

*This document is a translation of the original Corporate Governance Report in Japanese; in the event of any discrepancy relating to the content of the Report, the Japanese version shall prevail.*

## Corporate Governance Report

Final revision date: January 14, 2021

ORIX Corporation

Representative Executive Officer: Makoto Inoue

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Securities Code: 8591

<https://www.orix.co.jp/grp/en/>

### I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Information

#### 1. Basic Views

- ORIX believes that a robust corporate governance system is essential for ensuring objective management and carrying out appropriate business activities in line with its core policies. We have therefore established a sound and transparent corporate governance system.
- Details concerning corporate governance can be found below under II-2. Matters Relating to Business Execution, Audits and Supervision, Nomination, Compensation Determination, and Other Functions (Overview of Current Corporate Governance Structure), on the ORIX website and in securities reports.

[Reasons for Non-Compliance with the Principles of the Corporate Governance Code]

The Company complies with all principles of the Corporate Governance Code.

[Disclosure Based on the Principles of the Corporate Governance Code]

The details of disclosure items pursuant to each principle of the Corporate Governance Code are as follows.

[Principle 1-4 Cross-Shareholdings]

- ORIX does not engage in cross-shareholdings of publicly-traded shares.

[Principle 1-7 Related Party Transactions]

- ORIX has established internal rules that in principle prohibit transactions by directors and executive officers with the company and its subsidiaries and takes measures to inform personnel about these rules and enforce them. Internal rules also provide that in cases where ORIX engages in certain transactions with a company at which an ORIX director or executive officer also serves as a director or executive with representative authority, a prior report must be made to the relevant division and prior approval must be obtained from the Board of Directors, and ORIX takes measures to inform personnel about these rules and enforce them. When transactions are conducted with the approval of the Board of Directors, the details are reported to the Board and systems are in place to monitor and ensure that those transactions will not give rise to concerns regarding harm to the interests of the company or its shareholders.

[Principle 2-3 Sustainability Issues, Including Social and Environmental Matters]

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- Cognizant that due consideration for sustainability issues is essential to meet societal expectations and achieve long-term growth as an enterprise that creates new value, ORIX appropriately addresses sustainability issues including social and environmental problems.
- ORIX established a Sustainability Policy as an action policy concerning sustainability and takes actions to address sustainability in business based on this policy. We seek to identify risks and opportunities relating to sustainability in each business field as we undertake business activities.

[Sustainability Policy]

<https://www.orix.co.jp/grp/en/sustainability/about/index.html>

[Sustainability Report]

[https://www.orix.co.jp/grp/en/sustainability/sustainability\\_report/index.html](https://www.orix.co.jp/grp/en/sustainability/sustainability_report/index.html)

[Principle 2-6 Roles of Corporate Pension Funds as Asset Owners]

Status of Measures concerning ORIX Group Corporate Pension Funds

- ORIX established an Asset Management Committee chaired by the ORIX Group CFO and with the officers responsible for finance, accounting, and personnel as members.
- Matters concerning asset management policies and policy-based asset composition allocations are investigated by the Asset Management Committee and determined by the Representative Counsel. The financial status of the pension fund is extremely good and excessive risks have not been taken in asset management. Management policies emphasize curtailing decreases in value. In principle, the policy-based asset composition allocation is determined at the time of financial recalculation, which is performed every five years, and is verified annually and reviewed as necessary.
- All service providers to whom management of the fund has been outsourced have accepted the Japanese version of the Stewardship Code. The fund holds quarterly management reporting conferences concerning service providers and conducts quantitative analysis. In addition, with respect to qualitative analysis, service providers are required to submit annual written survey responses, and thereby appropriate management is confirmed.
- Exercise of voting rights concerning ORIX Group shares and investment targets is performed in accordance with the decision-making criteria of management service providers, and there are no matters involving conflicts of interest.
- Personnel with appropriate qualifications are assigned to the administrative offices of the fund, and the qualifications of those personnel are enhanced by sending them to outside seminars and other means.

[Principle 3-1 Full Disclosure]

ORIX implements full disclosure of information through means such as the Company's websites and the following reports.

[ORIX Website]

<https://www.orix.co.jp/grp/en/>

[Securities Reports]

[https://www.orix.co.jp/grp/en/ir/library/financial\\_result/index.html](https://www.orix.co.jp/grp/en/ir/library/financial_result/index.html)

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[Integrated Report]

[https://www.orix.co.jp/grp/en/ir/library/annual\\_report/index.html](https://www.orix.co.jp/grp/en/ir/library/annual_report/index.html)

[Sustainability Report]

[https://www.orix.co.jp/grp/en/sustainability/sustainability\\_report/index.html](https://www.orix.co.jp/grp/en/sustainability/sustainability_report/index.html)

- 1) ORIX has established and publicly released its core policies and target business indicators. The details are released in securities reports.
- 2) For information on ORIX's fundamental approach to corporate governance, please refer to I-1. Fundamental Approach, etc. above.  
Details can be found below under II-2. Matters Relating to Business Execution, Audits and Supervision, Nomination, Compensation Determination, and Other Functions (Overview of Current Corporate Governance Structure), on the ORIX Website (corporate governance) and in securities reports (4.4. Corporate Governance, etc.).
- 3) The Compensation Committee formulates policies on the determination of director and executive officer compensation and the details of the compensation of each individual based on those policies. For information concerning the policies on the determination of director and executive officer compensation by the Compensation Committee, see (2) Policy for Determining Compensation of Directors and Executive Officers under II-1. Director and Executive Officer Compensation: Disclosure of Policies on Determination of Compensation Amounts and Methods of Calculation.
- 4) The Nominating Committee determines proposed resolutions relating to the appointment and dismissal of directors to be submitted to the annual general meeting of shareholders. For information on policies and procedures relating to the determination of director candidates and screening of executive officers, see 3. Matters Relating to the Three Committees, 1) Nominating Committee under II-2. Matters Relating to Business Execution, Audits and Supervision, Nomination, Compensation Determination, and Other Functions.
- 5) For information on the reasons why director candidates were nominated, see the reference information (matters to be resolved) in the Notice of the 57th Annual General Meeting of Shareholders.  
(See: [https://www.orix.co.jp/grp/en/ir/library/shareholder\\_meeting/](https://www.orix.co.jp/grp/en/ir/library/shareholder_meeting/))  
For information on the reasons why outside directors were nominated, see II-1. Directors: Relationship with the Company (2).  
Also, regarding the nomination of executive officers, decisions are made in light of the policies described above in (4), taking into consideration the individual business experience and knowledge of each candidate. Profiles of each executive officer can be found on the ORIX website.  
(See <https://www.orix.co.jp/grp/en/about/overview/officer/index.html>)

[Principle 4-1-1 Roles and Responsibility of the Board (1)]

- For information on the scope of responsibility delegated by the Board of Directors to the management team, see (2) Matters Relating to the Board of Directors under II-2. Matters Relating to Business Execution, Audits and Supervision, Nomination, Compensation Determination, and Other Functions.

[Principle 4-8 Effective Use of Independent Directors]

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- For information on action policies relating to the effective use of independent directors, refer to (2) Action Policies Relating to the Effective Use of Independent Directors under II-1. Independent Directors: Other Matters Relating to Independent Officers.

[Principle 4-9 Independence Standards and Qualifications of Independent Directors]

- For information on ORIX's Conditions for Director Independence, see (1) Status of Independent Directors under II-1. Independent Directors: Other Matters Relating to Independent Officers.

[Principle 4-11-1 Preconditions for Board and *Kansayaku* Board Effectiveness]

- For information on ORIX's approach concerning the structure of the Board of Directors, see (2) Matters Relating to the Board of Directors under II-2. Matters Relating to Business Execution, Audits and Supervision, Nomination, Compensation Determination, and Other Functions.

[Principle 4-11-2 Preconditions for Board and *Kansayaku* Board Effectiveness]

- For information concerning the status of concurrent positions held by directors, see the directors' professional experience posted on the ORIX website.

(See: <https://www.orix.co.jp/grp/en/about/overview/officer/index.html>)

Also, for information concerning the key concurrent positions held by outside directors, see II-1. Directors: Relationship with the Company (2).

[Principle 4-11-3 Preconditions for Board and *Kansayaku* Board Effectiveness]

- The Secretariat of the Board of Directors conducts a survey of all Directors. The effectiveness of the Board of Directors is evaluated and analyzed, and actions to improve the administration of the Board of Directors are implemented.
- An overview of the effectiveness of the Board of Directors for FY2020.3 follows.

<Evaluation Process>

- The Secretariat of the Board of Directors provided a questionnaire (details below) to the Directors.
- Based on the results of the questionnaire, the Secretariat of the Board of Directors personally interviewed each Director to gather additional information including opinions not available from the questionnaire alone and requests concerning the operations of the Board of Directors.
- The Secretariat of the Board of Directors reported the results of the questionnaire and interviews to the Board of Directors. The Board of Directors formulated action plans for the issues raised by the report.

<Process>

- June 2020: Questionnaire conducted
- July 2020: Interviews conducted based on the questionnaire
- August 2020: Final results of the evaluation presented to the Board of Directors, action plan formulated

< Questionnaire Contents>

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- Composition of the Board of Directors
- Operation of the Board of Directors
- Agenda of the Board of Directors and other bodies
- Effectiveness of the Board of Directors discussions
- Board of Directors support system

< Questionnaire Results >

- The results of the questionnaire confirmed the effectiveness of the Board of Directors in terms of its composition, operation, agenda, effectiveness of discussion, and support system.
- The PDCA cycle is continuously implemented based on the above questionnaires as well as the results of separate interviews to continuously enhance the effectiveness of the Board of Directors.

[Principle 4-14-2 Director and *Kansayaku* Training]

- When appointed to director and executive officer positions, personnel receive proper explanations from attorneys and others regarding their legal duties and responsibilities and other matters to be complied with as corporate officers, and external training organizations are used as necessary. When outside directors are invited to join the board, orientation is conducted including opportunities to receive individual explanations by the CFO or officer responsible for the Board of Directors secretariat concerning ORIX's management strategies, business activities, finances, and other matters. In addition, periodic compliance training is conducted for officers while they are in office.

[Principle 5-1 Policy for Constructive Dialogue with Shareholders]

- For information on the development of systems and measures for promotion of constructive dialogue with shareholders, see III-2. Status of IR Activities.

