

Sustainability at ORIX

Since our founding, contributing to society by creating new value through our business activities has been fundamental to ORIX. While we believe it is essential for a company to be profitable, profitability is one of the many components that define a company's overall success. It is also crucial to provide new value to society while consistently being needed by society, and the profit that results enables companies to experience sustainable growth.

In addition, we believe operating with an awareness of sustainability is fundamental to corporate activities and to the survival of enterprises amid constant economic, social, and environmental change. This encompasses dramatic shifts in the natural environment due to climate change and correlated economic impacts. It also includes changes regarding the relationship between companies and society at large, such as shifts in expectations toward companies and the social responsibilities they must address.

Based on these views, ORIX endeavors to accurately assess and identify opportunities and risks arising from economic, social, and environmental shifts in order to work with our stakeholders and society at large to contribute to the economic development and sustainable growth of the global community, and to incorporate these opportunities and risks into our corporate management.

Corporate Philosophy

ORIX is constantly anticipating market needs and working to contribute to society by developing leading financial services on a global scale and striving to offer innovative products that create new value for customers.

Management Policy

1. ORIX strives to meet the diverse needs of its customers and to deepen trust by constantly providing superior services.
2. ORIX aims to strengthen its base of operations and achieve sustained growth by integrating its resources to promote synergies amongst different units.
3. ORIX makes efforts to develop a corporate culture that shares a sense of fulfillment and pride by developing personnel resources through corporate programs and promoting professional development.
4. ORIX aims to attain stable medium- and long-term growth in shareholder value by implementing these initiatives.

Action Guidelines

Creativity

Develop the flexibility and foresight to constantly take actions that are creative and innovative.

Integration

Enhance ORIX Group strength by actively exchanging knowledge, ideas, and experiences.

International Commitments

ORIX endorses the following international commitments, initiatives, and frameworks:

- The United Nations Global Compact
- Universal Declaration of Human Rights
- The International Labour Organization's Declaration on Fundamental Principles and Rights at Work
- The Rio Declaration on Environment and Development
- The United Nations Convention against Corruption
- Task Force on Climate-related Financial Disclosures (TCFD)

Participation in the United Nations Global Compact

ORIX became a participant in the United Nations Global Compact in July 2014. We support the ten principles in the four fields of human rights, labour, environment, and anticorruption, and we continue to promote initiatives in each of these fields.



Foreword

ORIX endeavors to actively address social themes and needs while providing its own unique value based on its commitment to contribute to society through business activities. Honoring this commitment, we began publishing our Sustainability Report in 2019 to present our environmental, social, and governance-related sustainability initiatives.

This year's report outlines the status of sustainability efforts, including initiatives for the material issues and key goals announced in November 2021. In the "Contributing to Social Themes Through Our Business Activities" section, we report on sustainability initiatives for each business unit and social themes which we address through our business activities. In the "Environment" section, we explain our efforts to reduce GHG emissions and promote renewable energy power generation business, in addition to disclosures in accordance with TCFD (Task Force on Climate-related Financial Disclosures) recommendations. We also report on the initiatives of various business units to promote a circular economy and reduce waste.

Through this report, we hope that our many stakeholders will gain a deeper understanding of ORIX, which aims to achieve sustainable growth and realize a sustainable society.

About ORIX Sustainability Report 2022

Applicable Scope

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

Reporting Period




The fiscal year ended March 2022 (April 1, 2021 to March 31, 2022)
Note: Some activities and information contained in this report are from before or after the reporting period.

Inquiries

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Information Diagram

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	 Sustainability Report	 Group website Sustainability section
Financial	 Integrated Report	 Group website Investor Relations section
	 Securities Report (Japanese only) /Form 20-F	

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CEO Message

With the arrival of the seventh wave of COVID-19 in Japan, as well as the prolonged conflict between Russia and Ukraine, rising interest rates, soaring resource prices, and the onset of recession due to inflation, among other factors, the outlook for the future is becoming increasingly uncertain.

Even in a world of increasing uncertainty, we recognize the meaning of sustainability and the specific demands that society has of us do not change. We are therefore working to further improve the quality of ORIX Group's Sustainability Report.

