouse Gas Emissions and Reduction Targets

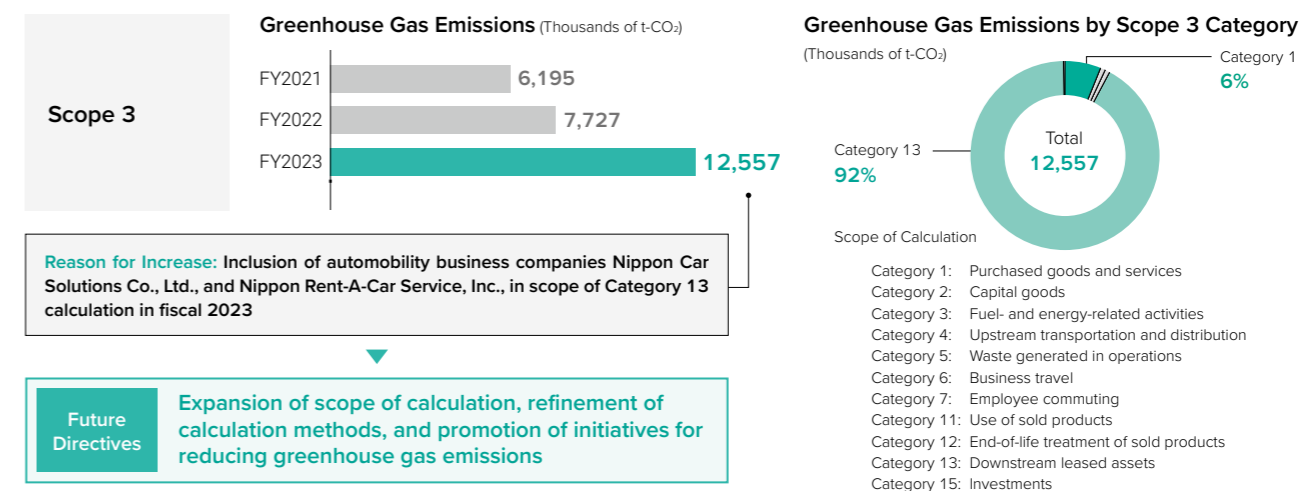
Scope 1 and Scope 2	Greenhouse Gas Emissions (Thousands of t-CO ₂)		
	FY2021	FY2022	FY2023
Scope 1	11	1,083	920
Scope 2*1	9	15	17
Total	20	1,098	937

*1 Location standard

*2 Reduction in comparison with base amount (1,365,000 t-CO₂) calculated by combining fiscal 2021 emissions with estimated annual emissions associated with biomass co-firing power plant of Shunan Power Corporation and hotel business

Two new domestic Group companies and four overseas subsidiaries of CSI Leasing, Inc., included in scope of calculation from fiscal 2023

Reduction Targets*2 Fiscal 2030: **50% reduction**
Fiscal 2040: **Net-zero emissions**



For more information, please refer to Tokyo Century's latest sustainability data book.

<https://www.tokyocentury.co.jp/en/sustainability/databook/>

Scope 1 and Scope 2 Emissions Reduction Initiatives

Direct Emissions and Indirect Emissions Originating from Energy Use

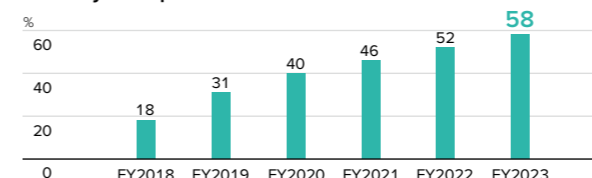
To reduce direct emissions, Tokyo Century is planning a phased shift from gasoline-fueled vehicles to electric vehicles (EVs) and other electrified vehicles for its Company fleet. In addition, gas-powered equipment will be replaced with electric equipment or with equipment that is more energy efficient while offices will be relocated to buildings that utilize renewable energy. For indirect emissions, we will seek to effectively switch to renewable energy by procuring green power and purchasing certificates verifying that our power does not come from fossil fuels.

