



Relationship with Employees

■ ORIX’s Human Resource Strategies

Maximizing the Capabilities and Expertise of Our Employees under the Concept of “Keep Mixed”

People are ORIX’s most important asset. Based on our concept of “Keep Mixed,” we hire diverse human resources regardless of nationality, age, gender or work history, integrating their diverse values and expertise with the aim of a Fusion of Intelligence to create new value and workplaces that maximize the capabilities and expertise of our employees. Specifically, we create fulfilling workplaces by establishing a working environment that respects diverse working styles and reforming our human resource system ahead of the pack instead of just reacting to current social conventions. Moreover, we are enhancing training to offer opportunities for employees who embrace challenges and to enable employees to excel internationally.



■ Ideal Characteristics

Creativity:

Proactively creating new businesses

ORIX intends to contribute to society through its businesses. In sensing society’s needs and consistently seeking out new businesses, our diverse employees pool their wisdom to provide innovative products and services. To remain a company that is essential to society, we look for employees with the flexibility and creativity to proactively create new opportunities and businesses.

Challenge:

Taking on new challenges and acquiring a high level of expertise

To create new businesses, we believe that our employees must have a positive attitude about taking on new challenges without fear of failure. Because our sphere of activity requires various types of specialized competence, we seek out employees who regularly take on new challenges as they acquire a high level of expertise throughout their careers.

Teamwork:

Respecting diversity and actively driving collaboration

ORIX has expanded its operations by emphasizing teamwork and pooling the wisdom of its various business divisions with their wide-ranging expertise. Therefore, we look for employees who display teamwork that respects diversity and actively drives collaboration.

* For purposes of the discussion related to human resources, information on pages 24 to 32 shall pertain to ORIX Corporation and Group companies in Japan unless specified otherwise.

Initiatives to Realize Our “Keep Mixed” Concept

ORIX promotes diversity and inclusion and the creation of workplaces that offer value for all employees to realize its concept of “Keep Mixed.”

■ Promoting Diversity and Inclusion

We believe it is essential that the knowledge and experience acquired by employees be passed on to the next generations. However, with the changing social environment such as retirement age extensions, increase in dual-income households and the enforcement of the Act on Promotion of Women’s Participation and Advancement in the Workplace, the need for a wider array of working styles is increasing. We strive to promote diversity and inclusion by creating a workplace that is optimal for the performance of individuals with different capabilities and expertise and one that accommodates different life events and working styles.

Promoting the participation and advancement of women in the workplace

ORIX was one of the earliest promoters of women’s participation in the workplace. We started recruiting female university graduates for comprehensive work positions* in 1982, before the enforcement of the Equal Employment Opportunity Law in 1986. We have also expanded our human resources system accordingly, and are actively engaged in not only expanding the system but also in strategically raising awareness about gender equality. To further promote the participation and advancement of women, who account for about 40% of our employees, we have established the following action plan, with targets in areas such as increasing the number of female employees in managerial positions and creating a workplace that allows for advancement while maintaining work-life balance.

* In Japan, there are two different tracks to employment: comprehensive and general administrative. Comprehensive track employees work on business matters and are potential managerial candidates. They are expected to take on a variety of roles in a range of business areas, and are therefore subject to transfers and relocations. General administrative employees, on the other hand, mainly provide administrative and clerical support to comprehensive employees.



ORIX Corporation’s Action Plan to Promote the Participation and Advancement of Women

Target	Increase the 18% ratio of female employees in managerial positions (as of March 31, 2014) by 5 percentage points by 2020 (target reached with 23.8% ratio as of March 31, 2019)
Main Initiatives	Secure a constant number of female recruits (Fiscal year ended March 2019: 32 women, 42.6% of total recruits)* ¹ Formulate a career plan to cultivate female managerial candidates and conduct seminars and workshops for young employees Implement programs and training to cultivate future female executive candidates
Achievements* ²	Female employees in managerial positions: 23.8% (418 employees) Female employees who are working mothers: 39.9% (634 employees) Female employees who gave birth in the fiscal year ended March 2018 who took childcare leave* ³ : 100% (77 employees) Female employees who used the shortened prescribed working hours system: 13.0% (206 employees)

*¹ Female recruits are the number of new graduates hired between April 1, 2018 and March 31, 2019.

*² Results as of March 31, 2019.

*³ Percentage of female employees who gave birth during the fiscal year ended 2018 and took childcare leave during the fiscal year ended March 2019.

Promoting the participation and advancement of seniors in the workplace

Senior citizens are increasingly motivated to work due to economic reasons such as longer healthy life expectancy and an increase in the age when pension payments start. Moreover, the knowledge and skills that senior employees have cultivated in their work are valuable assets for companies. To create an environment where senior employees can work with a sense of security, ORIX raised the retirement age from 60 to 65 in April 2014. We believe that the continued participation of senior employees with extensive experience and expertise will enhance the company's organizational strength and vitality.

Promoting the employment of people with disabilities

ORIX established ORIX Business Support, a special subsidiary, in April 2007 to promote the employment of people with disabilities. Today, two business offices in Tokyo (Tachikawa) and Osaka help promote ORIX's operational efficiency by undertaking routine tasks outsourced from within ORIX Group companies. As of April 1, 2019, 59 people with disabilities and eight supervisors handle outsourced clerical services including contract book binding, PDF conversion of stored documents, preparation of direct mailing enclosures and data entry, as well as other services such as washing and inspecting car sharing vehicles and office cleaning.

