

# ORIX Group Purpose & Culture

Corporations like ORIX have an increasingly important role to play in today's world, where the global business environment is more complex, and expectations around sustainability continue to grow.

We came together globally to answer these expectations and introduced a new ORIX Group Purpose & Culture.

By "Finding Paths. Making Impact." ORIX unites globally around the diverse expertise and innovative thinking of its people to help our world develop in a sustainable way.

## Our Purpose

Our Purpose defines why ORIX Group exists in our world and is at the core of everything we do.

### Finding Paths. Making Impact.

We combine innovative thinking and diverse expertise to find pathways to impact in a world of change.

## Our Culture

Our Culture is a set of shared values that ORIX Group employees around the world live and champion to achieve our Purpose.

### Find Power in Diversity

Share ideas and collaborate, explore different perspectives and transcend boundaries.

### Find Adventure in Challenge

Strive for originality and identify opportunities and risks while seeking adventure in new challenges.

### Find Opportunity in Change

Recognize trends from a big-picture perspective, act promptly on signs of change, and find opportunities to evolve.

At ORIX Group, we have grown from our roots in leasing in Japan to become a global, diverse, and unique group, garnering distinct strengths from our journey.

We explore new opportunities in changing times.

We answer shifting needs with innovative thinking, transcending boundaries.

We connect resources and draw on our diverse expertise to originate unique solutions.

Combining our strengths, we shape new possibilities and find new pathways to impact.

We take on challenges ourselves, and champion others who hope to do the same.

So companies evolve over time, communities are revitalized,

individuals realize their full potential, and our world develops in a sustainable way.

# About Integrated Report 2024

## Applicable Scope

ORIX Corporation and its Group companies in Japan and around the world

## Reporting Period

The fiscal year ended March 2024 (April 1, 2023 to March 31, 2024)

Note: Some activities and information contained in this report are from before or after the reporting period.

## Reference Guidelines

- The International Financial Reporting Standards (IFRS) Foundation (the former Value Reporting Foundation), "International Integrated Reporting Framework"
- The Ministry of Economy, Trade and Industry, "Guidance for Collaborative Value Creation"



## Inquiries

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## Information Disclosure

### Primary Disclosure Channels

ORIX discloses information through multiple platforms and media so a wide range of stakeholders, including shareholders and investors, can acquire a multifaceted understanding of its sustainable growth.

Main Content	Annual Reports	Latest Information
Non-Financial		
Financial	<a href="#">Integrated Report</a>	
	<a href="#">Securities Report (Japanese only) / Form 20-F</a>	Group website <a href="#">Investor Relations</a> section

## Editorial Policy

ORIX issues integrated reports to give shareholders, investors, and a wide range of other stakeholders a comprehensive understanding of ORIX as an enterprise and of its continuing growth.

We will continuously enhance our information disclosure to achieve a deeper dialogue with all our stakeholders through the Integrated Report. We hope this Integrated Report will give readers a deeper understanding of what ORIX is today and its vision for the future.

## Key Points of Integrated Report 2024

ORIX celebrated its 60th anniversary in April 2024. In the CEO Message, CEO Makoto Inoue discusses the 60th anniversary as a milestone for continuous organizational reform, maintaining a strong sense of urgency, and working to enhance the sophistication of corporate functions. He also shares his desire for the next generation of management to hone its unique leadership skills, and covers the necessity of specialization and advancing toward a divisional structure.

Further, in CEO Commentary, he explains four basic strategies that range from nurturing core businesses to capital recycling, while also discussing strategies in the three categories of finance, operation, and investment. CEO Inoue also discusses the importance of sharing ORIX's corporate culture and strengths worldwide to expand global business, and his belief in effectively instilling the ORIX Group Purpose & Culture established in November 2023.

ORIX manages human capital to achieve sustainable business growth through its value creation model. This business model involves properly evaluating profitability and risk, increasing value, and redeploying the capital, people, and expertise made available through exits for reinvestment in the next growth area. The Human Capital Management section also explains the behavior, organizational transformation capabilities, and workplace creation that support this model.

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# CEO Message



## Makoto Inoue

Member of the Board of Directors  
Representative Executive Officer  
President and Chief Executive Officer

### Celebrating Our 60th Anniversary

ORIX was founded in 1964 and celebrated its 60th anniversary in April 2024. ORIX has continually evolved our business from a focus on leasing, and although we have experienced some ups and downs, especially in the past 10 years, overall ORIX Group has stayed the course of sustainable growth to successfully deliver profits to shareholders.

