





Vision

We value our relationships of trust and aim to act as a company that contributes to society by enabling customers to realize lifestyles of abundance.

Policy

- We will continually provide services that consider the customer's point of view.
- We will develop courageous individuals who are highly creative and willing to take on challenges.
- We will create open and attractive workplaces where humanity is respected.

Code of Conduct

- We shall take swift action in a manner that places information in high regard.
- We shall remember to act kindly, politely and honestly.
- We shall build sound assets backed by solid credit.
- We shall ceaselessly remain mindful of efficiency and aware of costs.
- We shall act as good citizens who contribute to society.

Brand Statement

When you take that bold first step towards pursuing a dream, we want to gently carry you forward.

We aim not to meet but to exceed your expectations.
To make financial services more convenient. To help you feel safer and more secure.
Today and tomorrow, Orico will stand by your side,
working tirelessly to help your dreams become a reality.



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2030 Goal

Desired society

Sustainable society in which everyone
can realize prosperous lives

Vision for the Company

An innovative, leading company that continues to
contribute to resolving various social issues

A company that is recognized by stakeholders as having a
genuine reason for existing more than ever before

Editorial Policy

The purpose of this report is to enhance communication with our stakeholders by providing a report on the big picture of Orico's basic approach to sustainability, our initiatives, and the direction we are pursuing for the future.

Period covered

The primary focus is on fiscal year 2021 (April 1, 2021 to March 31, 2022), but some of the content falls outside of this period.

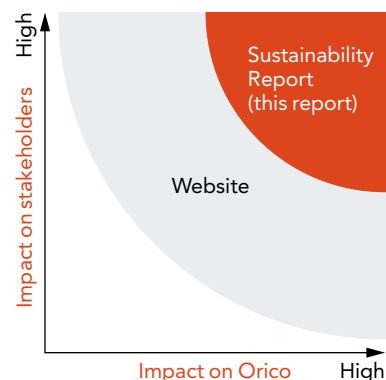
Scope

Orient Corporation and consolidated companies. Orient Corporation is referred to as "Orico," and when group companies are included, we use "Orico Group."



Information is also published on our website
when it becomes available.

<https://www.orico.co.jp/company/sustainability/>
(in Japanese only)



What Orico can do right now for the society of 2030

Orico has identified material issues for achieving its desired society and vision for the Company for 2030, and we have established a medium-term management plan via backcasting from 10 years in the future. We welcomed Chieko Matsuda, a professor at Tokyo Metropolitan University, for a conversation with President Tetsuo Iimori about the sustainability management that we are working to implement at Orico.



Tetsuo Iimori

President and
Representative Director

We aspire to be a corporate group that stands beside our customers as they pursue their dreams.

Iimori: Our Basic Principle is that “We value our relationships of trust and aim to act as a company that contributes to society by enabling customers to realize lifestyles of abundance.”

Particularly in Japan, since the period of high growth, money has been very important for making things happen, so this principle includes the desire to stand beside our customers by providing funds. However, the means of making things happen are more diverse today, so we recognize that our customers are seeking value which goes beyond the provision of funds. In light of this change, how we create social value from a long-term perspective will be increasingly important for expanding our corporate value. As such, we have put sustainability, which aims to balance both types of value, at the core of our management.

Matsuda: Money is felt to be less valuable nowadays, so there is more focus on the value of people. More emphasis is being placed on what the person wants to do and what kind of relationships to value than on making money. In a time such as this, I feel that your Basic Principle shows that you are attempting to attach importance not only to money but also to people. Moreover, trust and credibility will be important keys for doing business going forward, so I think that your valuing of relationships of trust will resonate with many people.

An understanding of sustainability has been instilled in employees over the past three years.

Iimori: In the previous medium-term management policy (covering fiscal years 2019 to 2021), one of our basic strategies was enhancement of sustainability initiatives. The first step was learning and thinking about the meaning of sustainability and how it relates to our jobs. Since then, we have fostered and shared an awareness of sustainability little by little through training programs, and I feel that understanding of sustainability as an important theme within our corporate activities has spread throughout the Company.

Matsuda: Many companies have made bold statements on sustainability, such as they “value the planet” or are “kind to nature.” However, the pursuit of global sustainability is not the only sustainability activity of companies, and if each employee does not consider it something that affects them personally—which is something you are working on at Orico—then it will end



Chieko Matsuda

Professor, Faculty of Economics and Business Administration,
Tokyo Metropolitan University

up as nothing more than mere sloganeering.

limori: The discussion of corporate social responsibility has been around for a long time now. Some people think that companies fulfill their responsibility by making a profit and paying more in taxes, while others think that it is by contributing to the environment and society. My view is that true sustainability means making an honest profit while contributing to solutions to environmental and social issues through the business.

Matsuda: I think it is admirable that you have looked into how to address sustainability as a precondition for promoting sustainability management, and that you have incorporated this into the pillars of your company in everything from your corporate philosophy to management strategies.

In times of drastic change, an unchanging vision is indispensable.

Matsuda: In the past, when the business environment was more stable, corporate value was heavily determined by “operational excellence.” However, in times of rapid change like today, management professionals create value. I believe that the top leadership in a company has a significant impact on corporate value. At the same time, it cannot survive unless it has made clear what the foundation of its business activities will be.

limori: Even looking at the time since I became president on April 1, 2020, the social and economic environment has changed at a dizzying pace, including the continued spread of COVID-19 and the recent crisis in Ukraine. However, as we address these rapid changes, there is a risk that we will lose sight of our Basic Principle and our reason for existence, and if we just respond in a patchwork-like manner, we will not be able to grow in the future. As such, we have established our desired society and vision for the Company for 2030 from the standpoint of how society will have changed by then and what role we should play within that change.

Matsuda: Considering the times we are in, was it difficult to imagine how the environment will have changed 10 years from now?

limori: Actually, I think that it is difficult to make predictions about what will happen six months or a year from now, but I think that we have a general idea of what things will look like 10 years from now. For example, the working-age population in Japan will have decreased to around 69 million by 2030, and I suppose it is safe to say that there will be increased regulation of financial services. In the midst of such trends, we have been looking into how Orico can grow, and we concluded that we should emphasize balancing the creation of social value with improvement of corporate value or, in other words, sustainability. Based on that thinking, we clarified our desired society and vision for the Company for 2030. We then identified the material issues (materiality) that we need to work on right now by backcasting from there, and we incorporated specific strategies into our new medium-term management plan.

Matsuda: Your recently established desired society and vision for the Company for 2030, your medium-term management plan, and your Basic Principle are truly foundational for your company. How solid that foundation is will heavily impact the potential for sustainable growth in the future and will also affect stakeholder trust. We are in an era where employees must be thought of as stakeholders, so I believe that the existence of a solid

Discussion between the President and an Outside Expert

foundation such as this will also lead to psychological security for employees.

I would also like to ask what thoughts went into your ideal vision of becoming an innovative, leading company that continues to contribute to resolving various social issues and a company that is recognized by stakeholders as having a genuine reason for existing more than ever before?

limori: Having a market-in type of sales approach is important for us to achieve growth while maintaining a firm grasp of customer needs. And the utilization of digital technology is essential to bring that about. As such, we hope to create an innovative corporate culture through the development of digital transformation (DX) human resources and the cultivation of a DX culture, both of which we are currently working on under our new medium-term management plan. I am also always looking for ways to make Orico a company that everyone thinks of as a good company. Some may think that being considered a “good company” will not lead to profits. Ultimately, however, only good companies that are needed by society will survive, and it goes without saying that profitability is a must for survival. Accordingly, our desire is to grow into a company that is recognized as having a genuine reason for existing by providing value to society while increasing our profitability.

I think that these two ideals we are pursuing can be summarized by describing our aim of becoming an innovative, leading company as the starting point, with the goal of becoming a company that is recognized as having a genuine reason for existing more than ever before.

Transforming into a company that appeals to young people and gives them hope

limori: Japanese companies struggle with high turnover among young people, and ours is no exception. Of course, there has been a shift in thinking about job changes, but I feel that there may be an element of people not believing that they will be able to find what makes them happy if they continue working at Orico. I hope to change this all at once by creating new programs that did not exist before and fostering an attractive culture.

Matsuda: I talk with many students and young people on a daily basis at the university and other forums. When I think about the fast turnover among young human resources, I feel that there is a big difference in the turnover rate depending on whether the companies are making an effort to create attractive workplaces for their employees. You often hear that you should not try to change other people, and similarly, young people dislike companies that just try to force change on their employees. I think young people today tend to prefer companies that are continually attempting to become attractive places to work and encourage their employees to take advantage of the abundant opportunities for growth within the company.

limori: Yes, the kind of relationship that you describe is a true win-win relationship, and I really want to focus on creating an environment where those who want to learn can do so. And keeping in mind that the thrust of our Basic Principle is “trust,” I hope to pursue credible management in such a way as to earn the trust of our employees.

Accelerating the creation of social value through our business

limori: We have identified six material issues for realizing our desired society and vision for the Company. When identifying these material issues, we were conscious of what issues should be given priority in order to contribute to solutions to social issues through our business. Moreover, based on these material issues, we established four business strategies within our medium-term management plan, namely, cultivate key markets and explore new businesses, establish a market-in type of



sales, create new products and services through collaboration with other industries or leading companies, explore process innovation in detail.

Matsuda: Companies that merely identify material issues which are not directly related to their business seem to lack a proper understanding of what materiality is. Furthermore, the financial industry is particularly affected by significant changes in the environment, so sustainable growth is not feasible while maintaining the status quo. Under these circumstances, I think that the material issues your company has identified are closely related to your business and that you have touched on the key points for the coming age. In particular, I find it extremely noteworthy that you identified “contribution to realization of a highly convenient cashless society offering safety and security,” which is the core of your business, as the No. 1 material issue. This will greatly accelerate your sustainability management.

Iimori: Thank you. To give a specific example, I believe that our settlement and guarantee business will lead to improved productivity at small and medium-sized enterprises (SMEs). Productivity has been an issue for SMEs in Japan for some time, and the cause is likely the long working hours arising from labor shortages. For that reason, we have begun working to improve the efficiency of accounts receivable collection and other operations at small and medium-sized enterprises, while looking at collaboration with other industries. In addition, in our overseas business, our policy is to contribute to the development of a healthy automobile market in Asia by promoting the creation of certified used car programs with performance guarantees and the establishment of auto loan apps in Southeast Asia. This falls under the material

issue of contribution to development of sustainable communities.

Also, as part of our efforts aimed at contribution to realization of a decarbonized and recycling-oriented society, we are promoting the transition to a carbon-neutral society to realize an energy-recycling society through the activities of the Mobility Open Blockchain Initiative (MOBI), an international standardization consortium promoting blockchain technology for the next-generation mobility industry, which we joined in May 2022.

In addition to this, we will work on the creation of new value in customer experiences by utilizing our financial expertise by supporting startup companies in the launch of new businesses through the provision of safe and secure payment services.

Matsuda: Listening to your comments, I was reminded of how you are pursuing a very good position in this day and age. I do not think there are many companies with the potential to accumulate not only financial expertise but also such a large volume of big data associated with goods and services, and then to use the data to enhance both social and corporate value. Trust and credibility are also important for new businesses, and I expect that the trust you have built up over the years will translate into a competitive advantage as you continue to provide new value to society in the future.