Scope 3 Emissions Reduction Initiatives

Introduction of Highly Fuel-Efficient, New Technology Aircraft in Aviation Business

Aviation Capital Group LLC (ACG), a U.S.-based aircraft leasing subsidiary, and other aviation business companies are pursuing reductions in greenhouse gas emissions by introducing into their fleets new technology aircraft with high levels of fuel efficiency. The A320neo family, a mainstay aircraft series of Airbus SE, offers an approximately 20% reduction in greenhouse gas emissions compared with prior aircraft. The Tokyo Century Group is committed to increasing the portion of its aircraft portfolio accounted for by such eco-friendly aircraft and thereby reducing greenhouse gas emissions. Another pressing task in reducing the emissions of the aviation industry is the shift toward sustainable aviation fuel. We are currently assessing how best to take advantage of the business opportunity this shift represents.

Ratio of New Technology Aircraft among the Tokyo Century Group's Fleet



Notes:

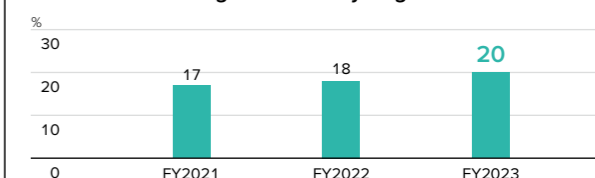
- For more information on calculation methods and other related matters, please refer to Tokyo Century's latest sustainability data book.
- To view the environmental, social, and governance report of ACG, please refer to the following website.

<https://www.aviationcapitalgroup.com/wp-content/uploads/2024/02/2023-ESG-Report.pdf>

Expansion of EV Offerings and Entry into EV Battery Business in Auto Leasing and Car Rental Businesses

- Provision of EVs to the NTT Group, in light of declared commitment to transition completely to EVs (participation in EV100 initiative), and promotion of EV adoption by other customers
- Commencement of transactions of electric taxis and buses and other electrified micro-mobility options
- Enhancement of value chain to provide EV-related services

Ratio of EVs among Automobility Segment's Fleet



Note: Figures represent the combined total for Nippon Car Solutions and Nippon Rent-A-Car Service.