Mid-career and non-Japanese recruiting

We also focus on recruiting mid-career employees and non-Japanese new graduates to secure diverse human resources aligned with our changing businesses. Since its establishment, ORIX has been active in hiring mid-career employees with job histories in fields including finance, manufacturing, consulting, trading, real estate, and services. 67% of employees who joined ORIX in the fiscal year ended March 2019 were mid-career hires. ORIX has been focusing on recruiting students with diverse values since 2016 by hiring new graduates from overseas universities in China, Taiwan and Korea as well as foreign students in Japan. About 10% of the new graduates who enter ORIX each year are non-Japanese.

■ Workplaces That Offer Value

We have been conducting various human resource initiatives to realize a workplace environment where employees with diverse values can work healthily with peace of mind and experience fulfillment from being able to fully display their potential. We launched our Work Style Reform Project in 2016 under the direct mandate of the CEO, and we are working to enhance and improve measures to support various working styles and raise employee awareness.



Work Style Reform Project members

Work style reform project

In October 2016, we launched the Work Style Reform Project under the direct mandate of the CEO. The project conducts activities to foster a culture that recognizes diverse working styles to realize a highly productive workplace environment.

**Fiscal Year Ended March
2017**

Launch of the Work Style Reform Project and Identification of Employee Needs

We launched a committee made up of more than 200 employees with hands-on experience from 10 major ORIX Group companies. It considered issues and measures over a period of about half a year and recommended approximately 120 measures to the CEO.



**Fiscal Year Ended March
2018**

A Year of Promoting Work Style Reform

Based on the recommendations proposed by the employees during the project, we implemented 80 measures centered on our human resources system in an effort to promote diverse and flexible working styles. We enhanced working hour flexibility by establishing a new super flextime system that eliminated the core working hours of the preceding flextime system, established a system of annual paid leave in one-hour units, and expanded the incentive system to encourage employees to take their vacation days. We also launched an internal intern system to support diverse career perspectives.

**Fiscal Year Ended March
2019**

A Year of Investing to Improve Productivity

To increase workplace flexibility and support a variety of working styles, we set up infrastructure to enable work outside the office by upgrading our IT equipment and expanding external satellite offices. At the same time, we launched a system of financial support for self-improvement so that employees can effectively use the free time created through the promotion of work style reforms.

Employee morale survey

ORIX values communication with employees and conducts various initiatives to that end. To obtain data on how employees feel about their daily work for use in future human resource measures, we introduced a survey of employee morale in 2004. Annual surveys since 2016 have targeted employees of our 10 major ORIX Group companies (ORIX, ORIX Rentec, ORIX Auto, ORIX Credit, ORIX Real Estate, ORIX Computer Systems, ORIX Bank, ORIX Life Insurance, ORIX Eco Services and ORIX Asset Management & Loan Services). Results are disclosed internally.

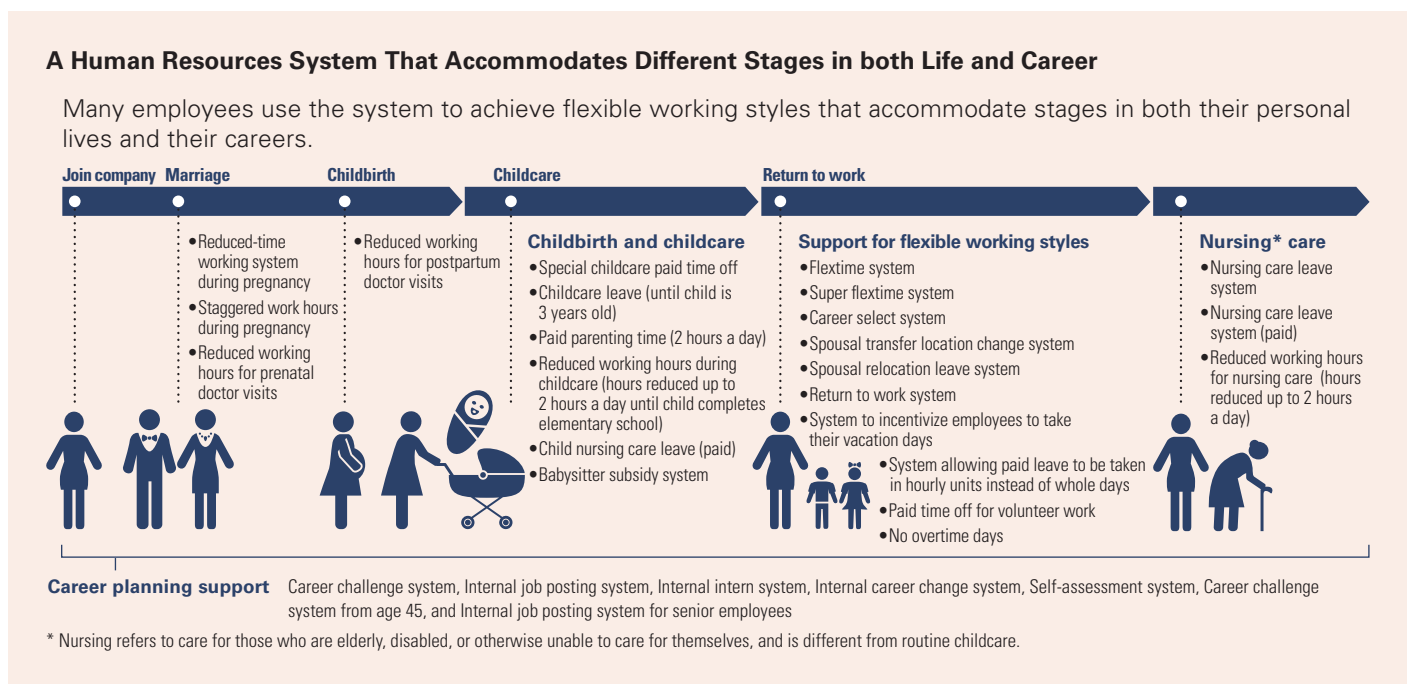
All employee responses are anonymous. Results are reported each year to the Group Executive Officer Committee to identify trends in morale at ORIX Group companies and in each division at ORIX Corporation. Employee morale survey results are used as a reference for deciding on human resource measures for the ORIX Group or for verifying the effectiveness of current measures.