Chieko Matsuda

Professor, Faculty of Economics and Business Administration,
Tokyo Metropolitan University

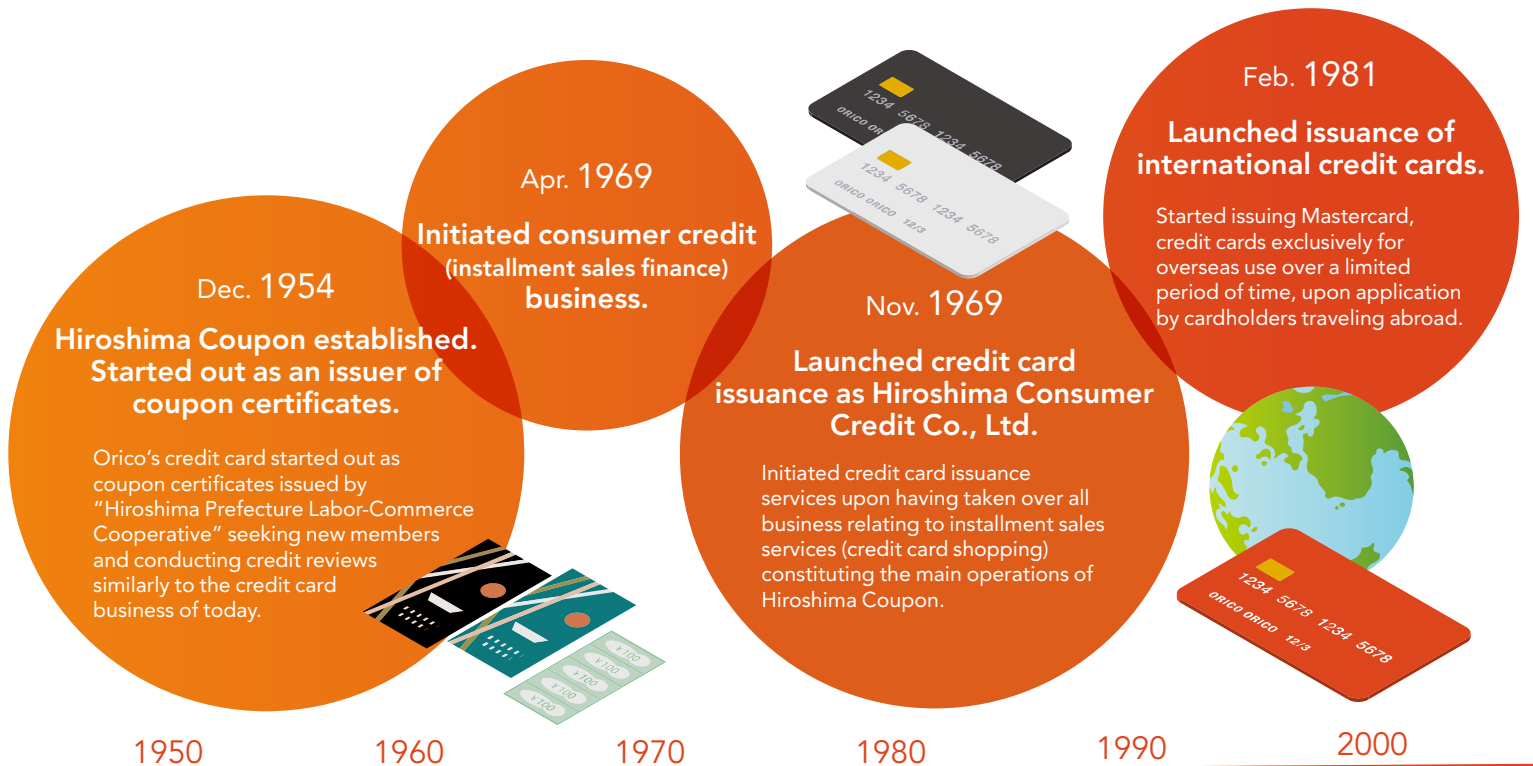
After working as a ratings analyst at Long-Term Credit Bank of Japan and Moody's Japan, Ms. Matsuda worked as a partner at Corporate Directions and Booz & Company (now Strategy&). She has been in her current position as a professor since 2011. Leveraging her extensive experience in corporate management and capital markets, she carries out research, education, and business related to management and financial strategies, group management, corporate governance, and more.



Value Creation Journey

Since our establishment in 1954, Orico has been a pioneer in the consumer credit industry, pursuing various initiatives ahead of our competitors and providing services corresponding to the lifestyle and payment needs of each era along the way.

We will help our customers lead rich lives by continuing to provide high-value-added services.



Dec. 1954
Hiroshima Coupon established.

Aug. 1961
Established Hiroshima Credit Sales Co., Ltd.

Apr. 1969
Initiated consumer credit (installment sales finance) business.

Nov. 1969
Launched issuance of credit cards.

Oct. 1971
Started offering credit guarantee services.

Apr. 1974
Changed trading name upon having merged with Orient Finance Co., Ltd. (established in 1951) with the aim of changing the par value of the stock.

Jan. 1977
Started offering housing loan services as a part of the credit guarantee services.

Oct. 1977
Listed on Second Section of Tokyo Stock Exchange.

Nov. 1978
Started offering auto loan services as a part of the credit guarantee services.

Sept. 1979
Upgraded to the First Section of both the Tokyo Stock Exchange and Osaka Securities Exchange.

Feb. 1981
Launched issuance of international credit cards.

Nov. 1983
Launched services for guaranteeing consumer loans of financial institutions.

Oct. 1989
Changed trading name to Orient Corporation.

Apr. 1992
Became the first in the industry to launch a service for guaranteeing fee collection.

Jan. 1998
Became the first in the industry to offer credit card enrollment online.

Jan. 1999
Embarked on servicing business upon establishing Japan Collection Service Co., Ltd.

Oct. 2001
Exceeded 10 million cardholders.

Aug. 2007
Changed share listing to the Second Section of both the Tokyo Stock Exchange and Osaka Securities Exchange.

Apr. 2008
Established Orico Auto Leasing Co., Ltd.

Aug. 1961

Established Hiroshima Credit Sales Co., Ltd.

Initiated financing services upon having formed a business partnership with Hiroshima Coupon.

Nov. 1978

Started offering auto loan services as a part of the credit guarantee services.

Nov. 1983

Started offering bank loan guarantee services.

Started offering services for guaranteeing consumer loans of financial institutions as a part of the credit guarantee services.



Jan. 1998

Became the first in the industry to offer credit card enrollment online.

Apr. 1992

Became the first in the industry to launch a service for guaranteeing fee collection.



Oct. 2001

Exceeded 10 million cardholders.

2010

2020

Mar. 2011

Returned to the First Section of the Tokyo Stock Exchange.

Aug. 2015

Established Orico Auto Leasing (Thailand) Ltd. and started the auto loan business in Thailand.

Sept. 2019

Established Orico Auto Finance Philippines Inc. and started the auto loan business in the Philippines.

Mar. 2021

Made PT Orico Balimor Finance a consolidated subsidiary and started the auto loan business in Indonesia.

Apr. 2022

Transitioned to TSE Prime Market in conjunction with market reorganization.

Oct. 1989

Changed trading name to Orient Corporation.



Aug. 2015

Launched the auto loan business in Thailand.

Set up operations in Thailand as the first step of full-scale entry into the overseas business.



Transaction volume of credit card shopping



¥2,672.8 billion

Number of credit card holders



11,100 thousand

Transaction volume of settlement and guarantees



¥1,452.8 billion

Transaction volume of Installment credit



¥1,250.9 billion

Number of auto loan contracts



1,570 thousand

Balance of bank loan guarantees



¥1,126.1 billion

Number of member stores



850 thousand

Balance of operating assets



¥5,397.2 billion

* FY 2021 results

Value Creation Process

Developing a variety of financial products and services that leverage the management resources and strengths we have cultivated over our long history, we will transform into a financial services group for the new era in the aim of creating both social and corporate value.

Environmental changes

Decarbonization
Financial unbundling
Regional bank reorganization
Demographic trends
Serious consideration regarding ESG

Input

Key management capital

Financial capital

Total assets
¥3,752.0 billion
Net assets
¥216.8 billion
Equity ratio
5.7%

Human capital

Number of employees
6,084 (consolidated)
4,247 (non-consolidated)

Social and relational capital

Number of member stores
850 thousand
Number of credit card holders
11,100 thousand
Affiliated financial institutions
565 institutions

Natural capital

Energy consumption
251,514 GJ
Copy paper purchase volume
70 million sheets

* FY 2021 results

Output

Corporate activities (2025)

Becoming a financial services group of a new era from the perspective of customers

Business portfolio



Credit cards



Cash loans



Settlement and guarantee



Autos



Shopping



Bank loan guarantee



Overseas

Key strategies of the medium-term management plan

Business strategies

Business portfolio management based on risk return and cost return

1. Cultivate key markets and explore new businesses
2. Establish a market-in type of sales
3. Create new products and services through collaboration with other industries or leading companies
4. Explore process innovation in detail

Management base

- Governance
- New human resource strategy

Financial discipline / Capital policy

- Balance of both financial soundness and profitability
- New capital policy after redemption of Class I Preferred Stock

Outcomes

Value provided (2030)

Creation of both social and corporate value by addressing material issues

that creates value from

Targets for fiscal year ending March 31, 2025

Management targets

- Ordinary profit
¥40 billion or more
- Return on equity (ROE)
10% or higher
- Ratio of general expenses to operating revenues
Less than 60%

Non-financial KPIs

- Transaction volume of credit card shopping
¥3.5 trillion
- Percentage of fully automated reception and credit operations
40% or more
- Reduction of CO₂
Reduction of equivalent of
800 tons of paper per year
- Human resources for DX promotion (P. 15, 16)
3,000
etc.



Contribution to realization of a highly convenient cashless society offering safety and security



Creation of new value in customer experiences by utilizing our financial expertise



Contribution to realization of a decarbonized and recycling-oriented society



Contribution to development of sustainable communities



Human resource diversification and development, and working style reforms



Enhancement of governance

Desired society

(2030)

Sustainable society in which everyone can realize prosperous lives

Vision for the Company

(2030)

An innovative, leading company that continues to contribute to resolving various social issues

A company that is recognized by stakeholders as having a genuine reason for existing more than ever before

Sustainability Management

In addition to identifying material issues for the realization of our desired society and vision for the Company for 2030, we are building a system to promote more practical sustainability management.

Message from the Officer in Charge of Sustainability

Taking sustainability management to the next level

Shinya Uda

Managing Executive Officer and Head of Corporate Strategy Group

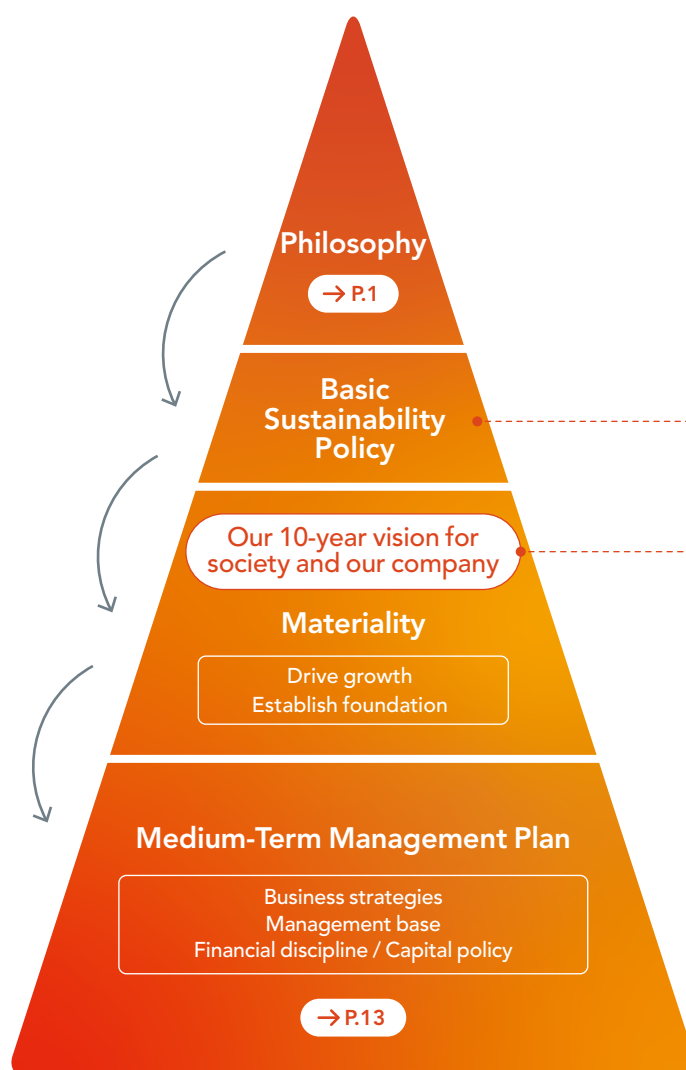


In our sustainability management, we believe it is important to resolve social issues through our business and to improve profits in a sustainable manner while making sure our stakeholders recognize the reason for Orico's existence. Based on this understanding, when putting together our new medium-term management plan, we put sustainability, i.e., the aim to achieve both social and corporate value, at the core of our management efforts and gave it top priority in our medium-term management plan (see the diagram to the right).