We have positioned the "ESG-related material issues and key goals to be addressed by the Group," which were approved by the Board of Directors at the November 2021 meeting, as our medium-term mission. We will thoroughly reflect this mission in various corporate decisions we make, and also reflect that progress in our community and society at large. The status of our efforts is regularly reported to the Board of Directors through the Sustainability Committee, and improvement measures are discussed at each report.

In the "Medium-term Direction" for the fiscal year ending March 31, 2025 announced in May 2022, we have shown how to realize our basic stance of contributing to the economic development and sustainable growth of global society by accurately ascertaining the opportunities and risks brought on by economic,



A stylized, handwritten signature in black ink, consisting of several fluid, sweeping strokes.

Makoto Inoue

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

CEO Message

environmental, and social changes. We will promote our business in this direction, as well as steadily achieve our ESG-related key goals, and strive to achieve the sustainability that ORIX is aiming for.

In this Sustainability Report for the fiscal year ended March 31, 2022, we describe the ESG issues and approaches of each business segment. Contributing solutions to our customers' problems is an important common theme of ORIX's varied businesses. We have described our policies for sustainability initiatives tailored to each segment's business area, examples of specific business activities such as our response to customer needs, and social themes which we are addressing.

Regarding the "Environment" aspect of sustainability, we are updating our TCFD framework to align the assumptions used in our scenario analysis with the ongoing global discourse so that our analysis of climate related risks and opportunities, financial impact, countermeasures, and resulting overall assessment remain relevant. With regard to value chain GHG emissions (Scope 3 emissions), which is an important aspect in promoting the transition to a decarbonized society, we have conducted an approximated calculation of our emissions including all consolidated subsidiaries within the scope of our calculation. We will strive to disclose information appropriately while paying close attention to trends in disclosure regulations such as those of the Securities and Exchange Commission in the United States.

We will also explore ways to reduce emissions together with our stakeholders.

Regarding the "Social" aspect of sustainability, we describe our strategies and initiatives regarding our human capital, which is a crucial element for supporting ORIX's sustainable growth. The ORIX Group has employed diverse individuals since its founding, and we strive to increase the job satisfaction of our employees by respecting their diversity and promoting the creation of workplaces that encourage the growth and success of our employees. We have set a goal to increase the ratio of female Board of Director members and the ratio of female managers as one of our ESG-related key goals, and we are working to achieve both of them.

Regarding the "Governance" aspect of sustainability, at this year's General Meeting of Shareholders, we achieved one of our key goals of achieving a majority ratio of outside directors. The Nominating, Compensation, and Audit Committees are all comprised of and chaired by outside directors, allowing us to build a sound and transparent corporate governance system that earns the trust of all stakeholders.

Against a backdrop of increasing uncertainty and opacity, we hope that through this report, you will achieve a better understanding of the ORIX Group's commitment to contributing to sustainability, and to strengthening systems for sustainability.

About ORIX

ORIX was founded in 1964. From our starting point in leasing, we have continued to enhance our expertise in finance and tangible assets as we synergistically expand our business.



Since introducing leasing as a new financing method to Japan in 1964, we have continued to provide a wide variety of innovative services.



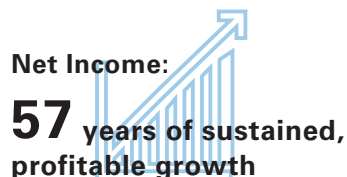
We have expanded our global network since establishing our first overseas operations in Hong Kong in 1971.



ORIX began as a 13 person enterprise, and has since grown into a company that currently employs approximately 32,000 people around the world.

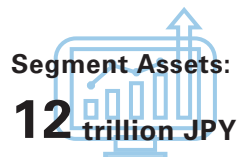


ORIX's 10 segments have the ability to achieve high profitability and growth while the organizational structure allows intersegment product and service provision.



We are proud of our continuous profitability, which we believe to be reflective of the value placed on our innovative solutions by the market.

(Data as of March 31, 2022)



Without overstressing our asset size, we have continued to focus on improving profitability and strengthening financial soundness. Furthermore, we adjust our asset mix according to external factors and the surrounding environment.

Through 10 business segments, ORIX provides a wide array of products and services to corporate and individual customers, communities, and to social infrastructure.