Human Resources System

From early on, ORIX has created a human resources system that is more progressive than legal requirements. We started actively recruiting women from before the enforcement of the Equal Employment Opportunity Law in 1986.

By enriching our human resources system to support each employee's life stage and career, we are promoting the creation of workplaces that are fulfilling, and where employees can fully demonstrate their expertise and abilities.

Human Resources System Overview



For detailed information on our Human Resources System, please refer to the following:

Personnel Systems ▶▶▶ https://www.orix.co.jp/grp/en/sustainability/employee/management_systems.html

Systems to Support Career Planning

• Systems for developing one's career

Internal intern system, self-assessment system

• Systems for career advancement

Career challenge system, internal job posting system, internal career change system

• Systems for encouraging contribution from our senior employees

Career challenge system from age 45, internal job posting system for senior employees

■ Systems to Support Flexible Working Styles

- **Systems for working hours**
Flextime system, super flextime system
- **Systems for taking leave**
System allowing paid leave to be taken in hourly units instead of whole days, system to incentivize employees to take their vacation days, paid time off for volunteer work
- **Systems for supporting continuing careers**
Career select system, spousal transfer location change system, spousal relocation leave system, return to work system

■ Systems to Support Work-Life Balance (Childbirth/Childcare/Nursing Care)

Maternity and childbirth support

- **Systems for working hours**
Reduced-time working system during pregnancy, staggered working hours during pregnancy
- **Systems for outpatient work**
Reduced working hours for prenatal doctor visits, reduced working hours for postpartum doctor visits

Childcare support

As shown in the table below, our systems go beyond legal requirements.

Scheme	Japanese Law	ORIX
Childcare leave* ¹	Until the child reaches 2 years of age	Until the child reaches 3 years of age
Paid parenting time* ²	1 hour per day (unpaid)	2 hours per day (paid)
Reduced working hours during childcare	Under 3 years old	Until graduation from elementary school
Child nursing care leave (paid)	5 days per year (unpaid)	5 days per year, 10 days per year for parents with 2 or more children (paid)
Other	—	Babysitter subsidy system until graduation from elementary school Special childcare paid time off

*¹ The period of childcare leave to be taken is limited to 5 years in total. The period of childcare leave in excess of this limit is determined by law.

*² Paid parenting time is available to employees who return to work before the child reaches the age of 1.

Nursing care support

As shown in the table below, our systems go beyond legal requirements.

Scheme	Japanese Law	ORIX
Nursing care leave system	93 days	6 months
Nursing care leave system (paid)	—	5 days per year, 10 days per year for employees with 2 or more family members who require care (paid)
Reduced working hours for nursing care	—	Maximum 2 hours per day*, up to 3 years per family member who requires care

* Limited to 1 hour per day when taken concurrently with paid parenting time.

Human Resource Development

In a dramatically changing business environment, we have established various training systems so that each ORIX employee can fully demonstrate his or her individual capabilities.

■ Training System (ORIX Corporation, as of September 30, 2019)

Purpose of training	Enhancing management skills				Career support		Support for self-development	
	Employee management & organizational development skills		Global talent/ Next generation development		Work-life balance support	Diversity promotion		
	Job level-specific	Organization-specific	Selective		Seminars	Promoting participation by women	Promoting participation by seniors	
Managers and above	Compliance training Corporate philosophy/brand program TOEIC exam	Training for mid-career hires Division-specific training	Selective training for managers		Nursing care seminar Childcare seminar for couples Social gatherings for employees before maternity leave and during childcare leave	Study group for female managers in different industries Mentoring program	Training for senior employees Career interview	
Assistant Manager (6+ years)			Training for new assistant managers	Global human resource development program Global trainee system			Selective career design training	
Mid-level (4-5 years)			3rd year training Follow-up training for new recruits Training for new recruits	Young global human resource development program Language skills program			Women's forum for young employees	
Entry-level (1-3 years)				3rd year overseas subsidiary secondment program				
Pre-entry			Pre-entry training for job offerees					

For detailed information on Human Resource Development, please refer to the following:

Human Resource Development System ▶▶▶ <https://www.orix.co.jp/grp/en/sustainability/employee/development.html>

■ Enhancing Management Skills

Employee management and organizational development skills training

To develop young employees, we conduct job level-specific training starting with new employees and follow-up training for new recruits, third-year training, and training for new assistant managers. The training is designed as an opportunity to look back on the trainee's experience at each point in order to delineate a vision for the future. We also conduct position-specific training at the management level for employee management and organizational development.