At the same time, we sorted out our material issues for the realization of our 10-year vision for society and our company to establish key performance indicators (KPIs) (→P.15–16). These KPIs are positioned as non-financial management targets on par with financial targets, and we announce them publicly as management commitments.

In terms of the structure, we established our Sustainability Committee, which is chaired by the President and Representative Director and deliberates on matters such as KPI progress management and internal and external communications, in April 2022. Under the Sustainability Committee, there are three subcommittees. Each subcommittee is comprised of deputy division heads, deputy group heads, and general managers from each division and group. Our policy is to bring together the collective wisdom of the entire company for in-depth discussions that will lead to the creation of new businesses and organizational reform that will, in turn, contribute to solutions to social issues.

The corporate image to which we on the management team aspire is that of a group of human resources in which each employee understands the social significance of their job, division, and company and naturally thinks about what they should do to help realize a better society. To bring this about, resolutely and enthusiastically, I myself will put everything I have into promoting sustainability under the new promotion structure.



Basic Sustainability Policy

We have selected priority themes to address from among various social issues based on stakeholder expectations and demands and aim to realize a sustainable society and improve corporate value through the provision of financial products and services befitting of a company that contributes to society as set forth in our Basic Principle.

Our 10-year vision for society and our company

Desired society

Sustainable society in which everyone can realize prosperous lives

Vision for the Company

An innovative, leading company that continues to contribute to resolving various social issues
A company that is recognized by stakeholders as having a genuine reason for existing more than ever before

Critical business issues for realizing our desired society and vision for the Company

Contribution to realization of a highly convenient cashless society offering safety and security

Contribution to development of sustainable communities

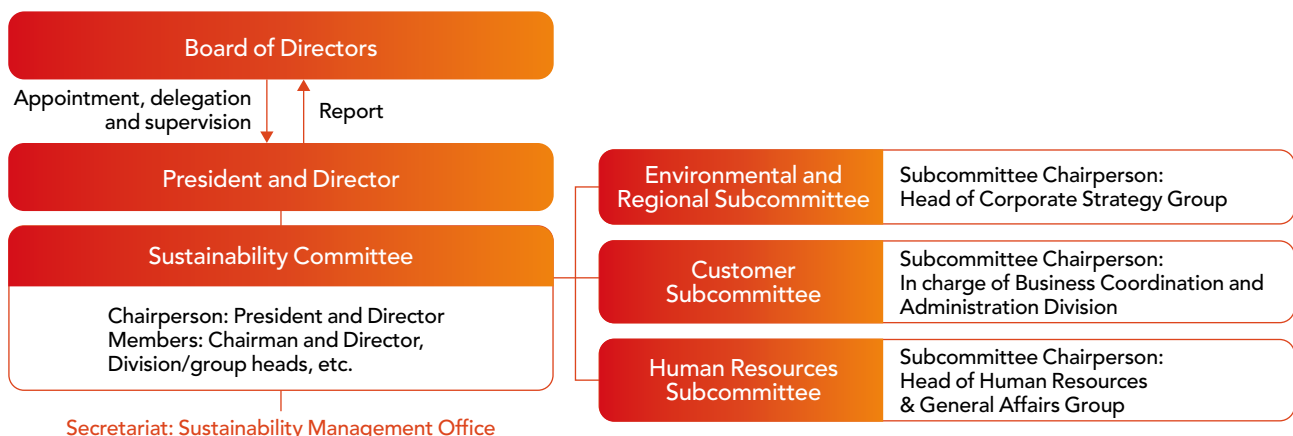
Creation of new value in customer experiences by utilizing our financial expertise

Human resource diversification and development, and working style reforms

Contribution to realization of a decarbonized and recycling-oriented society

Enhancement of governance

System for promoting sustainability



Medium-Term Management Plan

We established our three-year medium-term management plan covering the fiscal years from 2022 to 2024 by backcasting from our desired society and vision for the Company in 2030.

Desired society in 2030

Sustainable society in which everyone can realize prosperous lives

Vision for the Company in 2030

An innovative, leading company that continues to contribute to resolving various social issues

A company that is recognized by stakeholders as having a genuine reason for existing more than ever before

Backcasting

Medium-Term Management Plan

(FY 2022–2024)

Achievement in three years (Backcast from 2030)

Make a progressive departure from the conventional credit sales model, and based on the approaches of green, digital and open innovation, create value from the perspective of customers, contribute to society and enhance corporate value

Slogan



Transformation Now!

Becoming a financial services group of a new era that
creates value from the perspective of customers

Management Targets

Earning Power		Capital Efficiency		Cost Control	
Ordinary profit (billions of yen)		ROE (%)		Ratio of general expenses to operating revenues (%)	
Fiscal year ended March 31, 2022	Fiscal year ending March 31, 2025	Fiscal year ended March 31, 2022	Fiscal year ending March 31, 2025	Fiscal year ended March 31, 2022	Fiscal year ending March 31, 2025
28.9	40 or more	8.8	10 or higher	60.7	Less than 60

Key strategies of the medium-term management plan

Business strategies

- 01 **Cultivate key markets and explore new businesses**
 - Cultivation focused on settlement and guarantee business/overseas business
 - Exploration of new business fields to become the next pillars, such as B2B
- 02 **Establish a market-in type of sales**
 - Provision of high-value-added products, services, and solutions without being bound by existing fields, truly based on customer needs
- 03 **Create new products and services through collaboration with other industries or leading companies**
 - Creation of new products and services leveraging digital marketing and open innovation
- 04 **Explore process innovation in detail**
 - Operating process reform contributing to customer convenience and reduction of environmental impact while also utilizing cutting-edge technology

Management base

Governance

- Establishment of governance structure based on prime market listing and transition to a company with an Audit and Supervisory Committee

New human resource strategy

- Creating a diverse human resource group
- Establishment of a new human resources platform centered on our mission

Financial discipline / Capital policy

Balance of both financial soundness and profitability

- Establishment of a robust profit structure and a solid financial base through the enhancement of financial governance



New capital policy after redemption of Class I Preferred Stock

- Establishment of a basic capital policy with the aim of achieving an optimal balance between financial soundness, capital efficiency, and shareholder returns

Sustainability Initiatives and Targets for Fiscal Years 2022 to 2024

We aim to create social value and enhance corporate value by achieving targets and solving various issues through the steady implementation of a plan-do-check-act (PDCA) cycle after establishing specific initiatives, targets, and KPIs for each critical business issue.

Materiality (Material issues)	Effort	Description
Contribution to realization of a highly convenient cashless society offering safety and security	Expansion of credit card usage	<ul style="list-style-type: none"> • Expansion of credit cardholder base • Enhancement of debit card promotion • Enhancement of acquiring service promotion
Creation of new value in customer experiences by utilizing our financial expertise	Automation of credit operations	<ul style="list-style-type: none"> • Promotion of online applications and automatic screening • Digitalization of customer contact points (Contract agreement confirmation via short message service (SMS), digital information provision, etc.) • Enhancement of artificial intelligence (AI) functions for credit cards
Contribution to realization of a decarbonized and recycling-oriented society	Reduction of greenhouse gas emissions and energy consumption in business operations	(1) Promote switch to eco-cars (electric vehicles, fuel cell vehicles, hybrid vehicles, and fuel-efficient vehicles) for Company-owned cars (2) Reduce total number of Company-owned cars <ul style="list-style-type: none"> • Reduce CO₂ emissions by switching to eco-cars, reducing the use of gasoline by reducing the number of Company-owned cars, and reducing mileage by promoting online sales (3) Reduce energy consumption <ul style="list-style-type: none"> • Further introduction of energy-saving equipment and equipment that runs on renewable energy • Upgrading to energy-saving equipment in Company-owned buildings • Consideration of introduction of renewable energy and equipment that runs on renewable energy
	Promotion of paperless business processes	(1) Reduction of paper consumption through digitalization (800 kinds of application and copy forms, card issuance envelopes, business-related product contracts, and accounting forms) (2) Reduction of copy paper purchase volume throughout the Orico Group
Contribution to development of sustainable communities	Provide financial products in Southeast Asia by utilizing our strengths	Expansion of auto loan business <ul style="list-style-type: none"> • Expanding of market by opening new offices in expectation of market trends in each country
	Expansion of credit offerings to SMEs sole proprietors, and more	Expansion of accounts receivable settlement guarantee business <ul style="list-style-type: none"> • Full-scale development of guarantee factoring service and development/release of purchase factoring service • Cultivation of large-scale business partners through improvement of the "Smart Plan" (receivables transfer type)
	Provision of sustainable products through collaboration with regional financial institutions	Development of sustainable products in collaboration with financial institutions (E.g., multipurpose carbon-neutral loans)
Human resource diversification and development, and working style reforms	Establishment of environment in which diverse human resources can play active roles	Raising of awareness of candidates for management Establishment of environment in which women can play active roles
		Promotion of paternity leave
		Improvement of employee engagement utilizing surveys
	Enhancement of support measures for autonomous career development according to each employee's ambition	Enhancement of measures corresponding to ambitiousness <ul style="list-style-type: none"> • Provision of forum for honing skills at overseas/digital divisions of other companies • Provision of opportunities for outside side work and cross-organizational learning • In-house job offers
		Expansion of human resources with knowledge of digital transformation (DX; human resources for DX promotion) <ul style="list-style-type: none"> • Development of training program for human resources to promote DX • Development of DX culture
	Promotion of work-life balance	Optimization of total working hours through improvement of paid leave utilization rate and other efforts

KPIs (Level to be achieved three years from now in the fiscal year ending March 31, 2025)	SDGs	Social and corporate value to be achieved
Expansion of transaction volume of credit card shopping to ¥3.5 trillion to achieve a cashless transaction ratio of 40% in Japan by 2025		Contribute to improving consumer convenience by promoting cashless payments through expansion of credit card usage.
Doubling the rate of fully automated reception and credit operations to provide high-quality services and improve customer convenience <ul style="list-style-type: none"> • Achieve at least 80% automation of credit card operations • Achieve at least 40% automation of all operations 		Improve customer convenience, provide high-quality services, and improve productivity by promoting automation of operations.
(1) Promote switch to eco cars to achieve eco-car ratio of at least 75% with ultimate goal of 100% (2) Reduce total number of Company-owned cars by 10% (3) Reduce energy consumption by 3% compared to the fiscal year ended March 2022 (based on production volume)	 	Contribute to a carbon-neutral society through reduction of greenhouse gas emissions and energy consumption.
(1) CO ₂ reduction Reduction of equivalent of 800 tons of paper per year (2) Copy paper purchase volume Reduction of 15% compared to the fiscal year ended March 31, 2022		Contribute to a recycling-oriented society through the effective utilization of limited resources throughout the Orico Group.
<ul style="list-style-type: none"> • Increase transaction volume to ¥133.5 billion for realization of affluent citizen life • Growing 65,000 number of customers per year through auto loans and other financial services 		Contributing to the development of the automobile market in Southeast Asia by providing optimal services in each country.
Expansion of transaction volume of accounts receivable settlement guarantee to ¥300 billion for further enhancement of credit brokerage function in communities	 	Contribute to revitalization of regional economies through support for SMEs and sole proprietorships, providing a secure environment for B2B transactions.
Development of sustainable products tied to solutions to regional issues and collaboration with more than 10 financial institutions		Contribute to regional revitalization through the provision of financial products and services corresponding to regional issues.
Promote active participation of women in the aim of an organization where unique and diverse human resources can play an active role <ul style="list-style-type: none"> • Percentage of women in management positions (senior manager or above) Target for the fiscal year ending March 31, 2025: At least 27% Target for the fiscal year ending March 31, 2027: At least 30% • Percentage of women in management positions (general manager or above) Target for the fiscal year ending March 31, 2025: At least 9% Target for the fiscal year ending March 31, 2027: At least 12% 		Create an environment in which each employee can work vigorously by promoting initiatives that leverage diversity.
Continue to achieve 100% utilization of paternity leave in the aim of a society where work and family life can be balanced regardless of gender		
Improvement of employee engagement score to BBB (Up three ranks out of 11 from AAA to DD)	 	
200 participants over three years in programs granting new experience inside and outside the Company, including side jobs and traineeships at startups	 	Develop employees who can play an active role in various capacities by providing a variety of opportunities and forums for learning.
Expansion of human resources with knowledge of DX (human resources for DX promotion) to 3,000 employees		
Achieve a paid leave utilization rate of at least 70% for firm establishment of a work-life balance		Promote flexible work styles to increase employee satisfaction and improve productivity.

