

Management Foundation

This section introduces ORIX's system of governance, which supports its mid- to long-term value creation.

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Corporate Governance at ORIX

Strengthening corporate governance to help society develop sustainably, to increase corporate value, and to be a company all stakeholders trust is a management priority for ORIX. We are committed to exceptionally sound and transparent corporate governance.

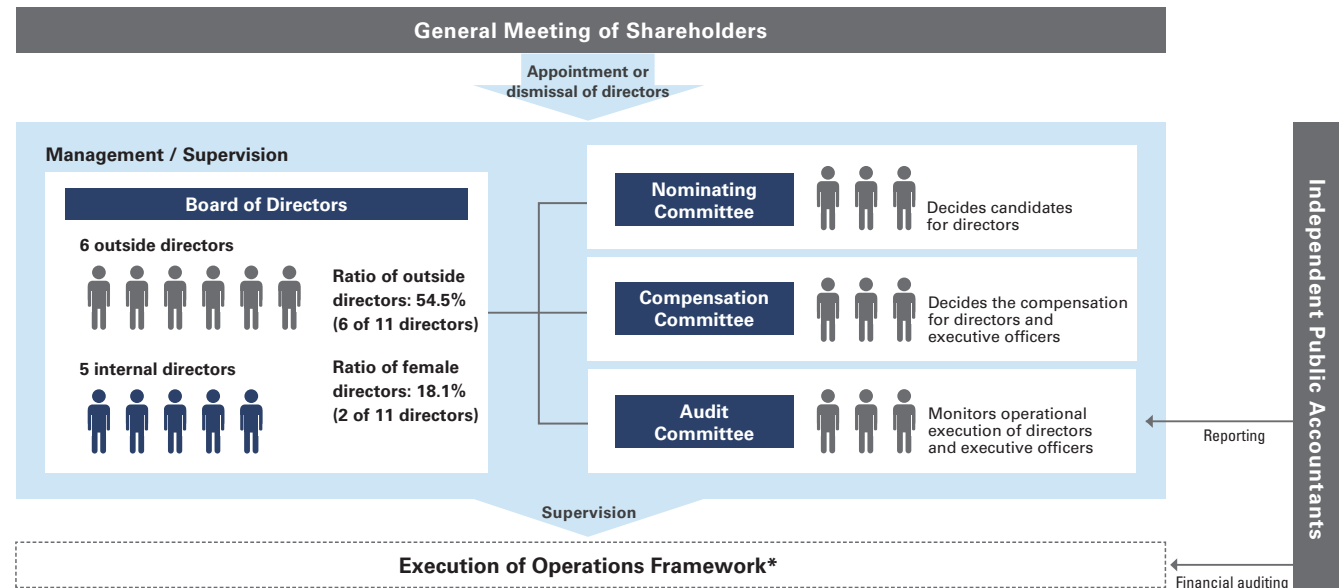
Approach to Corporate Governance

- ORIX believes that a robust corporate governance system is essential for ensuring fair management and carrying out appropriate business initiatives in line with its core policies. We have therefore established a sound and transparent corporate governance system.
- Corporate governance is a system for management oversight. It involves setting management objectives for managers, performance analysis and evaluation, and supervision in order to ensure that management strives to attain outstanding results. The sensitivity required toward corporate governance encourages management to perform to the best of its ability and facilitates innovation in pursuit of corporate objectives. Such an approach is conducive to the achievement of consistently high ROE.
- Outside directors play a crucial role in corporate governance at ORIX. From various perspectives reflecting their diverse professional backgrounds, outside directors are able to objectively evaluate management’s performance in ways that transcend the industry’s conventional protocols and the Company’s ingrained practices. Moreover, by virtue of their external perspectives, outside directors are in the position to objectively evaluate the risk of management not taking adequate levels of good risk.

Corporate Governance Framework (As of June 30, 2022)

ORIX’s corporate governance system is characterized by the following four points.

- Separation of operation and oversight through a “Company with Nominating Committee, etc.” board model
- Nominating, Audit, Compensation Committees composed entirely of outside directors
- All outside directors satisfying strict conditions for independence
- All outside directors being highly qualified in their respective fields



* Please refer to page 57 for Execution of Operations Framework.

For details on ORIX’s corporate governance, please refer to the following:

- Form 20-F filed with the U.S. Securities and Exchange Commission ▶▶▶ <https://www.orix.co.jp/grp/en/ir/library/20f/index.html>
- Corporate Governance Report ▶▶▶ <https://www.orix.co.jp/grp/en/ir/governance/>

Corporate Governance at ORIX

Initiatives to Enhance Corporate Governance

Providing new value and contributing to society through business initiatives are fundamental to ORIX. We also believe that client trust is essential when it comes to expanding our business and achieving sustainable growth. A highly transparent governance framework that enables swift decision-making is essential in gaining stakeholder trust and achieving sustainable growth.

ORIX has been strengthening corporate governance as a management oversight function since its founding. The current corporate governance framework requires management to maintain a high level of discipline; we believe this is crucial and necessary in achieving a sound, secure corporate governance system, both for management itself and from a corporate management perspective. The following table elucidates the initiatives that ORIX has emphasized in strengthening its corporate governance framework.

	Key Initiatives	Objectives
Overall Corporate Governance	1964 Adopted U.S. GAAP 1970 Listed on the second section of the Osaka Securities Exchange 1997 Established Advisory Board 1998 Introduced Corporate Executive Officer System and listed on the New York Stock Exchange 2003 Transitioned to a "Company with Committees" board model (currently a "Company with Nominating Committee, etc.")	<ul style="list-style-type: none"> Communicate results and businesses accurately to investors Increase corporate value Separate management oversight and execution to raise the efficiency of execution of operations Increase convenience for foreign shareholders Ensure the involvement and counsel of independent outside directors regarding executive personnel and compensation Appoint managers and determine their compensation from the perspective of shareholders
Management Team Diversity → Page 43	1999 Introduced an outside director system 2003 Began appointing non-Japanese outside directors 2010 Began appointing female outside directors 2017 Outside directors make up at least half of the Board of Directors 2021 Disclosed skill matrix for all directors → Page 52 2022 Outside directors comprise the majority of the Board of Directors	<ul style="list-style-type: none"> Strengthen oversight Ensure objectivity by using people with diverse backgrounds Operation led by outside directors
Evaluation of Effectiveness of the Board of Directors → Page 50	2016 Evaluation of effectiveness of the Board of Directors initiated Key initiatives to improve effectiveness implemented since 2016: <ul style="list-style-type: none"> More interaction between outside directors and frontline executives and employees Paperless materials Occasions for informal exchange of opinions Evaluations by a third-party organization	<ul style="list-style-type: none"> Ensure sufficient time for study and deliberation of Board of Directors agenda items to improve the quality of deliberation Formulate an action plan to improve effectiveness
Compensation System → Page 55	1997 Introduced stock option plan 2002 Abolished retirement bonuses 2005 Initiated share component of compensation Began reflecting division performance in addition to company-wide performance in annual bonuses from the fiscal year ended March 2017 Increased ratio of performance-based compensation for directors and executive officers in the fiscal year ended March 2021 Began reflecting status of ESG initiatives in annual bonuses in the fiscal year ended March 2022	<ul style="list-style-type: none"> Improve motivation to contribute to operating results and mid- to long-term results

