

ESG-related Material Issues and Key Goals



Key Goals

Indicators	Medium-term target	Long-term target
ORIX Group GHG (CO₂) emissions	Reduce 50% by the end of the fiscal year ending March 2030 (vs. FY2020.3)	Achieve net zero by the end of the fiscal year ending March 2050
ORIX Group's investment and credit balance to GHG (CO₂) emitting industries*	Reduce 50% by the end of the fiscal year ending March 2030 (vs. FY2020.3)	Achieve net zero by the end of the fiscal year ending March 2040

* Refers to fossil fuel mining, palm oil plantations, and forestry financed by ORIX Group overseas subsidiaries.

Progress

Actual (Fiscal year ended March 2025)
Total Scope 1 and Scope 2 emissions were 1.064 million tons. Reduction of 0.202 million tons (16.0%) compared to the fiscal year ended March 2020.
Monitoring credit balance for target industries by three local subsidiaries on a semiannual basis.

Material Issues

- 1 Set GHG emissions reduction goals.
- 2 Continue to lead in renewable energy investment and production.
- 3 Quantify and reduce our climate change-related risks and continue to implement TCFD recommendations.
- 4 Continue to promote a circular economy and reduce and appropriately manage waste.
- 5 Formulate an exit strategy for existing exposure to high environmental risk business areas and create bright-line exclusion criteria in any new investing or lending.
- 6 Work with our stakeholders to promote a healthier environment through goods and services that help mitigate adverse environmental impacts.

Initiatives

- To achieve the target of a 50% reduction in GHG emissions by the fiscal year ending March 2030, we are considering measures including refitting equipment at our coal-biomass co-fired power plants, which account for the majority of our Scope 1 emissions. In the fiscal year ended March 2025, in our considerations for full conversion to biomass-only firing, we examine demonstration tests to increase the biomass ratio, engaged in negotiations to secure fuel supply, storage, and transportation after conversion, and held specific discussions with multiple customers regarding transactions of renewable electricity after conversion. In cases where reduction is deemed difficult, ORIX is also considering shutting down the plants. As a result, ORIX booked an additional impairment associated with these assets of approximately ¥20.0 billion in the fiscal year ended March 2025. For Scope 2 emissions, ORIX is formulating plans for each major emission site and will implement reductions in phases.
[→ Page 81 Reducing GHG \(CO₂\) Emissions](#)
- Through the global expansion of our renewable energy business, we contributed to a reduction of 4.883 million tons in the fiscal year ended March 2025, an increase of 2.6% year over year. In December 2024, we launched the energy storage plant business in Wakayama Prefecture in collaboration with Kansai Electric Power, promoting the stabilization of renewable energy as a power source.
[→ Page 41 Promoting the Renewable Energy Business](#) [📄 Environment and Energy](#)
- To promote development of a circular economy and reduce waste, in April 2024, ORIX Eco Services and ORIX Renewable Energy Management began domestic sales and reuse of used solar panels. ORIX Hotel Management has also been working to provide environmentally conscious amenities and reduce food waste, while also obtaining certifications for lodging facilities that implement the SDGs. [📄 Promoting the Circular Economy and Reducing Waste](#)
- In March 2025, we built a scheme together with ORIX Eco Services, glass manufacturers, sash manufacturers, and metal processors to recycle window glass and aluminum sashes discarded during housing demolition or renovation. By leveraging our diverse expertise and intercompany network, we are promoting a circular economy.

ESG-related Material Issues and Key Goals



Social



Key Goals

Indicators	Medium-term target
Ratio of female managers in ORIX Group	Achieve 30% or higher by the fiscal year ending March 2030

Progress

Actual (As of March 2025)	
ORIX Corporation	33.2%
Nine Group companies in Japan	28.8%

Material Issues

- 1

Continue to strengthen our Sustainable Investing and Lending Policy, Code of Conduct, and risk management system to adequately cover new and emerging social risk areas.
- 2

Share a common and agreed respect for fundamental human rights with all of our stakeholders such as support for the UN Universal Declaration of Human Rights, worker health and safety, diversity, equity and inclusion and non-discrimination.
- 3

Continue to improve employee satisfaction by respecting the diversity of our employees and creating an inclusive and equitable working environment that promotes flexible working styles and provides career development support, fair performance review and compensation schemes, and employee health support systems.