1

Changing Business Models and Work Styles with the Power of Digital Technology

Orico's DX Strategy According to a Key Person

Our utilization of digital technology will be a key factor in our sustainable growth in the society of tomorrow. Based on that thinking, our Digital Marketing Group is promoting the incubation of new businesses and business process reform as the foundation for our digital technology and data marketing efforts and has made it its mission to contribute to solutions to social issues.

I am in charge of a wide range of operations from planning for the creation of new added value to bringing in new projects by combining our digital technology and know-how with that of startups and companies from other industries as we look to create a new business models utilizing digital technology.

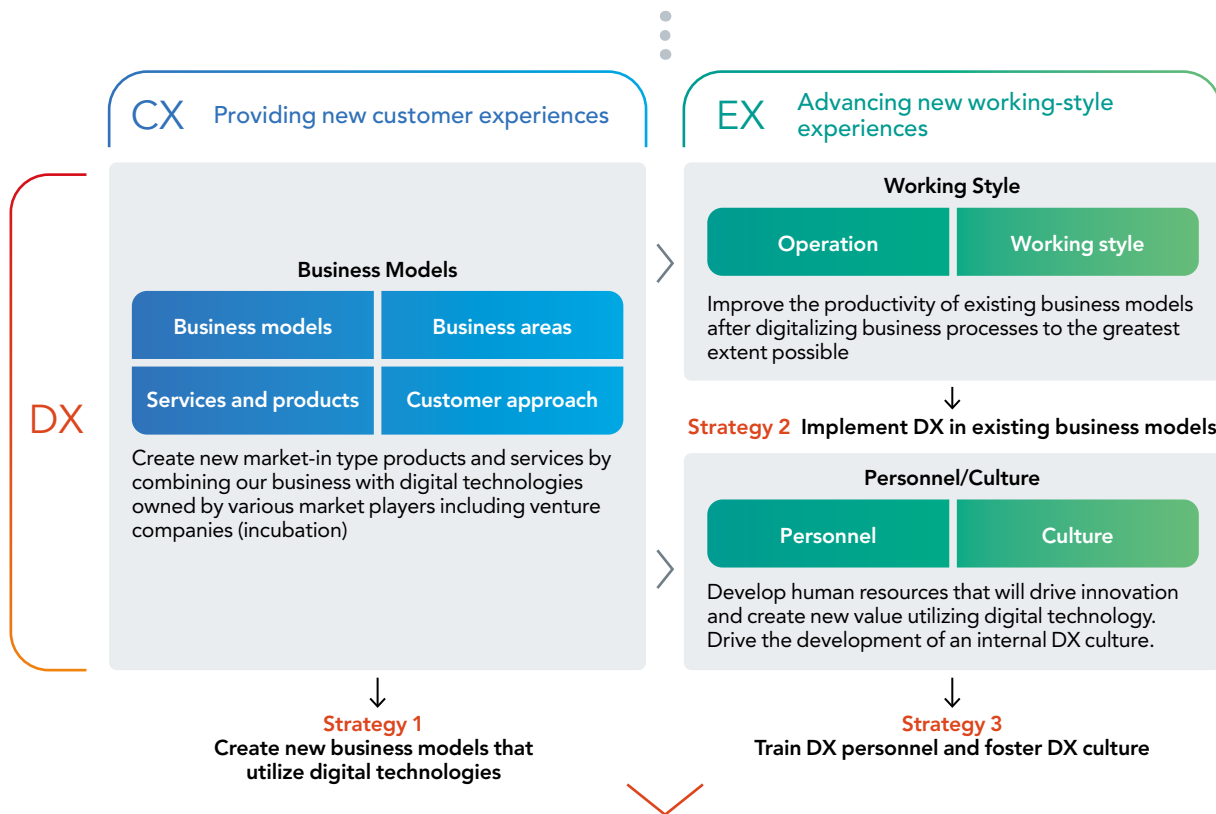
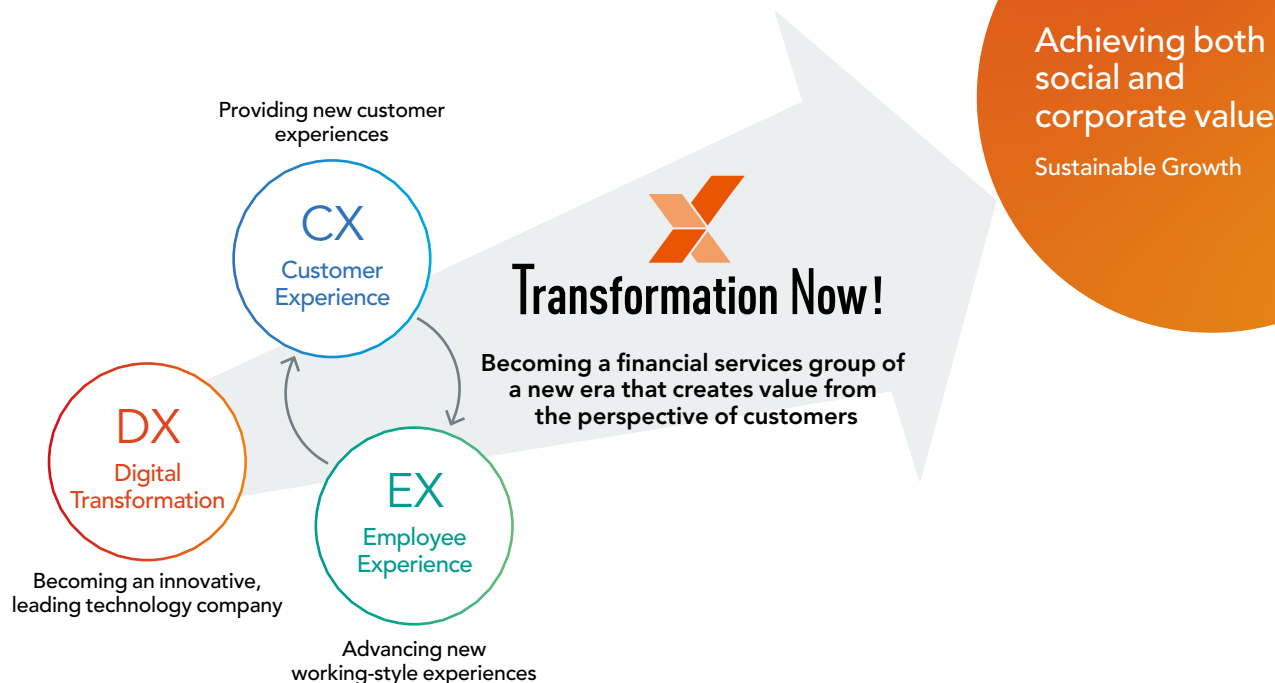
Our services such as auto loans and credit cards are used by many customers. Going forward, I hope to pursue better financial services not only by rapidly creating new services for our customers to meet the needs of the times using digital technology but also by continually making improvements to those services based on customer feedback.

Yukiko Ogawa

Assistant Manager, Digital Innovation Office, Digital Strategy Department



Orico's DX Strategy



Achieving both social and corporate value
A company that contributes to solutions to environmental and social issues through its business



2 Proactive Human Resources Strategies to Improve Employee Engagement

Orico's Human Resources Strategies According to a Key Person

In light of the major changes in the environment surrounding human resources today, we have conducted a fundamental review of our human resources strategies, including our Basic Policy on Human Resources, to achieve our 10-year vision for society and our company set forth in our new management strategies. Accordingly, we have established a new human resources vision, ideal human resource, and Human Resources Management Policy.

I am primarily in charge of reviewing the pay and benefits system within our human resources strategies. We aim to establish a highly satisfactory system that better rewards those who put in hard work by conducting objective, transparent, and fair evaluations and thoroughly implementing pay and benefits based on roles and achievements. No matter how good the system is, you will not get the desired effect if the employees do not understand it, so we are also always conscious of promoting a better understanding among our employees.

I hope to contribute to the sustainable growth of the Company through the new human resources strategies by creating a working environment in which every employee finds meaning in working at Orico and can play an active role. My goal is to increase the number of employees who are thoroughly delighted to have joined Orico and are proud to tell their friends and family.

Takuya Kotani

Manager, Human Resources Planning Team, Human Resources Department



Vision Pursued through Human Resources Strategies

Maximization of employee engagement through the creation of a win-win relationship in which both the Company and employees can grow together

Learn, take up challenges, and grow autonomously, leveraging individuality

Employees

Win-Win

Company

Realize Orico's vision for society and our company through the growth and success of employees

Ideal human resource

- 1 **Independence**
Takes initiative rather than leaving it for someone else. Thinks about things on their own rather than waiting for instructions.
- 2 **Spirit of challenge**
Takes up new challenges without fear of failure
- 3 **Analytical thinking**
Thinks about the why before the what
- 4 **Passion**
Exhibits overwhelming enthusiasm that engages those around them
- 5 **Inquisitiveness and ambition**
Keeps learning and always moves forward, not being satisfied with the status quo
- 6 **Open-mindedness and eagerness**
Respects different opinions and values and uses them to grow personally
- 7 **Sincerity and integrity**
Takes things seriously and sees them through with high ethical standards and a sense of responsibility

Human Resources Management Policy

- 1 **Respect individuality and cultivate diversity**
Cultivate diversity throughout the Company by emphasizing the individuality of each employee
- 2 **Provide opportunities to take on challenges that lead to personal growth and support autonomous career development**
Improve the vitality of the entire organization by encouraging employees to take the initiative, and tie that to higher performance and productivity
- 3 **Establish fair, objective, and transparent evaluation, pay, and benefits**
Promote reform in thinking and behavior by properly evaluating efforts on what the Company seeks and rewarding them
- 4 **Develop leaders who will drive change and bring together diverse human resources**
Develop leaders that will drive change in a dynamic environment and engage in inclusive management that utilizes diversity
- 5 **Ensure psychological security and create a vibrant working environment**
Improve productivity and reform management practices by creating an environment in which psychological security is ensured and employees can share their opinions with each other

Critical Issues

Creating a diverse human resource group

Becoming an organization where unique and diverse human resources can play an active role

Enhancement of career development support

Enhancement of career support to increase the enthusiasm of each employee to grow and expand their strengths

Acceleration of promotion of diverse human resources to executive positions

Acceleration of promotion of human resources with various backgrounds, including women and foreign nationals, and individuality to executive positions

Recruitment, development, and empowerment of specialist human resources

Recruitment, development, and empowerment of specialist human resources who play a central role in the creation of new businesses

Building the foundations for human resources for the new era

Establishing a system and operations for evaluation, pay, and benefits, and training appropriate for the Orico of tomorrow

Establishment of a new human resources platform

Establishment of a new human resources platform centered on our job and mission rather than seniority or job function

Review of evaluation focus and introduction of multifaceted evaluations

Review of evaluation focus for ideal human resource and introduction of more objective multifaceted evaluations

Training of core human resources

Training of core human resources responsible for the next generation through skills development and tough assignments

Sustainability Targets and Results for Fiscal Years 2019 to 2021

Under the medium-term management policy covering fiscal years 2019 to 2021, we established targets and efforts for each priority theme and implemented a PDCA cycle.

We conducted a self-evaluation on our performance and the level of achievement of the targets to identify issues for the future.