Management Team (As of June 24, 2022)

Members of the Board of Directors

Makoto Inoue

Age: 69

Member of the Board of Directors
Representative Executive Officer
President and Chief Executive Officer
Responsible for Group Strategy
Business Unit



Profile Joined ORIX in 1975. After serving in positions including Deputy Head of Investment Banking Headquarters and Head of Global Business & Alternative Investment Headquarters, appointed Director, Representative Executive Officer, President and Chief Executive Officer in June 2014 (to present).

Shuji Irie

Age: 59

Member of the Board of Directors
Senior Managing Executive Officer
Head of Investment and
Operation Headquarters



Profile Joined Mizuho Securities Co., Ltd. in 2001. Joined ORIX in 2011. After serving in positions including Deputy Head of Investment and Operation Headquarters, appointed Director and Senior Managing Executive Officer in January 2020 (to present).

Satoru Matsuzaki

Age: 56

Member of the Board of Directors
Senior Managing Executive Officer
Head of Corporate Business
Headquarters
Chairman, ORIX Auto Corporation
Chairman,
ORIX Rentec Corporation



Profile Joined Crown Leasing Corporation in 1989. Joined ORIX in 1997. After serving in positions including Head of Eastern Japan Sales Headquarters, appointed Director and Senior Managing Executive Officer in January 2020 (to present).

Yoshiteru (Terry) Suzuki

Age: 59

Member of the Board of Directors
Senior Managing Executive Officer
President and Chief Executive Officer,
ORIX Corporation USA



Profile Joined ORIX in 1985. After serving in positions including Representative Director and President, Cerberus Japan K.K, rejoined ORIX in 2015. Appointed Director and Senior Managing Executive Officer in June 2020 (to present).

Stan Koyanagi

Age: 61

Member of the Board of Directors
Managing Executive Officer
Global General Counsel
Responsible for Legal and
Compliance Headquarters



Profile Joined SHEPPARD, MULLIN, RICHTER & HAMPTON LLP in 1985. After serving in positions including General Counsel at ORIX USA Corporation (currently ORIX Corporation USA), joined ORIX in 2013. Appointed Director and Managing Executive Officer in June 2017 (to present).

Management Team

Outside Directors

Michael Cusumano

Age: 67

- Compensation Committee
- Deputy Dean, Faculty of Management, Sloan School of Management at Massachusetts Institute of Technology
- Professor, Faculty of Management, Sloan School of Management at Massachusetts Institute of Technology
- Member of the Board of Directors (Outside Director), Multitude SE



Profile Has served as Professor, Faculty of Engineering Systems, School of Engineering at Massachusetts Institute of Technology and Special Vice President and Dean, Tokyo University of Science. Appointed Outside Director in June 2019 (to present).

Sakie Akiyama

Age: 59

- Nominating Committee (Chair)
- Founder, Saki Corporation
- Member of the Board of Directors (Outside Director), Sony Group Corporation
- Board of Directors (Outside Director), JAPAN POST HOLDINGS Co., Ltd.
- Member of the Board of Directors (Outside Director), Mitsubishi Corporation



Profile Founded Saki Corporation after serving at Arthur Andersen & Co. Appointed Outside Director in June 2019 (to present).

Hiroshi Watanabe

Age: 72

- Compensation Committee (Chair)
- Nominating Committee
- President, Institute for International Monetary Affairs
- Outside Director, Mitsubishi Materials Corporation



Profile Has served with the Ministry of Finance and as Governor, Japan Bank for International Cooperation. Appointed Outside Director in June 2020 (to present).

Aiko Sekine

Age: 64

- Audit Committee (Chair)
- Nominating Committee
- Professor, Waseda University, Faculty of Commerce
- Member of the Nominating Committee, International Federation of Accountants
- Trustee, International Valuation Standards Council
- Advisor of Japanese Institute of Certified Public Accountants
- Outside Audit & Supervisory Board Member, Sumitomo Riko Company Limited
- Outside Audit & Supervisory Board Member, IHI Corporation



Profile Has served as partner of Aarata Audit Corporation (currently Pricewaterhouse Coopers Aarata LLC) and Chairman and President of the Japanese Institute of Certified Public Accountants. Appointed Outside Director in June 2020 (to present).

Chikatomo Hodo

Age: 61

- Audit Committee
- Compensation Committee
- Outside Director, Konica Minolta Inc.
- Outside Director, Mitsubishi Chemical Holdings Corporation



Profile Has served as Representative Director and President and Senior Corporate Advisor of Accenture Japan Ltd. Appointed Outside Director in June 2021 (to present).

Noriyuki Yanagawa

Age: 59

- Audit Committee
- Professor, Faculty of Economics of Graduate School of Economics at the University of Tokyo



Profile Has served as Associate Professor, Faculty of Economics of Graduate School of Economics at the University of Tokyo. Appointed Outside Director in June 2022 (to present).

A Dialogue between Outside Directors

Sakie Akiyama

Nominating Committee
(Chair)
ORIX Outside Director
since June 2019



Chikatomo Hodo

Audit Committee and
Compensation Committee
ORIX Outside Director
since June 2021

A Board of Directors that is positioned at the core of corporate governance to address issues with a sense of urgency is key to the effective management supervision that will drive medium- and long-term growth in ORIX's corporate value. Two of our outside directors met to discuss this topic and the ambience of ORIX's Board of Directors and committee meetings.

Features and Ambience of ORIX's Board of Directors Meetings

Hodo: ORIX has a Board of Directors that reflects its corporate culture and the personalities of its top management. Discussions are frank and to the point. Another positive feature is a relaxed ambience that empowers Board members to share their thoughts without hesitation. Outside directors can participate as observers in the Nomination, Audit, and Compensation committees, even if they are not members. Outside directors are therefore better able to express their opinions at Board meetings because they have a detailed understanding of the discussions and reports of these three committees.

Akiyama: The Board of Directors makes strategic management decisions, and the ability to discuss and confirm key issues and concerns is crucial to Board effectiveness. I am totally satisfied with the ambience of the Board and the three committees because it

fundamentally encourages frank questions and opinions.