Of particular note, once the COVID-19 pandemic subsided we were able to restore business performance to pre-COVID levels in just two years. Net income for the fiscal year ended March 2024 was the highest in our history at ¥346.1 billion.

I believe that we were able to achieve this earnings recovery and profitability because of the tremendous support of our many stakeholders, including shareholders and business partners, and through the day-to-day efforts of our employees. Looking back, however, I believe our current position as a leading global company is simply one point in our ongoing evolution. Looking to the future, I am confident ORIX Group and its companies will realize their potential for further growth through our unending commitment to organizational reform.

ORIX must always recognize that clinging to familiar management approaches could cause profitability to plateau in the near future and eventually stagnate. We need to be driven by a strong sense of urgency to enter new business areas without hesitation and to achieve what has not been attempted before.

Currently, I believe that most of our business segments are operated in a manner closely attuned to markets and timing. However, we need

to explore new initiatives in fresh business areas. To do so, we must enhance the sophistication of risk management and other back and middle office corporate functions, and I see a need for ongoing initiatives to strengthen this foundation.

### The Need to Venture into New Business Areas

Markets are constantly changing. Of late, we have been involved in brownfield projects with attractive entry prices that generate quick profits from investment. More recently, however, competition has intensified as investors have entered these markets, so this type of project is no longer as readily available.

Under these circumstances, we have a growing need to expand our scope of investment to include greenfield initiatives, which have longer investment return horizons. However, simply pivoting to greenfield projects would mean accepting a temporary decline in the profitability of the entire Group. Combining these types of investments with capital recycling allows us to expand decisively into new business areas without reducing profitability.

The MICE-IR project in the Yumeshima area of Osaka is Japan's first integrated resort project, and five years have passed since the public bidding process began in from 2019. Osaka IR Co., Ltd., the joint venture that is managing the project, concluded a basic agreement and loan agreement with Osaka Prefecture, Osaka City, and financial institutions in March 2024. Construction is now in the preparatory stage, and the project is moving toward its opening in fall 2030.

In the Kansai region, Kansai Airports Group began operating Kansai



## CEO Message

International Airport, Osaka International Airport and Kobe Airport in April 2016. Its profits decreased as a result of the COVID-19 pandemic, but it is expecting a significant increase in profits in light of robust inbound tourism and Expo 2025, which will be held in Osaka. In addition, the Umekita Second Zone Development Project on the north side of JR Osaka Station is progressing smoothly and nearing completion.

We recognize the importance of growing earnings by focusing on increasing base profits from our entire portfolio, including the asset management business, private equity investments, the aircraft leasing business, and the renewable energy business, while restraining growth in total assets by maintaining our capital recycling policy.

We have a clear duty to keep a close eye on the global economic situation and continue to make investments that will lead to future profit growth. We will give due consideration to issues in Japan and around the world ranging from macroeconomic concerns such as interest rates, exchange rates, and inflation to geopolitical risks and technological innovation to promote sustainability. Going forward, these efforts will enable ORIX Group to respond flexibly to future challenges.

### “Share Price Conscious” Information Disclosure and ORIX’s Management Style

ORIX started out in the leasing business and has grown earnings through expansion into three categories: finance, operation, and investments.

ORIX Group’s business assets are well diversified both in Japan and internationally, and we believe we have built a stable portfolio that is resilient to economic downturns. Unfortunately, however,

shareholders have commented that the portfolio as a whole is extremely complex, and individual segments are difficult to analyze.

We have received feedback that some investors think the Group’s overall earning power is not appropriately reflected in its share price, because the earnings structure includes both base profits and variable investment gains that make it unpredictable. This can be a barrier to investment.

To allay these investor concerns, we will increase transparency by providing detailed information disclosure through financial results briefings and the Integrated Report, and by creating more opportunities for dialogue between investors and our leadership, including our outside directors.

The fundamental strength of ORIX’s management policy is its “deal first” orientation. Our process does not begin by firming up theoretical management or personnel strategies before selecting projects and getting to work. Instead, our process focuses on reviewing our human resource strategies based on the assumption the deal will close, and we employ methods to verify potential synergies between that deal and existing businesses. This process allows us to structure a portfolio that steadily generates earnings.