2. Capital Structure

Foreign Shareholding Ratio	Over 30%
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[Status of Major Shareholders]

Name	Number of shares owned (shares)	Percentage (%)
Japan Trustee Services Bank, Ltd. (Trust Account)	106,417,800	8.47
The Master Trust Bank of Japan, Ltd. (Trust Account)	99,484,800	7.92
Japan Trustee Services Bank, Ltd. (Trust Account 9)	31,280,700	2.49
Japan Trustee Services Bank, Ltd. (Trust Account 7)	29,260,000	2.32
SSBTC CLIENT OMNIBUS	27,184,395	2.16

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ACCOUNT (permanent agent: Tokyo Branch, The Hongkong and Shanghai Banking Corporation Limited)		
Japan Trustee Services Bank, Ltd. (Trust Account 5)	25,145,400	2.00
CITIBANK, N.A.-NY, AS DEPOSITARY BANK FOR DEPOSITARY SHARE HOLDER (permanent agent: Tokyo Branch, Citibank N.A.)	23,515,900	1.87
BNYM AS AGT/CLTS 10 PERCENT (permanent agent: MUFG Bank, Ltd.)	23,460,111	1.86
JP MORGAN CHASE BANK 385036 (permanent agent: Mizuho Bank, Ltd.)	22,440,122	1.78
STATE STREET BANK WEST CLIENT-TREATY 505234 (permanent agent: Mizuho Bank, Ltd.)	19,732,600	1.57

Controlling Shareholder Name	—
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Parent Company Name	—
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#### Additional Information

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#### 3. Company Information

Market Classification	First Section of the Tokyo Stock Exchange
Fiscal Year	March
Industry	Other Financing Business
Total Consolidated Number of Employees (as of last fiscal year end)	Over 1,000
Total Consolidated Revenue (as of last fiscal year end)	Over 1 trillion yen
Total Consolidated Number of Subsidiaries	Over 300 companies

#### 4. Guidelines for Measures to Protect Minority Shareholders in Dealing with Controlling Shareholders

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## 5. Other Special Conditions That Could Potentially Affect ORIX's Corporate Governance

Of ORIX's consolidated subsidiaries, only one is publicly traded: Ubiteq Inc. (JASDAQ Standard). While ORIX respects the independence of this consolidated subsidiary and expects it to use creative ideas to expand business activities, we also expect Ubiteq to strictly abide by our compliance policies and compliance manual based on ORIX's various Group governance policies. This will lead to strengthening compliance awareness and, consequently, enhancing the internal structures and systems of this listed subsidiary company. Additionally, inter-group transactions and exchanges are closely monitored to ensure they are conducted lawfully and appropriately.

## II. Status of Business Management Organization and Other Corporate Governance Systems Related to Management Decision-Making, Execution and Supervision

## 1. Institutional Composition

Organizational Structure	Company with Nominating Committee
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[Information Relating to Directors]

Number of Director Posts According to the Articles of Incorporation	No upper limit on the number of persons
Directors' Term of Office According to the Articles of Incorporation	1 year
Chair of the Board of Directors	Representative Executive Officer, President and Chief Executive Officer
Number of Directors	12 persons
Status of Director Appointment	By appointment
Number of Outside Directors	6 persons
Number of Outside Directors Designated as Independent Officers	6 persons

### Relation to the Company (1)

[illegible]

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\*Name on family register is Aiko Sano.

- a. Executive for ORIX and/or its subsidiary
- b. Executive and/or a non-executive director of a parent company of ORIX
- c. Executive for a sister company of ORIX
- d. A party of which the major client or supplier is ORIX
- e. Major client or supplier of ORIX or an executive thereof
- f. Consultant, accountant, or legal professional who receives a large sum of monetary consideration or other property from ORIX other than officer compensation
- g. Major shareholder of ORIX (or an executive thereof if the shareholder is a legal entity)
- h. Executive of a client or supplier of ORIX (which does not correspond to d, e or f) (applicable to the executive himself/herself only)
- i. Executive of a company, between which ORIX mutually appoints outside directors (applicable to the executive himself/herself only)
- j. Executive of a company or organization that receives a donation from ORIX (applicable to the executive himself/herself only)
- k. Other

#### Relation to the Company (2)

Name	Committee			Independent Officer	Additional Information	Reason for Appointment
	Nominating Committee	Compensation Committee	Audit Committee			
Ryuji Yasuda	○	○		○	<p>Mr. Yasuda satisfies the Conditions for Director Independence determined by the Nominating Committee (see Independent Officers below), and there is no likelihood of a conflict of interests with general shareholders, and therefore, he has been designated an independent officer required by stock exchanges for protection of general shareholders, and stock exchanges have been notified of this designation.</p> <p>(Concurrent Positions)</p> <ul style="list-style-type: none"> <li>- Adjunct Professor, Graduate School of Business Administration, Hitotsubashi University</li> </ul>	Mr. Ryuji Yasuda served successively as Director of McKinsey & Company and Chairman of A.T. Kearney, Asia, and currently serves as an adjunct professor at the Graduate School of Business Administration, Hitotsubashi University Department of International Corporate Strategy. He has extensive knowledge on corporate strategy, acquired through a wide range of experience. Currently, as Compensation Committee Chair, he leads deliberations regarding the officer compensation system and compensation levels in order to strengthen ORIX's



					<p>Department of International Corporate Strategy</p> <ul style="list-style-type: none"> <li>- Outside Director, Yakult Honsha Co., Ltd.</li> <li>- Outside Director, Benesse Holdings, Inc.</li> <li>- Outside Director, Kansai Mirai Financial Group, Inc.</li> <li>- Tokyo Woman's Christian University Chairman</li> </ul>	<p>medium and long-term incentive function.</p> <p>Additionally, Mr. Yasuda has actively expressed his opinions and made proposals pointing to important matters using his expertise in corporate strategy. He has served as an ORIX outside director since June 2013. The Nominating Committee has appointed him as a candidate for Outside Director because it has determined that he can be expected to continue to fulfill a substantial role, including highly effective supervision of the Company's management by utilizing a wealth of his knowledge and experience from an independent and objective standpoint.</p>
Heizo Takenaka			○	○	<p>Mr. Takenaka satisfies the Conditions for Director Independence determined by the Nominating Committee (see Independent Officers below), and there is no likelihood of a conflict of interests with general shareholders, and therefore, he has been designated an independent officer required by stock exchanges for protection of general shareholders, and stock exchanges have been notified of this designation.</p> <p>(Concurrent Positions)</p> <ul style="list-style-type: none"> <li>- Professor, Faculty of Global and Regional Studies at</li> </ul>	<p>Mr. Heizo Takenaka served successively as Minister of State for Economic and Fiscal Policy, Minister of State for Financial Services, Minister of State for Communications and Privatization of Postal Services and Minister for Internal Affairs, and currently serves as Professor at Faculty of Global and Regional Studies at Toyo University. He has a deep understanding of the environment, events of corporate management and economics, and financial policy both in Japan and overseas. Mr. Takenaka has</p>

					<p>Toyo University</p> <ul style="list-style-type: none"> <li>- Chairman and Director, PASONA Group Inc.</li> <li>- Director, Academyhills</li> <li>- Director, Center for Global Innovation Studies at Toyo University</li> <li>- Board of Directors (Outside Director), SBI Holdings, Inc.</li> </ul>	<p>actively expressed his opinions and made proposals during Board of Directors and Audit Committee deliberations, pointing to important matters regarding company management, using his wide-ranging experience and deep knowledge in economics and financial policies. He has served as an ORIX outside director since June 2015. The Nominating Committee has determined that he can be expected to continue to fulfill a substantial role, including highly effective supervision of the Company's management by utilizing a wealth of his knowledge and experience from an independent and objective standpoint.</p>
Michael Cusumano		○		○	<p>Mr. Cusumano satisfies the Conditions for Director Independence determined by the Nominating Committee (see Independent Officers below), and there is no likelihood of a conflict of interests with general shareholders, and therefore, he has been designated an independent officer required by stock exchanges for protection of general shareholders, and stock exchanges have been notified of this designation.</p> <p>(Concurrent Positions)</p> <ul style="list-style-type: none"> <li>- Professor, Faculty of Management, Sloan School</li> </ul>	<p>Mr. Cusumano currently serves as Professor, Faculty of Management at Sloan School of Management at Massachusetts Institute of Technology, and as a global authority has a deep understanding of business strategy and technology management. Mr. Cusumano has actively expressed his opinions and made proposals during Board of Directors and Compensation Committee deliberations, pointing to important matters regarding company management, using his expertise in business</p>

					<p>of Management at Massachusetts Institute of Technology</p> <ul style="list-style-type: none"> <li>- Member of the Board of Directors (Outside Director), Ferratum Plc</li> <li>- Special Vice President and Dean of Entrepreneurship and Innovation at the Tokyo University of Science</li> </ul>	<p>strategy and technology management. He has served as an ORIX outside director since June 2019. The Nominating Committee has determined that he can be expected to fulfill a substantial role, including highly effective supervision of the Company's management by utilizing a wealth of his knowledge and experience from an independent and objective standpoint.</p>
Sakie Akiyama	○			○	<p>Ms. Akiyama satisfies the Conditions for Director Independence determined by the Nominating Committee (see Independent Officers below), and there is no likelihood of a conflict of interests with general shareholders, and therefore, she has been designated an independent officer required by stock exchanges for protection of general shareholders, and stock exchanges have been notified of this designation.</p> <p>(Concurrent Positions)</p> <ul style="list-style-type: none"> <li>- Founder, Saki Corporation</li> <li>- Member of the Board of Directors (Outside Director), Sony Corporation,</li> <li>- Board of Directors (Outside Director), JAPAN POST HOLDINGS Co., Ltd.</li> <li>- Board of Directors (Outside Director), Mitsubishi Corporation</li> </ul>	<p>Ms. Sakie Akiyama founded Saki Corporation, served as Representative Director and Chief Executive Officer of Saki Corporation and has wide - ranging experience and knowledge of corporate management. Ms. Akiyama has actively expressed her opinions and made proposals during Board of Directors and Nominating Committee deliberations, pointing to important matters regarding the management of ORIX using her expertise in corporate management. She has served as an ORIX outside director since June 2019. The Nominating Committee has determined that she can be expected to fulfill a substantial role, including highly effective supervision of the Company's management by utilizing a wealth of her knowledge and experience from an independent and</p>