Hodo: ORIX's Board of Directors comprises a diverse range of directors, including women and foreign nationals, experts in economics and international finance, and experienced business managers. Many people have interdisciplinary experience in multiple fields as well as knowledge in their respective fields of specialization, which adds depth and breadth to discussions. Environmental issues are representative, because the composition of the Board enables us to discuss them from perspectives that range from government and agency perspectives to circumstances both in Japan and around the world. In addition, outside directors have been a majority on the Board since January 2022, and I expect that to spur new dynamics and advances at an even higher level.

Akiyama: Key management decisions for ORIX's diverse business portfolio require a

A Dialogue between Outside Directors

holistic perspective to determine which businesses will generate medium- and long-term growth, and how the Company should assess and evolve that portfolio. A contemporary perspective is also important, particularly because societal requirements regarding any given environmental issue we may address will change very quickly. New technologies are constantly emerging, which creates opportunities for ORIX but also exposes the Group to the risk that its business structure and earnings model will deteriorate or become obsolete. Effectively sharing this contemporary perspective enables the Board to discuss their impact on the Group. This underscores the importance of director diversity. ORIX has therefore structurally enhanced the quality of its Board with directors who have interdisciplinary experience in multiple areas and specialized experience at multiple companies rather than more simplistically variegated experiential or contextual profiles.

Board Discussions to Formulate the Medium-term Direction

Akiyama: The Board of Directors also held discussions to formulate the Medium-term Direction announced in May 2022. Board discussions and resolutions regarding medium-term perspectives and approaches are critical to corporate management. ORIX's outside directors emphasized the importance of properly verbalizing the Medium-term Direction and explaining it internally and externally. This also directly influenced the executive officers as they drafted the Medium-term Direction.

Hodo: Implementing and achieving commitments announced to markets and investors engenders trust and confidence in management. ORIX must absolutely avoid raising value expectations it is unable to fulfill. On the other hand, an overly conservative company with no growth expectations has no future. I consider it important to find a balance between these extremes, so I paid close attention to the probability of achieving the goals of the Medium-term Direction. I am therefore confident ORIX can grow steadily even given the rapidly changing international environment.

Akiyama: Just as people do, companies have histories that significantly influence their current actions. ORIX has proactively addressed changing times by quickly embracing new



markets and business models and then building commercially viable businesses and operations around them. This longstanding approach defines the history of ORIX. Consider the example of a startup that launches with a new discovery or idea. All that takes is courage. However, the process of scaling up new discoveries and ideas is not possible without autonomous frontline action featuring hands-on involvement, precision, tenacity, and close attention to outcomes and numerical data.

Board discussions and executive presentations give me the strong impression that ORIX is committed to operation. The day-to-day actions of all employees serve to insulate the Group against volatility in the external environment. This has been central to ORIX's steady growth. It's not flamboyant, I have no fancy explanation for it, but this practice of stating its plans and consistently achieving results gives markets confidence that ORIX can get things done.

Hodo: To earn the confidence of the market, ORIX also needs to do all it can to visualize and address market feedback, including questions about the conglomerate discount that can arise from the complexity of its business portfolio and the year-to-year reproducibility of investment gains. ORIX is committed to effectively increasing the value of its investees

A Dialogue between Outside Directors

and businesses, and its expertise in creating value is a core competence. The process of adding value involves decisions about holding or selling. ORIX is societally significant as a key facilitator in Japan's contemporary business investment ecosystem, and I would like to see greater understanding among investors that ORIX is an attractive investment. I would also like investors to be fully aware that ORIX's resilience in various critical situations supports stable earnings growth and shareholder returns.

ORIX's Uniqueness and Business Model That Delivers Social Value —

Hodo: In looking for a company analogous to ORIX, I used to try to compare it to Japanese trading companies or alternative investment management companies outside Japan. Now that I am an outside director, I truly feel that ORIX is one of a kind. One reason is the wide-ranging discussions of projects submitted to the Investment and Credit Committee, an executive body that deliberates and reports on virtually all investment projects. The refined essence of ORIX's collective executive expertise, this committee analyzes discrete projects in exceptional detail. ORIX has a broad array of frontline operations, so some projects involve people implementing multiple smaller-value projects, while others involve people implementing large capital projects. ORIX's many hands-on business operations ensure that the Investment and Credit Committee is not just a superficial organization, which makes it unique. The people of ORIX formulate and act on proposals that produce results because this committee leads them to think about projects that will receive approval and become successful businesses.

The ORIX Group is a large enterprise structured around a solid core. Employee conduct is a natural extension of that solid core. As a director, I believe that I must continue to encourage and verify models that are internationally acceptable because they are highly sustainable and appealing to people with diverse generational values.

Akiyama: ORIX has grown its businesses by proactively serving unmet needs that changing times and evolving social needs have created in the industrial structure and its product and service portfolio. ORIX is a multifaceted company that provides financial

support and delivers solutions, expertise and services for emerging vanguard trends around the world. It has been able to do so because it offers greater latitude than other companies to take on risks and challenges to its employees, who are all closely involved with, proficient in, and committed to their businesses.

For example, the Environment and Energy Business made bold, significant investments in renewable energy businesses outside Japan. It did so because it is confident of success based on more than a decade of experience and knowledge in the renewable energy business in Japan. That frontline decisiveness drives its business forward, which is how ORIX delivers social value. I expect ORIX's roles to expand as a result of societal and business change.

Hodo: I agree. I would like to add that ORIX has never lost its keen sense of urgency about business continuity, and therefore excels at anticipating market needs. At the same time, ORIX's core competencies in operation, financing, and investment empower a decisive organizational culture.

Emerging Human Resource Needs and a Stronger Management Foundation —

Akiyama: ORIX's commitment to developing people on the job is stronger than at other



A Dialogue between Outside Directors

companies. However, contemporary needs dictate that ORIX approaches succession by expanding the focus from top management to include a broader cohort of candidates and expanding the pipeline of candidates to join that cohort. ORIX must comprehensively consider investment in and assessment of its people and personnel systems, and how to enhance their sophistication. ORIX has been sounding out executives about these issues lately, and sharing this information with outside directors.

Hodo: ORIX needs to update its human resource requirements for the direction it will take in developing its people. Regardless of age, the people who join ORIX in the future will have ideas about diversity and other values that differ from those of Japan's era of postwar economic growth. A particular difference is a growing tendency among people who are more talented to place greater importance on social impact than on making money. ORIX needs to redefine its human resource requirements and ensure that it consistently and systematically develops its people rather than relying on the less consistent on-the-job approach to training. ORIX may well have embraced this approach already, but needs to reconfirm.

One key issue to confirm is the ability to hire top people around the world. ORIX should aim to make outstanding, globally competitive people want to join the Group regardless of their nationality. Hierarchically, this perspective will become more important in hiring middle and junior managers as well as senior management. ORIX must also remain up to date and on the cutting edge because HR will be essential as long as the company continues to exist.

