Open the Future with You

Orico

INTEGRATED REPORT

2025

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Editorial Policy

Purpose of Publication

Based on "Our Approach to Corporate Governance and Our Basic Policy on Corporate Governance" and "Information Disclosure Basic Policy", we position timely and appropriate information disclosure to stakeholders as one of our most important management issues. We are committed to actively disclosing not only financial information, but also non-financial information such as our management strategies, governance, and risks.

The main purposes for issuing this report are as follows.

1) To clearly explain and help a wide range of domestic and international stakeholders understand our vision, business model, strategies, among others
2) Through 1), to get stakeholders to believe in the potential for the sustainable enhancement of our corporate value
3) To clearly explain the relationship between business strategies and financial/non-financial capital, and create a cycle of two-way communication through broad dissemination both internally and externally

Target Period and Scope

Period: April 1, 2024 – March 31, 2025; however, some activities after April 2025 are also included.

Scope: Our Company and affiliated Group companies were subject to reporting; however, report targets may differ depending on the item.

Note About Company Outlook

This report contains information related to future plans, strategies, performance forecasts, and the outlook for our Company and affiliated Group companies. These descriptions are not predicated on past facts, but are predictions based on assumptions and beliefs that we have determined from the information available at this point in time. Furthermore, it encompasses uncertainties such as risks related to economic trends, individual consumption, market demand, taxation, and various systems. Please be advised that actual performance may diverge from our expectations.

Message from the President

Change requires courage, and growth is our mission. Onward to the next stage with our stakeholders.

President and
Representative Director

Message from the President

Management Challenges and Their Root Causes

My name is Makoto Umemiya. I was appointed President and Representative Director of Orico in April of this year. Before this appointment, I spent the majority of my 37-year career at the Mizuho Financial Group in finance and planning. I served as Chief Financial Officer from 2017 to 2023, after which I took on the role of Chief Digital Officer. In April 2024, I finally joined Orico as its Executive Vice-President. At the time, I wondered whether I was really suitable for the job because I didn't know much about the retail business, including credit sales and credit cards.

Upon joining Orico, I had the impression that we have a solid business foundation and a deliberate growth strategy that leverages the strengths of our foundation.
Specifically, we have a network of installment-credit member merchants cultivated over our 70-year history, an extensive customer base of credit card users, outstanding assessment abilities core to our retail lending business, large-volume administrative processing accuracy, strong debt collection counseling and negotiation skills tailored to each individual, and earned credibility and trust with our customers, both individual and corporate, thanks to our safe, secure, and convenient settlement methods—all underpinned by our product development abilities.
Although I cannot give each of these strengths the attention it deserves in such a short space, Orico has many strengths of which we should be proud. I had the impression that Orico has the potential to transform the financial scene of the retail sector.
Looking at our growth strategy, it was extremely reassuring to see that we are placing sustainability at the core of our management, and are making progress in several fields on initiatives aimed at creating business that starts with the resolution of issues faced by both customers and society. Major examples include Waketara, a digital installment payment app we released in February 2025; Akikatsu Loans, which are helping to resolve the problem of vacant houses; and our multiple alliance-based strategies that aim to scale up such initiatives. The prospects for our future growth seemed very exciting.

On the other hand, looking at the performance side, our profit levels have been steadily declining, consistently failing to meet publicly announced management targets, and our stock price has long traded at a PBR significantly below 1.0x for years. Given Orico's strengths and the growth strategy we have steadily implemented, failing to reach an ordinary profit of just 20 billion yen is hard to accept. We cannot be satisfied with the current state of outcomes.

Across the duties I have been involved in as supervisor of both the Corporate Strategy Group and the Finance Group and as Executive Vice-President, including the structural reform of our installment credit business and the formulation of our new Medium-Term Management Plan, I have become acutely aware of two major challenges.

