

Contributing to a Sustainable Society by Reducing Plastics and Food Loss Switching from PET Bottles to Aluminum Cans for Drinking Water in Guestrooms

TOKYO, Japan - October 31, 2022 - ORIX Hotel Management Corporation ("ORIX Hotel Management") announced today that it will be replacing PET bottles with aluminum cans for mineral water provided in guestrooms at 17 onsen hotels and hotels, primarily at facilities operated under the ORIX HOTELS & RESORTS business brand, as part of its efforts to reduce its environmental impact.





Water beverages provided in guestrooms (image of placement)

Water beverages provided in guestrooms (image)

ORIX Hotel Management has been engaged in various sustainability activities to date, including the in principle elimination of plastic straws used in restaurants and other places, and changing the way amenities are provided in order to reduce the use of single-use plastic products.

Aluminum cans are a recyclable material with a recycling rate in Japan of approximately 97% and a horizontal (can-to-can) recycling rate of approximately 67%^{*1}, indicating that aluminum cans can be recycled repeatedly. In addition, aluminum cans can reduce food loss thanks to their ability to block out light and preserve food, allowing for a longer shelf life.

In December 2021, the ORIX Group's real estate business segment established and published its Sustainability Promotion Policy, with the key themes of "Transition to Carbon-Free," "Environmental Considerations," "Safety, Security, and Comfort," and "Coexistence with Regional Communities." ORIX Hotel Management has also established a Sustainability Promotion Division and task teams this year to address social issues in its business domain, and is promoting initiatives in accordance with each issue. Please refer to the Attachment for a list of initiatives under each theme, including activities to reduce plastics and food loss.

ORIX Hotel Management will continue contributing to the vitality of regional communities and the realization of a sustainable society.

*1 Recycling Rate of Aluminum Cans for Beverages in Fiscal 2021 (Reference: Japan Aluminum Can Recycling Association) (in Japanese)

1. Details of the Initiative

Among the accommodation facilities operated by ORIX Hotel Management, 15 onsen hotels and hotels under the ORIX HOTELS & RESORTS business brand and two directly operated facilities, a total of 17 facilities, will change the bottles of complimentary mineral water provided in guestrooms from PET bottles to aluminum cans.

[Implementation Period] Switchover will be completed on October 31, 2022

* HUNDRED STAY Tokyo Shinjuku will complete the switchover in December 2022

[Implementing Facilities] (Listed in no particular order)

- All 15 facilities of ORIX HOTELS & RESORTS

(CROSS HOTEL SAPPORO, CROSS HOTEL KYOTO, CROSS HOTEL OSAKA, CROSS Life HAKATA TENJIN, CROSS Life HAKATA YANAGIBASHI, Hakodate Yunokawa HOTEL BANSO, Aizu Higashiyama ONYADO TOHO, Hakone Ashinoko HANAORI, Hakone Gora KARAKU, Kurobe Unazuki YAMANOHA, Atami OHTSUKI HOTEL WAFUUKAN, Beppu SUGINOI HOTEL, HOTEL MICURAS, HOTEL UNIVERSAL PORT, HOTEL UNIVERSAL PORT VITA)

- HUNDRED STAY Tokyo Shinjuku
- Shimonoseki Shunpanro Main Restaurant

[Content Provided] One free can per guest staying (400ml water from ITO EN) *Hakone Gora KARAKU will provide its original brand of canned water (300ml), instead of the ITO EN product.

2. Overview of ORIX Hotel Management Corporation

Address:	2-3-1 Hamamatsu-cho, Minato-ku, Tokyo
Established:	January, 1997 (company name changed from Blue Wave Corporation on April 1, 2020)
Representative:	Takaaki Nitanai
Description of business:	Operation of onsen hotels, hotels, and training facilities
Shareholder:	ORIX Real Estate Corporation (100%)
Website:	https://www.orix-realestate.co.jp/hotelmanagement/en/

3. Overview of the Business Brand ORIX HOTELS & RESORTS

ORIX HOTELS & RESORTS is the business brand for onsen hotels and hotels run by ORIX Hotel Management. From casual to luxury, the brand covers a wide range in both onsen hotels and hotels, providing visiting guests with experiences to match their various life stages in order to be "a location to which customers wish to return." ORIX HOTELS & RESORTS currently has 15 onsen hotels and hotels under five brands, from Hokkaido in the north to Beppu in the south. In October 2022, it opened two facilities under the new hotel brand CROSS Life in Hakata. ORIX HOTELS & RESORTS Official Website: <u>https://www.orixhotelsandresorts.com/</u> (in Japanese) ORIX HOTELS & RESORTS Official Instagram: <u>https://www.instagram.com/orix_hotels_and_resorts/</u> (in Japanese)