Priority theme	Effort	Description	Target and direction of efforts	
Priority Theme 1 Provision of safe, secure, and highly convenient financial products and services ▶ P.25	Expansion of credit card usage	Expansion of cardholder base and enhancement of acquiring service promotion, etc.	Fiscal year ended March 31, 2022 Transaction volume of credit card shopping: ¥2.8 trillion	
	Response to demand for cashless transactions from non-credit card users	Enhancement of prepaid and debit card efforts	Promotion of cashless transactions using prepaid and debit card efforts	
	Support for cashless operations at regional financial institutions	Provision of comprehensive proposals to regional financial institutions by utilizing our resources	Support for efforts by regional financial institutions to realize a cashless society	
	Expanded utilization of auto loans and other services in Southeast Asia and China	<ul style="list-style-type: none"> Promoted use of auto loans in Thailand Entered and developed personal loan business in Southeast Asia, China, and other countries 	Fiscal year ended March 31, 2022 <Target> Increase overseas auto loans and other service transaction volume to ¥50.0 billion	
	Provision of new products and services by utilizing cutting-edge digital technology	Creation of new business models through open innovation	Creation of business models through collaboration with startups and other companies with advanced technologies such as fintech	
	Provision of highly convenient products corresponding to lifestyle changes	Promotion of use of personal auto leases	Promotion of use of highly convenient auto leases	
	Full automation of credit operations	Establishment of automation flow for screening process	Full automation of all screening processes to eliminate fraudulent applications and other problems	
	Maintenance and expansion of certifications related to information security	Maintenance of PrivacyMark, ISMS, and PCI DSS certifications and appropriate expansion of scope of application	Enhancement of organizational measures through maintenance of PrivacyMark, ISMS, and PCI DSS certifications and expansion of scope of application	
	Enhancement of cybersecurity measures	Improvement of everyday information gathering capabilities and incident response capabilities for emergencies	Improvement of information gathering and incident response capabilities for increasingly sophisticated cyberattacks	
Priority Theme 2 Contribution to development of sustainable communities ▶ P.26	Support for SMEs through provision of financial products that contribute to regional economic revitalization	Promotion of use of settlement and loan products that contribute to administrative efficiency	Promotion of use of corporate business cards, loan products, accounts receivable settlement guarantee, and other services to meet funding and settlement needs of corporate and sole proprietor customers	
		Promotion of use of settlement guarantee products that contribute to administrative efficiency		
		Promotion of use of business loan guarantee products through alliances with regional financial institutions		
	Provision of rent guarantee products to meet needs of increasing number of singles and elderly people	Improvement of rent guarantee products and promotion of use of Orico Forrent Insure	Solving local housing issues by developing new products and services for further expansion of our business domain	
	Preparation and establishment of settlement infrastructure and creation of settlement scenarios to contribute to regional revitalization	Implementation of regional measures to promote use through collaboration with credit card companies	Implementation of campaigns to promote credit card use in collaboration with credit card companies for revitalization of regional consumption	
	Support for regional development through provision of business know-how, products, and services	Promotion of comprehensive local alliances (with municipalities)	Contribution to solutions to regional issues and revitalization of employment and local industry through utilization of Orico's resources and collaboration with municipalities	

○ Efforts were sufficient △ Some issues identified ✕ Efforts were insufficient

FY 2019–2021 results	Evaluation
<ul style="list-style-type: none"> Transaction volume of credit card shopping: ¥2.7 trillion Transaction volume expanded, including acquiring, despite weak consumer sentiment associated with the COVID-19 pandemic Issued new affiliated cards such as integrated MMC/THE POINT cash card Expanded use of major affiliated cards and started handling affiliated credit cards based on on-demand issue 	△
<ul style="list-style-type: none"> Promoted EC-CUBE (Orico Plan) in collaboration with EC-CUBE Co., Ltd. Concluded comprehensive business alliance with Net Protections, Inc. for buy now, pay later (BNPL) and other services Started handling international brand prepaid cards through collaboration with emerging fintech companies 	○
<ul style="list-style-type: none"> Tapped for branded debit card issuance service Promoted acquiring and alliances with financial institutions such as Alipay and Wechatpay Promoted EC-CUBE (Orico Plan) combining e-commerce site and card transactions Rolled out sales activities aimed at issuance of affiliated credit cards at financial institutions 	△
<ul style="list-style-type: none"> Achieved transaction volume of ¥45.5 billion in overseas auto loans and other services Established 10 branches in Thailand and increased used car market coverage to over 50% Entered markets in the Philippines and Indonesia, despite significant economic impact of COVID-19 pandemic and emergence of variants Expanded sales network by opening new offices and improved customer convenience by enhancing relevant products 	△
<ul style="list-style-type: none"> Utilized Orico Digital Fund and invested in seven startups and one venture capital fund Expanded scope of collaboration with startups and added funds to list of investments to expand channels for cultivating collaborations Developed efforts for new business models, including launch of collaboration with EC-CUBE Co., Ltd. 	○
<ul style="list-style-type: none"> Improved convenience by providing products corresponding to new styles of business talks including online application systems and early response schemes Focused on enhancing sales promotion activities for personal auto leases and expanding re-leases through local agencies Prolonged delays in supply of new cars 	✕
<ul style="list-style-type: none"> Promoted online applications and improved accuracy of automated credit decisions through refinement of AI functions and detection of fraudulent applications Lowered rate of full automation due to decline in member store applications impacting automation of credit operations 	✕
Renewal and new acquisition of PrivacyMark, ISMS, and PCI DSS certifications	○
<ul style="list-style-type: none"> Enhanced cybersecurity measures such as those to prevent outside intrusion into internal networks Conducted cyberattack and targeted email attack drills and e-training 	○
<ul style="list-style-type: none"> Enhanced promotion of corporate business cards and business loan products Rolled out diverse loan card acquisition methods, including direct mail and outbound campaigns Funding demand decreased with expansion of public funding related to the COVID-19 pandemic 	△
<ul style="list-style-type: none"> Expanded B2B transactions through enhancement of consulting sales for introduction of accounts receivable settlement guarantee products Expanded business domain through provision of new services related to settlement guarantee products in the automotive field 	○
<ul style="list-style-type: none"> Identified needs in business loans and provided loan guarantee products through alliances with financial institutions Formed alliance with Nagoya City Smaller Business Finance Corporation for business loan guarantees Provided guarantee products for accounts receivable to corporate customers of financial institutions 	○
<ul style="list-style-type: none"> Enhanced our sales structure and product/service capabilities through improvement of expertise by transferring rent guarantee business to Orico Forrent Insure Co., Ltd. Expanded base of development activities by strengthening promotion of value-added product proposals to property management companies as part of collaboration with the Orico Group 	△
Participated in cashless and consumer return and Myna Point businesses	○
Ongoing discussions with municipalities did not lead to decision on details or conclusion of agreements	△

Sustainability Targets and Results for Fiscal Years 2019 to 2021

Priority theme	Effort	Description	Target and direction of efforts	
Priority Theme 3 Environment-friendly initiatives ▶ P.27	Initiatives for development of a low-carbon, recycling-oriented society	Provision of products contributing to expansion of eco-friendly products Promotion of use of installment credit products in the renewable energy field Promotion of use of accounts receivable settlement guarantee products in the renewable energy field Development of products and services contributing to promotion of a low-carbon society	<ul style="list-style-type: none"> Promoted loans for solar and storage cells and accounts receivable settlement guarantee products Developed products and services to promote electric vehicles and other next-generation vehicles and net zero energy houses (ZEHs) 	
		Issuance of green bonds to diversify procurement and contribute to spread of a renewable energy	Promotion of efforts to conserve global environment and spread renewable energy through issuance of green bonds	
		Promotion of reuse to contribute to establishment of low-carbon society	Promotion of reuse of eco-friendly products utilizing Orico's products and services, and roll-out of in-house reuse of office supplies	
		Promotion of paperless operations (1) Digitalization of credit card statements (2) Further promotion of Orico Web Credit (3) Business process reform throughout the Orico Group	Fiscal year ended March 31, 2022 30% reduction of copy paper compared to the fiscal year ended March 31, 2019	
		Promotion of green product purchases	Priority purchasing of products with low environmental impact out of consideration for environment	
		Reduction of energy consumption associated with corporate activities (Kojimachi Head Office Bldg., Head Office Annex, Tsurugashima Bldg., etc.)	Energy usage (crude oil equivalent) Fiscal year ended March 31, 2022 3% reduction compared to the fiscal year ended March 31, 2019	
Priority Theme 4 Human resource diversification and development, and working style reforms ▶ P.28	Establishment of environment in which diverse human resources can play active roles	Promotion of better working environment	Percentage of women in management positions in the fiscal year ended March 31, 2022 (a) Senior manager and above: 25% (b) Office/department/general manager: 7% Paternity leave utilization rate: 100% Promotion of work styles for the new normal	
		Level-specific education and training	Revitalization of employees and organizations through initiatives and enhancement of various programs to support employee skill and career development	
		Support for acquiring operational knowledge		
	Development of next-generation human resources who will support growth	Securing of diverse human resources (with expert knowledge) required for business growth	Promotion of initiatives for securing expert human resources	
		Provision of career development opportunities (1) Various public offering programs (2) Voluntary training	Support for employee self-actualization through career development support programs	
	Promotion of work style reform and health and productivity management	Initiatives to eliminate long working hours, improve productivity, and promote work-life balance	Fiscal year ended March 31, 2022 Paid leave acquisition rate (full-time employees): 80%	
		Health and productivity management initiatives	Establishment of Health Declaration related to promotion of health and productivity management, and promotion of health and productivity management initiatives	
Priority Theme 5 Enhancement of governance ▶ P.29	Response to Japan's Corporate Governance Code	Review of all compliance matters	Initiatives for response to the Corporate Governance Code (e.g., placement of female directors and improvement of effectiveness of the Board of Directors)	
		Appropriate involvement of the Board of Directors in sustainability initiatives	Appropriate involvement of the Board of Directors in sustainability	
		Enhancement of disclosure of non-financial information, such as sustainability strategy and ESG performance (building of website, issuance of reports, etc.)	Enhancement of disclosure of non-financial information such as sustainability and promotion of dialogue with stakeholders	
	Compliance	Implementation of level-specific training and the Orico Group Code (Oricode) training	Implementation of compliance training, including Oricode training and top management compliance seminars, and promotion of compliance initiatives	

FY 2019–2021 results		Evaluation
<ul style="list-style-type: none"> Promoted tie-up business with solar and storage cell manufacturers, home builders, and other builders and promoted adoption of solar and storage cells Promoted products paired with relevant services for solar and storage cell extended warranty coverage Limited supply of products due to semiconductor shortage and the COVID-19 pandemic 		✕
<ul style="list-style-type: none"> Strengthened tie-ups with home builders and housing material wholesalers Contributed to revitalization of renewable energy market through expansion of construction materials that help protect the environment 		○
<ul style="list-style-type: none"> Expanded some existing products for eco-friendly products Ongoing discussion of new product and service development did not lead to any development or product/service releases 		✕
<ul style="list-style-type: none"> Issued green bonds in April 2019 to fund renovation loans for installation of solar panels and storage cells, conversion to all-electric appliances, etc. Issued green bonds in January 2022 to fund loans for electric vehicles 		○
<ul style="list-style-type: none"> Expanded items carried by Orico Eco Club, a system for internal lending of reusable office supplies Spread internal use of recycled office supplies 		○
<ul style="list-style-type: none"> Established infrastructure for expansion of online credit card statements and notified customers Continued to issue paper statements to customers who wanted them 		△
<ul style="list-style-type: none"> Increased convenience through substantial improvements to online application system and more Increased number of member stores adopting online application system Began digitalization of some legal documents 		△
<ul style="list-style-type: none"> Reduced copy paper by 31.5% (in terms of weight) compared to the fiscal year ended March 31, 2019 Disclosed usage by department, branch, and office and thoroughly raised awareness of key points of efforts for reducing copy paper use Promoted paperless operations through digitalization of various forms Substantially reduced volume of paper documents stored by reducing storage space in conjunction with elimination of assigned desks at head office 		○
<ul style="list-style-type: none"> Thoroughly raised internal awareness of key points of improving purchasing ratio Redesigned website to increase green product purchases Increase in purchase of products to combat COVID-19 infection impacted green purchasing ratio 		✕
<ul style="list-style-type: none"> Reduced energy consumption by 3.5% (crude oil equivalent) compared to the fiscal year ended March 31, 2019 Updated large-scale air-conditioning equipment and switched to LED lighting in Company-owned buildings 		○
<ul style="list-style-type: none"> Percentage of women in management positions Senior manager and above: 23.4% Office/department/general manager: 4.4% Introduced sponsorship system as level-specific training for developing female managers and senior management development program Established women's sales network and introduced mentor program to promote advancement of young women and prevent job turnover 		✕
<ul style="list-style-type: none"> Paternity leave utilization rate: 100% Issued "Handbook for Present Fathers" to all employees Sent information to eligible employees and their department heads on how to take childcare leave and prepared plan for taking planned leave 		○
<ul style="list-style-type: none"> Established new telework guidelines Distributed notebook PCs and established operational infrastructure Established satellite offices and new allowance for working from home 		○
<ul style="list-style-type: none"> Carried out level-specific training programs from beginner education to management and executive level 		○
<ul style="list-style-type: none"> Established operational knowledge acquisition programs for each division and group corresponding to level, product, and purpose Improved skills through on-the-job training and utilized knowledge acquired in operations 		○
<p>Actively recruited mid-career workers with diverse experience, values, and expertise, such as specialized personnel and recent graduates looking to change jobs in addition to hiring new graduates with majors in science and international students</p>		○
<ul style="list-style-type: none"> Implemented career advancement and transfer program for regional employees Expanded scope of in-house job offers to all departments and all group companies Efforts to enhance various public offering programs did not lead to achievement of targets 		✕
<ul style="list-style-type: none"> Offered self-development programs available anytime, anywhere to foster career ownership Efforts to enhance various learning support programs did not lead to achievement of targets 		✕
<ul style="list-style-type: none"> Paid leave acquisition rate (full-time employees): 66.8% Shared Company-wide positive examples of initiatives and achievement rates of KPIs for work style reform through working hours committee Recommended taking nine days of consecutive leave using annual paid leave Prepared environment allowing flexible work styles, such as telework and staggered working hours 		△
<ul style="list-style-type: none"> Ongoing certification as "White 500" company Provided recommendations for follow-up medical examinations utilizing online tools and email Developed measures for making habit out of exercise and support to quit smoking 		△
<ul style="list-style-type: none"> Performed verifications and made improvements in response to June 2021 revision of the Corporate Governance Code, and updated Corporate Governance Report in December 2021 Also verified rules required of companies listed on the Prime Market and addressed them when updating Corporate Governance Report in June 2022 		○
<p>Regular executive reporting and supervision of the Board of Directors functioned effectively</p>		○
<ul style="list-style-type: none"> Updated website and issued sustainability report Enhanced issue response and information disclosure through communication with ESG rating agency 		○
<ul style="list-style-type: none"> Expanded scope of training to group companies and promoted spread and establishment of Oricode Held top management compliance seminar by expert lecturer to raise compliance awareness Partially revised Oricode in November 2019 		○