Global talent/Next generation development training

In the fiscal year ended March 2012, we established a global human resource development system to strategically develop employees who can act on a global stage. Initiatives for young and mid-career employees include secondment to overseas subsidiaries and educational programs for acquiring global communication skills.

■ Career Support

Individuals are increasingly required to make career-related choices due to changing social conditions and events in their personal lives. In addition to enhancing our human resources system, we provide support for each employee to think and act independently.

Work-life balance support (childbirth, childcare, nursing care) seminars

In addition to providing support through its human resources system, ORIX works to prevent job turnover due to childcare and nursing care issues by holding career design seminars on work-life balance so that employees can obtain knowhow and advice on preparation from senior employees and acquire the knowledge required to continue working.

Diversity promotion

- For female employees

To allow female employees to fully demonstrate their individual abilities, we provide training to support them in planning their own careers and promote the further participation and advancement of women in the workplace.

- For senior employees

In the belief that the participation of senior employees with extensive experience and expertise, regardless of their age, will enhance the organizational strength and vitality of the company, ORIX conducts career interviews with employees at age 50 and promotes the participation and advancement of senior employees in the workplace.

■ Support for Self-Development

We encourage self-motivated employees to further develop the skills and knowledge necessary for work through various self-development support programs such as financial support for attending graduate school and one-time allowances upon acquiring qualifications recognized by ORIX. We also invite lecturers from outside ORIX to present a wide range of programs on topics such as logical thinking, financial knowledge, marketing and strategic planning.

Occupational Safety and Health

At ORIX, each employee is a valuable asset. Our Group companies and health insurance associations work together to promote initiatives aimed at improving the safety and health of employees and so that they can fully demonstrate their abilities as they continue working with enthusiasm for many years, healthy in both mind and body. Specifically, based on the characteristics of each Group company, we implement various measures to promote health under the themes of early detection for early treatment, prevention of disease progression, and lifestyle-related disease prevention for the young. For safety, we support the participation and advancement of diverse human resources in areas including management of safe driving and creation of a disaster response manual.

■ Employee Health Management

- Occupational physicians, public health nurses and nutritionists are stationed in the workplace for employees to consult with on health-related concerns and issues.
- External expert staff also offer phone consultations (24/7, toll-free) on questions regarding health issues, medical care and nursing care.
- For employees under the age of 35, regular health checkups are carried out once a year. In addition, a subsidy system for additional checkup expenses such as various cancer screenings and brain examinations is also available.
- It is compulsory for employees aged 35 and older to undergo a thorough medical checkup every year. Most expenses are subsidized, reducing the burden on employees and therefore eliminating an obstacle to receiving a health checkup. This leads to early detection of disease and prevention of progression. We also assist with expenses for optional examinations such as cervical cancer screenings, breast cancer screenings and brain examinations.



■ Mental Health

- We set up consultation days with occupational physicians, public health nurses, psychiatrists, and counselors, for employees to receive counseling on mental health issues or recommendations for clinics. We have also established a system for consultation on work leave and work reinstatement.
- With the enforcement of the Industrial Safety and Health Act, as amended, we conduct stress checks and work proactively to create vibrant and fulfilling workplaces.

■ Efforts to Improve Health

- In addition to distributing an e-newsletter on health, we conduct awareness-raising activities on subjects such as quitting smoking, physical fitness tests, women's health, and a breast cancer self-exam class.
- To refresh the mind and body, we have recreation facilities that we directly manage and that are available under contract for employees and their families to use. We operate directly managed recreation centers in three locations in Japan (Karuzawa, Nagano Prefecture; Arashiyama, Kyoto Prefecture; and Kashikojima, Mie Prefecture).

■ Ensuring the Safety of Sales Vehicles

ORIX is introducing sales vehicles with a collision prevention function to reduce accidents. We have also introduced the telematics service* provided by ORIX Auto in our sales vehicles. This service checks driving performance history including sudden acceleration or braking, long-term idling and other factors. We provide individual guidance on a monthly basis to employees who exceed a threshold level as well as employees responsible for managing safe driving.

In addition, employees who have had an accident as well as new employees and employees whose jobs involve driving are required to attend lectures at a driving school.

* An on-board vehicle service equipped with communication and GPS functions that can easily obtain data on vehicle operation status, which can then be used to set compliance, environment and safety targets for driving management and to improve or resolve important issues.



■ Disaster Management

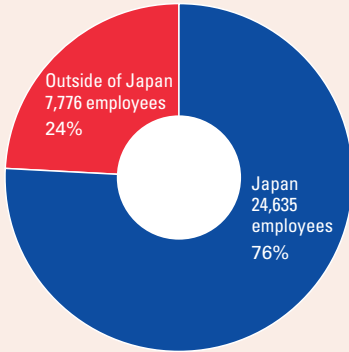
We have created our Basic Disaster Risk Management Rules and a handbook for responding to disasters. In principle, we confirm employee safety when an earthquake with an intensity of five or higher on the Japan Meteorological Agency seismic intensity scale occurs in a prefecture where employees work or live. We carry out safety confirmation drills for that purpose multiple times a year. We use a dedicated system to conduct safety confirmation and prepare for emergencies for all Group employees. If the Tokyo metropolitan area is affected and the functions of the Tokyo Headquarters are impaired, a disaster response headquarters will be set up at the Osaka Headquarters. In preparation, we conduct drills for setting up a disaster response headquarters and for collecting information.