Adoption of Renewable Energy in Real Estate Business

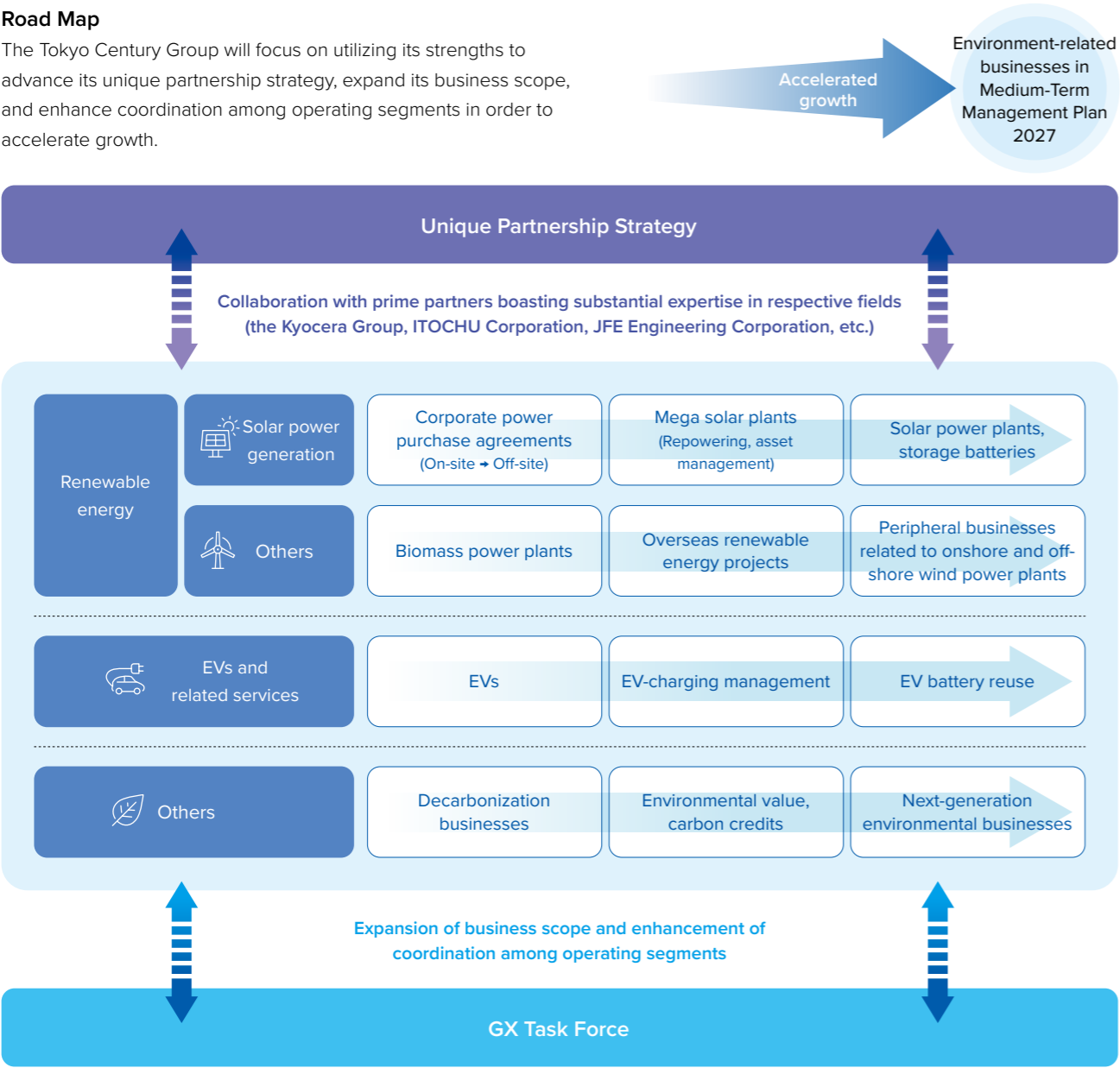
- Adoption of electricity sourced from renewable energy
- Installation of solar panels on Company-owned properties

GX

POINT 2 Utilization of growth opportunities to expand environment-related businesses, services, etc.

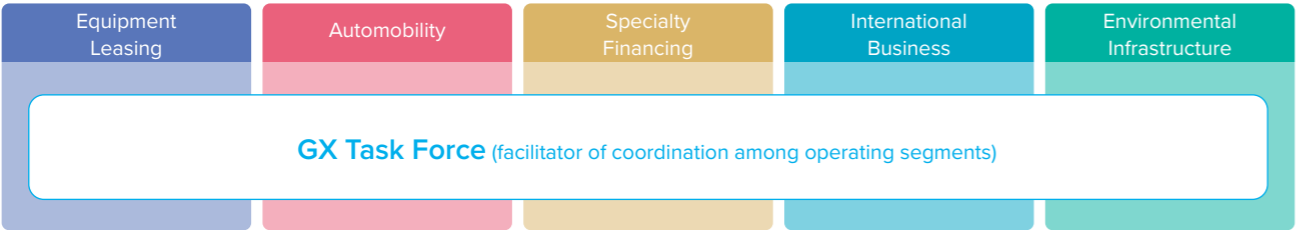
Road Map

The Tokyo Century Group will focus on utilizing its strengths to advance its unique partnership strategy, expand its business scope, and enhance coordination among operating segments in order to accelerate growth.