Segments	Main Business
Corporate Financial Services and Maintenance Leasing	Finance and fee business; leasing and rental of automobiles, electronic measuring instruments, and ICT-related equipment
Real Estate	Real estate development, rental, and management; facility operations; real estate asset management
Private Equity Investment and Concession	Private equity investment, operation of airports and water business
Environment and Energy	Renewable energy in Japan and overseas, electric power retail, energy-saving services, sale of solar panels and electricity storage systems, waste management, and resource recycling
Insurance	Life insurance, including medical insurance and death insurance
Banking and Credit	Real estate investment loans, corporate loans, consumer finance, trust business, guarantees of unsecured loans handled by other financial institutions, and housing loans (Flat 35)
Aircraft and Ships	Aircraft and ship leasing and asset management services
ORIX USA	Finance, investment, and asset management in the Americas
ORIX Europe	Asset management focused on Europe and the United States
Asia and Australia	Finance and investment with a focus on Asia and Australia

Responding to Social Themes and SDGs

ORIX is aware of social themes and the related SDGs. We are working to solve these social themes through our business activities and aim to realize a sustainable society.

Environmental themes

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 themes

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	

ORIX's business units	Efforts of each unit
Corporate Financial Services and Maintenance Leasing	⇒ P.18-20
Real Estate	⇒ P.21
Private Equity Investment and Concession	⇒ P.22
Environment and Energy	⇒ P.23
Insurance	⇒ P.24
Banking and Credit	⇒ P.25-26
Aircraft and Ships	⇒ P.27
ORIX USA	⇒ P.28
ORIX Europe	⇒ P.29
Asia and Australia	⇒ P.30

Realizing a sustainable society



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

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

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, inclusion and non-discrimination.
- 3 Continue to improve employee satisfaction by respecting the diversity of our employees and creating an inclusive 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 31, 2030.
- 3 Female employees to account for over 30% of management positions at ORIX Group by the end of the fiscal year ending March 31, 2030.
- 4 Reduce ORIX Group GHG (CO₂) emissions by 50% compared to the fiscal year ended March 31, 2020 by the end of the fiscal year ending March 31, 2030.
- 5 ORIX Group to achieve net zero GHG (CO₂) emissions by the end of the fiscal year ending March 31, 2050.
- 6 Reduce ORIX Group's investment and credit balance in GHG (CO₂) emitting industries* by 50% compared to the fiscal year ended March 31, 2020 by the end of the fiscal year ending March 31, 2030.
- 7 ORIX Group to achieve a zero investment and credit balance in GHG (CO₂) emitting industries* by the end of the fiscal year ending March 31, 2040.

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

Status of Initiatives to Address ESG-related Material Issues and Key Goals



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.

Key Goals

- Reduce ORIX Group GHG (CO₂) emissions by 50% compared to the fiscal year ended March 31, 2020 by the end of the fiscal year ending March 31, 2030.
- ORIX Group to achieve net zero GHG (CO₂) emissions by the end of the fiscal year ending March 31, 2050.
- Reduce ORIX Group's investment and credit balance in GHG (CO₂) emitting industries*¹ by 50% compared to the fiscal year ended March 31, 2020 by the end of the fiscal year ending March 31, 2030.
- ORIX Group to achieve a zero investment and credit balance in GHG (CO₂) emitting industries*¹ by the end of the fiscal year ending March 31, 2040.

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

Status of Initiatives to Address Issues and Goals

- 1 With the aim of reaching our GHG (CO₂) emissions reduction goals, we will consider reducing emissions by switching fuels used at our two coal-biomass co-fired power plants, which accounted for more than 70% of our emissions in the fiscal year ended March 31, 2020. However, if it is deemed difficult to achieve a 50% reduction by the end of the fiscal year ending March 31, 2030, we are considering closing the facilities. As a result, we recorded an impairment of 19.6 billion JPY in the fiscal year ended March 31, 2022.

▶▶▶ P40 GHG (CO₂) Emissions Reduction

- 2 The generation capacity of our renewable energy business as of March 31, 2022 is 3.3 GW. We expect to expand it to 7.0 GW*² by March 31, 2025.

*2 1.0 GW of which is scheduled to be sold, so ORIX's holdings will be 6.0 GW.