Looking Back on Fiscal Years 2019 to 2021

Priority Topic 1

Provision of safe, secure, and highly convenient financial products and services

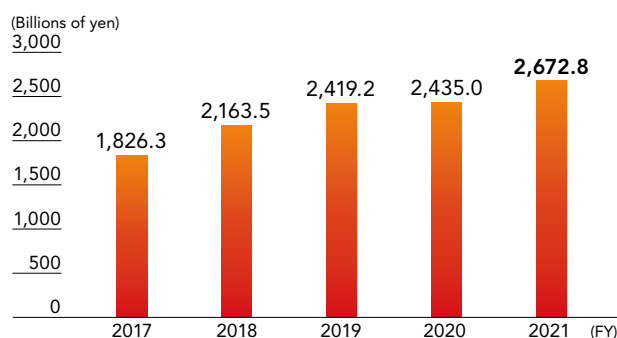


Expanding services to increase credit card usage

Orico continues to develop many highly convenient credit cards tailored to customer needs and work on expanding membership while cooperating with various companies and groups in Japan.

We are also providing attractive services with optimal added value for diversified needs as required by new lifestyles, including issuance of the industry's first credit card equipped with three types of e-money to handle non-contact transactions, which are in demand due to the COVID-19 pandemic.

Changes in transaction volume of credit card shopping

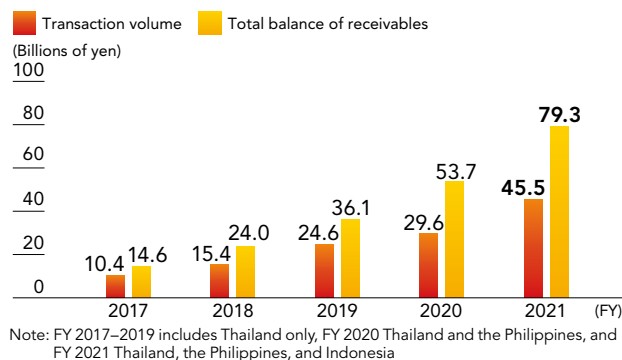


Strengthen auto loans and other businesses in Southeast Asia

We have accelerated our business in three countries, starting with Thailand in 2015, followed by the Philippines in 2019 and Indonesia in 2021. Under the current business environment, which was caused by threats such as the COVID-19 pandemic and the Russian invasion of Ukraine, we have steadily increased our business scale by further expanding our sales network and providing financial services that utilize our skill-set and knowledge.

We will continue contribute to the development of the automobile market in each country and the realization of affluent citizen life by providing our financial services mainly in Southeast Asia.

Overseas auto loan and other service transaction volume/ Total balance of receivables

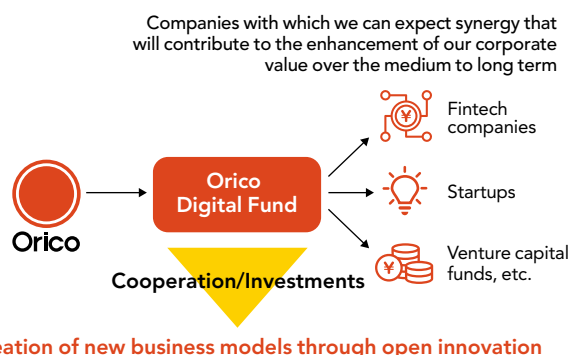


Creating new products and services that utilize cutting-edge digital technology

Since 2018, Orico has been utilizing the Orico Digital Fund to create new business models through open innovation and has executed strategic investments for cooperating with startups and venture capital funds.

We will continue to provide safe, secure, and highly convenient financial products and services and contribute to the realization of a sustainable society by accelerating cooperation and co-creation with cutting-edge tech companies, including actively participating in field tests.

Orico Digital Fund



Priority Topic 2

Contribution to development of sustainable communities

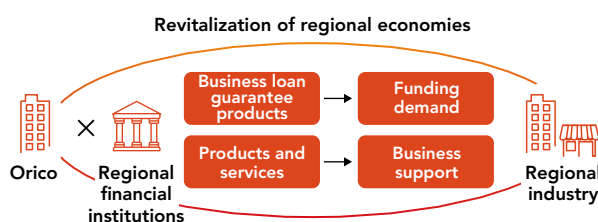


Promotion of use of business loan guarantee products through alliances with regional financial institutions

As regional economies face challenges such as depopulation and economic contraction due to the decline and aging of the national population, regional financial institutions are expected to play an increasing role in revitalizing local economies. In collaboration with regional financial institutions, Orico is providing business loan guarantee products, business matching services, and more that will help support SMEs.

We will promote ongoing initiatives to revitalize regional economies in collaboration with regional financial institutions.

Initiatives to contribute to revitalization of regional economies

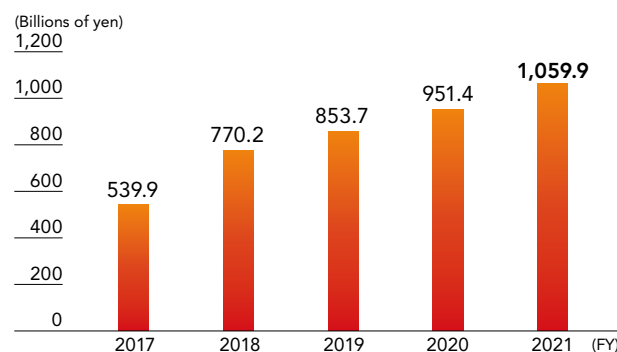


Provision of rent guarantee products to meet needs of increasing number of singles and elderly people

Rent settlement guarantee is an area expected to experience sustained growth against the backdrop of the recent increase in single-person households and use of guarantee companies.

Orico's rent settlement guarantee business is popular among and used widely by tenants for its rent guarantee scheme, which does not require an individual guarantor. In addition, we offer a variety of products and services to tenants and property management companies, including relevant products for tenant accident insurance in response to the aging of society and support for the digitalization of guarantee applications and contracts in conjunction with the industry-wide digitalization of lease contracts.

Transaction volume of rent settlement guarantees

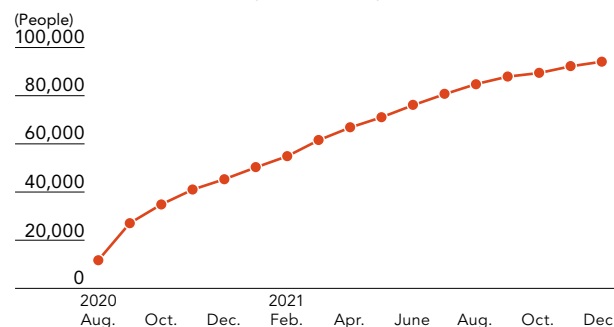


Preparation and establishment of settlement infrastructure and creation of settlement scenarios to contribute to regional revitalization

Orico has been participating in the Myna Point business promoted by the Ministry of Internal Affairs and Communications since 2019 and is working to contribute to regional economies by building a cashless payment infrastructure and revitalizing consumer activity.

The number of Orico Card Myna Point registrants is expected to exceed 100,000 in FY 2022. We will continue to contribute to revitalization of consumer activity while coordinating with national policies and work on promoting cashless transactions and regional revitalization.

Number of Orico Card Myna Point registrants



Looking Back on Fiscal Years 2019 to 2021

Priority Topic 3

Environment-friendly initiatives



Provision of products contributing to expansion of eco-friendly products

Orico provides products and services such as eco-solar loans that help promote the adoption of solar power generation systems and storage cells and is working on the development of products and services that will lead to the expansion of electric vehicles and other next-generation vehicles.

We will continue to promote products and services that lead to the realization of a low-carbon society and to look into and develop environmentally friendly products and services.



Issuance of green bonds to diversify procurement and contribute to spread of renewable energy

In April 2019, we issued green bonds to fund loans for solar panel and other renovations, and in January 2022, we issued green bonds to fund loans for electric vehicles.

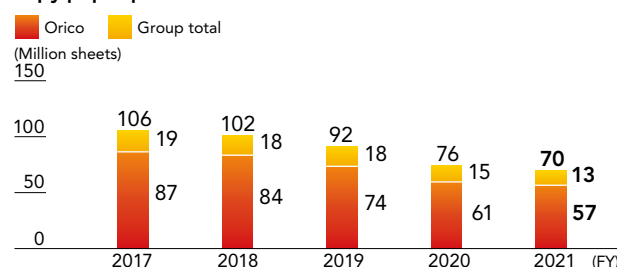
We have secured a Green1 rating, the highest JCR Green Bond rating, from Japan Credit Rating Agency, Ltd. for the issuance of our green bonds.

Promotion of paperless operations

The Orico Group is promoting paperless operations by utilizing RPA in operations and digitizing various application forms in order to reform our administrative processes.

These efforts brought our copy paper purchase volume down to around 70 million sheets (31.5% less than FY 2018) in FY 2021, resulting in a reduction of our CO₂ emissions.

Copy paper purchase volume

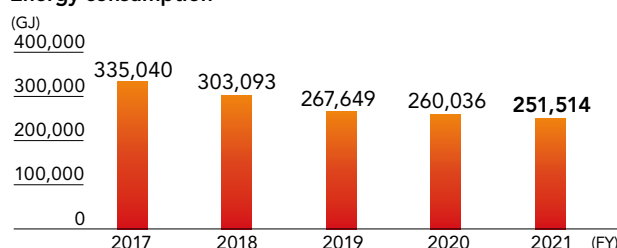


Reduction of energy consumption associated with corporate activities

Orico is actively working to reduce energy consumption and CO₂ emissions through environmentally conscious capital expenditures, including switching to LED lights and upgrading to high-efficiency air-conditioning equipment in company-owned buildings.

In addition, as of March 31, 2022, approximately 43% of our Company vehicles are eco-cars (hybrid and fuel-efficient vehicles), and we will continue to promote the switch to eco-cars.