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						objective standpoint.
Hiroshi Watanabe	○		○	○	<p>Mr. Watanabe satisfies the Conditions for Director Independence determined by the Nominating Committee (see Independent Officers below), and there is no likelihood of a conflict of interests with general shareholders, and therefore, he has been designated an independent officer required by stock exchanges for protection of general shareholders, and stock exchanges have been notified of this designation.</p> <p>(Concurrent Positions)</p> <ul style="list-style-type: none"> <li>- President, Institute for International Monetary Affairs</li> <li>- Outside Director, Mitsubishi Materials Corporation</li> </ul>	<p>Mr. Watanabe has held multiple positions of responsibility within the Ministry of Finance, was previously Governor of the Japan Bank for International Cooperation, and currently serves as President for the Institute for International Monetary Affairs. Mr. Watanabe has extensive experience and a deep understanding as an expert on finance both in Japan and overseas, as well as wide-ranging experience and knowledge surrounding corporate management. He has served as an ORIX outside director since June 2020. The Nominating Committee has determined that he can be expected to fulfill a substantial role, including highly effective supervision of the Company's management by utilizing a wealth of his knowledge and experience from an independent and objective standpoint.</p>
Aiko Sekine		○	○	○	<p>Ms. Sekine satisfies the Conditions for Director Independence determined by the Nominating Committee (see Independent Officers below), and there is no likelihood of a conflict of interests with general shareholders, and therefore, she has been designated an independent officer required by</p>	<p>Ms. Aiko Sekine has financial accounting experience in deliberation committees in the political and institutional sectors both in Japan and overseas and has a deep understanding as an expert in accounting, having previously been a partner at PricewaterhouseCoopers</p>

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					<p>stock exchanges for protection of general shareholders, and stock exchanges have been notified of this designation.</p> <p>(Concurrent Positions)</p> <ul style="list-style-type: none"> <li>- Member of the Nominating Committee, International Federation of Accountants</li> <li>- Advisor, Japanese Institute of Certified Public Accountants</li> <li>- Outside Audit &amp; Supervisory Board Member, Sumitomo Riko Company Limited</li> <li>- Outside Audit &amp; Supervisory Board Member, IHI Corporation</li> </ul>	<p>Aarata LLC and Chairman of the Japanese Institute of Certified Public Accountants. Ms. Sekine has actively expressed her opinions and made proposals during Nominating Committee deliberations, pointing to important matters regarding company management using her expertise in corporate management. She has served as an ORIX outside director since June 2019. The Nominating Committee has determined that she can be expected to fulfill a substantial role, including highly effective supervision of the Company's management by utilizing a wealth of her knowledge and experience from an independent and objective standpoint.</p>
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[Committees]

Information Regarding Various Committee Structure and Chairs

	All Members	Full-Time Members	Internal Directors	Outside Directors	Chair
Nominating Committee	4	0	1	3	Outside Director
Compensation Committee	3	0	0	3	Outside Director
Audit Committee	3	0	0	3	Outside Director

[Information Regarding Executive Officers]

Number of Executive Officers	18 persons
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Status Regarding Concurrent Positions

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Name	Representative Rights	Concurrent Position as Director			Concurrent Position as Employee
			Nominating Committee	Compensation Committee	
Makoto Inoue	Yes	Yes	○	X	No
Shuji Irie	No	Yes	X	X	No
Shoji Taniguchi	No	Yes	X	X	No
Satoru Matsuzaki	No	Yes	X	X	No
Yoshiteru Suzuki	No	Yes	X	X	No
Kiyoshi Fushitani	No	No	X	X	No
Stan Koyanagi	No	Yes	X	X	No
Yasuaki Mikami	No	No	X	X	No
Hitomaro Yano	No	No	X	X	No
Toyonori Takahashi	No	No	X	X	No
Yasuhiro Tsuboi	No	No	X	X	No
Michio Minato	No	No	X	X	No
Tetsuya Kotera	No	No	X	X	No
Eiji Arita	No	No	X	X	No
Seiichi Miyake	No	No	X	X	No
Hidetake Takahashi	No	No	X	X	No
Tomoko Kageura*	No	No	X	X	No
Nobuki Watanabe	No	No	X	X	No

\*Name on family register is Tomoko Kanda

[Audit System]

Directors or Employees Who Should Assist the Duties of the Audit Committee	Yes
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Matters Concerning the Independence of the Directors and Employees from Executive Officers

To support the work of the Audit Committee, ORIX established the Audit Committee Secretariat with a staff of three. The Audit Committee Secretariat supports the general operations of the Audit Committee and supports audits conducted by the Audit Committee in accordance with instructions from the committee. To ensure that the Audit Committee Secretariat staff members have the expertise necessary to support audits conducted by the Audit Committee, all members concurrently serve as employees in the Group Internal Audit Department, and decisions concerning appointments, evaluations, transfers, and discipline of those staff

members requires the approval of the Audit Committee.

#### Collaboration Between the Audit Committee, External Financial Auditors and the Internal Audit Department

The Audit Committee works together with external financial auditors, the internal audit department, and the internal control-related functions (departments in charge of Group management) as follows. ORIX has entered into an audit agreement with KPMG AZSA LLC and undergoes financial audits and internal control audits by that firm.

- The Audit Committee reviews and approves the annual audit plan prepared by the internal audit department. In addition, the Audit Committee confirms the audit plan of the external financial auditors.
- The Audit Committee receives reports on the results of internal audit department audits and the improvement status of the issues pointed out and confirms problems in business execution.
- The Audit Committee receives and discusses the status of internal control evaluation related to financial reporting by the internal audit department and reports on the evaluation results.
- The Audit Committee hears and examines the audit opinion and recommendations of the external financial auditors for quarterly and year-end closing.
- The Audit Committee receives and discusses important information on accounting audits and internal control audits conducted by the external financial auditors.
- The Audit Committee exchanges views with the external financial auditors as necessary on important audit matters.
- The internal audit department exchanges views with the external financial auditors on risk recognition regarding financial reporting as necessary and works to strengthen collaboration in order to enhance the effectiveness and efficiency of the supervisory function.
- The internal control-related functions regularly report on the operation status of the internal control system to the Audit Committee.

#### [Information Regarding Independent Officers]

Number of Independent Officers	6 persons
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#### 1) Status of Independent Officers

All outside directors currently in office satisfy the Conditions for Director Independence determined by the ORIX Nominating Committee. ORIX has also designated all outside directors as independent officers required by the Tokyo Stock Exchange for protection of general shareholders. None of the companies where the outside directors serve as executive officers and the like (including business execution directors) are principal trading partners of ORIX, and ORIX does not have any material interests in them such as donations of large amount of money to them. The monetary criteria concerning “principal trading partner” and “large amount” are set forth in Conditions for Director Independence below.

< Conditions for director independence, which are:>

- i. No individual may be a principal trading partner\*, or an executive officer or employee of a principal trading

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partner of ORIX Group. If such circumstances existed in the past, 1 year must have passed since that person's departure from such office or employment.

\*A "principal trading partner" refers to an entity with a business connection to ORIX Group with a transaction amount equivalent to more than the greater of 2% of such entities consolidated total sales (or consolidated total revenues) or 1 million U.S. dollars in the current fiscal year and preceding 3 fiscal years.

- ii. No individual may directly receive a large amount of compensation (10 million yen or higher in a fiscal year), excluding compensation as a director from ORIX Group in any fiscal year during the current fiscal year and preceding 3 fiscal years. Further, any corporation or other entity in which such individual serves as a consultant, account specialist or legal expert may not receive a large amount of compensation (equivalent to more than the greater of 2% of such entities consolidated total sales (or consolidated total revenues of ORIX Group) or 1 million U.S. dollars) from ORIX Group currently or in the past year.
- iii. No individual may be a major shareholder of ORIX (10% or higher of issued shares) or a representative of the interests of a major shareholder.
- iv. No individual may have served as an executive officer of a company having a relationship of concurrent directorship\* with ORIX in the current fiscal year and preceding 3 fiscal years.

\*"Concurrent directorship" refers to a relationship in which an executive officer of ORIX or its subsidiaries also serves as a director of a company in which the individual has been an executive officer and an outside director of ORIX.

- v. No individual may be a member of the executive board (limited to those who execute business) or be a person executing the business (including an officer, corporate member or employee who executes business of the organization) of any organization (including public interest incorporated associations, public interest incorporated foundations and non-profit corporations) that has received a large amount of donation or financial assistance (annual average of 10 million yen or higher over the past 3 fiscal years) from the ORIX Group.
- vi. No individual may have served as an external financial auditor or an accounting advisor (kaikei san-yo), a certified public accountant (or a tax accountant) or a corporate member, a partner or an employee of an audit firm (or a tax accounting firm) who personally performed the audit work (excluding engagement as a supporting role) for ORIX Group in the current fiscal year and preceding 3 fiscal years.
- vii. None of an individual's family members\* may fall under any of the following:
  - A person who was an executive officer or an important employee of the ORIX Group during the past 3 years.
  - A person who falls under one of the criteria specified in (i) through (iii), (v) and (vi) above; provided, however, that criterion (i) is limited to an executive officer, sentence two of criterion (ii) is limited to a corporate member or a partner of the corporation or other entity and criterion (vi) is limited to an executive officer or an employee who performs the audit on the ORIX Group in person.

\*Family members include a spouse, those related within the second degree by consanguinity or affinity, or other kin living with the outside director.

- viii. There must be no material conflict of interest or any possible conflict of interest that might influence the individual's judgment in performing their duties as an outside director.

## 2) Action policies relating to effective use of independent outside directors



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ORIX believes that inviting a certain number of independent outside directors to the Board of Directors and operating the Board of Directors and the three committees are necessary for enhancing the effectiveness of the supervisory functions of business execution. ORIX engages in a variety of business in Japan and overseas, and consequently, inviting outside directors with diverse knowledge and experience to the Board of Directors leads to diversification and invigoration of discussions by the Board of Directors and the three committees.

3) Status of main activities by outside directors (status of attendance and statements at Board of Directors and Audit Committee meetings during the fiscal year ended March 2020)

- Mr. Ryuji Yasuda attended all 9 of the Board of Directors meetings and 2 of the Audit Committee meetings (he has attended all the meetings held since he joined as an outside director) held in the fiscal year ended March 2020 and made appropriate and necessary statements by making use of his extensive knowledge as a corporate strategy specialist.
- Mr. Heizo Takenaka attended all 9 of the Board of Directors meetings and all 8 of the Audit Committee meetings held in the fiscal year ended March 2020 and made appropriate and necessary statements by making use of his extensive experience and specialized knowledge as an economic and financial policy specialist.
- Mr. Michael Cusumano attended 7 of the Board of Directors meetings (he has attended all the meetings held since he joined as an outside director) and made appropriate and necessary statements by making use of his extensive experience and specialized knowledge as a business strategy and technology management specialist from an international standpoint.
- Ms. Sakie Akiyama attended 7 of the Board of Directors meetings and made appropriate and necessary statements by making use of her wide-ranging experience and knowledge as a corporate management specialist.