▶▶▶ P42 Promoting the Renewable Energy Business

- 3 In November 2021, we began disclosing information in line with the TCFD information disclosure framework, and conducted scenario analysis of our Environment and Energy, Real Estate and Auto businesses, which are particularly relevant to climate change. In 2022, we conducted further scenario analyses for the Aircraft and Ships, Finance (Japan/United States), and Life Insurance (asset management) businesses. Regarding Scope 3 (GHG emissions in the value chain), in addition to the Auto, Aircraft and Ships, and Real Estate businesses

which we disclosed last year, in 2022 we also roughly estimated the scale of emissions from the power generation and electric power retail business in the Environment and Energy segment, as well as emissions from investees and borrowers (Category 15).

▶▶▶ P33 Information Disclosure Based on TCFD Recommendations

▶▶▶ P39 Scope 3 Value Chain GHG Emissions and ORIX's Businesses

- 4 We are promoting a business that supports waste recycling and processing, as well as a business that facilitates the reuse, recycling, and proper processing of unwanted goods.

▶▶▶ P44 Promoting the Circular Economy and Reducing Waste

- 5 Our local subsidiaries in the Asia and Australia segment are considering what standards to use when determining which industries to target for reducing their credit balance in industries that have a high environmental impact.

- 6 Each of our business units strives to provide environmentally friendly products and services.

▶▶▶ P17 Contributing to Social Themes Through Our Business Activities

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

Status of Initiatives to Address ESG-related Material Issues and Key Goals



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

Key Goals

- Female employees to account for over 30% of management positions at ORIX Group by the end of the fiscal year ending March 31, 2030.

Status of Initiatives to Address Issues and Goals

- 1** We prohibit investing and lending in projects related to organizations and sectors/business activities that are social risks. We have set a key goal of reducing the balance of investing and lending in business areas with high environmental risks.
 - ▶▶▶ P.55 Sustainable Investing and Lending
- 2** Our Sustainable Investing and Lending Policy stipulates that human rights risk is a key factor in investment and credit-related decisions. We have also established a compliance hotline for consultation and reporting on human rights issues.
 - ▶▶▶ P.54 Initiatives for Human Rights
- 3** We are working to promote the creation of comfortable workplaces where diverse human resources can play an active role, rewarding workplaces where they can demonstrate their abilities and expertise, and workplaces where they can continue to work for a long time in good physical and mental health. We will achieve this through the development of various systems that incorporate the opinions of employees.
 - ▶▶▶ P.48 Human Resources Strategy to Support Sustainable Growth
 - As of March 31, 2022, the ratio of female managers in the ORIX Group is 28.6% for ORIX Corporation and 25.0% for our 10 domestic Group companies.

Status of Initiatives to Address ESG-related Material Issues and Key Goals



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.

Key Goals

- 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.
- 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 31, 2030.

Status of Initiatives to Address Issues and Goals

- 1 2 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
 - With regard to compensation of executive officers, we have introduced a compensation scheme that evaluates contributions to business performance as well as medium- to long-term results, and reflected evaluations of the status of ESG initiatives in annual bonuses from the fiscal year ended March 31, 2022
 - ▶▶▶ P.57 Corporate Governance
 - Since January 2022, the ratio of outside directors is 54.5% (of all 11 directors, 6 are outside directors)
 - As of June 2022, the ratio of female directors is 18.1% (of all 11 directors, 2 are female directors)
- 3 4 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](#)
 - ▶▶▶ P.17 Contributing to Social Themes Through Our Business Activities
- 5 The Code of Conduct stipulates that ORIX employees must "comply at all times with all applicable laws, rules and regulations and ORIX Group policies and rules" and "understand and comply with tax laws, regulations and ORIX Group policies and rules."
 - ▶▶▶ P.66 Tax Policy