At ORIX, we believe that in order for the market to appropriately assess our corporate value, it is essential to disclose and communicate our growth strategies for each of our three categories, comprehensive performance information for each of our 10 segments, and ORIX’s corporate culture and management style. Further, we believe in the effectiveness of instilling ORIX Group’s Purpose & Culture throughout our organization, which will serve as the common cultural base of our

businesses as we expand globally.

### Handing ORIX Group’s Growth Off to the Next Generation

Although the spirit and essence of ORIX Group’s Purpose & Culture are unchanging, we must also remain flexible and change certain aspects to remain with the times.

ORIX has made significant improvements over the past 10 years in areas such as addressing sustainability and other ESG issues and strengthening governance. Close attention to the markets is key to making appropriate market and investment decisions. At the same time, changes in the external environment ranging from technological advances to corporate sustainability will continue to accelerate in the future, so ORIX needs to maintain its ability to address them.

I have two ideals for the next generation of ORIX’s management. First, they should hone their unique leadership skills so that they can achieve goals and generate growth in their own way. Second, they must improve the expertise of our front, middle and back-office functions, which encompass overall portfolio and risk management, and promote a divisional structure within the scope of each person’s authority.

The Board of Directors is conducting detailed discussions about the transition to the next generation of management, led by the Nominating Committee and in consultation with current senior management.

The fiscal year ending March 31, 2025 is the final year of the three-year medium-term strategy we formulated in 2022. We have produced this Integrated Report to help readers understand both ORIX today and its vision for the future.

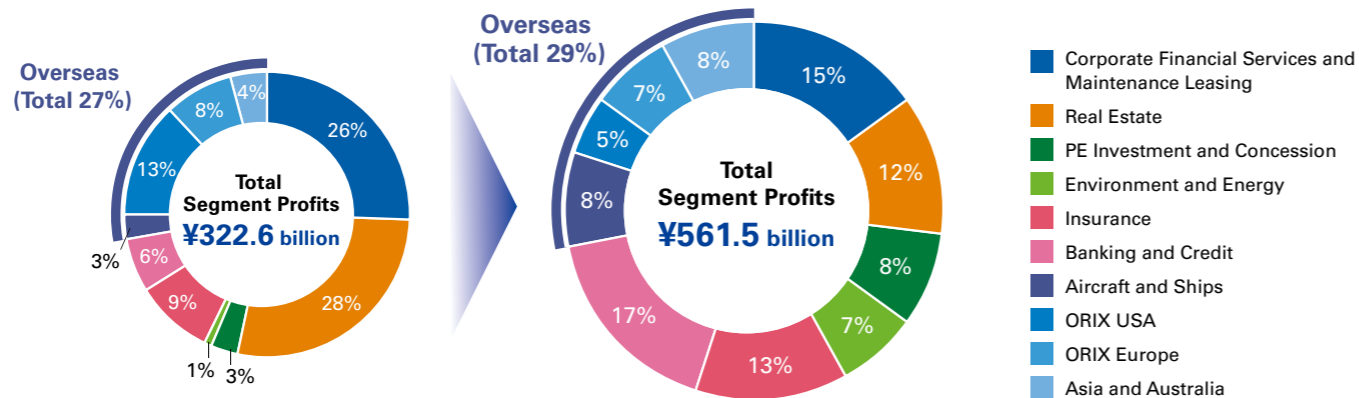
# ORIX by the Numbers

ORIX has been entering new business fields since its founding as a leasing company in 1964, and has emerged as a unique corporation unlike any other worldwide. We have realized sustainable growth by building a diversified business portfolio while responding to changes in the environment.

	Fiscal year ended March 2014	Fiscal year ended March 2024	As of March 31, 2024
Net Income*	¥187.4 billion	<b>¥346.1 billion</b>	Continuous Profitability <b>59</b> years
ROE	10.5 %	<b>9.2 %</b>	Global Network <b>Approx. 30</b> countries and regions
Dividends per Share	¥23.0	<b>¥98.6</b>	Financial Soundness <b>Single A</b> credit rating equivalent
Number of Employees	25,977	<b>33,807</b>	

Net Income  
**¥346.1 billion**

## Profits by Segment



## Net Income

1964

1975

1980

1985

1990

1995

2000

2005

2010

2015

2020

2024

Years ended March 31

\* Net income refers to net income attributable to ORIX Corporation shareholders.