Energy consumption



Priority Topic 4

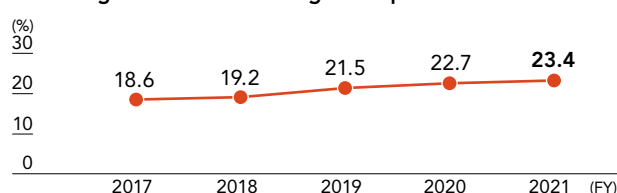
Human resource diversification and development, and working style reforms



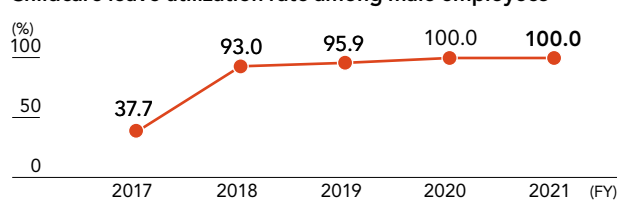
Establishment of environment in which diverse human resources can play active roles

Orico seeks to establish an environment where diverse human resources can play active roles and is working on the creation of workplaces in which every employee can work enthusiastically. We have continually implemented level-specific training to form a foundation for management-level employees, and in 2021, we launched a new mentor program for female sales employees in their 20s. We have also distributed consultation sheets for sharing of housework and childcare chores and are encouraging acquisition of childcare leave to promote participation in childcare by male employees. Moreover, we conduct interviews with employees with disabilities to help them settle in in their workplaces and provide opportunities for them to share their work situation and challenges with their supervisors. In these and other ways, we are working to prepare comfortable working environments.

Percentage of women in management positions



Childcare leave utilization rate among male employees



Development of next-generation human resources who will support growth

We have updated the recommended qualifications according to the times and have a system in place to support employees, including covering some of the exam fees and costs of study. In FY 2021, we provided additional incentive payments, resulting in a substantial increase in the number of employees acquiring qualifications. Going forward, we will expand learning opportunities for employees to acquire new skills such as robotic process automation (RPA) and DX for next-generation work styles.

In addition, over the next three years, we will provide around 200 employees with opportunities to take on challenges both inside and outside the Company, including side jobs and studies abroad at other digital companies and startups.

Number of employees with industry qualifications

(As of March 31, 2022)

Qualification	Number of employees
Chief handler of personal information	3,319
Creditor	1,503
Chief of money lending operations	1,467
Credit manager	908
Senior creditor	327
Credit counselor	64

Number of employees with recommended qualifications

(As of March 31, 2022)

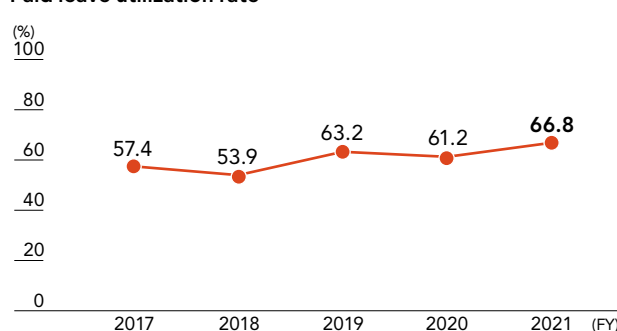
FY	Number of employees
2019	161
2020	188
2021	283

Promotion of work style reform and health and productivity management

In addition to promoting diverse work styles, such as remote work and a four-day work week, we are working to create a better workplace environment by such means as introducing prime leave, which can be taken according to the employee's lifestyle, and holding meetings of working hours committees at each workplace.

We also provided vaccinations at work to prevent the spread of COVID-19 in order to maintain and promote employee health and mounted a swift response for employees feeling unwell amid the COVID-19 pandemic that included online consultations with industrial physicians for all workplaces.

Paid leave utilization rate



Looking Back on Fiscal Years 2019 to 2021

Priority Topic 5

Enhancement of governance

Initiatives to enhance corporate governance

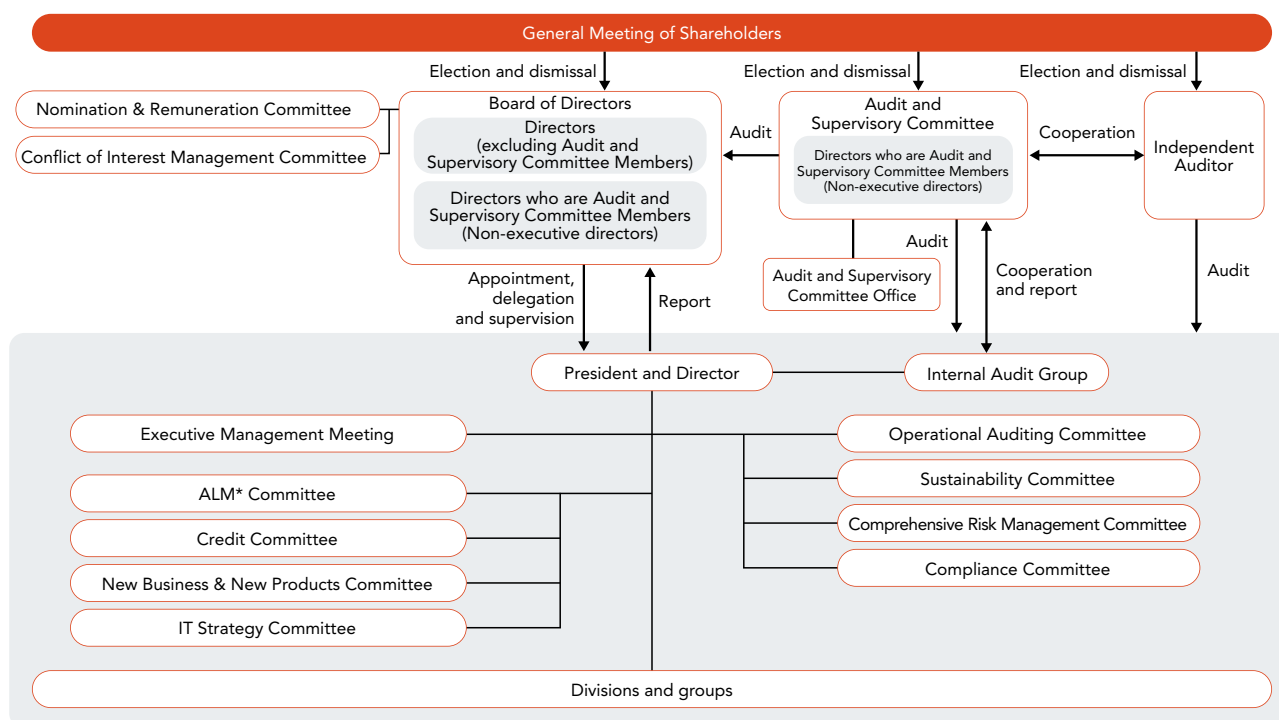
Basic concept on corporate governance

The Company has established “an innovative, leading company that continues to contribute to resolving various social issues by remaining close to customers, dealing with them face to face and providing financial services that meet their needs” and “a company that has a strong financial base and sustainable and stable profitability and is recognized by stakeholders as having a genuine reason for existing more than ever before” as the vision for the Company. To this end, we believe in the importance of ensuring management transparency and fairness to stakeholders, as well as swift and decisive decision making. We are undertaking initiatives to enhance our corporate governance, taking our management environment into account.

Basic policy regarding corporate governance

1. The Company respects shareholders’ rights and takes appropriate actions to create an environment in which shareholders can exercise their rights appropriately and to ensure equal treatment of shareholders.
2. The Company recognizes the importance of its social responsibility and strives to cooperate appropriately with stakeholders other than shareholders.
3. The Company discloses financial and non-financial information appropriately as required by laws and regulations, and also actively provides information beyond that required by laws and regulations.
4. The Company’s Board of Directors appropriately fulfills its roles and responsibilities toward the goal of achieving sustainable growth and enhancing corporate value over the medium and long term based on its fiduciary responsibility and accountability to shareholders.
5. The Company discloses information related to its business strategies, financial condition, business performance, etc. in a timely and appropriate manner, and also enhances investor relations activities to earn the trust and recognition of shareholders, investors, etc.

Overview of organizations executing operations related to management decision-making, execution, and supervision



Note: Orico has established a voluntary Nomination & Remuneration Committee, which is majority comprised of independent outside officers, as an advisory body to the Board of Directors in order to increase the objectivity and transparency of the procedures for nominating directors and executive officers and determining their remuneration.

* ALM stands for Asset Liability Management.

Main efforts for corporate governance

In June 2022, we adopted an audit and supervisory committee system in order to strengthen the Board of Directors' strategic planning and supervisory functions as well as to enhance the flexibility of business execution even as more rapid changes than ever are expected in the business environment.

At the same time, we increased the percentage of independent outside directors on the Board of Directors to

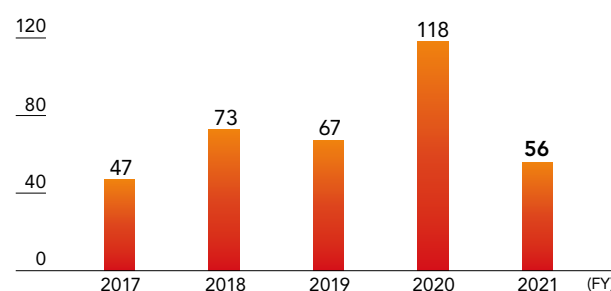
at least one-third, and established the Conflict of Interest Management Committee, which is majority comprised of independent outside directors, for the purpose of deliberating in advance on important transactions with our major shareholders.

In view of the above, we updated our Corporate Governance Report in June 2022 in response to the June 2021 revision to the Corporate Governance Code.

Compliance

The Orico Group has established the Orico Group Code as our code of conduct for all executives and employees to conduct business with higher ethical standards and is working to promote fair corporate activities in the aim of becoming a company that can be trusted by its stakeholders. In addition, we have established the Orico Helpline, an internal and external whistleblower hotline, to quickly detect actual and potential compliance violations and take countermeasures early on in order to enhance the Company's self-improvement and to prevent misconduct.

Number of whistleblowing reports



Elimination of relationships with antisocial forces

The Orico Group has established a Basic Policy for Responding to Antisocial Forces and is committed to severing all relationships with antisocial forces, including organized crime groups, which pose a threat to the order

and safety of civil society. Our response to antisocial forces involves the entire organization from top management down, and all our executives and employees take a firm stance against them.

Prevention of money laundering and financing of terrorism

The Orico Group considers the prevention of money laundering and financing of terrorism to be one of its most important management issues. As such, the Group has established a Basic Policy for Preventing Money Laundering and Countering the Financing of Terrorism, which is published both internally and externally.

Moreover, all executives and employees strive to acquire knowledge and raise awareness through in-house training programs on preventing money laundering and financing of terrorism.

Performance Data

Financial Data

Changes in Main Management Indicators (Consolidated)

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Operating revenues (millions of yen)	224,398	233,369	243,135	229,793	229,806
Ordinary profit (millions of yen)	30,088	21,964	24,439	22,553	28,994
Profit attributable to owners of parent (millions of yen)	28,021	28,877	20,654	19,695	19,476
Total net assets (millions of yen)	259,405	256,468	251,569	228,464	216,837
Total assets (millions of yen)	5,475,341	5,542,940	5,584,777	3,813,957	3,752,049
Net assets per share (yen)	109.25	119.27	125.39	119.90	124.98
Basic earnings per share (yen)*1	13.28	15.19	10.85	10.54	10.55
Equity ratio (%)	4.7	4.6	4.5	5.9	5.7
Return on equity (ROE)*2 (%)	9.9	11.2	8.1	8.9	8.8
Dividends per share (yen)	2.0	2.0	3.0	3.0	3.0
Dividend payout ratio (%)	15.1	13.2	27.7	28.5	28.4

*1 Basic earnings per share is provided.

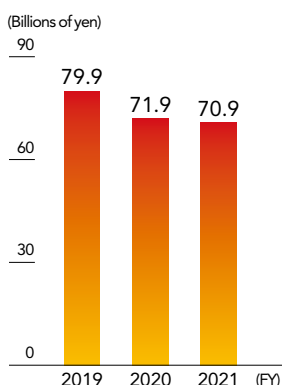
*2 The amount of shareholders' equity used in the calculation of return on equity is the average balance between the end of the previous fiscal year and the end of the fiscal year under review.

*3 Each figure for FY 2020 has been retrospectively adjusted due to changes in accounting policies in FY 2021.