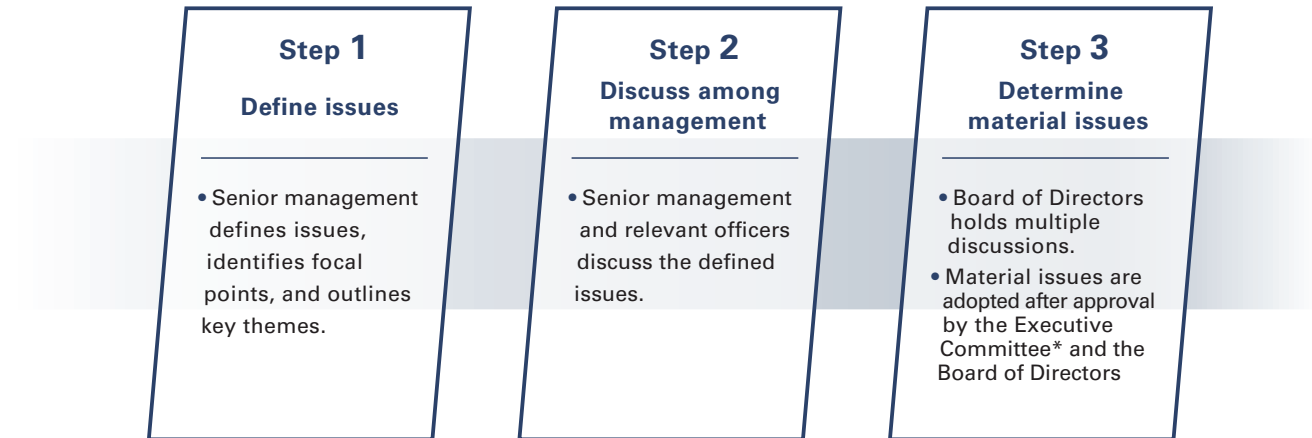
Review of Material Issues

ORIX has a diverse portfolio of businesses. In order to make our sustainability initiatives and contributions to society more meaningful, it is important that we focus our efforts on business areas with more pronounced social impact. To that end, we identified material issues in three business areas in 2019 and have been addressing social themes and needs through our business activities.

Given the increasing importance of incorporating sustainability into all aspects of the business, as well as changes in our operating environment, we reviewed our material issues in 2021. In this evaluation, we identified Group-wide ESG-related material issues that need to be addressed in order for ORIX to continue to grow sustainably. We also set ESG-related key goals to link clearly defined actions to the material issues.

We will analyze and evaluate material issues on an ongoing basis. As a result, material issues may change. In addition, material issues may change as a result of business growth or entry into new business areas.

Process for Reviewing Our Material Issues



* An executive body for senior management and executive officers to discuss important matters related to ORIX's management and strategy.

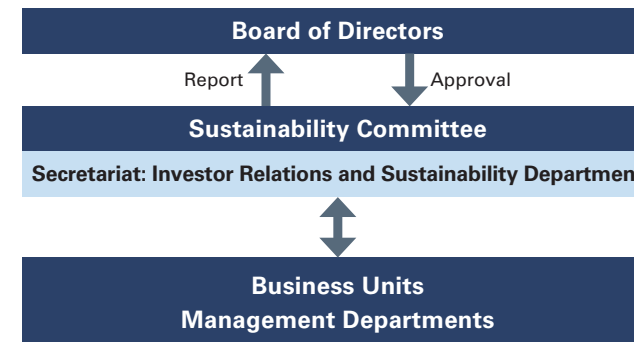
Sustainability Governance Structure

Since our founding, contributing to society by creating new value through our business activities has been fundamental to ORIX, and this is clearly stated in our corporate philosophy. We believe that by understanding social changes and demands from society and providing new value, we will be needed by society and enable sustainable corporate growth.

ORIX emphasizes sustainability in business decision-making, aiming to achieve long-term growth as a company and to contribute to society over the long term through its business activities.



Sustainability Governance Structure



The Board of Directors supervises and guides sustainability governance.

The Sustainability Committee implements ESG-related material issues and key goals Group-wide. It formulates strategic approaches, KPIs, and action protocols, and the results of its deliberations will then be reported to and approved by the Board of Directors.