ORIX stocks enough food and drinking water for three days per employee at key domestic workplaces.

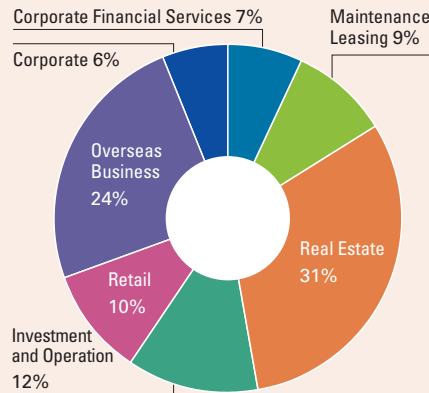
Personnel-Related Data

Employee Composition: 32,411 employees (As of March 31, 2019)

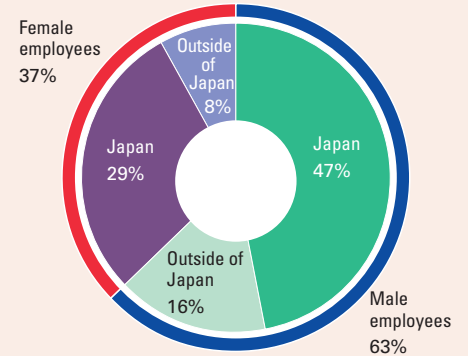
By Region



By Segment



By Gender



Composition of Executives and Employees (Fiscal year ended March 2019)

Average Age

Overall	42.9 years old
Men	44.6 years old
Women	40.7 years old

Average Years of Service

Overall	15.5 years
Men	15.8 years
Women	15.0 years

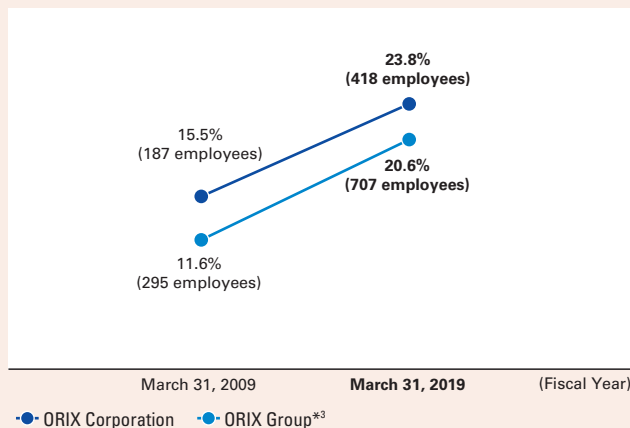
Annual Paid Leave Taken

Average days of paid leave taken	14.0 days
Average percentage of days taken out of days earned	83.3%

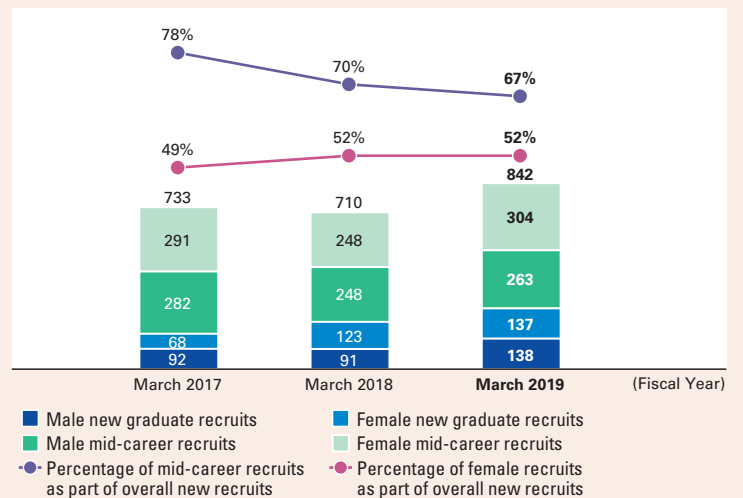
Note: Average age, average years of service, and average annual paid leave taken are for ORIX Corporation employees only. Directors and Executive Officers are not included.

Female Employees in Managerial Positions

Female Employees in Managerial Positions*1 (%)*2



Number of New Employees and Percentages of Mid-Career and Female Recruits as Part of Overall New Employees (ORIX Group*3)