Akiyama: ORIX needs to make its core values the starting point for thinking about the management quality and capabilities the Group requires. I expect that the rapid change of the modern business environment will place a premium on strategic insights into growth businesses and the ability to turn those insights into tangible results. The people who can succeed at this will need a solid contemporary understanding of ORIX's businesses rather than specialized expertise alone. Nobody can predict the future, but ORIX managers need at the very least to understand the times and ORIX's business environment and to identify



trends that are sure to arise over the medium and long term.

Another issue is the relationship between contemporary understanding, strategy, and execution, because ORIX top management cannot realistically control every aspect of the Group's broad array of businesses. The key here is the ability to collect knowledge from all available sources. ORIX senior managers must be able to assimilate proposals and opinions, even when they are harsh, from a wide range of people. ORIX must also continue to value and nurture a corporate culture that enables open-minded and frank discussions that get to the essence of issues.

Hodo: At the same time, ORIX needs strong leadership. It must anticipate events and take risks. Japanese companies are particularly susceptible to "big company syndrome." Ambiguous delegation may render the president unable to demonstrate strong leadership because of undue deference to business units. ORIX needs leaders who are as strong as possible to stay ahead, take risks, and be worldly.

As you mentioned, however, timely knowledge of everything down to a granular level about markets that are expanding, evolving, and becoming more complex is increasingly untenable. ORIX therefore requires mechanisms for timely communication of information

A Dialogue between Outside Directors

and solid organizational management through internal controls. Decision-making should remain the province of strong leaders as much as possible, but ORIX must also maintain an open culture with the freedom to take on challenges and a management team that avoids acting arbitrarily without consultation. Moreover, ORIX needs mechanisms that allow personnel in the units that back up top management to share the same information. I also see room for improvement in the systems for aggregating information relevant to finance, accounting, human resources, assets, and risks.

Akiyama: Taking the initiative, CEO Inoue has made enhancing those mechanisms a management priority and has set a timeline for doing so. ORIX has therefore created dashboards that allow various people to access arrays of numerical data, which exemplifies how the Group is facilitating quick discussions and fact-based decisions. ORIX is also implementing needed updates for its IT systems. In addition, human capital management has become a hot topic recently. Therefore, congruence between management and personnel strategies, and approaches to personnel mix, pipeline, and training to enhance human capital, will become even more important topics for disclosure.



Substantive Progress in Sustainability

Akiyama: Required disclosure of sustainability information has been increasing for several years now, and sustainability has become an issue and focus of attention in capital markets. Over the past year, ORIX's Board of Directors has steadily increased the time and intensity devoted to ORIX's sustainability agenda and reports, and has ramped up corporate sustainability initiatives.

ORIX does not take a superficial approach to promoting sustainability. Its well-grounded approach to discussion is typical of the Group. CEO Inoue's vision for taking effective steps to gradually enhance our sustainability framework is representative: to start by establishing the Sustainability Committee as an executive body that would enhance its discussions and agenda, and then report to the Board of Directors. ORIX executives are now intensively discussing matters such as how to incorporate and promote ESG-related material issues and key goals as key performance indicators for each business unit. This commitment among officers and employees to unity emphasizes substance rather than form and engenders trust in management.

Hodo: ORIX is also uniquely positioned for sustainability. The Group passively addresses a range of demands for disclosure, and actively addresses business opportunities. ORIX is a leader among peers in making impactful social contributions in businesses such as environment and energy. In addition, Robeco is a highly competitive ESG asset management company that became part of the Group well before the general public took real notice of that business. ORIX employees are aware that SDGs and ESG can drive earnings growth, and ORIX is positioned to prove this to the market. I hope that investors will continue to look forward to the growth ORIX generates through sustainability.

Akiyama: As I mentioned, ORIX can deploy its unique capabilities to take on risks and challenges in an array of businesses, and the same can be said of its approach to sustainability. ORIX wants to meet the expectations of shareholders and other stakeholders by disclosing information and promoting sustainability as a business.

Corporate Governance Framework

Board of Directors

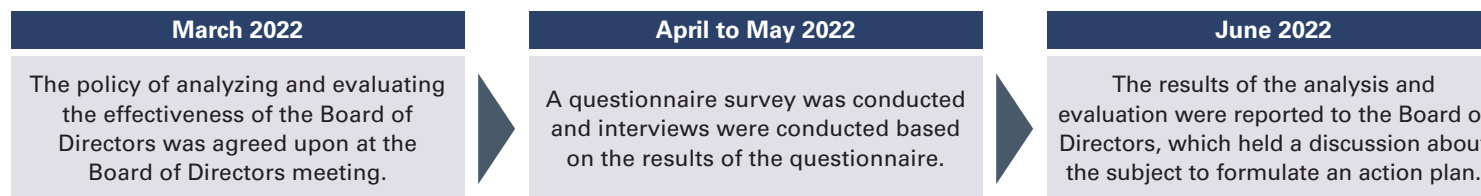
The Board of Directors makes decisions related to items that, either as a matter of law or pursuant to our Articles of Incorporation, cannot be delegated to executive officers, such as management policies and basic policy on the internal control system, and other important items as

determined by the regulations of the Board of Directors. The Board of Directors monitors the execution of duties by the directors and executive officers using management and internal control policies, which are reviewed and updated on a regular basis. Furthermore, the Board of

Directors receives reports from executive officers and the three committees regarding execution status of their respective duties. Accordingly, the Board of Directors collects information and monitors the appropriateness of operational execution based on such information.

Evaluation of Effectiveness of the Board of Directors (FY Ended March 2022)

As a part of establishing a more sound and transparent corporate governance system, ORIX annually analyzes and evaluates the effectiveness of the Board of Directors to ensure the effectiveness of decision-making at Board of Directors meetings.



Evaluation Process

- In addition to the operational agenda which relates to the effectiveness of decision-making at Board of Directors meetings, to achieve continuous growth in the complex and discontinuously changing business environment, the questionnaires were provided and interviews were performed with all members of the Board of Directors so that the agenda related to corporate governance, which should be considered to enhance the governance system further, could be confirmed and a discussion was held at the Board of Directors meeting based on the results of the questionnaires and interviews.
- The evaluation was conducted with the support of an outside consulting firm to ensure an objective understanding by the Board of Directors regarding the composition of the Board of Directors and other committees, as well as the operation and discussion items of Board of Directors meetings. Based on the analysis and evaluation of the outside consulting firm, the action plan for enhancing the effectiveness of the Board of Directors during the current fiscal year was discussed at the Board of Directors meeting.