The first issue is that the Group lacks sufficient organizational capabilities necessary to formulate and execute our financial strategy. Here are some specific examples. Several years ago, we initiated our efforts to evaluate each business using a two-axis framework of risk-return and cost-return, aiming to drive transformation of our business portfolio. However, discussions primarily focused on how to increase returns, leaving the optimal allocation of resources based on profitability and future potential relative to management resources, as well as the restructuring of the business portfolio, only halfway completed.
Furthermore, although the underlying management accounting system was established and introduced several years ago, subsequent reviews and enhancements have not been sufficiently implemented. As we returned to a world with positive interest rates, increasing the sophistication of our ALM*1 operations should have been one of our top management priorities. In reality, however, we only introduced certain hedging methods and adopted simple measures such as estimating maturity gap*2 and calculating VaR*3. No comprehensive framework was established to effectively utilize these measures for controlling interest rate risk on both assets and liabilities.
Despite persistently low stock prices and a prolonged period below a PBR of 1.0x—a situation in which the Company is labelled a failed listed entity—its efforts in investor relations towards equity investors were wholly inadequate. It must be said that the organization lacked the CFO-type expertise and capabilities that should have been in place.

The second challenge is about our corporate culture. Within each department, there is a strong sense of fellowship, cooperation, and teamwork—a wonderful organizational climate that we wish to continue cherishing. However, when viewed across the entire organization, a serious issue has emerged: increasing "silo mentality" stemming from reluctance to engage with other departments and a lack of interest in them.
Furthermore, a significant challenge is the overall tendency to take the easy way out. Even when fundamental discussions about sustainability, reevaluating our Corporate Philosophy, and Inclusion & Diversity*4 take place at the management level, the essence often gets sidelined during implementation, with the goal becoming merely ticking boxes. There were numerous instances where people hesitated to tackle challenging initiatives, or decided their own limits by saying, "This is sufficient for us as we are now" and stopped there.

To put it bluntly, the entire organization has fallen into a state of mutual indulgence with complacency. Of course, we have taken various management measures to resolve these challenges related to our corporate culture, including reviewing our Corporate Philosophy, establishing a new Purpose and Value, and focusing on engagement and practice initiatives within the organization. Unfortunately, these efforts have not led to satisfactory results.

Message from the President

As I became increasingly aware of these challenges, I finally overcame my initial doubts regarding whether I am truly qualified to effectively rebuild the Company. What the organization really needs right now is the establishment of effective CFO functions as part of our management and a major transformation of our corporate culture. As the CFO of the Mizuho Financial Group, I promoted fundamental structural reforms. In addition, I was a member of the management team that transformed Mizuho's corporate culture, which was the cause of their system failures in 2021. Now, what Orico needs is for me to leverage this experience to the fullest extent.

*1. Asset liability management: the practice of comprehensively managing both assets and liabilities in a unified manner
*2. The difference between the maturity amounts of assets (e.g., loan collections) and liabilities (e.g., FILP bond redemptions) during each period
*3. Value at risk: an estimation of the maximum loss (that is acceptable for management)
*4. We believe that diversity truly demonstrates its value only when inclusion is achieved—that is, when diverse talent within our organization can express their individuality, generate innovation through free thinking, and enhance the Company's competitiveness

Differences with our Previous Medium-Term Management Plan

Period of five years	During the first three years, we will strive to promptly implement business structural reforms to free up managerial resources, allocate them to growth fields, and establish a business foundation that offers us a competitive advantage. During the latter two years, we accelerate the expansion of our market share and securing of revenue to achieve our management targets.
Management conscious of stock price	The plan clarifies our path and policies for an early recovery exceeding PBR of 1.0x.
Shifting to a business model that truly focuses on the customer	We described policies for engaging with both individual and corporate customers in terms of enhancing customer engagement in line with its business strategy, extending credit to SMEs, and providing support to increase their productivity.
Corporate cultural reform	We added corporate cultural reform—which is a fundamental element underlying our various challenges—as a key priority for strengthening our management foundation.

Medium-Term Management Plan

From this point onward, I would like to discuss the new Medium-Term Management Plan that I myself have led in formulating as Executive Vice-President, based on our Group's strengths, challenges, and environmental awareness. Let me share the vision behind the plan and the strategic direction we are pursuing.