Initiatives

- To build a sustainable supply chain, in the fiscal year ended March 2025, ORIX Auto, ORIX Rentec, and the Real Estate segment conducted risk assessments, identified priority issues, and formulated a Supplier Code of Conduct. We strive to ensure that our suppliers understand our approach, and we advance a process of continuous improvement through engagement activities such as regular questionnaire-based surveys to assess our suppliers’ current situation.

➔ [Page 44 Supply Chain Management](#)
 - To enhance understanding and permeation of the ORIX Human Rights Policy, in April 2025, we released an explanatory video and leaflet for internal use. We also incorporated training on human rights into compliance training and rank-specific training programs, thereby promoting initiatives to respect human rights.

➔ [Page 45 Human Rights](#) [ORIX Human Rights Policy](#)
 - To enhance corporate value through the realization of the ORIX Group Purpose & Culture, we are implementing human capital management. We focus on three pillars: instilling core values, enhancing core capabilities, and providing workplaces where diverse talent can play an active role, and we monitor progress against key indicators.

➔ [Pages 26–34 Human Capital Management](#) [Human Capital Management to Support Sustainable Growth](#)

ESG-related Material Issues and Key Goals

Governance



Key Goals

Indicators	Medium-term target
Ratio of outside directors on the Board of Directors	Achieve a majority of outside directors by the General Meeting of Shareholders in June 2023
Ratio of female directors on the Board of Directors	Achieve 30% or higher by the fiscal year ending March 2030

Progress

Actual (As of June 2025)
54.5% (of 11 directors, 6 are outside directors)
27.2% (of 11 directors, 3 are female directors)

Material Issues

- Continue to strengthen the independence of the Board of Directors so that the Board may provide appropriate and effective oversight over the management’s business execution from an independent and objective perspective.
- The Group CEO will be responsible for all execution matters including responding to these material issues under the oversight of the Board of Directors.
- Emphasis on client satisfaction and developing and offering sustainable products and services.
- Endeavour to gain and keep the trust of our clients in all of our business areas.
- Promote a strong culture of compliance with all applicable laws and regulations, including paying our fair share of taxes.

Initiatives

- We have established a sound and highly transparent corporate governance system. We are also taking the following measures to strengthen our system:
- Increase the diversity of directors.
 - Evaluate the effectiveness of the Board of Directors and implement an action plan to improve its effectiveness based on the evaluation results.
 - Introduced a compensation scheme for executive officers that evaluates contributions to business performance as well as medium- to long-term results.
 - Began reflecting the status of ESG initiatives in executive compensation, with the aim of encouraging executives to take the initiative in addressing ORIX Group’s ESG issues.
 - From the fiscal year ended March 2022, the status of ESG initiatives was added as a qualitative evaluation item for the division performance indicator for annual bonuses for executive officers.
 - From the fiscal year ended March 2024, ORIX Group’s progress in achieving ESG-related key goals was added to quantitative evaluation items for managing executive officers, and higher.[→ Page 57 Evaluation of Effectiveness of the Board of Directors](#) [→ Pages 59–60 Compensation System](#)
 - In April 2025, we revised the ORIX Group Code of Conduct and established the following 4 Core Compliance Values. The value of “conducting business with ethics and integrity” includes “recording and reporting accurately” which encompasses accurate and transparent tax reporting. In addition, we set forth the values of “respecting our people and our communities,” “striving for excellence in championing innovative solutions that create value for customers and society,” and “committing to protecting our assets.” These apply not only to all officers and employees, but also to contractors, distributors, suppliers, advisors, and other business partners, and we expect them to act in line with the Code of Conduct. [Code of Conduct](#) [Tax Policy](#)
 - We carefully ascertain our customers’ intentions, so that they can select the most suitable products and services, and we strive to propose products and services that meet their objectives. In order to provide and recommend products and services that are suitable for customers, we strive to acquire excellent work experience, specialized knowledge, and skills as professionals. Each business unit is committed to providing sustainable products and services. [Proper Consideration of Our Customers](#) [Contributing to Society through Our Business Activities](#)