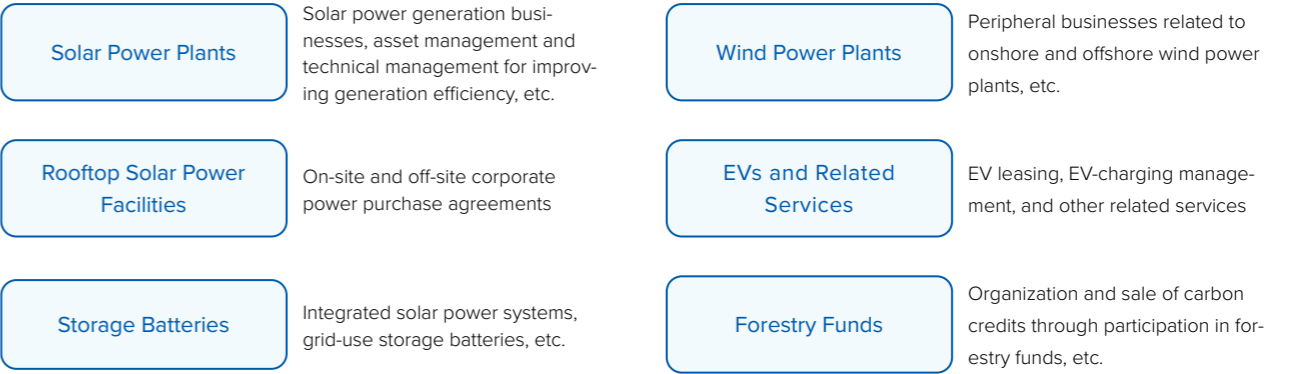
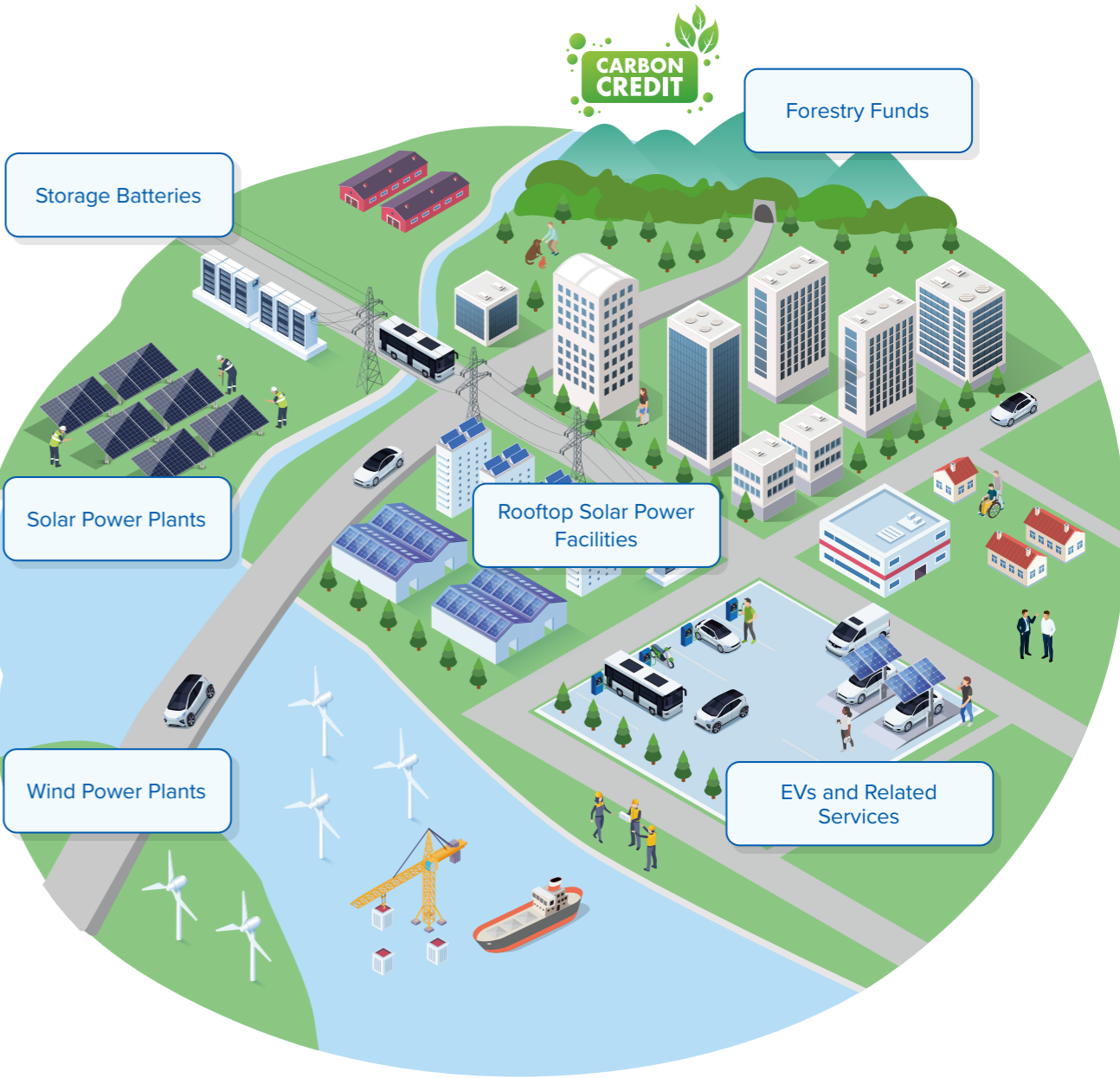
Expansion of Businesses Addressing Carbon-Neutrality Needs (Promotion System)