Members: Group CEO (chair), people in charge of segments most directly related to ESG
 Attended by other participants depending on the agenda

Role of the Sustainability Committee

1. Discussion of specific measures to achieve goals
2. Discussion of any conflicts arising between short-term earnings and long-term growth
3. Discussion of measures to reduce climate change risk following the Task Force on Climate-related Financial Disclosures (TCFD) framework
4. Sharing of information on Japanese and international developments in corporate sustainability
5. Discussion of matters to report to the Board of Directors

Sustainability Promotion and Implementation

At ORIX, we have clearly stated our Sustainability Policy to be our approach to addressing social issues and needs through our business activities. We have also set ESG-related material issues and key goals that the entire Group should address, and all officers and employees are working to provide value unique to ORIX, aimed at realizing a sustainable society. We are also working to deepen communication with our stakeholders by issuing Sustainability Reports and sharing information in the sustainability section of the ORIX Group website.

October 2018	<ul style="list-style-type: none"> Established Sustainability Task Force 	October 2020	<ul style="list-style-type: none"> Announced support for TCFD (Task Force on Climate-related Financial Disclosures)
July 2019	<ul style="list-style-type: none"> Established the Sustainability Team in the Corporate Planning Department (currently the Investor Relations and Sustainability Department) 	November 2020	<ul style="list-style-type: none"> Issued Sustainability Report 2020
September 2019	<ul style="list-style-type: none"> Adopted the ORIX Corporate Sustainability Policy, ORIX Human Rights Policy, and ORIX Sustainable Investing and Lending Policy 	June 2021	<ul style="list-style-type: none"> Issued Green Bonds (for individual investors and institutional investors)
October 2019	<ul style="list-style-type: none"> Issued Sustainability Report 2019 (English edition issued in November) Began sustainable investing and lending screening (began screening investment and lending transactions from an ESG perspective based on the Sustainable Investing and Lending Policy) Disclosed the Modern Slavery Act Statement based on the UK Modern Slavery Act 2015 (hereafter, updated and disclosed every year) 	November 2021	<ul style="list-style-type: none"> Determined ESG-related material issues and key goals Established the Sustainability Committee as an executive body Added initiatives for prohibited transactions to the Sustainable Investing and Lending Policy (initiatives with high human rights risks and new sectors/business activities in which transactions are prohibited) Issued Sustainability Report 2021
November 2019	<ul style="list-style-type: none"> Began formulating and establishing sustainability action plans and targets of business units 	April 2022	<ul style="list-style-type: none"> Issued Green Bonds (Eurobonds) ORIX Life Insurance, ORIX Asset Management, and ORIX Real Estate Investment Advisors signed the PRI (Principles for Responsible Investment)
January 2020	<ul style="list-style-type: none"> Issued green bonds 	October 2022	<ul style="list-style-type: none"> Calculated estimated Scope 3 emissions for all consolidated subsidiaries within the scope of our calculation Disclosed water usage and waste disposal volume
June 2020	<ul style="list-style-type: none"> Launched the Sustainability Library to raise sustainability awareness in the Company (introduces basic information about sustainability and ORIX's sustainability initiatives) 		
July 2020	<ul style="list-style-type: none"> Began sustainability training for employees 		

- ▶▶▶ [ORIX Corporate Sustainability Policy](#)
- ▶▶▶ [ORIX Human Rights Policy](#)
- ▶▶▶ [ORIX Sustainable Investing and Lending Policy](#)
- ▶▶▶ [Modern Slavery Act Statement](#)
- ▶▶▶ [Sustainability Report](#)

Sustainability Promotion and Implementation

Approach to Sustainability Issues

ORIX has diverse businesses, and each business has a wide range of sustainability issues that either affect society or are affected by society. For this reason, we divide our sustainability efforts into two categories: the corporate (Group-wide) level and the business unit level.

ORIX established the Sustainability Committee in November 2021. Among discussions of sustainability, Group-wide themes are mainly compiled by the Investor Relations and Sustainability Department and reported to top management and the Sustainability Committee. At the same time, at Business Unit Strategy Meetings attended by internal directors and heads of business units, including top management, discussions are held as appropriate regarding the promotion of sustainability in

each business unit, and these are also reported to the Sustainability Committee on a regular basis. Matters

reported to the Sustainability Committee are also reported to the Board of Directors.