Overview of Sustainability Initiatives

ORIX Hotel Management aims to have its hotels, onsen hotels, aquariums, and training facilities trusted by all stakeholders, including guests, employees, local residents, and the next generation of people responsible for the global environment. It is working to address the four key themes of "Transition to Carbon-Free," "Environmental Considerations," "Safety, Security and Comfort," and "Coexistence with Regional Communities," while placing emphasis on "services that offer a variety of comfort."

https://www.orix-realestate.co.jp/hotelmanagement/en/company/sustainability.html

1. Overview of Initiatives for "Transition to Carbon-Free"

To achieve the ORIX Group's goal of "Reduce GHG (CO₂) emissions by 50% compared to the fiscal year ended March 31, 2020 by the end of the fiscal year ending March 31, 2030," ORIX Hotel Management is working to address the equipment renewal of the operation facilities that have the authority to renovate equipment, and work on energy conservation by introducing energy-saving equipment. ORIX Hotel Management will continue its efforts toward decarbonization in terms of both structural and non-structural measures.

- Installation of WeCharge Electric Vehicle Charging Service

ORIX Hotel Management is progressively introducing electric vehicle charging services so EV owners can use their vehicles with peace of mind. In this way, it will indirectly contribute to the realization of a decarbonized society by creating an environment that facilitates the use of EVs.

[Installing Facilities] (Listed in no particular order)

- Aizu Higashiyama ONYADO TOHO : 4 units
- Hakodate Yunokawa HOTEL BANSO: 8 units
- Hakone Ashinoko HANAORI: 8 units
- Hakone Gora KARAKU: 7 units
- Kurobe Unazuki YAMANOHA: 5 units
- Beppu SUGINOI HOTEL: 8 units
- * <u>"Introducing a Car Charging Service Applying IoT Technology" (August 6, 2021)</u> (in Japanese)
- * <u>"Introducing "WeCharge" Electric Vehicle Charging Service at Five Facilities</u>" (March 18, 2022) (in Japanese)

- Operation with 100% Renewable Energy-Derived Electricity

ORIX Hotel Management is working to shift to renewable energy sources for the electricity used at its facilities. By supplying to 100% renewable energy-derived electricity with Tracking Certification and Non-fossil Certificate, ORIX Hotel Management aims to reduce CO₂ emissions.

* A Non-Fossil Certificate with tracking information is a certification of the non-fossil value (environmental value) of electricity that originates from non-fossil fuel energy sources, such as renewable energy, with the attribute information (tracking information) of the power plant's location.

[Implementing facilities] (as of October 2022)

- CROSS Life HAKATA TENJIN
- CROSS Life HAKATA YANAGIBASHI
- KYOTO AQUARIUM (business support facility)



CROSS Life HAKATA TENJIN



2. Overview of "Environmental Considerations" Initiatives

At its operating facilities, ORIX Hotel Management is committed to the 3Rs (Reuse, Reduce, Recycle) and Renewable, which are also promoted in the Act on Promotion of Resource Circulation for Plastics.

- Initiatives to Reduce Food Loss and Waste

To reduce food loss, ORIX Hotel Management is promoting the procurement of food ingredients without waste, the serving of buffet dishes that correspond to required quantity, and the recycling of discarded food with the aim of achieving a recycling rate of 50%* by FY2024. Among the accommodation facilities it manages, 14 facilities with restaurants and other dining facilities display posters and POPs to raise food loss reduction awareness.