Environment-related businesses are a common theme to be addressed by all operating segments. To better respond to the rising social needs in this area and thereby accelerate growth, Tokyo Century established the cross-organizational GX Task Force to facilitate its efforts to contribute to the realization of a carbon-neutral society.



Environment-Related Business Initiatives Advanced through Collaboration with Prime Partners

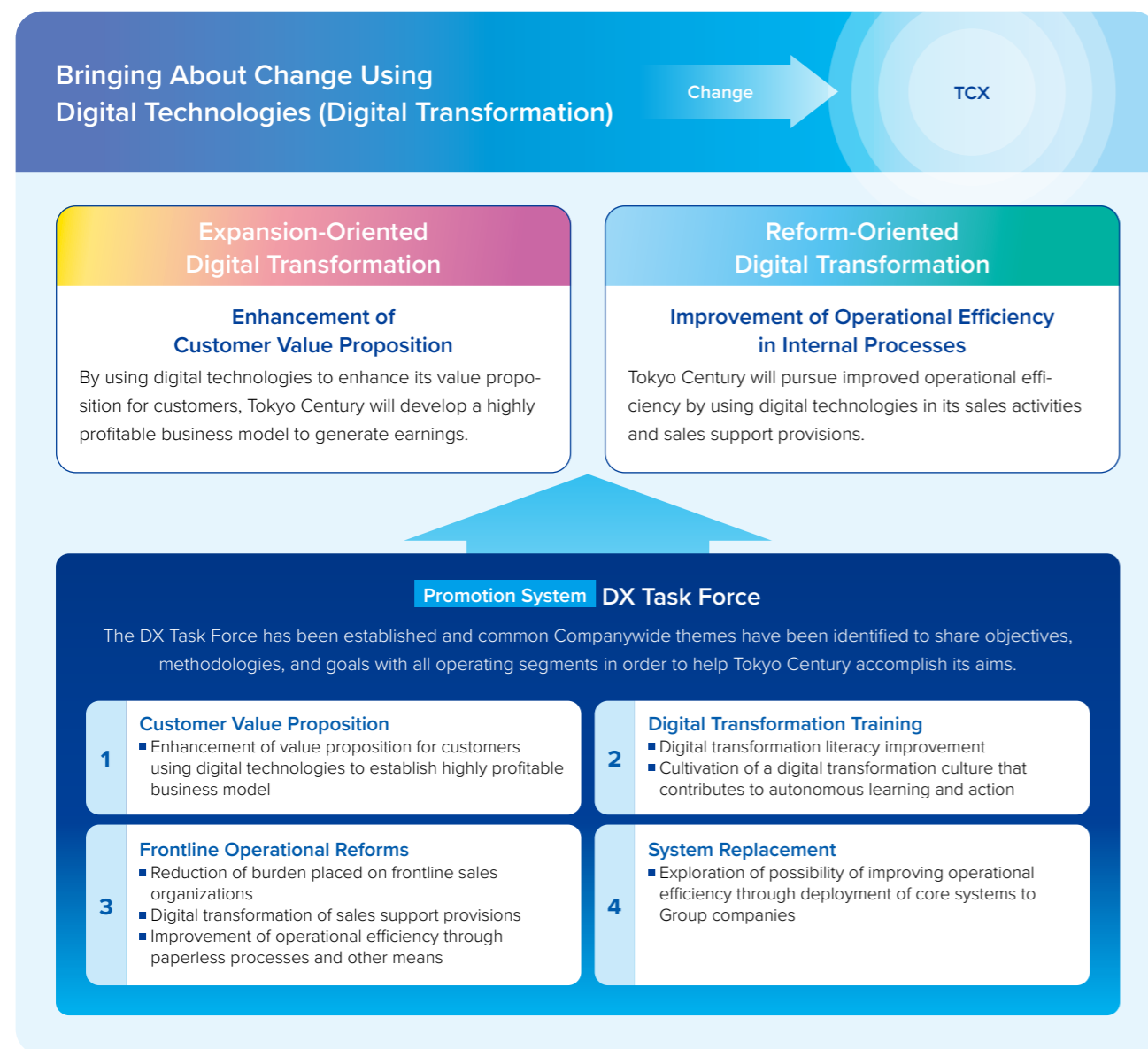
Tokyo Century is aggressively advancing initiatives centered on collaboration with prime partners across the energy value chain for catering to society's carbon-neutrality needs.