First, in terms of our financial goals under our new plan, we aim to achieve an ordinary profit of over 50 billion yen during the final fiscal year of the plan, fiscal year 2029, which is four times that of fiscal year 2024, as well as an ROE of at least 12%. This level of financial goal represents the benchmark required to recover above a PBR of 1.0x, and we developed detailed strategies to achieve it through backcasting. As mentioned earlier, a PBR below 1.0x signifies the market labelled the Company as a failed listed entity. It is no exaggeration to say that the new Medium-Term Management Plan was formulated specifically to achieve a PBR exceeding 1.0x. Naturally, merely setting ambitious targets does not guarantee plan achievement. Without concrete quantitative plans backed by solid strategy, it becomes mere number-juggling.
Our "Growth Strategy" leverages our strengths to establish competitive advantage. Our "Business Structural Reform" transforms how we operate and the Company itself without sacred cows, enhancing profitability relative to finite management resources while responding swiftly to environmental changes. At the same time, our "Management Foundation Strengthening" supports these initiatives. These three components comprise our new Medium-Term Management Plan.

At the beginning of formulation phase, following the pattern of Previous Medium-Term Management Plans, we thoroughly discussed whether the aforementioned financial targets could be achieved within three years, as well as the pace and depth of initiatives related to growth strategies and business structural reforms. Unfortunately, three years were not enough time to paint a complete picture, so we extended the period to five years. During the first three years, we will lay the groundwork for growth. Then, over the next two years, we will reap the rewards of our efforts. We will strive to achieve this ahead of schedule.

Growth Strategy Rooted in Solving Social Issues

Japanese society stands at a crossroads, facing accelerating trends in its aging and shrinking population, increasingly diverse individual lifestyles and values, work-style changes stemming from technological progress, backlashes against globalism, rising nationalism, increasingly intense natural disasters due to global warming, and upheavals that were inconceivable in the not-so-distant past.
Many of these trends will have major effects on the Company's business fields. We must be prepared to respond, including reassessing our business operations. As we progress toward a cashless society, financial crimes and fraudulent practices are also becoming increasingly sophisticated, so ongoing initiatives to ensure both convenience and safety for our customers are vital.
SMEs face increasingly severe talent shortages, and finding ways to improve productivity has become a matter critical to

Message from the President

their survival. One approach that is being increasingly considered is the use of foreign national workers, but there is not enough support available for them to start a new life in Japan, financially or otherwise. The way things are going, foreign nationals may no longer consider Japan an attractive option.
Another issue is the abolishment of paper-based promissory notes and checks at the end of fiscal year 2026. There is an urgent need to promote the spread of alternative methods for SME corporate settlement in particular. There is a mountain of other challenges to be met, including regional issues and environmental problems.

In our previous Medium-Term Management Plan, we placed sustainability at the core of our management for the first time and formulated a growth strategy centered on solving social issues. Although I believe it was a fairly progressive initiative, unfortunately, it did not articulate at a sufficient level how we could leverage our strengths to contribute to solving specific challenges for whom. Consequently, the connection to our strategy became rather vague.
In our new Medium-Term Management Plan, we have reflected on past lessons. We began discussions by re-evaluating our strengths realistically and re-identifying the materiality—the key issues requiring priority attention—before outlining our growth strategy. P. 22

Our Strengths and Competitive Advantage

Our Group has over 10 million credit card members, and we have handled approximately 1.7 million auto loans and 1.4 million rent settlement guarantees. We also have around 900,000 member merchants throughout Japan and over 550 affiliated financial institutions, all of which make up our ecosystem.
In addition, we engage in partnerships and alliances with major business operators that have their own ecosystems, such as AEON Financial Service, the Rakuten Group, and Amazon, in addition to Mizuho Bank, a major shareholder. These customer bases and business foundations are strengths we take pride in, but the true strength behind building such foundations lies in the power of "credit extension" we have cultivated over our 70-year history. Here, "credit extension" encompass the entire process from start to finish—including credit assessment, fund settlement, fund collection, and all related administrative procedures—with distinct strengths for both individual and corporate clients. P. 14

First, let me explain the strengths of our credit extension capabilities for individual consumers.
Our Group possesses a vast storage of customer credit data collected over many years, and we continue to add up new data through thousands of daily transactions. The existence of this wealth of data related to long-term installment payment credit extension is the source of our Group's competitiveness. Many business operators have entered the individual financial business, but our Group possesses an unmatched wealth of data. By fully leveraging data through cutting-edge technologies such as AI, we will deliver products and services that are unmatched by competitors.