# History and Inherent Values

Founded in 1964, ORIX has evolved along with the changing social issues and needs of the times, broadening its business by repeatedly moving into neighboring fields and developing diverse businesses in countries around the world. We generate profits from our diversified business portfolio and our commitment to constantly reviewing it as our operating environment changes, while simultaneously taking on challenges in new businesses.

## ● Changing Times



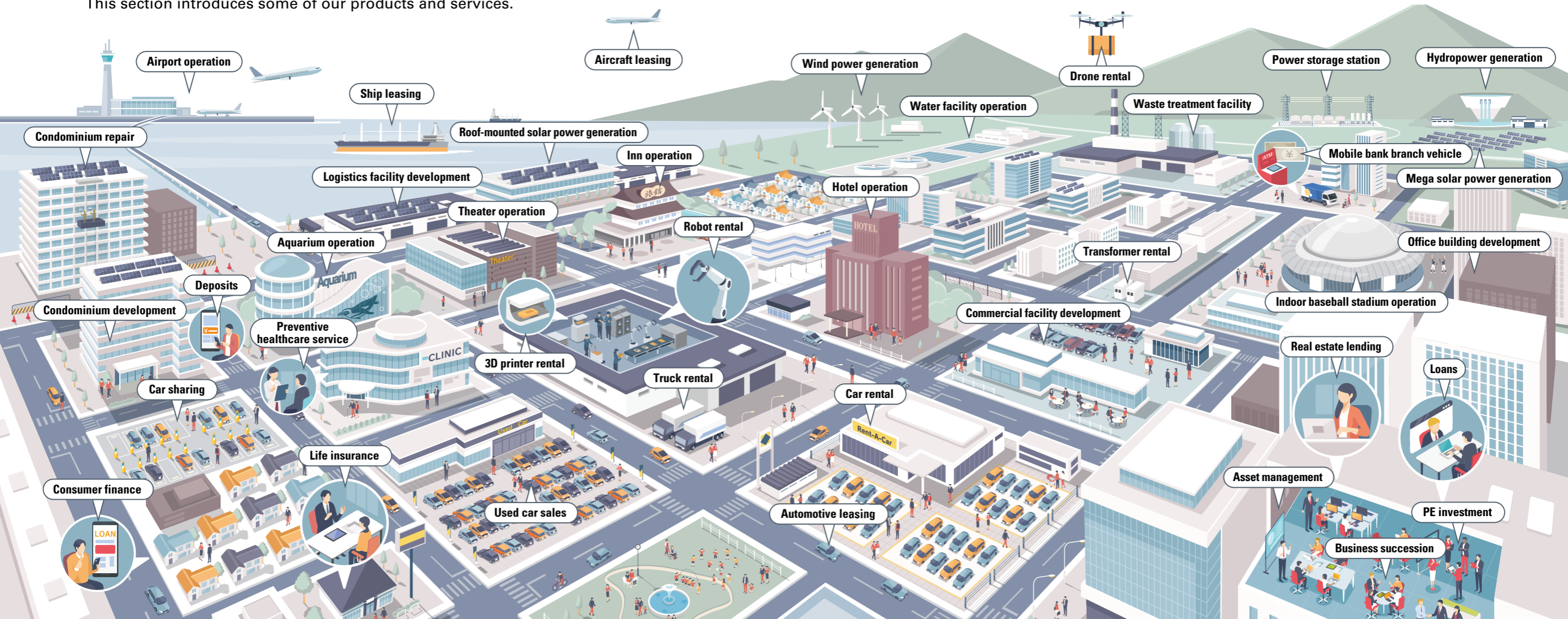
## ● A History of Generating Sustainable Growth While Adapting to Contemporaneous Change and Handing Down Our Inherent Values



# ORIX in Society

Note: The illustration on this page represents a fictitious location created to introduce the products and services of each segment. Please refer to pages 71 to 84 for details on the businesses of each segment.

Based on an approach of contributing to society through our business activities, we provide a variety of products and services in a broad range of businesses in 10 segments. This section introduces some of our products and services.