DX Improvement of Customer Value Proposition Using Digital Technologies

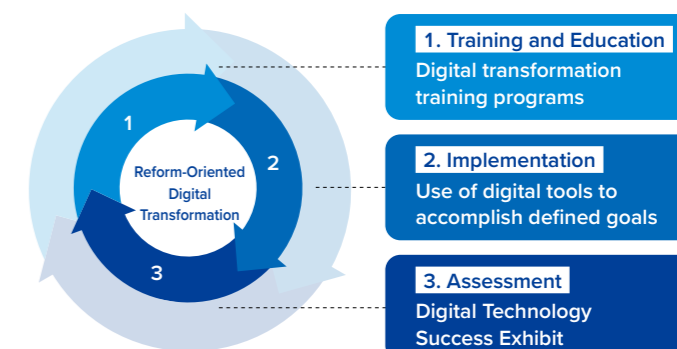
Digital transformation is crucial for building the foundation necessary for implementing the TCX basic policy of Medium-Term Management Plan 2027.

Tokyo Century has established the Companywide DX Task Force to promote initiatives for bringing about change using digital technologies, and initiatives toward this end are currently underway.



Reform-Oriented Digital Transformation Improvement of operational efficiency in internal processes

In reform-oriented digital transformation for improving operational efficiency in internal processes, it is important that the introduction of digital tools alone not be our end goal. For this reason, Tokyo Century is implementing an effective digital transformation cycle comprising three stages: **1. Training and education**, **2. Implementation (use of digital tools to accomplish defined goals)**, and **3. Assessment (sharing and commendation of knowledge)**.