Questionnaire Contents	Overview of the Evaluation Results	Action Plan
<ul style="list-style-type: none"> • Composition and operation of the Board of Directors meeting • Corporate strategy and business strategy • Corporate ethics and risk management • Communication with stakeholders • Effectiveness of the Nominating Committee, the Compensation Committee, and the Audit Committee 	<p>As a result of the analysis and evaluation below, it has been evaluated that the Board of Directors of ORIX is functioning effectively.</p> <ul style="list-style-type: none"> • The members of the Board of Directors have diverse backgrounds. • The majority of the members are well-experienced outside directors, and most of the authority related to decision-making is delegated to the management side. • Board of Directors meetings are operated with a system effectively supervising the management. • Executive officers and the Board of Directors Secretariat are responding to requests from the outside directors and spontaneously working to further improve the effectiveness of the Board of Directors. • A relationship of trust has been built between the management side and the Board members. 	<p>Deepening the discussion regarding mid- to long-term strategies and future direction is on the agenda for this fiscal year as well, and based on the results of the evaluation above, the Board of Directors has formulated the following policies to further improve the effectiveness of Board of Directors meetings.</p> <ul style="list-style-type: none"> • Strengthen the information-sharing system among the Board members through actions such as regularly holding meetings to exchange opinions among the outside directors only and the establishment of a facilitator of the Board of Directors to enable more communication with the management side. • Expand opportunities to periodically provide the Board of Directors with information from the management side regarding the perspective of ORIX's investors. • Continuously set up opportunities to explain mid- to long-term strategies of each division for outside directors to further deepen their understanding of the business.

Corporate Governance Framework

Nominating Committee

- The Nominating Committee decides and produces proposals to appoint or dismiss directors, which are then submitted at the general meeting of shareholders.
- The Nominating Committee also deliberates on the appointment or dismissal of executive officers, although this is not required under the Companies Act of Japan.
- The Nominating Committee has determined the “Conditions for Director Independence.”*
- The Nominating Committee ensures appropriate selection of candidates for director appointments through “Nomination Criteria for Director Candidates.”*

* For details on ORIX’s “Conditions for Director Independence” and “Nomination Criteria for Director Candidates” determined by the Nominating Committee, please refer to the following:

- Form 20-F filed with the U.S. Securities and Exchange Commission
▶▶▶ <https://www.orix.co.jp/grp/en/ir/library/20f/index.html>

Audit Committee

- The Audit Committee monitors the execution of the duties of the directors and executive officers and creates audit reports. The Audit Committee decides the content of proposals to appoint, dismiss, or refuse the reappointment of the Company’s independent public accountants, and the proposals are submitted to the general meeting of shareholders.

Compensation Committee

- The Compensation Committee formulates the Policy for Determining Compensation of Directors and Executive Officers and also decides the specific compensation for each individual director and executive officer.

Note: Please refer to pages 55 and 56 for details on director and executive officer compensation.

Board of Directors and Committee Meetings in FY Ended March 2022

	Number of Meetings	Attendance Rate
Board of Directors	9	99%
Nominating Committee	7	100%
Audit Committee	12	97%
Compensation Committee	4	100%

Statements by Outside Directors at Meetings of the Board of Directors and the Three Committees for FY Ended March 2022

Officer	Statements Made at Board of Directors Meetings and Meetings of Three Committees	
	Board of Directors Meetings	Meetings of the Three Committees
Heizo Takenaka (Retired in June 2022)	He proactively expressed his opinions and made proposals, mainly from his perspective as an expert in economics and finance.	As chair of the Compensation Committee, he played a leading role in deliberating on the compensation system and compensation levels for directors and executive officers to enhance the mid- to long-term incentive function.
Michael Cusumano	He proactively expressed his opinions and made proposals, mainly from his perspective as an expert in technology.	He contributed to the Compensation Committee’s deliberations on compensation from a variety of perspectives, including comparative analyses with global companies.
Sakie Akiyama	She proactively expressed her opinions and made proposals, mainly from her perspective as an expert in corporate management.	As chair of the Nominating Committee, she played a leading role in deliberating on the composition of the Board of Directors and executive officers appropriate for the Company’s business development, as well as on the succession plan.
Hiroshi Watanabe	He proactively expressed his opinions and made proposals, mainly from his perspective as an expert in finance, economics, and corporate management.	He contributed to the Nominating Committee’s deliberations on the fulfillment of the functions of the Board of Directors from a variety of perspectives, including changes in the internal and external environment surrounding the Company.
Aiko Sekine	She proactively expressed her opinions and made proposals, mainly from her perspective as an expert in accounting and finance.	As chair of the Audit Committee, she played a leading role in deliberating on the effectiveness of the Company’s internal control system by receiving regular reports from the Internal Audit Department, as well as from internal control-related functions and the independent public accountants.
Chikatomo Hodo	He proactively expressed his opinions and made proposals, mainly from his perspective as a manager based on his expert viewpoint and extensive experience in digital business.	He contributed to the Audit Committee’s deliberations on the effectiveness of the Company’s internal control system from a variety of perspectives, including changes in the domestic and overseas environment surrounding corporate management.

Please refer to the following for details on the main activities of ORIX’s outside directors.

- Notice of the 59th Annual General Meeting of Shareholders and related materials ▶▶▶ https://www.orix.co.jp/grp/en/ir/library/shareholder_meeting/index.html

Corporate Governance Framework

Skill Matrix

The Nominating Committee appoints candidates for directors in accordance with Nomination Criteria for Director Candidates established by the Nominating Committee, so the Board of Directors has an overall structure that ensures knowledge, experience, and abilities that are balanced and diverse. In particular, outside director candidates are selected based on the determination that they will be able to appropriately perform their duties as outside directors, such as making recommendations on important matters in the Company's management and overseeing corporate management.

Name	Years of Service	Main Skills and Experience, etc. of Members of the Board of Directors				
		Corporate Management	Global Business	Finance	Business Investment	Business Knowledge
Makoto Inoue	12 years	●	●	●	●	
Shuji Irie	4 years	●	●	●	●	
Satoru Matsuzaki	3 years	●	●	●	●	
Yoshiteru Suzuki	2 years	●	●	●	●	
Stan Koyanagi	5 years		●	●		● (Enterprise Risk Management, Legal)
Michael Cusumano Outside Independent	3 years					● (IT technology)
Sakie Akiyama Outside Independent	3 years	●	●			● (Technology)
Hiroshi Watanabe Outside Independent	2 years	●	●	●		● (International finance, Tax affairs)
Aiko Sekine Outside Independent	2 years					● (International accounting)
Chikatomo Hodo Outside Independent	1 year	●	●			● (IT technology)
Noriyuki Yanagawa Outside Independent	—			●		● (Economics and financial policies)

Ratio of outside directors: 54.5% (6 of 11 directors);