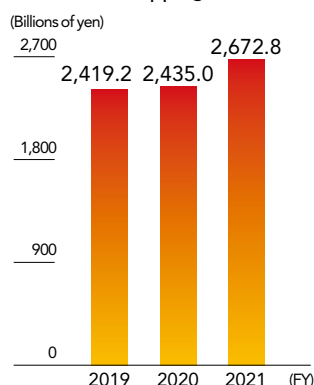
Performance by Business

Credit cards and cash loans business

Operating revenues

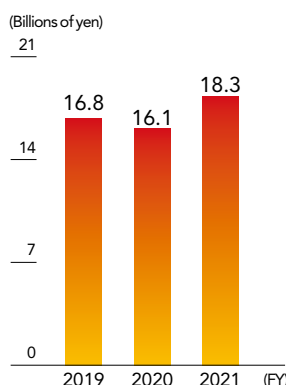


Transaction volume of credit card shopping

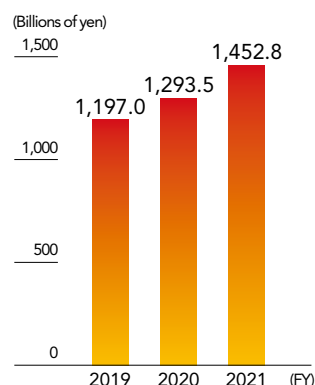


Settlement and guarantee business

Operating revenues

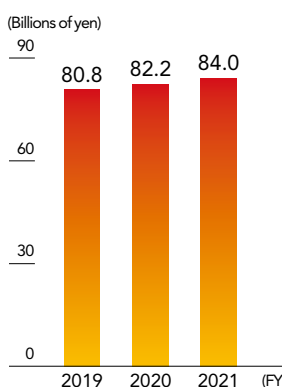


Transaction volume

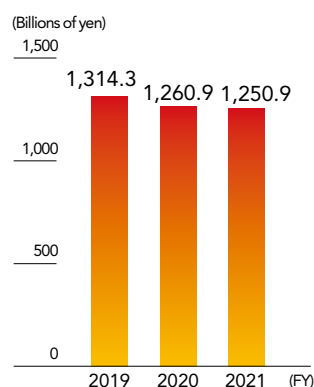


Installment credit business

Operating revenues

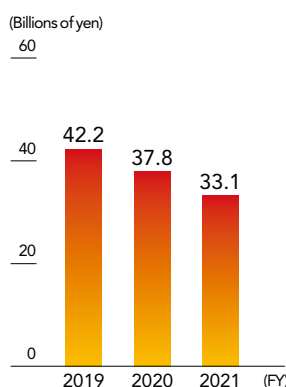


Transaction volume

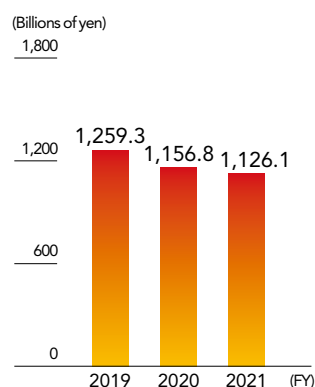


Bank loan guarantee business

Operating revenues



Guaranteed balance



Note: Operating revenues for FY 2020 have been retroactively adjusted due to changes in accounting policies in FY 2021.

Non-financial Data

Environmental Data

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Energy consumption / CO ₂ emissions					
Energy consumption (GJ)	335,040	303,093	267,649	260,036	251,514
CO ₂ emissions (t-CO ₂)	16,942	14,800	13,292	11,656	11,619
Paper recycling (offices inside Orico head office building)					
Paper waste (t)	209.4	199.1	157.3	142.9	112.6
Paper reuse (t)	148.5	142.5	116.6	106.5	84.0
Recycling rate (%)	70.9	71.6	74.1	74.5	74.6
Recycling of noncombustibles (offices inside Orico head office building)					
Noncombustible waste (t)	75.4	79.1	78.8	80.5	83.7
Reuse of noncombustibles (t)	75.4	79.1	78.8	80.5	83.7
Recycling rate (%)	100.0	100.0	100.0	100.0	100.0

Human Resources Data

		FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Number of employees*1	Consolidated	4,627	4,685	4,652	4,966	6,084
	Non-consolidated					
	Total	3,634	3,604	3,432	3,333	4,247
	Male	2,025	1,935	1,798	1,719	1,698
	Female	1,609	1,669	1,634	1,614	2,549
Average age*1		41.6	41.4	41.6	41.5	41.9
Average years of service*1		16.3	16.2	16.3	16.2	16.7
Percentage of women in management positions (%)*1		18.6	19.2	21.5	22.7	23.4
Number of employees from internal recruiting / Career changes		21	12	26	18	17
Number of employees with disabilities*2		74	87	90	96	87
Percentage of employees with disabilities (%)*2		1.80	2.21	2.33	2.63	2.42
Childcare leave utilization rate (%)	Male	37.7	93.0	95.9	100.0	100.0
	Female	100.0	100.0	100.0	100.0	100.0
Number of employees with reduced working hours for childcare*3	Male	0	1	0	0	1
	Female	239	241	271	227	232
Number of employees utilizing family care leave*3	Male	0	0	1	0	1
	Female	2	1	8	3	3
Number of employees with reduced working hours for family care*3	Male	0	0	1	0	0
	Female	1	1	4	2	8
Labor union membership rate (%)*1		57.0	57.5	56.3	56.7	56.7
Employee retention (people)	Number of people joining the Company	113	134	197	221	137
(Three years after joining the Company)	Number of employees still with the Company	89	82	118	159	95
Paid leave utilization rate (%)		57.4	53.9	63.2	61.2	66.8
Annual overtime (per person)		358:23	364:03	337:56	268:17	273:44
Total number of working hours (per person)		2,058:22	2,043:06	1,982:17	1,931:00	1,931:02

*1 As of March 31 (including employees that have converted to indefinite term as of FY 2021)

*2 As of June 1

*3 Full-year (cumulative)

Corporate Overview

Name of Company

Orient Corporation

Founded

December 27, 1954

Main Businesses

- Credit cards and cash loans business
- Settlement and guarantee business
- Installment credit business
- Bank loan guarantee business
- Overseas business

Paid-in capital

¥150 billion (As of March 31, 2022)

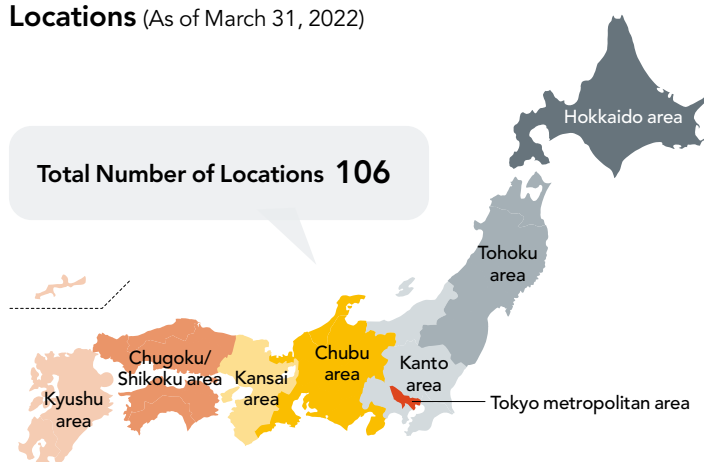
Number of employees

4,247 (As of March 31, 2022)

Head Office

2-1, Kojimachi 5-chome, Chiyoda-ku,
Tokyo 102-8503, Japan
Tel: +81-3-5877-1111

Locations (As of March 31, 2022)



Status of Shares

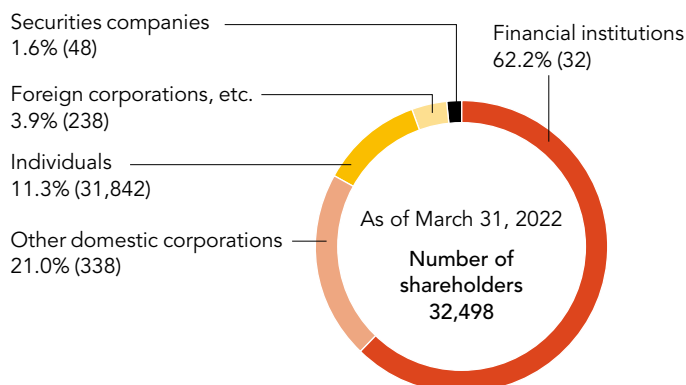
Total number of authorized shares 1,825,000,000

Total number of issued shares 1,718,747,203
(As of March 31, 2022)

Number of shareholders 32,498
(As of March 31, 2022)

Share unit 100

Share Ownership



External Evaluation

2021 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

Selected for the MSCI Japan Empowering Women (WIN) Select Index, a stock index created by MSCI for institutional investors who want to invest in companies that promote the advancement of women and are outstanding in terms of gender diversity

work with Pride



Received "Gold" recognition for the third consecutive year in PRIDE Index 2021, an index that evaluates initiatives for LGBTQ and other sexual minorities at companies and organizations



Certified as a "White 500" company, which is for the top 500 companies in the large enterprise category, under the 2022 Health & Productivity Management Outstanding Organizations Recognition Program of the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi

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Business Overview



Credit cards and cash loans business

We operate a credit cards and cash loans business that offers customers peace of mind and convenience. We cater to a wide range of customer needs, through attractive reward-point programs, a wide selection of cobranded credit cards, etc.

- **Proper credit cards**

We offer diverse products featuring outstanding designs and functionality with attractive reward-point programs tailored to wide-ranging customer needs.

- **Co-branded credit cards**

By establishing partnerships with various corporations and organizations across Japan, we provide the very best value-added offerings and attractive services to cardholders.

- **Cash loans**

We meet a wide range of customer financial needs. By providing convenient services that offer peace of mind, we support the daily lives of customers.



Settlement and guarantee business

We offer a wide range of settlement services to suit the needs of customers and member merchants, such as rent settlement guarantees and receivables settlement guarantees.

- **Rent settlement guarantee**

We provide rent collection services based on our many years of experience and expertise. By reducing the risk of delinquent rent payments, etc., we contribute to increasing the business efficiency of real estate management companies.

- **Small-lease guarantees**

We offer lease products for small and mid-sized business customers for low-priced items, focusing on commercial equipment and devices, etc.

- **Receivables settlement guarantee**

We provide receivables settlement guarantee services according to the needs of our business partners that reduce the exposure to risk with respect to business-to-business transactions and enhance business efficiency.

- **Payment collection**

We provide payment-collection services, including efficient payment collection and accounting operations for selling products and providing services, that match customers' lifestyles.



Installment credit business

We offer settlement services such as installment payments under a three-party agreement with customers, member merchants, and Orico. This is a principal business which is in the top class of the industry in terms of transaction volume.

- **Auto loans**

As the first company in the credit industry to offer auto loans, we have various products that meet customers' needs such as loans with deferred and flexible repayment options.

- **Auto leasing**

We provide a new means to drive a car using fixed monthly payments, which includes a package of vehicle inspection, maintenance, tax and insurance.

- **Shopping**

We provide credit to support various consumer lifecycle stages, such as purchasing electronic goods and paying for remodeling or education costs.



Bank loan guarantee business

We have been offering guarantee services involving consumer loans in partnership with financial institutions since 1983. Our expertise in credit review and bank guarantees cultivated over many years has gained a high reputation from financial institutions.

- **Loan-on-deed**

These loans include specific-purpose loans, such as those for autos, education and remodeling, and multipurpose loans (free loans).

- **Credit card loans**

We provide credit card-based credit card loans featuring revolving credit up to maximum amounts.

- **Web bank loans**

In addition to web-based loan applications, we offer a paperless scheme that allows all contract procedures to be performed via websites without visiting a bank branch, etc.



Overseas business

We are contributing to the growth of Asian countries by providing financial services that meet local needs, leveraging our top-class track record and know-how in the auto loan business in Japan.

Countries of operation

- **Thailand**

We established an office in Thailand in 2015, expanding our sales network to major cities and providing used car loans and relevant products to our customers.

- **Philippines**

Expecting an expansion of demand for personal vehicles against the backdrop of economic and working population growth, we entered the Philippines in 2019. We provide our customers with loans for used cars.

- **Indonesia**

We commenced operations in Indonesia in 2021 by acquiring a 51% stake of a local auto loan company. In addition to the new car auto loan business, in 2022, we began a used car auto loan business and now provide auto loans to many customers in this country.

Orient Corporation

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Sustainability Management Office, Corporate Planning Department
2-1, Kojimachi 5-chome, Chiyoda-ku, Tokyo 102-8503, Japan

Tel: +81-3-5877-5351

Fax: +81-3-5877-5179

Email: sustainability@p.onet.orico.co.jp

<https://www.orico.co.jp/company/sustainability/> (in Japanese only)