Here, I would like to present two examples.
The first is our certification as a Certified Comprehensive Credit Purchase Intermediary. We are the only major credit card company or installment credit business operator to obtain this certification. We utilize AI-powered credit extension functions to develop products and services that provide new value for customers in the form of "digital installment payments". P. 31
"Digital installment payments" are a completely new financial service, allowing customers to make installment payments within their available credit limit instantly, at any time, and as often as they want. This frees both customers and member merchants from the hassle of applying and undergoing an assessment.
Major EC sites and appliance retailers have already started using this service, and we plan to dramatically expand locations where it can be used. This is a groundbreaking service that can meet our customers' diverse installment payment needs, and we aim to develop it into one of the pillars of our growth strategy under the new Medium-Term Management Plan.

The second example is our introduction of risk-based pricing, which allows us to set extremely detailed conditions according to the creditworthiness of individual customers. When it comes to individual credit extension, unlike in the case of corporations, it is not typical for the creditworthiness of each person to apply to the corresponding interest rate.
Meanwhile, looking globally, in the the U.S., FICO scores are used in various situations where creditworthiness is emphasized, including loan interest rates, serving as a form of social infrastructure. In Japan, CIC, the Designated Credit Information Organization, started disclosing credit guidance similar to the U.S., so the rest of the world seems likely to start employing different borrowing interest rates and other economic conditions according to the creditworthiness of individuals.
Our Group has already developed a model to measure risk-based pricing, which applies interest rates based on individual creditworthiness and risk. We began a Proof of Concept (PoC) in fiscal year 2025 to verify its effectiveness and customer acceptance. For this initiative to gain widespread adoption, the economic terms our Group presents must be sufficiently transparent and agreeable to customers.
Leveraging our distinctive capabilities—highly accurate credit models based on our vast amount of accumulated credit data, our low-cost operations made possible by utilizing digital technology and AI, and our strong execution capabilities in credit collection operations which demand a high level of expertise—we will continue to take on initiatives that our Group is uniquely positioned to handle.

Next, I would like to briefly touch upon our Group's strengths in credit extensions for corporate clients. Beyond our performance and accumulated data related to credit for individual business owners and corporate representatives, which is a natural extension of individual credit extension,

our experience managing the credit of approximately 900,000 member merchants in the installment credit business serves as one of our biggest strengths for our Group to compete in the corporate sector.
In particular, our business card—a flagship product for SME credit—is highly regarded even by major corporations with their own ecosystems, paving the way for scaling.
We are also collaborating with advanced fintech companies to develop “a cash flow prediction model” and “an optimized fundraising plan presentation model” based on cash-on-hand movement, invoice, and payment information. By providing these models on smartphones as the ultimate cash flow app, we hope to free SME owners from their day-to-day cash flow struggles. P. 38
Mega banks and various other financial business operators are currently accelerating their initiatives in this market, but we are confident that our Group is one step ahead. We aim to cultivate the solution as the second pillar of our Group’s growth strategy while providing a certain solution to the social issue of labor shortages in SMEs.

