



Social

Core Principles of Our Sustainability

“Promote diversity and care for the well-being of our employees”

The ORIX Corporate Sustainability Policy states “Promote diversity and care for the well-being of our employees” as one of our core principles that should be implemented in our daily work.

Promote diversity and care for the well-being of our employees:

We respect the diversity of our employees and provide opportunities and environments that maximize their professional development. Furthermore, ORIX is committed to respecting the culture, customs and environment of countries and regions where we operate, and positively contribute to those economies and societies. We are also committed to creating safe and secure workplaces where our employees can thrive and where no forms of discrimination are tolerated.

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

Challenge:

Taking on new challenges and acquiring a high level of expertise

Teamwork:

Respecting diversity and actively driving collaboration



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

With the changing social environment, the need for a wider array of working styles is increasing. We are promoting diversity and inclusion to create workplaces that are optimal for the performance of individuals with different capabilities and expertise, as well as to offer diverse working styles to accommodate different life events.

■ Promoting the participation and advancement of women in the workplace

ORIX was one of the earliest promoters in Japan of women’s participation in the workplace. We started recruiting female university graduates for comprehensive work positions*¹ 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 human resources system but also in strategically raising awareness about gender equality. The ratio of female employees in managerial positions at ORIX

Corporation increased from 18% as of March 31, 2014 to 25.3% as of March 31, 2020. We will continue to promote the advancement of women by improving career support programs that help female employees to develop their careers, expand their roles and make full use of their abilities.

■ 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, 2020, 69 people with disabilities and nine supervisors handle outsourced clerical services including

contract printing and mailing, digitalization of stored documents and preparation of direct mailing enclosures, as well as other services such as washing and inspecting sales vehicles, office cleaning and operation of a cafe for employees.

■ Mid-career employees and hiring new graduates overseas

We also focus on recruiting mid-career employees and hiring new graduates overseas 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 not only finance, but also manufacturing, consulting, trading, real estate and services. 66% of employees who joined ORIX in the fiscal year ended March 2020 were mid-career hires.*² Since 2016, ORIX has been focusing on recruiting students with diverse values, including the hiring of new graduates from overseas universities in China, Taiwan and South Korea as well as foreign students in Japan.

*¹ 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.

*² 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.

Workplaces That Offer Value

ORIX defines a “workplace that offers value” as a dynamic, fulfilling working environment in which employees can perform to their full potential in good health and with peace of mind. We are implementing a variety of initiatives to foster workplaces that offer value for all employees.

■ Work Style Reform Project

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.

■ Employee morale survey

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. 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.

<New human resources systems established from the Work Style Reform Project>

Super flextime system	We eliminated the core working hours of the preceding flextime system and enhanced working hour flexibility.
System allowing paid leave to be taken in hourly units instead of whole days	This system allows employees to take paid leave in hourly units instead of whole days so that they can take paid leave more efficiently.
System to incentivize employees to take their vacation days	This system offers incentives when employees take annual paid leave for five consecutive business days.
Internal intern system	This system allows employees to work at their desired department for a certain period. The purpose of this system is to promote autonomous career formation.
System of financial support for self-improvement	This system provides financial support for self-improvement so that employees can effectively use the free time created through the promotion of work style reforms.

▶▶▶ [Personnel System](#)

▶▶▶ [Human Resource Development System](#)

Employee Health and Safety

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 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 education and training, management of safe driving and creation of a disaster response manual.

▶▶▶ [Employee Health and Safety](#)

Core Principles of Our Sustainability “Respect human and labor rights”

The ORIX Corporate Sustainability Policy states “Respect human and labor rights” as one of our core principles that should be implemented in our daily work.

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. We adopted the ORIX Human Rights Policy in September 2019. The policy details our commitment to respect basic human rights, including the human rights laid out in the Universal Declaration of Human Rights and the Guiding Principles for Business and Human Rights and to promote respect for human rights both within ORIX and vis-à-vis clients and suppliers of ORIX.

▶▶▶ [ORIX Human Rights Policy](#)

Our Response to the UK Modern Slavery Act 2015 (“MSA”)

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

Respect human and labor rights:

We uphold human and labor rights as defined in international standards such as the Universal Declaration of Human Rights and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work. This includes, but is not limited to, the rights to freedom of association and collective bargaining and the elimination of all forms of compulsory and child labor.

its subsidiary, ORIX Corporation UK Limited. ORIX Corporation annually issues its Modern Slavery Act Statement pursuant to the MSA.

▶▶▶ [Modern Slavery Act Statement](#)

Our Efforts to Achieve Respect for Human Rights

Analysis and Assessment of Human Rights Risk

ORIX has worked with third-party experts to analyze the specific risk profiles of its various businesses in order to understand our overall human rights risk profile. Based on these analysis results, we have identified regions and business areas and practices where human rights risks are particularly high. In addition, based on the ORIX Sustainable Investing and Lending Policy formulated in September 2019, we perform an ESG risk assessment of new investment and lending projects, including human rights risks such as forced labor, child labor

and matters in regions with an elevated human rights risk. This ESG risk assessment also utilizes information from databases provided by third-party organizations. Through analysis and evaluation of human rights risks, we are striving to incorporate human rights considerations into our business activities, and are also making efforts to prevent human rights violations.