[Information Regarding Incentive]

Status of Giving Incentive to Directors / Executive Officers	Introduced a performance-linked compensation system / introduced a stock option plan / other measures
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Additional Information

ORIX has introduced a performance-linked compensation program, stock option plan, and a stock-based compensation plan. Since the fiscal year ended March 2010, no new share warrants have been granted as stock options. Details concerning the stock-based compensation plan are set forth in Policy for Determining Compensation of Directors and Executive Officers (Director and Executive Officer Compensation: Disclosure of Policies on Determination of Compensation Amounts and Methods of Calculation in that section).

People Applicable for Stock Options	Internal directors, outside directors, executive officers, employees, subsidiary directors, subsidiary auditors, subsidiary employees
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#### Additional Information

The purpose is to further raise motivation and morale to enhance performance on the part of the directors, executive officers, auditors, and employees of ORIX and its subsidiaries, affiliates, and other companies with which it has a capital relationship. New share warrants have not been granted as stock option since the fiscal year ended March 2010.

#### [Information Regarding Director / Executive Officer Compensation]

Disclosure Status	Partial disclosure on an individual basis
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#### Additional Information

- Persons who received total compensation of ¥100 million or more in the fiscal year ended March 2020 are indicated in the securities report. The 2 individuals are Makoto Inoue, Representative Executive Officer, President and Chief Executive Officer of ORIX, and Stan Koyanagi, Director and Managing Executive Officer of ORIX. The details of their compensation are set forth below.

Compensation for Makoto Inoue: ¥260 million in total compensation (¥90 million in fixed compensation, ¥81 million in performance-linked compensation and ¥89 million in stock-based compensation)

Compensation for Stan Koyanagi: ¥110 million in total compensation (¥55 million (¥12 million from the Company and ¥43 million from ORIX Corporation USA) in fixed compensation and ¥54 million (¥54 million from ORIX Corporation USA) in performance-linked compensation)

- Katsunobu Kamei, Kazutaka Shimoura and Hideto Nishitani are the 3 officers who resigned during the fiscal year ended March 2020 and who received total compensation actually paid including stock-based compensation of ¥100 million or more. The details of their compensation are set forth below.

Compensation for Katsunobu Kamei: ¥240 million in total compensation (¥26 million in fixed compensation, ¥7 million in performance-linked compensation, and ¥205 million in stock-based compensation (¥80 million from the filing company, ¥160 million from ORIX Auto Corporation))

Compensation for Kazutaka Shimoura: ¥135 million (¥21 million in fixed compensation, ¥8 million in performance-linked compensation, ¥105 million in stock-based compensation)

Compensation for Hideto Nishitani: ¥103 million (¥15 million in fixed compensation, ¥1 million in performance-linked compensation, ¥86 million in stock-based compensation) (¥97 million from the filing company, ¥5 million from ORIX Corporation USA)

Determination Protocols in Place for Compensation Amount and/or Calculation	In place
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## Disclosure Regarding Determination Protocols in Place for Compensation Amounts and/or Calculation

### 1) Details of Officer Compensation (FY 2020.3)

Officer compensation paid in the fiscal year ended March 2020 was as follows.

- Fixed compensation was ¥94 million paid to the 8 outside directors and ¥499 million paid to the 25 executive officers (including executive officers who also serve as directors\*).
- Performance-linked compensation was ¥229 million paid to the 25 executive officers (including executive officers who also serve as directors\*).
- The targets and results with regard to the KPIs of the performance-linked compensation (annual bonuses) listed in the table above are as follows:

#### i. Company-wide performance indicator

We targeted a milestone with regard to the consolidated net income annual growth set by the Compensation Committee in order to achieve the Company's medium-term business objectives and achieved 90%.

#### ii. Division performance indicator

We set the performance target for each division based on the company-wide performance target and achieved 0% to 135% (median: 90%) by 25 executive officers (based on the total evaluation including qualitative assessment).

- The amount paid as stock-based compensation, equal to the number of points confirmed to be provided as the portion for the fiscal year ended March 2020 multiplied by the market price paid by the trust for ORIX shares when those shares were acquired (¥1,594.7 per share), was ¥14 million paid to the 8 outside directors and ¥363 million paid to the 25 executive officers. The total amount of stock-based compensation actually paid in the fiscal year was ¥572 million not included in the above amount paid to 2 directors and 4 executive officers (including executive officers concurrently serving as directors) who retired during the fiscal year, as well as to 2 executive officers who retired during the previous fiscal year.
- 8 new executive officers (including executive officers concurrently serving as directors) were appointed, 2 directors and 5 executive officers (including executive officers concurrently serving as directors) resigned. As of March 31, 2020, there were 12 directors (including 6 outside directors) and 20 executive officers (including executive officers concurrently serving as directors).

\*ORIX does not pay director compensation to those executive officers concurrently serving as directors, and therefore, the compensation of the 8 directors also serving as executive officers is included in the amount for executive officer compensation.

### 2) Policy of Determining Compensation of Directors and Executive Officers

- ORIX Group's business objective is to increase shareholder value over the medium- to long-term. ORIX believes in the importance of each director and executive officer responsibly performing his or her duties and cooperating as members of a team to produce continued growth for the Group.
- The Compensation Committee believes that in order to accomplish such business objectives, directors and executive officers should place emphasis not only on performance during the current fiscal year, but also on medium- to long-term results. Accordingly, under the basic policy that compensation should provide effective incentives, ORIX takes such factors into account when making decisions regarding the compensation system and compensation levels for directors and executive officers.

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- Taking this basic policy into consideration, we have established separate policies for the compensation of directors and executive officers in accordance with their respective roles based on a decision of the Compensation Committee held on June 26, 2020.

i. Compensation Policy for Directors

- The compensation policy for directors who are not also executive officers aims for compensation composed in a way that is effective in maintaining the supervisory and oversight functions of executive officers' performance in business operations, which is the main duty of directors. Specifically, ORIX's compensation structure for directors consists of fixed compensation and stock-based compensation (\*1). In addition, the Company strives to maintain a competitive level of compensation with director compensation according to the role fulfilled and receives third-party research reports on director compensation for this purpose.
- Fixed compensation is in principle the same amount for all directors with certain amounts added for directors serving as members or chairpersons of committees.
- For stock-based compensation reflecting medium- to long-term performance, directors are granted a fixed amount of points on an annual basis for their period of service, and they are paid in ORIX shares corresponding to the amount of points they have accumulated at the time of retirement.

ii. Compensation Policy for Executive Officers

- The compensation policy for executive officers, including those who are also directors, aims for a level of compensation that is effective in maintaining business operation functions, while also incorporating a component that is linked to current period business performance. Specifically, ORIX's compensation structure for executive officers consists of fixed compensation, performance-linked compensation, and stock-based compensation (\*2).
- In addition, the Company strives to maintain a competitive level of compensation with executive officer compensation according to the role fulfilled and receives third-party research reports on executive officer compensation for this purpose.
- Fixed compensation is determined according to each position's role based on a standardized amount for each position.
- Performance-linked compensation (annual bonuses) for the fiscal year ended March 2020 is based on the level of achievement of the consolidated net income annual growth target as a company-wide performance indicator. 50% of the position-based standard amount is adjusted based on this company-wide indicator within a range of 0% to 200%. The remaining 50% is adjusted using the level of achievement of the division's target for which the relevant executive officer was responsible as a division performance indicator (\*3) within a range of 0% to 300%. In the case of representative executive officers, the level of achievement of the company-wide performance indicator is used as the sole performance indicator to adjust the standard amount within a range of 0% to 200%. These performance indicators are selected taking into consideration the company's medium-term management targets.
- For stock-based compensation, which reflects medium- to long-term performance, executive officers are granted a fixed number of points based on their positions and are paid in ORIX shares corresponding to the number of points accumulated at the time of retirement.

\*1. Stock-based compensation is a program under which annual points (a fixed number of points) are allocated to directors and executive officers while in office and ORIX shares are granted via a trust based on the cumulative number of points at the time of retirement. Points granted are determined based on guidelines established by the Compensation Committee. The Compensation Committee has not established a period during which shares purchased under this program must be held. If a determination is made that a director or executive officer engaged in substantially inappropriate conduct that causes harm to the Company while in office, the Compensation Committee may set restrictions on the payment of stock-based compensation.

\*2. The basic policy concerning executive officer compensation is that the ratio of fixed compensation, performance-linked compensation (annual bonuses) and stock-based compensation is 1:1:1. Also, the compensation of executive officers who are assigned to an overseas subsidiary or who have a high level of specialization is determined through individual deliberations taking into consideration the local compensation system and compensation levels as well as specialization and other factors.

\*3. For performance-linked compensation (annual bonuses) based on the degree of achievement of targets regarding the performance of the divisions for which individual executive officers are responsible, achievement is determined comprehensively with a focus on the annual growth rate in the performance of the relevant division for the current fiscal term but also by incorporating qualitative determinations such as difficulty of targets, details of performance, and strategic arrangements for the future. .

#### [Outsider Director (External Financial Auditor) Support System]

- To ensure the effective operation of the Board of Directors and each committee, the Secretariat of the Board of Directors was established as a specialized organization that handles operations. The Secretariat of the Board of Directors is made up of managers and staff members from the Corporate Planning Department, Group Human Resources Department, Corporate Legal Department, and Group Internal Audit Department, which are related divisions, under the direction of the officer responsible for the Secretariat of the Board of Directors. Each Secretariat staff member helps outside directors engage in active and substantial deliberations at meetings of each body by providing prior explanations of agenda items and performing other tasks.
- The Audit Committee Secretariat was established to support the work of the Audit Committee. The Audit Committee Secretariat conducts activities such as office observations so that Audit Committee members, who are outside directors, can deepen their understandings of the ORIX Group's business.
- In addition, voluntary reporting meetings are held following the conclusion of Board of Directors meetings to report on the status of each business, business strategies, the progress of projects, and other topics to share information for outside directors to perform supervisory functions.
- If executive officers or employees become aware of conduct and so on in violation of laws and regulations or internal rules or contrary to social norms or suspect that such conduct may have occurred, they can report to and consult with one of the whistle-blower channels established inside

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and outside the company concerning that information and its basis. When a person responsible for such whistle-blower channel determines that the reported or consultation matter is serious, a report is made to the Audit Committee. Executive officers and employees can also report matters relating to accounting, accounting internal controls, and audits to the Audit Committee or an Audit Committee member designated by the Audit Committee.