Sustainability Approach

	Corporate Level	Business Unit Level
Applicability	Group-wide	Specific to each business unit
Governance	Sustainability Committee	Sustainability Committee and respective business unit heads
Administration	Investor Relations and Sustainability Department	Investor Relations and Sustainability Department Sustainability contact at respective business unit
Key Terms	Unifying culture Minimum standards Zero tolerance Transparency	Tailored approach and ownership

Status of Recent Initiatives

1. Group-wide themes

The Sustainability Committee has discussed and reported on the following Group-wide themes through September 2022:

- 1) Setting ESG-related material issues and key goals
- 2) Updating the Sustainable Investing and Lending Policy
- 3) Implementation of scenario analysis based on TCFD Recommendations
- 4) Calculation of GHG emissions in the value chain (Scope 3)
- 5) Improving disclosure and ESG ratings
- 6) External environment, especially the trend of tighter regulations worldwide and changes in requests from business partners

2. Sustainability promotion policy of each business unit

In parallel with the business planning process for the fiscal year ending March 31, 2023 and beyond, we set sustainability promotion policies for each business unit for the first time, as well as KPIs to implement them. Promotion policies and KPIs were determined by each business unit after discussions with ORIX Corporation's Investor Relations and Sustainability Department, approved by the Sustainability Committee, and reported to the Board of Directors. In the future, we will promote policies and KPI initiatives under the supervision of these bodies.

In the area of "environment," we formulated policies focused on the theme of reducing GHG emissions. Specifically, we have set policies according to the characteristics of each business, such as ascertaining and

considering reduction measures for GHG emissions at investees and borrowers, increasing the balance of assets under management related to impact investment, introducing green electricity at locations, and reducing food waste.

In the field of "society," we have set policies for increasing the ratio of female managers and supporting business succession for SMEs, among others.

- ▶▶▶ For scenario analysis based on TCFD Recommendations, please refer to pages 33 to 38.
- ▶▶▶ For Scope 3 Value Chain GHG Emissions, please refer to page 39.
- ▶▶▶ For sustainability policies and examples of initiatives in each business unit, please refer to Contributing to Social Themes Through Our Business Activities on page 17.

Stakeholders

ORIX has relationships with various stakeholders in the diverse business activities that it carries out globally. ORIX places great emphasis on dialogue with these stakeholders and strives to deepen their understanding of our company through timely and appropriate information

disclosure. At the same time, we contribute to the resolution of social themes and the realization of a sustainable society by taking seriously the expectations and needs of our stakeholders, engaging in business, and providing value unique to ORIX.



The Initiatives We Support

ORIX Group and/or individual Group companies support the initiatives below. (As of July 1, 2022)

Name	Participating/Member/Supporting Companies (Initial year of participation/membership/support)
UN Global Compact	ORIX Group (2014)
PRI (Principles for Responsible Investment)	Robeco (2006), Boston Partners Global Investors, Transtrend (2018), Gravis Capital Management (2019), ORIX Life Insurance, ORIX Asset Management, ORIX Real Estate Investment Advisors, ORIX Corporation USA (2022)
TCFD (Task Force on Climate-related Financial Disclosures)	Robeco, ORIX Asset Management (2019), ORIX Group (2020)
Principles for Financial Action for the 21st Century	ORIX Corporation, ORIX Bank (2011), ORIX Asset Management (2019)
Japan Climate Leaders' Partnership (JCLP)	ORIX Group (2014)
Kansai SDGs Platform	ORIX Facilities (2015), ORIX Baseball Club, ORIX Corporation, ORIX Bank (2019)
SDGs for Regional Revitalization Public-Private Partnership Platform	ORIX Facilities (2015)

Inclusion in ESG Indices

As of September 2022, ORIX is included in the ESG indices below:

- MSCI Japan ESG Select Leaders Index
- MSCI Japan Empowering Women Index (WIN)
- S&P/JPX Carbon Efficient Index
- FTSE Blossom Japan Sector Relative Index

Initiatives we support

In April 2022, ORIX Life Insurance, ORIX Asset Management, and ORIX Real Estate Investment Advisors signed the PRI (Principles for Responsible Investment), followed by ORIX Corporation USA in June. As PRI signatories, the four companies incorporate ESG into their investment decision-making and report their results to the PRI annually.

Inclusion in ESG Indices

In March 2022, ORIX was newly selected as a constituent of the FTSE Blossom Japan Sector Relative Index.