Compliance Hotline for Consultation and Reporting on Human Rights Issues

ORIX accepts human rights consultations and reports through our internal and external whistleblower system. The internal whistleblower system is available to ORIX Group employees and the external whistleblower system is available to our clients and suppliers. We accept consultations on human rights violations such as harassment and opinions on human rights considerations.

▶▶▶ [Internal Whistleblower System](#)

▶▶▶ [External Whistleblower System](#)

Contributing to Society through Our Business Activities

Tackling Issues in Aging Societies / Promoting Safe and Healthy Lifestyles

To create a society where elderly people can live without worry, ORIX provides services that contribute to solving various problems faced by Japan's aging society. Further, with the declining birthrate and aging population, the reliability of the social security system for the future is under scrutiny. We provide products and services that are prepared to cope with financial and health concerns, contributing to the promotion of safe and healthy lifestyles.



Tackling Issues in Aging Societies

- ORIX Auto provides a monitoring service for the families of senior drivers. The service reduces the risk of accidents using telematics technology. The number of seniors involved in fatal accidents has been rising year by year, and the objective of this service is to visualize driving to quickly identify the signs of dangerous behavior.
- ORIX Bank offers mail-order will substitutes that respond to a growing need for assistance with inheritance issues. ORIX Bank also provides support for establishing family trusts, in preparation for a decline in competency and decision-making abilities due to dementia or other conditions.



Promoting Safe and Healthy Lifestyles

- ORIX Life Insurance strives to research and develop new and varied products in order to provide optimal insurance according to customers' needs. ORIX Life Insurance is improving operations and aiming to create new services in order to realize customer-oriented business operations. The number of insurance policies in force is 4.52 million as of March 31, 2020.
- As the first medical mobile service company in Japan, FREEILL provides preventive medicine support service and contributes to a wide range of regional medical services by offering rental services for vehicles equipped with advanced diagnostic imaging systems including MRI and CT scanners.

For detailed information

▶▶▶ [Tackling Issues in Aging Societies / Promoting Safe and Healthy Lifestyles](#)

Realizing a Smart and Resilient Society

We contribute to the realization of a smart and resilient society through the products and services of businesses such as our auto, rental, and real estate businesses. Our auto business supports employee management and prevention of accidents and is working on the development of special vehicles that address needs such as disaster response and optimizing operational efficiency. Our rental business provides services that support corporate R&D. In the real estate business, we are developing properties with sound BCPs (business continuity plans) in place.



Auto Business (All figures are as of March 31, 2020)

- ORIX Auto telematics service analyzes driving data and identifies compliance, safety and environmental issues in the operation of client company vehicles and provides consulting services on appropriate employee management and accident prevention. 159,000 vehicles have e-Telematics or e-Telematics PRO installed.
- ORIX Auto plans and develops mobile bank branch vehicles and mobile office vehicles. Mobile bank branch vehicles enable financial institutions to provide financial services in disaster situations and also in areas where they no longer have a permanent presence due to branch consolidation. Mobile office vehicles enable companies to improve labor efficiency and lessen employee fatigue. Mobile bank branch vehicle sales: 137 units. Mobile office vehicle rental units in inventory: 273 units nationwide.

For detailed information ▶▶▶ [Smart and Resilient Society](#)

Regional Revitalization

ORIX contributes to the revitalization of local communities through its businesses such as the concessions business, agriculture business, and Japanese inn (*ryokan*) management business.



Concession Business

- Japan's overall population decline and the shift of populations away from rural areas to urban areas are leading to lower local municipal revenue causing an inability to update infrastructure, which in turn dampens local economic activity. To address these social issues, the Japanese government is promoting concessions to revitalize local economies and enhance fiscal soundness through infrastructure improvement, and ORIX is energetically answering this call. We operate three airports, Kansai International Airport, Osaka International Airport and Kobe Airport, and collaborate with local businesses and governments to increase business and tourism demand.



Agriculture Business

- In the agriculture business, we are contributing to the development of agriculture in Japan by designing business models that incorporate new operation systems such as large hydroponic cultivation facilities and plant factories with artificial light.



Operation of Japanese Inns

- In managing our inns, especially regarding the renovation of historic ryokan, we are focusing on continuously employing local employees. The increased number of guests drawn by investment in new facilities and improved service levels has also helped to increase the number of tourists.

For detailed information

▶▶▶ [Regional Revitalization](#)

Contributing to Society through Our Business Activities

Vitalizing Small and Medium-Size Enterprises

Small and medium-size enterprises (SMEs) play an important role in the Japanese economy and are a large and central customer base for ORIX. In addition to finance, ORIX provides a variety of services to meet the management issues and needs of SMEs to support their revitalization and growth.