- Furthermore, the officer responsible for the Internal Audit Department attends important meetings of the ORIX Group and reports material information required for audit activities to the Audit Committee in a timely and appropriate manner to support information gathering by the Audit Committee. The Audit Committee is also able to make use of external advisors, attorneys, and other professionals as necessary for the performance of its duties.

[Status of People Who Have Resigned from Representative Executive Officer or a Similar Role]

Name and Other Information for Advisor/Former Representative Executive Officer

Name	Position/ Status	Role	Employment Status (Full-Time/Part-Time, Compensation etc.)	Resignation Date	Term
Yoshihiko Miyauchi	Senior Chairman	External activities such as financing activities	Part-time, compensated	June 24, 2014	1 year (at the longest, until June 30, 2024)

Number of Advisors/Former Representative Executive Officers	1 person
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#### Other Information

1. When necessary, ORIX may appoint consultants, advisors, and other such positions. Consultants, advisors, and other such positions perform primarily external activities that are significant to the ORIX Group. Consultants, advisors, and other such positions including former presidents and representative directors do not attend any meetings of ORIX bodies where decisions are made and do not participate in the execution of the company's business.
  2. Treatment of consultants, advisors, and other such positions including compensation is determined in accordance with provisions determined by the Board of Directors following deliberations by the Compensation Committee and shall not exceed ¥30 million yen.
2. Details Regarding Business Execution, Audits and Supervision, Nomination, Compensation Determination, and Other Functions (Current Corporate Governance Structure Overview)
- 1) Overview of the Current Structure
 

ORIX has adopted a structure separating operations and oversight through a “Company with Nominating Committee, etc.” board model and has established a Board of Directors and three committees (Nominating Committee, Audit Committee, and Compensation Committee) for making

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decisions relating to the execution of operations. By doing so, it has created a sound and highly transparent corporate governance structure.

[ORIX's Corporate Governance System is Characterized By:]

- separation of operation and oversight through a “Company with Nominating Committee, etc.” board model;
- the majority of the members of the Nomination Committee are outside directors and all members of the Audit and Compensation Committees are outside directors; the chairperson for each committee is appointed from among the outside directors;
- all outside directors satisfying strict conditions for independence; and
- all outside directors being highly qualified in their respective fields.

[Refer to the schematic diagram included in the reference materials attached to the end of this document.]

For details, refer to the ORIX website (Corporate Governance) and securities report (4.4 Status of Corporate Governance etc.).

## 2) Board of Directors

The Board of Directors carries out decisions related to items that, either as a matter of law or pursuant to our Articles of Incorporation, cannot be delegated to executive officers, and important items as determined by the regulations of the Board of Directors. The Board of Directors is responsible for deciding and monitoring ORIX's policies on a regular basis, which include corporate planning such as capital management, fund procurement, hiring and recruitment strategies and internal controls.

Aside from such items, the Board of Directors delegates decision-making regarding business operations to representative executive officers to facilitate better efficiency and swiftness of such process.

The Board of Directors also receives reports from executive officers and committees regarding the status of business operations.

From April 1, 2019 through March 31, 2020, the Board of Directors met 9 times. The attendance rate of directors for these meetings was 96%.

The Board of Directors included 12 members, 6 of whom are outside directors and 6 of whom are internal directors. Chair: internal director.

### <Approach to the Structure and Scale of the Board of Directors>

Our policy concerning the Board of Directors is that it shall be made up of directors including outside directors with diverse knowledge and experience and shall have an appropriate number of members that does not impede effective and efficient deliberations.

## 3) Three Committees (Nominating Committee, Audit Committee, Compensation Committee)

### • Nominating Committee

(4 Members: 1 internal director, 3 outside directors; the chair is an outside director)

The Nominating Committee met 5 times in the fiscal year ended March 2020. The attendance rate

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by members at these meetings was 95%.

The Nominating Committee is authorized to propose the slate of director appointments or dismissals to be submitted to the annual general meeting of shareholders. Directors are appointed and dismissed by a resolution of the annual general meeting of shareholders. In addition, the Nominating Committee deliberates on the agenda concerning the appointment or dismissal of our executive officers to be resolved at the Board of Directors meeting, although this is not required under the Companies Act of Japan.

Furthermore, the Nominating Committee ensures that the Board of Directors possesses the appropriate levels of and diversity in knowledge, experience, and expertise, through an established decision-making process for directors' appointments. The Nominating Committee also nominates executive officer candidates to the Board of Directors following an assessment of candidates' experience, knowledge, and suitability for the position to execute business decisions in the Company's existing and new businesses.

(Internal Director)

- An individual with a high degree of expertise in ORIX Group's business
- An individual with excellent business judgment and business administration skills

(Outside Director)

- An individual with a wealth of experience as a business administrator
- An individual with professional knowledge in fields such as economics, business administration, law, and accounting, as such relate to corporate management
- An individual with extensive knowledge in areas such as politics, society, culture, and academics, as such relate to corporate management

- Audit Committee

3 Members (3 outside directors; the chair is an outside director)

The Audit Committee met 8 times in the fiscal year ended March 2020. The attendance rate by members at these meetings was 96%.

The Audit Committee monitors the operational execution of the directors and executive officers and prepares audit reports. In addition, the Audit Committee proposes the appointment or dismissal of, or the passage of resolutions refusing the reappointment of the Company's external financial auditors to the annual general meeting of shareholders. Explanations concerning ORIX's audit expenses are made by the responsible personnel from the Accounting Department and after obtaining consent from the Audit Committee, the particulars of and compensation for audit and non-audit services provided to ORIX and its consolidated subsidiaries by domestic and overseas members firms affiliated with the same network as our accounting auditors are approved in accordance with the U.S. Public Company Accounting Reform and Investor Protection Act.

- Compensation Committee

3 Members (3 outside directors; the chair is an outside director)



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The Compensation Committee met 6 times in the fiscal year ended March 2020. The attendance rate by members at these meetings was 100%.

The Compensation Committee formulates policies on determining the compensation and so on of directors and executive officers and decides the details of compensation and so on for directors and executive officers.

#### [Membership of Each Committee]

##### [Nominating Committee]

(Chair)

Sakie Akiyama (outside director), (attended all meetings in the fiscal year ended March 2020, chair since June 2020)

(Members)

Ryuji Yasuda (outside director) (attended all meetings in the fiscal year ended March 2020)

Hiroshi Watanabe (outside director) (member since June 2020)

Makoto Inoue (internal director) (attended all meetings in the fiscal year ended March 2020)

##### [Audit Committee]

(Chair)

Aiko Sekine (outside director) (member and chair since June 2020) \*

(Members)

Heizo Takenaka (outside director) (attended all meetings in the fiscal year ended March 2020)

Hiroshi Watanabe (outside director) (member since June 2020)

\*Audit Committee Chair Aiko Sekine is a qualified certified public accountant and as an accounting specialist, has considerable knowledge of finance and accounting.

##### [Compensation Committee]

(Chair)

Ryuji Yasuda (outside director) (attended all meetings in the fiscal year ended March 2020)

(Members)

Michael Cusumano (outside director) (attended all meetings in the fiscal year ended March 2020)

Aiko Sekine (outside director) (member since June 2020)

#### 4) Liability Limiting Agreements with Outside Directors

ORIX has entered into liability-limiting agreements with outside directors pursuant to Article 427, Paragraph 1 of the Companies Act that limit the liability of outside directors to pay compensatory damages specified in Article 423, Paragraph 1 of the Companies Act. The maximum amount of compensatory damages for which outside directors are liable pursuant to those agreements is the minimum amount of liability specified in Article 425, Paragraph 1 of the Companies Act. The limitation of liability is limited to cases where an outside director acted in good faith and without

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gross negligence in the performance of the duties that was the basis of the liability.

#### 5) Execution of Operations

- ORIX adopts the “Company with Nominating Committee, etc.” board model, and with the exception of certain matters, the Board of Directors has decided that in principle those decisions relating to the execution of operations that can be entrusted to executive officers pursuant to laws and regulations shall be entrusted to representative executive officers to enhance the efficiency and speed of decision-making and the execution of operations.
- Representative executive officers make important business execution decisions following deliberations by the Executive Committee, Investment and Credit Committee, and other bodies in accordance with the provisions of various internal rules. Executive officers carry out business operations in accordance with the decisions of the Board of Directors, the business execution decisions of Representative executive officers, and various internal rules (for information on executive officers, see II-1. Executive Officers above).
- Group executives (discussed below\*\*) are appointed by the Board of Directors from among the directors and executive officers of Group companies.

#### [Bodies Involved in Business Execution]

Important decision-making, monitoring and discussion, and sharing of information regarding the execution of business are conducted by the following bodies.

##### i. Executive Committee

Made up of top management, i.e., the CEO, COO, and CFO (referred to as “Top Management”), as well as executive officers and others. Deliberates mainly on important matters concerning management such as management policy. Additionally, reports to the Board of Directors on deliberated matters of high importance if necessary.

#### <Membership>

Representative Executive Officer, President and Chief Executive Officer:

Makoto Inoue (Chairperson)

Senior Managing Executive Officers:

Shuji Irie, Shoji Taniguchi, Satoru Matsuzaki, Kiyoshi Fushitani, Yoshiteru Suzuki

Managing Executive Officers:

Stan Koyanagi, Yasuaki Mikami

Executive Officers:

Hitomaro Yano, Yasuhiro Tsuboi, Tomoko Kageura

\*Other relevant individuals may attend upon nomination by the chairperson.

##### ii. Investment and Credit Committee

The ICC, which includes members of top management and the executive officers involved with

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investment and credit, discusses the representative decisions regarding credit transactions and investments that exceed certain specified investment or credit amounts. Matters considered crucial to our operations are deliberated in the Executive Committee and reported to the Board of Directors as appropriate.

<Membership>

Representative Executive Officer, President and Chief Executive Officer:

Makoto Inoue (Chairperson)

Senior Managing Executive Officers:

Shuji Irie, Shoji Taniguchi, Satoru Matsuzaki, Kiyoshi Fushitani, Yoshiteru Suzuki

Managing Executive Officers:

Stan Koyanagi, Yasuaki Mikami

Executive Officers:

Hitomaro Yano, Yasuhiro Tsuboi, Tomoko Kageura

\*Executive officers, Group executives, or other officers responsible for the divisions in charge of projects and so on attend to conduct briefings on those projects.

iii. Group Executive Officer Committee

The Group Executive Officer Committee, in which executive officers and group executives of the Company participate, discusses important matters relating to the business execution of ORIX Group.