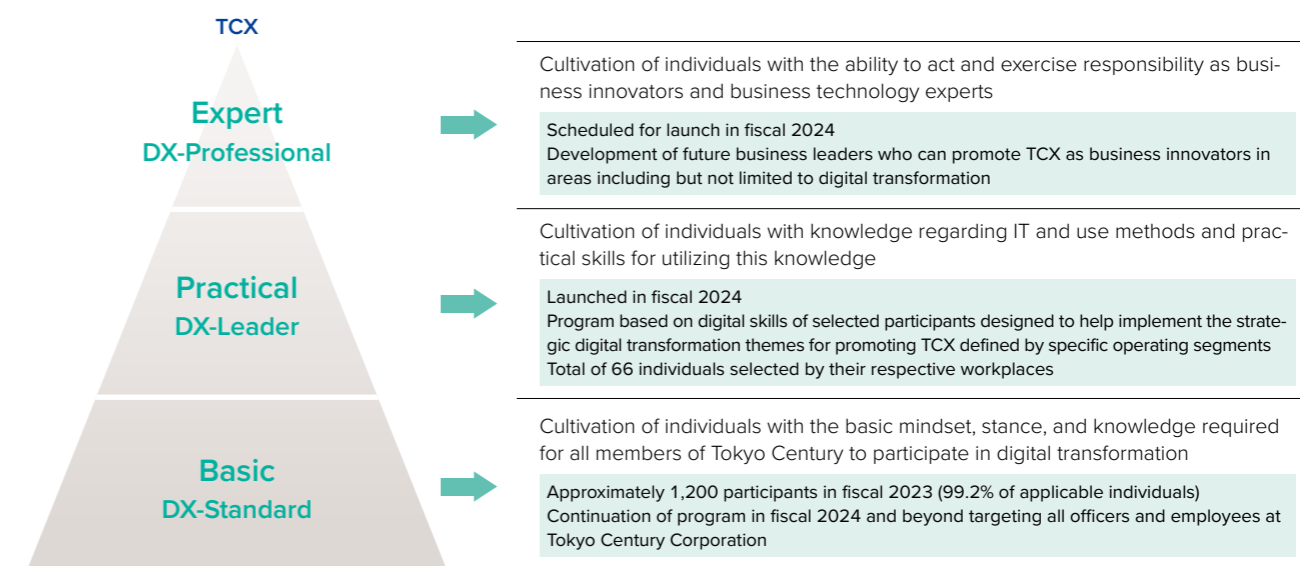
Training and Education—Digital Transformation Training Programs

Tokyo Century has designed a three-level digital transformation training program. The basic-level course (DX-Standard) of this program, launched targeting all officers and employees in fiscal 2023, provides basic knowledge and information on the background for utilizing digital technologies in the volatile operating environment and is meant to improve digital transformation literacy throughout the Company.

The practical-level course (DX-Leader) was introduced in fiscal 2024 and is aimed at individuals selected to implement the strategic digital transformation themes defined by specific operating segments. This program enables selected individuals to learn from a practical curriculum prepared based on their individual skills to help them obtain the skills necessary for promoting digital transformation.



Digital transformation training



Digital Transformation Initiative TC-ChatAI

Tokyo Century grants employees access to its exclusive TC-ChatAI generative AI chat service. As TC-ChatAI is detached from external environments, there is no concern regarding leaks of confidential information. This service was introduced in fiscal 2023 and was used in various processes by around 40% of all officers and employees at Tokyo Century Corporation during this year.

Major Applications

- Brainstorming using internal and external information
- Deep-level examination of ideas
- Preparation of briefings materials, reports, and other documents
- Email text preparation, etc.



We aim to use TC-ChatAI as a tool for improving operational efficiency and quality and for making digital transformation feel more relevant and tangible.

Digital Transformation Initiative Digital Technology Success Exhibit

The Digital Technology Success Exhibit is an intranet site that shares examples (materials, videos, etc.) of process reforms using digital tools. By sharing examples of frontline reforms based on creative ingenuity, we aim to encourage employees to undertake reforms to internal processes.

In fiscal 2023, we pursued improved efficiency through no-code tools, cloud services, AI, and robotic process automation,* successfully cutting the annual amount of labor needed by hundreds of hours on a per-project basis.

* Automation of administrative processes using computers



Digital Technology Success Exhibit intranet site (Japanese only)