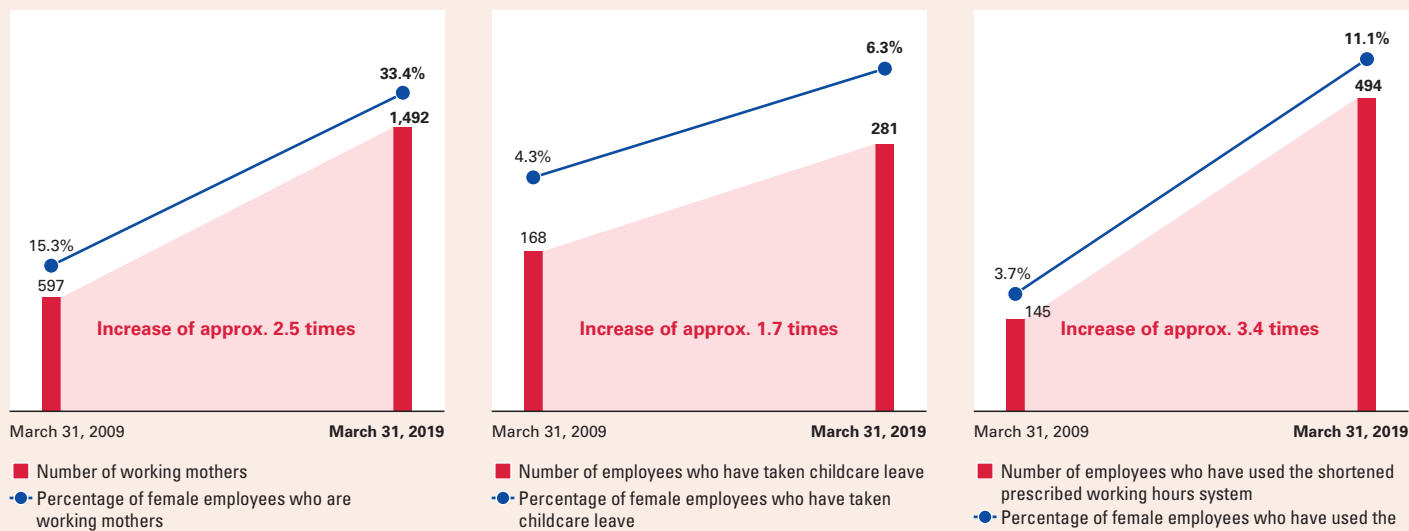


*1 Managerial positions are section leaders and other positions with work and responsibilities equivalent to section leader or above, regardless of job title or subordinate staff (does not include entry-level managers).

*2 The percentages in "Female Employees in Managerial Positions" represent the ratio of female managers to the total number of managers.

*3 Total of 10 ORIX Group companies: ORIX, ORIX Rentec, ORIX Auto, ORIX Credit, ORIX Real Estate, ORIX Computer Systems, ORIX Bank, ORIX Life Insurance, ORIX Eco Services and ORIX Asset Management & Loan Services. Total number of employees at these 10 companies as of March 31, 2019 was 10,216, which was 32% of all employees.

■ Use of Childbirth and Childcare-Related Systems



Note: The information given in the tables above relates to full-time female employees of 10 ORIX Group companies (ORIX, ORIX Rentec, ORIX Auto, ORIX Credit, ORIX Real Estate, ORIX Computer Systems, ORIX Bank, ORIX Life Insurance, ORIX Eco Services and ORIX Asset Management & Loan Services).

■ External Recognition

“Certified Health & Productivity Management Organization 2019,” Ministry of Economy, Trade and Industry

On February 21, 2019, ORIX Corporation was named a “White* 500 (Large Enterprise Category)” company in the “Certified Health & Productivity Management Organization Recognition Program” for 2019. This certification recognizes corporations that value their employees’ health and strategically work to promote health from a management perspective. ORIX has been certified as a “White 500 (Large Enterprise Category)” company for three consecutive years since the certification’s start in 2017.

* In Japan, an employer with a bad track record regarding working conditions and employee rights is labeled “black.” The “white” label is used in contrast to the “black” label. There is no intended racial connotation to these labels.



“Semi-Nadeshiko Brand,” Ministry of Economy, Trade and Industry and Tokyo Stock Exchange

ORIX Corporation was selected as a “Semi-Nadeshiko Brand” on March 22, 2019. This is the category just below the “Nadeshiko Brand” category. Companies are selected from among approximately 3,600 listed companies for their encouragement of women’s success in the workplace as part of their efforts to increase their mid- to long-term corporate value.



“Eruboshi (highest level)” Certification from the Ministry of Health, Labour and Welfare

On May 27, 2019, ORIX Corporation obtained the highest level “Eruboshi (Grand 3)” company certification based on the Act on Promotion of Woman’s Participation and Advancement in the Workplace. The “Eruboshi” company certification is granted to companies with a high level of implementation of activities related to the promotion of women’s success. Companies that meet all five criteria in the areas of recruitment, continued employment, working hours, proportion of women in managerial positions and diversified career courses are selected for Grand 3.



Human Rights

■ Our Approach to Human Rights

ORIX believes that corporate responsibility should be part of everything that ORIX does and part of such corporate responsibility is the duty to integrate human rights considerations into business operations, including by assessing potential modern slavery risks that various industries may face. ORIX has identified existing measures that mitigate the risk of modern slavery in its business and supply chain, such as its anti-corruption and anti-money laundering policies, and has implemented our ORIX Human Rights Policy, which details its commitment to promoting respect for human rights of employees and responding to known cases where human rights are negatively affected by its suppliers. In addition, ORIX has worked with third parties and used screening services to analyze the risk profiles of its various businesses in order to understand the overall risk profile of ORIX.

ORIX Human Rights Policy

▶▶▶ <https://www.orix.co.jp/grp/en/sustainability/rights/policy.html>

■ Our Response to the UK Modern Slavery Act

The Modern Slavery Act 2015 ("MSA") is a U.K. law designed to help combat modern slavery and human trafficking. The MSA requires businesses that carry on a business or part of a business in any part of the U.K. and have global turnover of at least £36 million to produce a slavery and human trafficking statement each financial year setting out the steps the businesses have taken to ensure that their business and supply chains are slavery free, or a statement that they have taken no steps to do this. ORIX Corporation is within the scope of the MSA due to the fact that it carries on business in the U.K. in conjunction with its subsidiary, ORIX Corporation UK Limited.