<Membership>

All executive officers and Group executives

\*This body is primarily intended for sharing information and the like, and no chairperson is designated.

iv. Division Strategy Meetings

Division Strategy Meetings include meetings between top management and the management in charge of individual divisions and business units to discuss matters such as the status for achieving strategic targets and changes in the business environment. Matters of high importance on the agenda are deliberated on by the Executive Committee and the ICC and reported to the Board of Directors if necessary.

<Membership>

Representative Executive Officer, President and Chief Executive Officer:

Makoto Inoue

Senior Managing Executive Officers:

Shuji Irie, Shoji Taniguchi, Satoru Matsuzaki, Kiyoshi Fushitani, Yoshiteru Suzuki

Managing Executive Officer:

Stan Koyanagi

Executive Officers:

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Hitomaro Yano, Tomoko Kageura

\*This body is primarily intended for sharing information and the like, and no chairperson is designated.

\*Executive officers, Group executives, or other officers responsible for the divisions included in the agenda attend meetings to present reports and so on.

v. Information Technology Management Committee

Made up of Top Management and the president of ORIX Computer Systems Corporation. Deliberates on important matters relating to fundamental policies on IT operations and IT systems. By making decisions on the need for and priority of investment in information systems at the Top Management level, the committee ensures consistency with business strategies and strives to implement IT investment that contributes to business growth and reducing risks.

<Membership>

Representative Executive Officer, President and Chief Executive Officer:

Makoto Inoue (Chairperson)

Senior Managing Executive Officer:

Shoji Taniguchi

President, ORIX Computer Systems Corporation:

Makoto Inoue

\*Executive officers, Group executives, or other officers responsible for the divisions in charge of agenda items attend meetings to conduct briefings on those projects and so on.

vi. Disclosure Committee

The Disclosure Committee, which plays a key role in our disclosure control, is chaired by the CFO and consists of the executive officers in charge of various departments, including: Corporate Planning Department, Investor Relations and Sustainability Department, Corporate Communications Department, Treasury Department, Accounting Department, Credit and Investment Evaluation Departments, Corporate Legal Department, Group Compliance Department, Group Human Resources and Corporate Administration Department Management Department, and Group Internal Audit Department. Upon receiving material information from an executive officer of ORIX Group or the person in charge of an ORIX Group company department, the committee discusses whether or not any timely disclosure is necessary and takes steps to appropriately disclose such information.

<Membership>

Senior Managing Executive Officer:

Shoji Taniguchi (chairperson)

Managing Executive Officers:

Stan Koyanagi, Yasuaki Mikami

Executive Officers:

Hitomaro Yano, Yasuhiro Tsuboi, Tomoko Kageura

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Head of Group Internal Audit Department:

Hiroyuki Ido

[Group Executives (as of the day of submission)]\*\*

Title	Name	Position
Group Managing Director and Executive Officer	Toshinari Fukaya	President, ORIX Real Estate Corporation Representative Director and President, DAIKYO INCORPORATED
Group Executive Officer	Hiroko Yamashina*	Chairman, ORIX Credit Corporation
Group Executive Officer	Yuji Kamiyauchi	President, ORIX Auto Corporation
Group Executive Officer	Takaaki Nitnai	Senior Managing Executive Officer, ORIX Real Estate Corporation
Group Executive Officer	Nobuhisa Hosokawa	President, ORIX Rentec Corporation

\*Name on family register is Hiroko Arai.

### 3. Reason for Implementing Current Corporate Governance Structure

- We believe that swift execution of business operations is vital to effectively respond to changes in the business environment. Furthermore, we believe that ORIX promotes improved management transparency through a corporate governance system in which outside directors, who are experts in their respective fields monitor and advise on legal compliance and the appropriate execution of operations. Based on these principles, our Board of Directors possesses oversight function and, under the “Company with Nominating Committee, etc.” board model delegates certain responsibilities to the three committees (Nominating, Audit and Compensation Committees) to carry out the role of effective governance. (See the history of ORIX’s corporate governance system below)
- Oversight by directors is separate from the execution of operations within the three committees that form the heart of the Board of Directors. A majority of the members of the Nomination Committee are outside directors and all members of the Audit and Compensation Committees are outside directors, and the chairperson for each committee is appointed from among the outside directors to help avoid conflicts of interest with our shareholders.
- In addition, all outside directors must meet the conditions for director independence set forth by the Nominating Committee (described below under “Nominating Committee”).

[Below is a summary of the progression of ORIX’s corporate governance system:]

June 1997 Established Advisory Board

June 1998 Introduced Corporate Executive Officer system

June 1999 Introduced Outside Directors

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June 2003 Adopted the “Company with Committees” board model

May 2006 Adopted the new “Company with Committees” board model in line with the enactment of the Companies Act of Japan

May 2015 Adopted the new “Company with Nominating Committee, etc.” board model in line with the amendment of the Companies Act of Japan

### III. Implementation Status of Measures Related to Shareholders and Other Stakeholders

#### 1. Efforts to Revitalize General Meetings of Shareholders and Facilitate the Exercise of Voting Rights

	Additional Information
Early Issuing of General Meeting of Shareholders Notice of Convocation	The notice of convocation of the regular General Meeting of Shareholders (held on June 26, 2020) was issued on June 4, 2020, 7 days before the statutory requirement. Notice was also posted on the Tokyo Stock Exchange and on the ORIX website on June 3, 2020.
General Meeting of Shareholders Avoiding Concentrated Days	The date was selected to avoid days when meetings were expected to be most concentrated, though the General Meeting of the Shareholders is annually held at a large venue so many shareholders can attend and therefore venue availability and schedules are factors in selecting a date.
Electromagnetically Exercising Voting Rights	Shareholders can vote electronically by PC, mobile phone or smart phone using the voting site of Mitsubishi UFJ Trust and Banking Corporation, which is ORIX’s shareholder registry administrator.
Participation in the Electronic Voting Rights Platform and Other Efforts to Improve the Voting Rights Environment for Institutional Investors	ORIX participates in the electronic voting platform operated by ICJ, Inc.
English Translation of the Notice of Convocation	An English translation of the notice of convocation is posted on the ORIX website before the notices are issued.
Other	The results of resolutions are posted without delay following conclusion of the meeting. The numbers of “for,” “against,” and “abstain” votes for each proposed resolution are also disclosed in an interim report on the status of voting. (See: <a href="https://www.orix.co.jp/grp/en/ir/">https://www.orix.co.jp/grp/en/ir/</a> )

#### 2. Status on IR-Related Activities

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	Additional Information	Explanation from Representative
Creation and Publication of Disclosure Policy	—	—
Periodic Briefings for Individual Investors	In addition to participating in IR events for individual investors, ORIX holds briefings for individual investors in various regions around Japan.	No
Periodic Briefings for Analysts and Institutional Investors	Briefings are conducted quarterly following the announcement of financial results. Investor meetings are also periodically held.	Yes
Periodic Briefings for Overseas Investors	Briefings are conducted quarterly following the announcement of financial results. Overseas investor meetings are also periodically held.	Yes
IR Documents Posted to Website	Annual reports, summary financial statements, shareholder notices, and other IR materials are posted on the ORIX website. (See: <a href="https://www.orix.co.jp/grp/en/ir/">https://www.orix.co.jp/grp/en/ir/</a> )	—
Establishment of Department (Person in Charge) Related to IR	Investor Relations and Sustainability Department	—
Other	<p>&lt;Policy for Promoting Constructive Dialogue with Shareholders&gt;</p> <p>The CEO oversees dialogue with shareholders, and the CFO and Investor Relations and Sustainability Department handles dialogues with shareholders. The Disclosure Committee, made of the CFO and the executive officers in charge of the Corporate Planning Department, Investor Relations and Sustainability Department, Corporate Communications Department, Treasury Department, Accounting Department, Credit and Investment Evaluation Departments, Corporate Legal Department, Group Compliance Department, Group Human Resources and Corporate Administration Department Management Department, and Group Internal Audit Department, make appropriate responses concerning timely and appropriate disclosures including management of insider information. In addition to individual interviews, opportunities for dialogue such as financial results briefings conducted in Japanese and English for each quarterly announcement of financial results are being expanded. The CFO reports periodically to the Board of</p>	—

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	Directors on the opinions and concerns of shareholders presented during such dialogues, and they are actively discussed by the directors including the outside directors.	
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### 3. Status Regarding Regard for Stakeholder Positions

	Additional Information
Internal Rules Stipulating Regard for Stakeholder Positions	<p>ORIX established its ORIX Group Sustainability Policy, which includes the fundamental concept Engage with our Stakeholders, and is applicable to all its business activities and employees carrying out such activities.</p> <p>Reference:  <a href="https://www.orix.co.jp/grp/en/sustainability/about/purpose_scope.html">https://www.orix.co.jp/grp/en/sustainability/about/purpose_scope.html</a></p>
Implementation of Environmental Conservation Activities, CSR Activities and More	<p>Since its establishment, ORIX has created new value through its business activities, and its basic principle has been to contribute to society. Further, ORIX recognizes that sustainability must be taken into business operation consideration for companies to continue existing in an ever-changing economy, society, and environment. Based on this stance, ORIX carefully considers the various opportunities and risks associated with economic, social and environmental changes, and along with various stakeholders not only contributes to the economic development and sustainable growth of the global society, but takes these factors into account in its corporate management as well.</p> <p>The Investor Relations and Sustainability Department is responsible for sustainability matters and reporting to and instructing the Board of Directors and Executive Committee on activities related to sustainability. Additionally, the Department collaborates with business units and management units on sustainability matters. In these ways, ORIX Group has built a governance structure to advance ORIX's sustainability activities across the Group.</p> <p>ORIX is contributing its own unique value by facing societal issues and needs proactively in areas such as the transition to a carbon-free society and regional revitalization, based on the stance that it should contribute to society through its business activities.</p> <p>For information on ORIX Group's sustainability activities, see the Sustainability Report and the Sustainability page of the ORIX website.</p> <p>Sustainability Report 2020:  <a href="https://www.orix.co.jp/grp/en/sustainability/sustainability_report/index.html">https://www.orix.co.jp/grp/en/sustainability/sustainability_report/index.html</a>  Sustainability website:  <a href="https://www.orix.co.jp/grp/en/sustainability/">https://www.orix.co.jp/grp/en/sustainability/</a></p>
Formation of Policies Related to Information Provision to Stakeholders	<p>To meet the information disclosure needs of our shareholders and various stakeholders, we disclose information based on the Financial Instruments and Exchange Acts as well as the policies determined by the Financial Instruments Exchange on which ORIX's securities are listed. We have formulated the "Rules on Timely Disclosure of Company Information" as a holistic representation of how we intend to disclose information on a timely basis, develop a system for security and manage.</p>