- * <u>Recycling rate target set forth in the "Basic Policy on Promotion of Recycling Food Circulation Resources" based on the Food Recycling</u> <u>Act announced on July 12, 2019 (Reference: Ministry of Agriculture, Forestry and Fisheries)</u> (in Japanese)
- * Food Loss Reduction Awareness Posters and POPs Displayed at Hotels (May 20, 2022)

- Reduction of Single-Use Plastic Products

ORIX Hotel Management has in principle discontinued the use of plastic straws provided at all its directly managed accommodation facilities, dining facilities, and aquariums (business support facilities), replacing them with paper straws. In addition, the aquariums have discontinued offering free plastic bags at their stores and have shifted to paper bags. In order to comply with the Act on Promotion of Resource Circulation for Plastics which came into effect on April 1, 2022, and to reduce the number of specified plastic-containing products in onsen hotels and hotels, it has changed to hand delivering single-use plastic amenities, such as



hairbrushes, combs, razors, shower caps, and toothbrushes, at the front desks, providing them at amenity bars, or replacing them in guestrooms with products using environmentally friendly alternative materials. Guests are asked to bring their own amenities when making reservations and to pick up only the necessary amount of amenities when they arrive at the hotel.

* <u>Change in the Way Amenities are Provided to Reduce the Use of Single-Use Plastic Products, and Switch to Products Using</u> <u>Environmentally Friendly Alternative Materials (March 22, 2022)</u> (in Japanese)

3. Initiatives for "Safety, Security and Comfort"

Establishment of the Cleanliness Policy* under "With COVID-19"

ORIX HOTELS & RESORTS has set "hygiene management," " three Cs avoidance (closed spaces, crowded places, close-contact settings)," and "employee health management" as priority matters and is implementing them at all its facilities. In addition, it has appointed managers responsible for hygiene promotion at all facilities to manage thorough compliance with the Cleanliness Policy.

Introduction of Cashless Payment System

[Installing Facilities] (To be introduced progressively)

- All 15 facilities of ORIX HOTELS & RESORTS
- HUNDRED STAY Tokyo Shinjuku
- Hotel JAL City Haneda Tokyo
- Hotel JAL City Haneda Tokyo West Wing
- All ORIX HOTELS & RESORTS facilities have introduced a system that allows guests to check on the congestion status of bathing facilities and restaurants from their smartphones or other devices in their guestrooms.

*The "With COVID-19" operation and service guidelines (Cleanliness Policy) of ORIX HOTELS & RESORTS (in Japanese)

4. Initiatives for "Coexistence with Regional Communities"

- Promotion of Regional Co-creation Project

In May 2021, ORIX launched the "Regional Co-creation Project" with the aim of creating new attractions and tourism by combining the ORIX Group's business foundations with regional tourism resources. At a total of 21 facilities (in 11 prefectures), including onsen hotels, hotels, training facilities, and aquariums, the project aims to discover and disseminate regional attractions and improve the long-term brand value of the regions and facilities. Led by the Regional Co-creation Representatives appointed at the target facilities, it will create events that utilize regional attractions and characteristics and promote new experiences, as well as sightseeing and accommodation plans utilizing the latest technology, to revitalize the regions.

* The Regional Co-creation Project (May 11, 2021)









Yukemuri Fusion Trip in Kannawa (Beppu Onsen Suginoi Hotel)



Bs ROOM at Cross Hotel Osaka

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About ORIX:

ORIX Corporation (TSE: 8591; NYSE: IX) is a financial services group which provides innovative products and services to its customers by constantly pursuing new businesses.

Established in 1964, from its start in the leasing business, ORIX has advanced into neighboring fields and at present has expanded into lending, investment, life insurance, banking, asset management, automobile related, real estate and environment and energy related businesses. Since entering Hong Kong in 1971, ORIX has spread its businesses globally by establishing locations in 28 countries and regions across the world.

Going forward, ORIX intends to utilize its strengths and expertise, which generate new value, to establish an independent ORIX business model that continues to evolve perpetually. In this way, ORIX will engage in business activities that instill vitality in its companies and workforce, and thereby contribute to society. For more details, please visit our website: <u>https://www.orix.co.jp/grp/en/</u> (As of March 31, 2022)

Caution Concerning Forward Looking Statements:

These documents may contain forward-looking statements about expected future events and financial results that involve risks and uncertainties. Such statements are based on our current expectations and are subject to uncertainties and risks that could cause actual results that differ materially from those described in the forward-looking statements. Factors that could cause such a difference include, but are not limited to, those described under "Risk Factors" in the Company's annual report on Form 20-F filed with the United States Securities and Exchange Commission and under "(4) Risk Factors" of the "1. Summary of Consolidated Financial Results" of the "Consolidated Financial Results April 1, 2021 – March 31, 2022" furnished on Form 6-K.