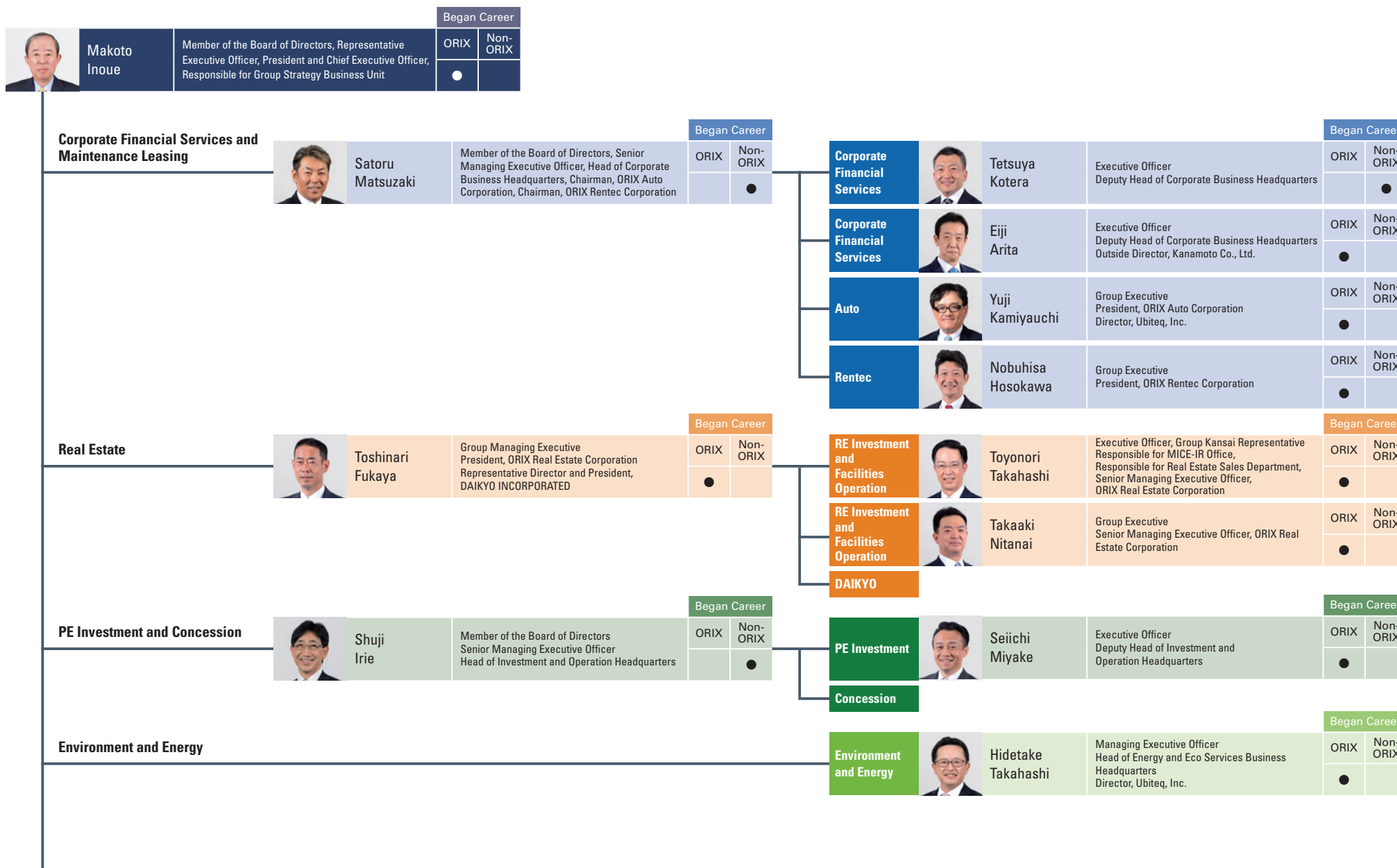
Ratio of female directors: 18.1% (2 of 11 directors)

Notes:
















1. Above items that are particularly expected of each person are listed.
2. The above matrix does not represent all the knowledge and experience of each person.

Management Team: Executive Officers and Business Unit Managers

(As of August 31, 2022)



Management Team: Executive Officers and Business Unit Managers

				Began Career		
Insurance	Life Insurance	 Kazunori Kataoka	President, ORIX Life Insurance Corporation	ORIX	Non-ORIX	
	Banking and Credit	Banking	 Yuichi Nishigori	Representative Director and President, ORIX Bank Corporation	ORIX	Non-ORIX
		Credit	 Yasushi Okada	President, ORIX Credit Corporation	ORIX	Non-ORIX
Aircraft and Ships	Aircraft and Ships	 Ryujiro Tokuma	Executive Officer Head of Global Transportation Services Headquarters President, ORIX Maritime Corporation	ORIX	Non-ORIX	
ORIX USA	ORIX USA	 Yoshiteru Suzuki	Member of the Board of Directors Senior Managing Executive Officer President and CEO, ORIX Corporation USA	ORIX	Non-ORIX	
ORIX Europe	ORIX Europe	 Kiyoshi Habiro	Executive Officer Responsible for ORIX Europe and Robeco Group Chief Executive Officer, ORIX Corporation Europe N.V. Chief Executive Officer, ORIX Corporation UK Limited	ORIX	Non-ORIX	
Asia and Australia	Asia and Australia	 Hao Li	Executive Officer Responsible for Greater China Group	ORIX	Non-ORIX	
	Asia and Australia	 Yoshiaki Matsuoka	Group Strategy Business Unit Head of Global Business Group	ORIX	Non-ORIX	
New Business and Public Relations	New Business and Public Relations	 Nobuki Watanabe	Executive Officer Responsible for CEO's Office Responsible for New Business Development Department Responsible for Corporate Communications Department	ORIX	Non-ORIX	
Group Strategy	Group Strategy	 Michio Minato	Executive Officer Group Strategy Business Unit President, ORIX Baseball Club Co., Ltd. President, Osaka City Dome Co., Ltd.	ORIX	Non-ORIX	
Legal and Compliance	 Stan Koyanagi	Member of the Board of Directors Managing Executive Officer Global General Counsel Responsible for Legal and Compliance Headquarters		ORIX	Non-ORIX	
Treasury and Accounting, Planning and Sustainability	Treasury and Accounting, Planning and Sustainability	 Hitomaro Yano	Executive Officer Head of Treasury and Accounting Headquarters	ORIX	Non-ORIX	
Corporate Administration and Human Resources	Corporate Administration and Human Resources	 Yasuaki Mikami	Managing Executive Officer, Head of Group Human Resources and Corporate Administration Headquarters, Responsible for Secretariat of the Board of Directors, Responsible for Work Style Reform Project	ORIX	Non-ORIX	
Credit and Investment Management and ERM	Credit and Investment Management	 Yasuhiro Tsuboi	Executive Officer Head of Credit and Investment Management Headquarters	ORIX	Non-ORIX	
Audit	Audit	 Hiroyuki Ido	Executive Officer Responsible for Group Internal Audit Department	ORIX	Non-ORIX	

Please refer to our website for profiles of ORIX's Board members and executives.