	(Reference: <a href="https://www.orix.co.jp/grp/en/ir/policy.html">https://www.orix.co.jp/grp/en/ir/policy.html</a> )
Other	<p>&lt;Relationship with Employees&gt;</p> <p>ORIX's concept "Keep Mixed" aims to generate a Fusion of Intelligence by integrating diverse human resources regardless of nationality, age or working history with the objective of creating diverse values and expertise.</p> <p>It is under this concept that we seek to create workplaces that maximize employees' various knowledge and expertise. Creating such rewarding workplaces includes respecting diverse working styles, maintaining workplace environments that are aligned to societal standards, and reforming human resource systems. Moreover, we are providing opportunities to employees who want to be challenged as well as strengthening our training for employees to be able to perform and thrive internationally.</p> <p>&lt;Policies on and Initiatives for Supporting Participation by Women&gt;</p> <p>ORIX was one of the earliest promoters of women's participation in the workplace and started recruiting women for comprehensive work positions since 1982, before the enforcement of the Equal Employment Opportunity law in 1986. We have also expanded our personnel system accordingly and are actively engaged in not only expanding the system but strategically raising awareness among employees. As of fiscal year ended March, 2020, women employees accounted for 40% of our workforce. By the end of fiscal year ended March, 2020, women accounted for 25% of managerial positions at ORIX, which achieved its goal of women holding 23% of managerial positions by the end of fiscal year ended March, 2020. The ratio is 22% among significant companies within the Group and is growing steadily.</p> <p>2 of ORIX's 12 directors and 2 of 23 executive officers and Group executives are women.</p>

#### IV. Information Regarding Internal Control Systems

##### 1. Basic Policy on Internal Control Systems

ORIX has established and operates the internal control systems described below from the perspectives of efficiently executing business while promptly and flexibly responding to changes in the business environment as well as ensuring the proper execution of business by the ORIX Group including risk management, compliance, group company management, and audit systems. In conjunction with changes in the business environment and the expansion and diversification of business, we continuously and proactively improve and enhance internal control systems.

The Board of Directors has adopted the following resolutions concerning the "systems necessary to ensure the properness of operations" (internal control systems) specified in Article 416 of the Companies Act and Article 112 of the Companies Act Enforcement Regulations. A summary of the status of operations during the fiscal year ended March 2020 can be found in the "3. Internal Control Systems in Frameworks to secure the adequacy of the business procedures of ORIX" of the information disclosed on the internet when notice of the convocation of the 57th Annual General Meeting of Shareholders was posted.

(See: [https://www.orix.co.jp/grp/en/pdf/ir/library/shareholder\\_meeting/56AGMWebdataE.pdf](https://www.orix.co.jp/grp/en/pdf/ir/library/shareholder_meeting/56AGMWebdataE.pdf))

I. Maintaining and Securing a System for ORIX's Business Suitability

1. Securing a System for Business Operations Efficiency

- 1) The Company adopts the Company with Nominating Committee, etc. board model. To the extent permitted under laws and regulations, the Board of Directors may by resolution delegate the power to make decisions on the execution of operations to representative executive officers to enhance the speed and efficiency of execution of business operations.
- 2) ORIX and its subsidiaries determine work authority according to the size and business structure of each company and efficiently execute business.
- 3) The ORIX Group deliberates or shares information on important matters relating to management and has established the following bodies to ensure the appropriate and efficient implementation of the business execution decisions of the representative executive officers.

① Executive Committee

The Executive Committee made up of ORIX's top management (CEO, COO, and CFO), executive officers, and others, deliberates on important matters relating to management.

② Investment and Credit Committee

The Investment and Credit Committee, made up of ORIX's top management and the executive officer in charge of investment and credit, deliberates on investment and credit matters over a certain monetary amount.

③ Information Technology Management Committee

The Information Technology Management Committee, made up of ORIX's top management and the president of ORIX Computer Systems Corporation, deliberates on important matters relating to fundamental policies on IT operations and IT systems.

④ Division Strategy Meetings

Division Strategy Meetings are held in each business unit to determine strategies for individual business units and so that top management can monitor whether initial management plans are proceeding as intended. The degree of achievement of business unit strategies, changes in the business environment, and other topics are discussed, and the structure enables dynamic adjustment of strategies as necessary.

⑤ Group Executive Officer Committee

Meetings of the Group Executive Officer Committee are held for ORIX executive officers and Group executives (selected from among subsidiary directors or executive officers by resolution of the Board of Directors) to share important information on the execution of business by the ORIX Group.

⑥ Disclosure Committee

To implement and ensure appropriate disclosure of material information that may have an impact on ORIX's business, finances, and so on, in cases where material information is not disclosed, the Disclosure Committee discusses whether it is to be disclosed, the method of disclosure, and other such matters, and the CFO makes a decision. The Disclosure Committee is comprised of the CFO and the executive officers in charge of the following

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departments: Corporate Planning Department, Investor Relations and Sustainability Department, Corporate Communications Department, Treasury Department, Accounting Department, Credit and Investment Evaluation Departments, Corporate Legal Department, Group Compliance Department, Group Human Resources and Corporate Administration Headquarters, and Group Internal Audit Department.

## 2. ORIX Group Risk Management System

ORIX Group builds a risk management system that enables it to accurately identify risks that change and diversify following changes in the business environment and business expansion, as well as to appropriately control risks according to the type of risk and the degree of impact on the Group's business.

## 3. System for Storage and Management of Information

We classify minutes on the operational execution of our Executive Officers, documents on internal approval applications, and other information pursuant to rules and regulations separately established, and set forth methods for managing information, storage periods, and matters related to disposal. By doing so, we proceed with the development of a system aimed at the effective use of information and the maintenance of confidentiality.

## 4. ORIX Group's Compliance Framework

- 1) We have established and comply with the Group Corporate Philosophy, Management Policy and Action Guidelines that apply to ORIX.
- 2) We have established rules related to compliance and stipulated principles and action codes for ORIX Group executives and employees to comply with laws and regulations, internal rules, social norms, etc. and strive to promote compliance. In the ORIX Group Business Conduct Principles, which are among such principles, we commit ourselves to strictly avoid involvement of unlawful or antisocial organizations.
- 3) ORIX Group has established an internal whistleblower system (the "Compliance Hotline"). Through the Compliance Hotline, we receive requests for consultation and reports on violations of laws, regulations and internal rules, acts in violation of social norms, and other such matters. By detecting these acts at early stages, we prevent the occurrence of misconduct, while making necessary improvements, to enhance ORIX Group's soundness.
- 4) We have established an internal audit department within the Company, conducting internal audits with risk approach regarding the effectiveness of internal control, the efficiency and effectiveness of business, compliance with laws and regulations, and other matters concerning ORIX Group's business management. The internal audit department jointly monitors material risks in collaboration with the auditors of subsidiaries.
- 5) Pursuant to rules separately established, we proceed with the development of a system that helps internal control over financial reporting to function effectively to ensure the reliability of ORIX Group's financial reporting.

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- 6) We further strengthen our internal management structure globally.
- 7) The Company's internal control-related departments, including the Credit and Investment Management department, Compliance department, Enterprise Risk Management department, Accounting department, and Information Security department, mainly develop systems, conduct monitoring, and provide support to ensure that the operational execution of ORIX Group is in compliance with laws and regulations and the Articles of Incorporation.
  - ① The Company has established a Credit and Investment Management department, which mainly examines and monitors credit and investment activities to check the suitability of activities and products.
  - ② The Company has established an Enterprise Risk Management department to check if business is in compliance with laws and regulations.
  - ③ The Company has established a Compliance department, which is designed to develop a compliance framework mainly by promoting compliance and monitoring its implementation status.
  - ④ The Company has established an Accounting department, which takes charge of the Group's consolidated financial reporting and the unconsolidated financial reporting of subsidiaries, ensures the compliance and accuracy of financial reporting operations, and monitors and supervises the financial reporting of subsidiaries.
  - ⑤ The Company has established an Information Security department, which develops a system for appropriately obtaining, using, and managing information.

## 5. Group Company Management System

With regard to the operation, management, and other matters of the subsidiaries that constitute ORIX Group, the Company requires the subsidiaries—through rules established by the Company, business management agreements concluded between the Company and the subsidiaries, and the dispatching of executives and others—to develop systems for reporting matters related to their important business execution to the Company. The Company also instructs and provides advice to subsidiaries as needed.

## II. Important matters for the Audit Committee's operational execution

### 1. System for Reporting by ORIX Group Executives and Employees to the Audit Committee

- ① ORIX Group executives and employees report to the Audit Committee when they become aware of any violation of laws and regulations or the Articles of Incorporation, or any fraudulent act that has occurred at their companies in association with operational execution, or any facts that inflict significant damage on their companies.
- ② When becoming aware of any violation of laws, regulations or internal rules, or any act, etc. in violation of social norms that has been committed at their companies, or when coming to suspect that such an act has taken place, ORIX Group executives and employees are to report to or consult with the Company's Compliance Hotline or an external whistleblower contact point, and present the grounds. When the person in charge of the Company's Compliance Hotline determines that the report or the subject matter of the consultation is important, the content of the report is reported to the Audit

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Committee. ORIX Group executives and employees can also report matters related to accounting and accounting internal control and audits the Audit Committee or Audit Committee members selected by the Audit Committee (Audit Committee members in charge of receiving reports on operational execution and examining the state of business assets; hereinafter “Selected Audit Committee Members”).

- ③ ORIX Group executives and employees report periodically or as needed matters specified by the Company’s Selected Audit Committee Members to the Company’s Audit Committee.

2. System to Ensure that a Person Reporting to the Audit Committee does not Receive Disadvantageous Treatment by Reason of Such Reporting

In the Group’s internal rules, ORIX Group prohibits the disadvantageous treatment of executives and employees who have reported or consulted with the Compliance Hotline or the Audit Committee by the reason of the report or consultation.

The Group has also stipulated that those who give disadvantageous treatment in violation of internal rules will be subject to punishment pursuant to internal rules, developing a system to ensure that those who report or consult do not receive disadvantageous treatment.