## Examples of Products and Services by Segment

● **Corporate Financial Services and Maintenance Leasing:** Loans, business succession, preventive healthcare service, auto leasing, car rental, truck rental, car sharing, used car sales, mobile bank branch vehicle, drone rental, 3D printer rental, robot rental, transformer rental

● **Real Estate:** Office building development, logistics facility development, commercial facility development, aquarium operation, inn operation, hotel operation, theater operation, condominium development, condominium repair, asset management

● **PE Investment and Concession:** Private equity investment, airport operation, water facility operation

● **Environment and Energy:** Mega solar power generation, roof-mounted solar power generation, wind power generation, hydropower generation, power storage station, waste treatment facility

● **Insurance:** Life insurance

● **Banking and Credit:** Deposits, loans, real estate lending, consumer finance

● **Aircraft and Ships:** Aircraft leasing, ship leasing

● **ORIX USA:** Loans, real estate lending, asset management, private equity investment

● **ORIX Europe:** Asset management

● **Asia and Australia:** Auto leasing, loans, private equity investment



# Responding to Social Issues and SDGs

## ORIX aims to bring new vitality to companies and people in order to realize a sustainable society.

Uncertainty in society is increasing due to a complex interplay of factors, including deepening environmental problems and changes to industrial structures. This opaque outlook makes predictions difficult. In this age of uncertainty, ORIX is using its diverse business portfolio to help resolve various social issues.

### Social Issues We Can Help Resolve

#### Environmental Issues



Climate change / Reducing GHG emissions

Conserving energy / resources

Promoting a circular economy

Waste treatment and reduction

Climate change / Spreading and promoting renewable energy generation

Biodiversity / Environmental conservation

#### Social Issues



Aging society

Disaster recovery

Safe working environment

Promoting health / Extending healthy life expectancy

Investments and lending that take ESG into account

Improving labor productivity

Addressing aging public infrastructure

Vitalizing small and medium-size enterprises

Safe and secure mobility solutions

Stable energy supply

Regional vitalization

Promoting innovation and technological change

Decreasing workforce

▶▶▶ [Contributing to Society through Our Business Activities](#)

### Material Issues and Key Goals

ORIX has identified material issues and key goals related to ESG.

▶ Page 9 ESG-related Material Issues and Key Goals



### The Society We Envision

We aim to realize a vibrant and sustainable society by resolving social issues through our diverse business activities.

## SUSTAINABLE DEVELOPMENT GOALS







# ESG-related Material Issues and Key Goals (Set in November 2021)

The ESG-related material issues that will enable ORIX's sustainable growth are as follows. We have also set key goals to link these material issues to specific actions.

## ESG-related Material Issues

### 1 Material issues and focus areas to reduce climate change-related risks

- 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.

### 2 Material issues and focus areas to reduce social risks, including human rights risk.

- 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.

### 3 Material issues and focus areas to strengthen governance based on transparency, compliance, and integrity.

- 1 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.
- 2 The Group CEO will be responsible for all execution matters including responding to these material issues under the oversight of the Board of Directors.
- 3 Emphasis on client satisfaction and developing and offering sustainable products and services.
- 4 Endeavour to gain and keep the trust of our clients in all of our business areas.
- 5 Promote a strong culture of compliance with all applicable laws and regulations, including paying our fair share of taxes.

## ESG-related Key Goals

- 1 Outside directors to account for over half of the composition of the ORIX Group Board of Directors by the General Meeting of Shareholders set to be held in June 2023.
- 2 Female directors to account for over 30% of the composition of the ORIX Group Board of Directors by the end of the fiscal year ending March 2030.
- 3 Female employees to account for over 30% of management positions at ORIX Group by the end of the fiscal year ending March 2030.
- 4 Reduce ORIX Group GHG (CO<sub>2</sub>) emissions by 50% compared to the fiscal year ended March 2020 by the end of the fiscal year ending March 2030.
- 5 ORIX Group to achieve net zero GHG (CO<sub>2</sub>) emissions by the end of the fiscal year ending March 2050.
- 6 Reduce ORIX Group's investment and credit balance in GHG (CO<sub>2</sub>) emitting industries\* by 50% compared to the fiscal year ended March 2020 by the end of the fiscal year ending March 2030.
- 7 ORIX Group to achieve a zero investment and credit balance in GHG (CO<sub>2</sub>) emitting industries\* 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.