• Management Team ▶▶▶ <https://www.orix.co.jp/grp/en/about/overview/officer/index.html>

Compensation System

Compensation for Directors and Executive Officers

ORIX’s management objective is to increase shareholder value over the medium- and long-term. We also believe that teamwork is key in ensuring that directors and executive officers reliably execute their duties, and to continuously grow ORIX.

The Compensation Committee believes that directors and executive officers should place importance not only on performance during the current fiscal year but also on mid- to long-term results in order to achieve ORIX’s management objectives. The Committee therefore draws on these considerations in determining the structure and level of compensation for directors and executive officers. The fundamental policy is to ensure that compensation is designed in a way that provides effective incentives for directors and executive officers.

In light of this fundamental policy, the Committee therefore determined the following compensation policies in accordance with the responsibilities of directors and executive officers, based on the decision of the Compensation Committee at a meeting held on June 24, 2022.

Compensation Policy for Directors (those who do not concurrently serve as executive officers)

- The compensation policy for directors who are not also executive officers aims for compensation composed in a way that is effective in maintaining the supervisory and oversight functions of executive officers’ performance in business operations, which is the main duty of directors, and consists of fixed compensation and share component of compensation.¹ In addition, ORIX maintains a competitive level of compensation according to the roles of directors, and receives third-party research reports on director compensation for this purpose.
- Fixed compensation is, in principle, a certain amount that is added to the compensation of the chair and members of each committee.
- For share component of compensation reflecting mid- to long-term performance, directors are granted a fixed amount of points on an annual

basis for their period of service, and they are paid in ORIX shares corresponding to the amount of points they have accumulated at the time of retirement.

1. Share component of compensation is a program in which a fixed amount of points is annually allocated to directors and executive officers while in office, and granted through ORIX shares in trust based on the number of accumulated points at the time of retirement. Points granted to the members of each position are determined based on the guidelines set by the Compensation Committee.

Compensation Policy for Executive Officers (including those who concurrently serve as directors)

- Fixed compensation, performance-linked compensation (annual bonus), and share component of compensation are set in a performance-linked composition that encourages executive officers to execute their primary responsibility for execution of operations. The basic policy is to set this composition at 1:1:1.
- ORIX draws on third-party compensation research reports to provide effective incentives for executive officers and maintain a competitive level of compensation.

- Fixed compensation is decided based on the standardized base amount for each position followed by an adjustment in accordance with each position’s respective role and responsibility.
- Compensation linked to business performance for the fiscal year ended March 2022 uses the level of achievement of the consolidated net income growth target as a company-wide performance indicator, adjusting 50% of the position-based standard amount within the range of 0% to 200% while, at the same time, using the level of achievement of the target of the division for which the relevant executive officer was responsible as a division performance indicator,³ adjusting 50% of the position-based standard amount within the range of 0% to 300%. In the case of the representative executive officers, the consolidated net income growth target is used as the sole performance indicator, adjusting the standard amount within the range of 0% to 200%.
- For share component of compensation reflecting mid- to long-term performance, executive officers are granted a fixed amount of points based on their position, and they are paid in ORIX shares corresponding to the amount of points they have accumulated at the time of retirement.

Conceptual Diagram of Compensation System for Executive Officers

Ratio ²	Compensation Type	Payment Criteria
1	Fixed compensation	Determined according to role based on a fixed amount for each position
1	Performance-linked compensation (Annual bonus)	Company-wide performance indicator (50% of the position-based standard amount) Level of achievement of the consolidated net income growth target Division performance indicator (50% of the position-based standard amount) Level of achievement of the target of the division for which the relevant executive officer was responsible ³
1	Share component of compensation	For mid- to long-term compensation, directors and executive officers are granted a fixed amount of points based on their position, and paid in ORIX shares corresponding to the amount of points they have accumulated at the time of retirement. Note: Number of shares scheduled to be issued by share-based compensation plans (latent shares) for each director are as shown on page 56.
2022.3		

Note: 2022.3 denotes the fiscal year ended March 2022.

2. Ratio of fixed compensation, performance-linked compensation, and share component of compensation for directors and executive officers.

3. Determined through a comprehensive evaluation that takes into account qualitative factors (target difficulty, performance, preparation for the future, status of ESG initiatives, etc.), centered on the annual growth rate of the performance of the relevant division for the fiscal year under review.

Compensation System

Performance-linked Compensation (Annual Bonus)

Method for Calculating Performance-linked Compensation (Annual bonus; excludes representative executive officers):

Performance-linked compensation (Annual bonus)	=	Standardized base amount for each position (50%)	×	Company-wide performance indicator (Variable: 0% to 200%)	Level of Achievement of Target 2021.3	Level of Achievement of Target 2022.3
		Standardized base amount for each position (50%)		Division performance indicator (Variable: 0% to 300%)	64%	103%
					50% to 150% (Median: 95%)	0% to 300% (Median: 100%)

Note: 2022.3 denotes the fiscal year ended March 2022.

ORIX Shares Held (As of the Date of Submission of the Securities Report for the FY Ended March 2022)

Name (Internal Directors)	Currently Held Common Shares	Latent Common Shares*	Name (Outside Directors)	Currently Held Common Shares	Latent Common Shares*
Makoto Inoue	96,387	603,948	Michael Cusumano	0	4,500
Shuji Irie	3,816	131,490	Sakie Akiyama	0	4,500
Satoru Matsuzaki	9,416	126,420	Hiroshi Watanabe	0	3,000
Yoshiteru Suzuki	0	77,295	Aiko Sekine	0	3,000
Stan Koyanagi	5,000	0	Chikatomo Hodo	0	1,500
			Noriyuki Yanagawa	—	—

* Latent common shares are shares that are scheduled to be delivered equivalent to the cumulative points granted by the share component of compensation system.

Compensation for Directors, Executive Officers and Group Executives (FY Ended March 2022)

Category	Fixed Compensation		Performance-linked Compensation (Annual Bonus)		Share Component of Compensation		Total Compensation (Millions of yen)
	Number of People	Amount Paid (Millions of yen)	Number of People	Amount Paid (Millions of yen)	Number of People	Amount Paid (Millions of yen)	
Directors (Outside Directors)	7 (7)	93 (93)	—	—	7 (7)	13 (13)	106 (106)
Executive Officers and Group Executives	27	669	27	686	27	615	1,970
Total	34	762	27	686	34	628	2,076

For details on ORIX's compensation for directors and executive officers, please refer to the following:

- Form 20-F filed with the U.S. Securities and Exchange Commission ▶▶▶ <https://www.orix.co.jp/grp/en/ir/library/20f/index.html>

• Company-wide Performance Indicator

To support the achievement of mid-term management targets, the Compensation Committee sets milestones for annual growth rate related to consolidated net income. The level of achievement of this milestone for the fiscal year ended March 2022 was 103%.