3. System to Ensure that Audits by the Audit Committee are Conducted Effectively

- ① Executives officers in charge of the Internal Audit department who have been entrusted by the Selected Audit Committee Members help the Audit Committee collect information by attending important meetings and reporting information necessary for audit activities to the Audit Committee in a timely and appropriate manner.
- ② To conduct internal audits, the Company’s Internal Audit department formulates an annual audit plan for the Company and obtains approval for the audit plan from the Audit Committee.
- ③ The Company’s Internal Audit department reports the results of internal audits of ORIX Group companies to the Audit Committee through audit result reports. The department also implements necessary measures for the matters identified by audits as requiring improvements and reports the status of improvement measures afterwards by conducting follow-up audits or other steps.
- ④ The Company’s Internal Audit department works with the Audit Committee at all times and if Audit Committee members request investigations, the Department cooperates fully with them.

4. Matters Concerning Employees Who Should Assist the Audit Committee

- ① The Audit Committee Secretariat has been established as an organization that assists the Audit Committee with its operational execution.
- ② The Audit Committee entrusts the Audit Committee Secretariat with assisting with operational execution when necessary.

5. Matters Concerning Independence of Audit Committee Secretariat Staff

Approval is to be obtained from the Audit Committee for the appointment, evaluation, transfer, and disciplinary punishment of Audit Committee Secretariat staff.

## 6. Securing Effectiveness of Instructions Given by the Audit Committee

## 7. Costs Pertaining to the Audit Committee's Operational Execution

- ① The Company bears costs or liabilities related to operational execution by the Audit Committee.
- ② The Audit Committee may use external experts who are necessary for the Committee to execute its operations.

## 2. Basic Policy on Prevention of Harm by Antisocial Forces

### 1) Basic Policy on Prevention of Harm by Antisocial Forces

ORIX Group refuses to have any involvement with any antisocial forces and do not engage in any acts that may encourage their activities. The Group as a whole adheres to the basic policy of standing firm against such forces and will respond as follows.

- We will work systematically against antisocial forces, and make sure that our employees are protected from antisocial forces.
- To prevent harm from antisocial forces, we will build close, collaborative relationships with external specialized institutions, such as police, Tokuboren (the Federation for Action to Prevent Organized Crime within the Jurisdiction of the Tokyo Metropolitan Police Department), the National Center for Removal of Criminal Organizations, and lawyers.
- We will refuse any unreasonable demands from antisocial forces.
- With regard to unreasonable demands from antisocial forces, we will take legal action, both civil and criminal, if necessary.
- We will not engage in backdoor dealings with antisocial forces or provide funds to antisocial forces.

### 2) Status of Development Toward Elimination of Antisocial Forces

- Status of Development of Code of Ethics, Conduct Principles, Internal Rules, etc.

In its Business Conduct Principles and Principles of Conduct, ORIX Group commits itself to avoid involvement with antisocial organizations and announces that commitment on the ORIX Group website. As internal rules, the Group has established "Policy on Prevention of Money Laundering and Providing Funds to Terrorists," and the basic policy of the Rules has been publicized on ORIX Group's website.

- Status of Development of Internal Structure

- Status of establishment of department in charge and persons responsible for prevention of unreasonable demands

The department in charge of handling unreasonable demands from antisocial forces is the Corporate Administration department, and the manager and others in the Corporate Administration department are designated as persons responsible for prevention of unreasonable demands.

The Company also works with related departments within the Company and Group companies to deal with such matters.

- Status of collaboration with external specialized institutions

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We strive to build close, collaborative relationships with external specialized institutions, including police, and collect information from local police stations by joining and participating in auxiliary organizations of the Metropolitan Police Department. For legal handling and response, we collaborate closely with corporate attorneys.

- Status of collection and management of information on antisocial forces

ORIX Group executives and employees are obligated to report to the Office for Handling Crises, Complaints, etc. in accordance with the “Basic Rules on Handling of Crises, Complaints, etc.” upon detecting involvement of antisocial forces in business.

We have developed a system that requires reporting to the department in charge as crisis information, as well as implementation of prompt action to reduce risk, if an unreasonable demand is made by antisocial forces.

- Status of development of response manuals

For ORIX Group executives and employees, we have developed a “Antisocial Force Response Manual,” which sets forth responses to be made during ordinary times to block relationships with antisocial forces and emergency responses to be made when involvement of an antisocial forces is detected.

## V. Other

### 1. Anti-Takeover Measures in Place

Installation of Anti-Takeover Measures	No
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#### Additional Information

At this point, we have not introduced any anti-takeover measures.

We will continue to carefully examine this matter in light of amendments to laws and regulations and environmental changes and act if necessary.

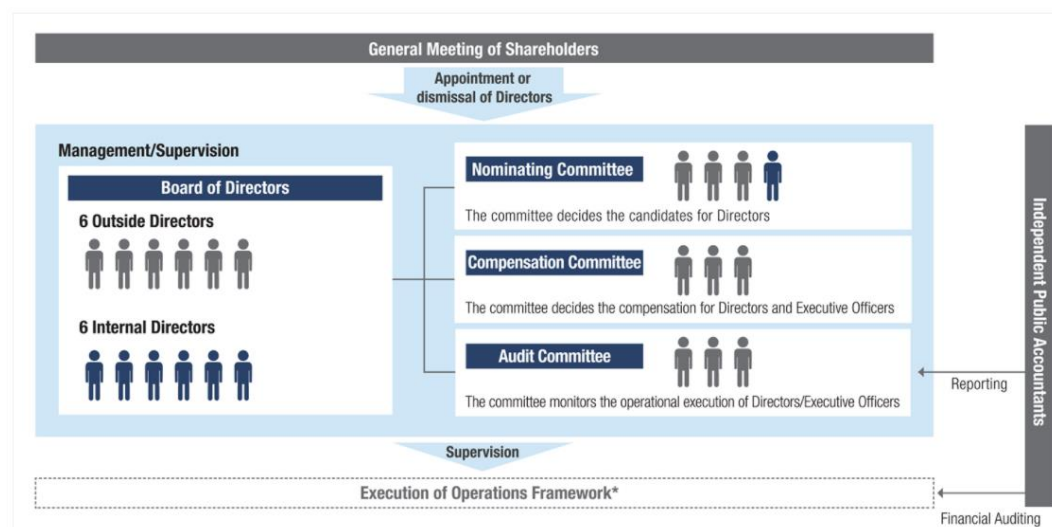
### 2. Other Information on Corporate Governance Framework

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#### 1) Schematic Diagram of Corporate Governance Framework

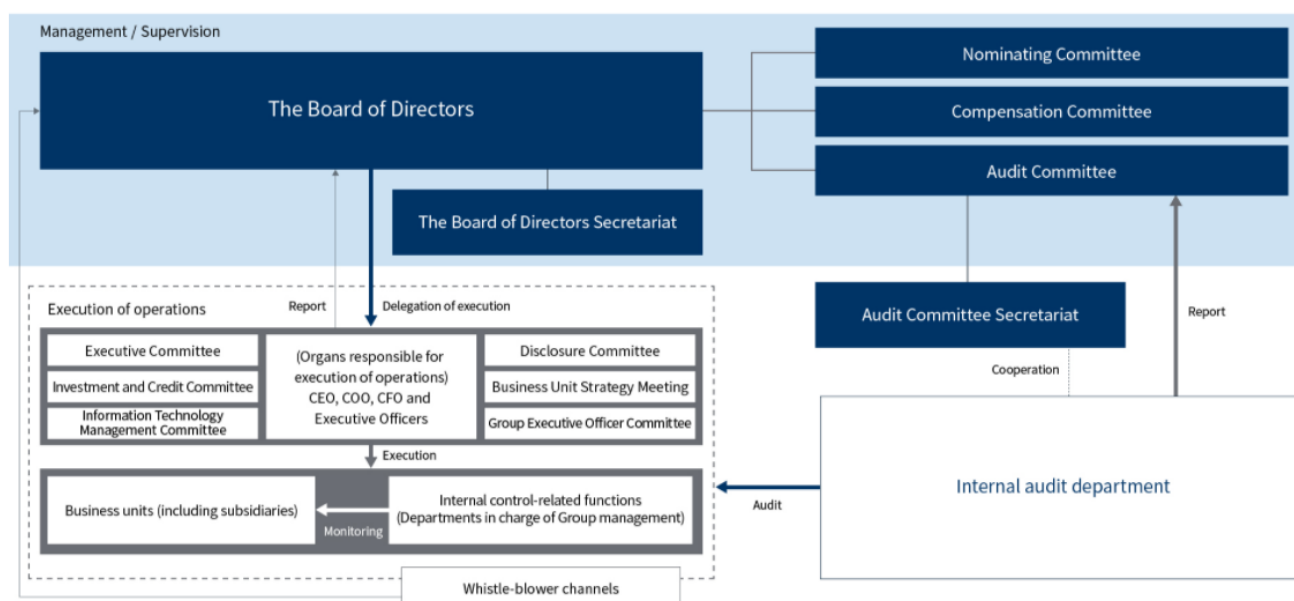
(as of January 14, 2021)

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\*Please refer below (2) for Internal Control System Framework

## 2) Schematic Diagram of Internal Control System (as of January 14, 2021)



## 3) Overview of Timely Disclosure System

The Company considers that disclosure control constitutes a significant part of its entire corporate governance. To ensure and realize timely and appropriate disclosure of material information for ORIX Group and implement timely and appropriate information disclosure to investors, we have developed a timely disclosure system centered on the Disclosure Committee. The following is an overview.

- The Disclosure Committee, which plays a key role in our disclosure control, is chaired by the CFO and consists of the executive officers in charge of various departments, including: Corporate Planning Department, Investor Relations and Sustainability Department, Corporate Communications Department, Treasury Department, Accounting Department, Credit and Investment Evaluation Departments, Corporate



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Legal Department, Group Compliance Department, Group Human Resources and Corporate Administration Department Management Department, and Group Internal Audit Department. When undisclosed material information is reported by an Executive Officer of the Company or the person in charge of an ORIX Group company department, the Disclosure Committee examines matters related to the disclosure of the material information, such as the applicability of the material information, the necessity of disclosure, and disclosure methods, and take the necessary steps.

- Additionally, in order to operate the timely disclosure system appropriately, we have established the Disclosure Committee Secretariat, which takes charge of the system, while formulating and disseminating the “Rules on Timely Disclosure of Company Information” as Group rules that apply to the Company and its subsidiaries. The Rules stipulate the disclosure system and reporting procedures and set forth the points for the determination of material information, which include the types and criteria of information subject to disclosure in order to help determine the necessity of reporting.
- The person in charge of each department is responsible for compliance with these rules and developing a system for that purpose and is obliged to report to the Disclosure Committee immediately (within 24 hours at the latest) upon the occurrence of material information.