MSA Statement for the 2019 Fiscal Year

▶▶▶ <https://www.orix.co.jp/grp/en/sustainability/rights/msa.html>

Contributing to Society through Our Businesses

■ Aging Society/Achieving Secure and Healthy Lifestyles

Measures to create a society where elderly people can lead secure lives is an important issue in Japan's aging society. ORIX helps resolve issues faced by aging society through its auto business, retail financial services and other operations. Moreover, the declining birthrate and aging population have raised concerns about maintaining the social security system in Japan. Through its life insurance and preventive medicine support businesses, ORIX offers products and services to prepare for uncertainties related to finances and health, helping people achieve secure and healthy lifestyles.

Telematics service (monitoring service for elderly drivers)

ORIX Auto launched *Ever Drive* in February 2017. This driving monitoring service uses telematics technology to reduce accident risk for families with elderly drivers. The proportion of elderly people involved in fatal accidents has been increasing year by year. The goal of this service is to identify the signs of dangerous driving by visualizing the driving of seniors. The service uses a specialized device mounted in the vehicle of the driver the family wishes to monitor. It provides the family with real-time information on driving behavior, including excessive speed and sudden acceleration and braking. In the future, we intend to analyze various data we accumulate to develop services that help prevent accidents involving elderly drivers. We will also share big data collected via our *e-Telematics* and *Ever Drive* services with local governments, police, universities and research institutes, hospitals and nursing care facilities to help achieve an accident-free motorized society.

Family Trust Support Service: Preparing for dementia

In Japan, greater longevity has also brought about an “aging” of financial assets, as the proportion of personal assets held by the elderly continues to grow. At the same time, indications are that by 2025, one in five people aged 65 years and older will develop dementia,* and creating measures to maintain and manage an individual’s property in the face of declining cognitive function has become a major issue.

ORIX Bank’s *Family Trust Support Service* provides support for the establishment of family trusts, in preparation for a decline in competency due to dementia or other conditions, and a resulting loss in decision-making abilities. ORIX Bank meets customers to listen to their concerns about asset management and asset succession, and suggests plans tailored to individual customer needs.

*Source: Cabinet Office, Annual Report on the Aging Society, 2017

A life insurance business that addresses diverse needs

ORIX Life Insurance has assembled a wide-ranging product lineup through its efforts to research and develop new products to offer the best insurance tailored to customer needs. Its products have earned a strong reputation among insurance professionals outside the company for being simple and easy to understand, as well as for having extensive insurance benefits at affordable premiums.

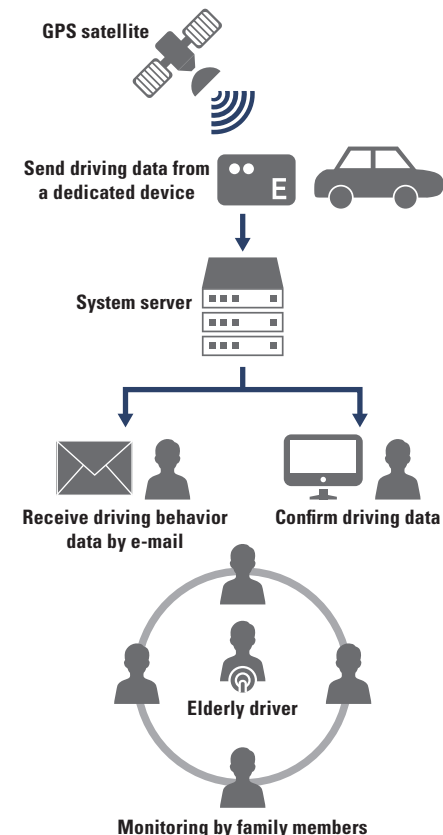
Preventive medicine support business

As Japan’s first medical mobile service company, FREEILL provides a wide range of regional medical services by offering rental services for vehicles equipped with an advanced diagnostic imaging system that includes MRI and CT scanners. Rentals are available for a minimum of two hours with the necessary technical support (photography by a technician/analysis by a radiologist) according to the requirements of the place, time and duration.

Businesses and local governments can thus provide brain and lung checkups and other exams by making rounds among designated locations. This not only improves the examination rate but also reduces costs through the benefits of scale from assembling examinees at places along the circuit.

With the growing shift in awareness from treatment to prevention in order to reduce medical expenses, companies and health insurance associations can avail themselves of our mobile services with health exam functions to meet corporate health management needs.

Monitoring Service for Elderly Drivers



Vehicle equipped with an MRI machine

Regional Revitalization

ORIX contributes to the revitalization of local communities through its concession business, operation of Japanese inns and other businesses. In airport operation, which is one of our concession businesses, we work with local companies and governments to increase demand for business travel and tourism.

In operating Japanese inns, particularly our restoration of historic inns in various areas, we emphasize retaining local employees and work to create attractive facilities that help increase the number of tourists.