• Division Performance Indicator

Division performance targets are based on company-wide performance targets. The level of achievement of division performance targets among the 20 responsible executive officers for the fiscal year ended March 2022 (comprehensive evaluation including qualitative aspects) ranged from 0% to 300%, with a median of 100%.

Reflecting Status of ESG Initiatives in Annual Bonuses

From the fiscal year ended March 2022, "Status of ESG Initiatives" has been added to the qualitative evaluation items in the division performance indicator for annual bonuses. The objective is to have directors, executive officers and Group executives set an example of considering the impact of the efforts of each division on the environment, economy, and society in conducting corporate initiatives from a mid- to long-term perspective.

- Number of recipients and amounts paid include one director and two executive officers (including those serving concurrently as directors and executive officers) who retired during the fiscal year ended March 2022. As of March 31, 2022, ORIX had 11 directors (6 outside directors), 20 executive officers (including directors serving concurrently as executive officers), and 5 Group executives.
- At ORIX, no directors serving concurrently as executive officers received compensation as directors. Total compensation for the six people serving concurrently as directors and executive officers is shown in the Executive Officers and Group Executives line.
- The amount of share component of compensation paid is calculated by multiplying the number of points confirmed to be provided as the portion for the fiscal year ended March 2022 by the stock market price paid by the trust when ORIX's shares were acquired (¥1,479.87 per share). Therefore, the total amount of share component of compensation actually paid in the fiscal year ended March 2022 is not presented. The total amount of share component of compensation actually paid in the fiscal year ended March 2022 was ¥282 million for one director and two executive officers (including those serving concurrently as directors and executive officers) who retired during the fiscal year ended March 2022.
- ORIX did not provide stock options in the form of stock acquisition rights in the fiscal year ended March 2022.
- Figures shown are rounded down by truncating figures of less than ¥1 million.

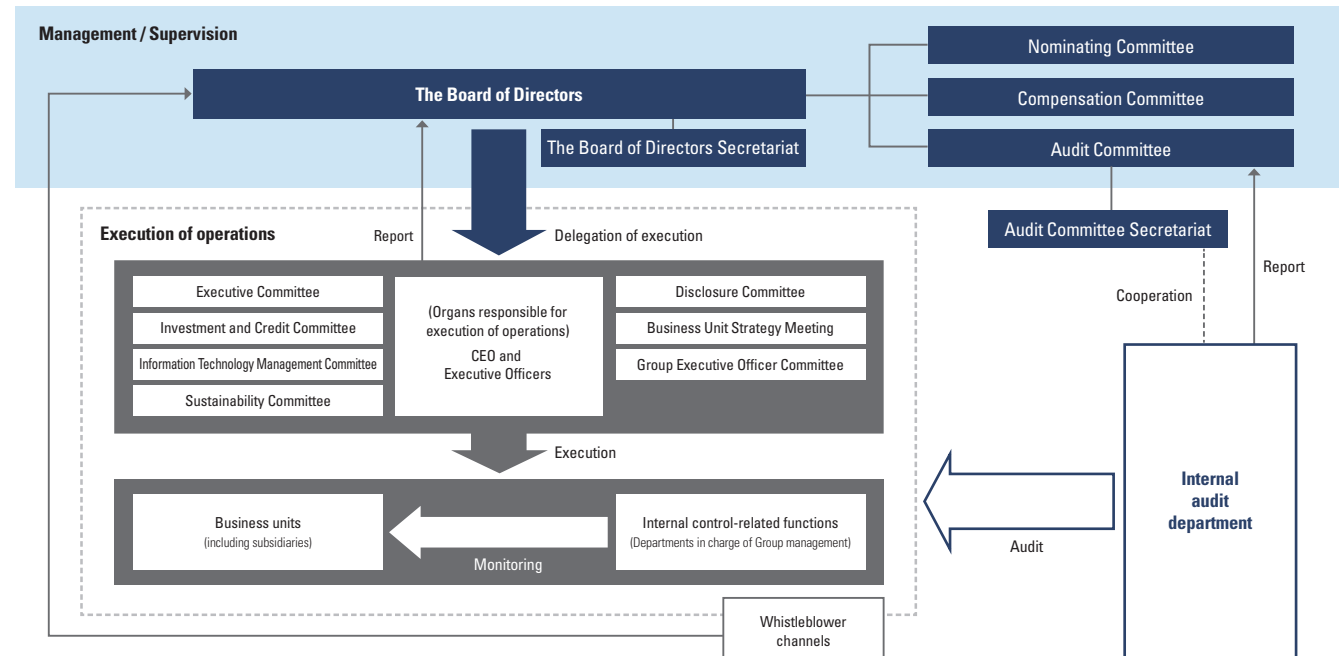
Execution of Operations Framework

Organization of Executive Officers

The representative executive officers of ORIX make important decisions on execution of operations after deliberations by the Executive Committee, the Investment and Credit Committee and other bodies in accordance with ORIX’s various rules.

The duties of executive officers are decided by the Board of Directors and the representative executive officers and are carried out in accordance with ORIX’s various rules. Group executives are appointed by the Board of Directors from among the directors and executive officers of the Group companies.

Execution of Operations Framework (As of June 30, 2022)



Executive Body	Activities
Executive Committee (EXCO)	<ul style="list-style-type: none"> Discusses important matters related to the management of the Company.
Sustainability Committee	<ul style="list-style-type: none"> Deliberates on important matters related to promoting and implementing sustainability.
Investment and Credit Committee (ICC)	<ul style="list-style-type: none"> Discusses regarding investments and credit transactions that exceed certain specified investment or credit amounts.
Group Executive Officer Committee	<ul style="list-style-type: none"> Discusses important matters relating to the business execution of ORIX Group.
Business Unit Strategy Meeting	<ul style="list-style-type: none"> Discusses matters such as the status of strategic target achievement and changes in the business environment.
Information Technology Management Committee	<ul style="list-style-type: none"> Deliberates on important matters concerning fundamental policies for IT operations and IT systems.
Disclosure Committee	<ul style="list-style-type: none"> To ensure timely and appropriate disclosure of information material of ORIX Group, the Disclosure Committee receives reports on material non-public information from persons in charge of ORIX Group company departments and takes steps necessary to determine whether or not timely disclosure of such information is necessary, and the appropriate means of disclosing such information.

Note: For details on ORIX’s execution of operations framework, please refer to the following:

- Form 20-F filed with the U.S. Securities and Exchange Commission ▶▶▶ <https://www.orix.co.jp/grp/en/ir/library/20f/index.html>