Business Succession Support for SMEs

- Business succession support is an initiative to meet the business succession needs of SMEs. While maintaining the company name and employment of the company we support, we will work with the company to improve its internal control system and strengthen successor training. Through business succession support, ORIX aims not only to help the company to continue to exist and thrive, but also to develop the local economy and create employment.



Business Software Service for SMEs

- Our business software service supports SMEs, sole proprietors, and entrepreneurs. We develop and sell a range of business software and provide after-sales support and services. We support a significant improvement in the efficiency of accounting operations. We also provide sales management and payroll services.

For detailed information

▶▶▶ [Vitalizing Small and Medium-Size Enterprises](#)

Sustainable Business Activities

Services for the Mobility Society of the Future

ORIX Auto strives to offer automobile-related services that contribute to the creation of a sustainable society. We endeavor to provide optimal transportation solutions for our customers while also delivering products and services that help reduce environmental impact and traffic accidents and strengthen our customers' compliance with various health and safety laws.

Innovations in automotive technology and changes in market needs are accelerating, which we believe is an outstanding business opportunity for ORIX Auto. Our strength is our ability

to provide automotive services nationwide. We deploy the large volume of data we obtain from our services along with customer feedback to envision the mobility needs of the future and offer relevant services that increase safety and security while helping to reduce environmental impact. In addition, we aim to deepen the cooperative relationship we have with business partners including dealers, garages and rental car franchises to provide more tailored and sustainability-oriented services.

Yuji Kamiyauchi

Group Executive
President, ORIX Auto Corporation

Optimal Solutions for Companies

Corporate Financial Services was ORIX's first line of business and has remained the core platform for ORIX Group sales. It is involved in equipment leasing and loans, provides a wide range of products and services to small and medium-sized enterprises (SMEs), a core customer base, and proposes optimal solutions for customer needs and management issues.

The population of Japan is aging, which is causing many SMEs to shut down their businesses for lack of a successor. This is an important issue for Corporate Financial Services because it serves a customer base of SMEs, so in 2018 we

launched a specialized team to meet the business succession needs of SMEs. Our business succession initiatives focus on business continuation by solving SME succession problems instead of focusing on short-term earnings and growth. Thus we are contributing to the continuity and development of SMEs, which are essential for communities, and helping to create local jobs and revitalize local economies. We would like the companies we have supported to number in the hundreds ten years from now. We also expect this business to generate new business collaboration opportunities and create markets.

Satoru Matsuzaki

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

Social Contribution Activities

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

Environmental Conservation Activities

ORIX launched an Okinawa coral revival project called SANGO ORIX in 2008 with the goal of planting a total of 10,000 coral seedlings. The seedlings were planted in 2016. Today, SANGO ORIX continues to support the transplanting of coral seedlings through the ORIX Miyauchi Foundation.

Since 2012, ORIX METRO Leasing and Finance Corporation (Philippines) has been planting mangrove trees along San Miguel Bay, Cagsao District, Luzon Island.



Preparing coral seedlings

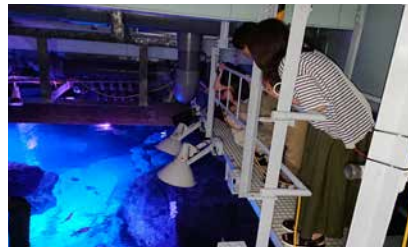


Planting mangrove trees

Activities for Children

ORIX has been accepting elementary and junior high school teachers as trainees under a program to provide teachers with training on corporate activities. Japan Institute for Social and Economic Affairs (Keizai Koho Center), an organization related to the Japan Business Federation (Keidanren), serves as secretariat to the program.

The Sumida Aquarium participates in the School Support Network Project organized by the Sumida Ward Board of Education Secretariat and holds classes at elementary schools in Sumida Ward. The Kyoto Aquarium also offers lectures to elementary schools in Kyoto City. One of the class topics was the giant salamander, which is symbolic of rivers in Kyoto.



Training for teachers (tour of the Sumida Aquarium)



Lecture held by the Kyoto Aquarium

Community Contribution Activities

ORIX converted Makurazaki Airport into a mega-solar power plant and installed an astronomical observatory at the site to provide a place for local residents to gather.

ORIX Australia Corporation Limited (OACL) supports Foodbank, an organization that works to prevent hunger, and Cure Cancer Australia, an organization that supports young cancer researchers. OACL also donates money through the charity United Way to support educational programs for children and help young people find employment.

For other Social Contribution Activities

▶▶▶ [Social Contribution Activities](#)

Social contribution activities by ORIX Miyauchi Foundation and ORIX Foundation

▶▶▶ [ORIX Miyauchi Foundation](#)

▶▶▶ [ORIX Foundation](#)



Inside the astronomical observatory on the site of the former Makurazaki Airport No. 1 and No. 2 Power Plants



OACL staff participating as United Way volunteers