Concession business

In the concession business, private enterprises are responsible for the operation of public facilities such as airports, roads, water supply and sewage systems while public entities retain ownership. The Japanese government is promoting concessions to revitalize the economy and enhance fiscal soundness, and ORIX is proactively addressing Japan's social issues of aging infrastructure and population decline.

In April 2016, ORIX started operating Kansai International Airport and Osaka International Airport (Itami Airport) as the first privately owned full-scale operation of airports in Japan, and has also been operating Kobe Airport since April 2018. Enhancements at the airport and attractions in the vicinity will be necessary to increase the number of routes and passengers. We continuously strive to enhance airport facilities and work with local companies and local governments to increase demand for business travel and tourism.



Kansai International Airport

Operation of Japanese inns

Since entering the Japanese inn business in 2002, ORIX Real Estate has been involved in the operation of nine hot spring resorts.* Our business of restoring historic Japanese inns in various locations has emphasized protecting the jobs of local employees. Moreover, the increased number of guests drawn by investment in new facilities and improved service levels has also helped to vitalize local economies by increasing the number of tourists.

* As of March 31, 2019, ORIX Real Estate is involved in the operation of seven of the nine resorts.

Beppu Suginoi Hotel after ORIX Investment

	Occupancy Rate	Number of Guests	Initiatives
2003	52%	251,000	Open air bath "Tanayu"
2008	68%	345,000	Buffet restaurant
2015	100%	628,000	Direct marketing
2016	100%	670,000	Theater-type buffet restaurant
2017*	91%	641,000	Open-air buffet restaurant
2018	97%	699,000	Fitness center (Gold's Gym)

* Decrease from previous year due to impact of Kumamoto earthquakes in April 2016



Beppu Suginoi Hotel

A Smart and Resilient Society

ORIX contributes to the realization of a smart and resilient society through the products and services of its auto business. In the auto business, telematics services are used for purposes including appropriate labor management for companies and accident prevention. We are also working to develop special vehicles that address customer needs for disaster response and operational efficiency.

Telematics service

The *e-Telematics* service provided by ORIX Auto uses devices equipped with communication and GPS functions in customers' vehicles to obtain real-time data on driver behavior such as speeding and sudden acceleration or braking, as well as vehicle data including fuel efficiency. By analyzing this data, we identify compliance, safety and environmental issues in the operation and management of a company's fleet of vehicles and provide support through consulting services on appropriate labor management of drivers, accident prevention and other matters.

In August 2018, we began sales of *Nauto*, an AI-equipped dashcam developed by Nauto Inc. of the United States, an AI technology company in the automotive field. The product caters to the needs of corporations that want to prevent accidents caused by distracted driving, falling asleep behind the wheel, and tailgating.

Development and sale of special-purpose vehicles

ORIX Auto uses the expertise it has cultivated in truck and specialty vehicle leasing to plan and develop mobile bank branch vehicles and mobile office vehicles that are equipped according to customer requirements.

Mobile bank branch vehicles enable financial institutions to provide financial services without opening a branch. We began developing these vehicles in response to a request from a regional bank whose branches had been damaged in the Great East Japan Earthquake. In addition to financial institutions that adopt these vehicles for use in disaster preparedness as part of their business continuity plan, an increasing number of financial institutions use the vehicles to raise operating efficiency in regions where they have consolidated their branches.

We developed the mobile office vehicle to meet customer requirements for reduced working hours and other ways to increase operating efficiency. Our mobile office vehicles are modified commercial-use vans equipped with a desk, a chair with storage compartments, an inverter, an air conditioner and an LED lamp. Mobile office vehicles serve as simple offices and enable office work as time permits. They can improve labor efficiency, lessen employee fatigue, and reduce office rental costs at construction sites and other locations where temporary offices are difficult to install. They also store power and therefore can be used in areas affected by disasters.

Social Contribution Activities

In addition to helping to resolve social issues through our businesses, ORIX conducts various initiatives for social and environmental issues that are not covered by our business activities.

In broad terms, we conduct initiatives from the following three viewpoints. Please refer to our website for details.

■ Environmental Conservation Activities

https://www.orix.co.jp/grp/en/sustainability/contribution/conservation_activities.html

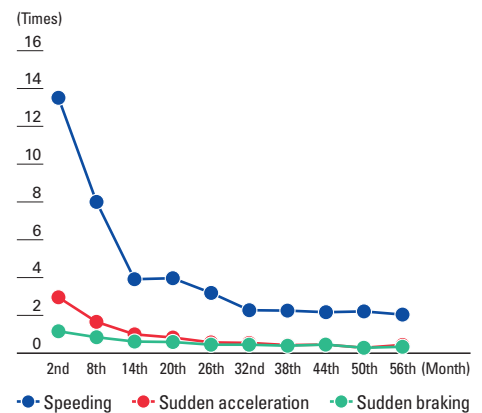
■ Fostering the Next Generation

<https://www.orix.co.jp/grp/en/sustainability/contribution/fostering.html>

■ Communication with Local Communities

<https://www.orix.co.jp/grp/en/sustainability/contribution/communication.html>

Effects of *e-Telematics* on Safe Driving*



* Data on customers that have installed *e-Telematics* in more than 100 vehicles for longer than 1 year (November 2018 survey)

Data

Mobile bank branch vehicle sales: 100 units
 Mobile office vehicle rental units in inventory:
 214 units nationwide

(As of March 31, 2019)



On-site class for elementary school students (Kyoto Aquarium)