Business Structural Reforms

To advance the growth strategy discussed thus far, we must establish a robust CFO function while redirecting necessary managerial resources from the shrinking fields to the growth fields. We began by evaluating each of our businesses based on the shared perspectives of risk and cost returns to visualize challenges associated with our risks (capital), costs (expenses), and returns (revenue). Next, we considered the upcoming business environment to formulate plans specific to each business. Based on this analysis, there were some businesses for which we could not envision a path for achieving an ROE over 10% during the period covered by our new Medium-Term Management Plan. In these cases, we conducted repeated discussions, including the re-examination of our overall approach to such businesses, to shape the final plan.
For example, we predicted that our Group’s installment credit business would suffer from worsening risk and cost returns due to challenges that included the maturity of the market and rising interest rates. Under conditions where a significant improvement in returns is difficult, the necessary measures to achieve a business ROE exceeding 10% boil down to how lean we can make our cost structure.
We withdrew from unprofitable business, reviewed our branch network, consolidated stores as necessary, and took advantage of digitization to increase the efficiency of our administrative and collection work to greatly reduce our required personnel and other managerial resources, thereby achieving the ROE hurdle rate. In particular, our administrative costs associated with low-price shopping credit were high, while cost returns remained at an extremely low level, so we boldly shifted our managerial resources to digital installment payments and took other steps to strike a balance with our growth strategy.
We held similar discussions for each of our businesses, ultimately finding a way to strike a balance between stability and growth potential for our business portfolios. This is the basic concept behind the business structural reforms called for by our new Medium-Term Management Plan. However, given the extreme uncertainty of our future business environment, we cannot allow ourselves to become too committed to a set plan. Instead, we must dynamically respond to changing circumstances.
We will continuously review our operations, including challenging new growth fields and delving deeper into shrinking fields to free up management resources for these endeavors.

Strengthening the Management Foundation: Corporate Cultural Reform

Though I already mentioned the challenges in our corporate culture, even if we come up with a clear vision and concrete business strategy, it is our people who actually execute it. To achieve our goals, it is essential that we foster a culture that encourages employees to enjoy challenges, where they can work vibrantly and collaborate with their colleagues. “Open, inclusive, and innovative”, “Think for oneself about what needs to be done, take ownership, and act and promote initiatives proactively”, and “View change positively, praise challenges, and compete to take on challenges”—We share these three pillars as our cultural vision with employees. To realize them, we believe it is crucial not only to encourage employees through tangible arrangements such as improving the work environment and revising personnel and evaluation systems, but also to appeal to the soft aspects—the mindset and behavior patterns of each individual employee—to drive change.
I am well aware that doing so requires significant time and effort. Some of our employees will likely find themselves unenthusiastic or unconvinced, but corporate cultural reform is the most important theme of our new Medium-Term Management Plan, so we will do everything in our power to achieve it.

Details of the corporate cultural reform will be covered on P. 43—45. Regarding responses at the institutional level, we will focus our efforts on promoting “Business Process Transformation (BPX) P. 47”and “DX P. 48—49” to fundamentally review business processes and build an environment where each employee can enhance productivity and engage in work creatively.
Regarding DX in particular, based on the Orico DX Vision, which we formulated in April 2022, we established a Company-wide DX promotion structure to focus on training digitally skilled personnel. With our basic program, we successfully trained 3,000 employees two years ahead of schedule, and we established a foundation for utilizing AI to transform our business processes and to create new business models.
Going forward, we will thoroughly promote the utilization and application of data and AI to transform all of our business processes, including sales, marketing, administration, accounting, system development, and risk management. In addition to these initiatives, we will review any other system that could affect our corporate culture, including our evaluation and authority systems, and consider our future approaches accordingly.
From a psychological standpoint, we will focus our efforts on “Organizational Development” and “Brand Strategy” as

Message from the President

Challenges We Face	Our 10-Year Cultural Vision
Evaluation-oriented culture	Open, inclusive, and innovative
Siloed	Think for oneself about what needs to be done, take ownership, and act and promote initiatives proactively
Top-down communication and a passive attitude	View change positively, praise challenges, and compete to take on challenges
A tendency to avoid digging deep into the heart of issues	

well as the "Corporate Philosophy Engagement and Practice Initiatives P. 46" launched last year. Here, I would like to briefly touch on the newly initiated Organizational Development.

The goal of organizational development is to build an "'inclusive' organization where colleagues face each other and mutually empower one another". To achieve this, we intend to identify communication challenges between managers and subordinates, between individuals and the organization, and between different organizational units, providing optimal interventions tailored to the specific challenges at respective working sites. Creating an environment where psychological safety is secured and individuals can freely express their opinions is only the starting point. We aspire to achieve true inclusion—where one's opinions and feelings are accepted by others, and where those around them actively support and encourage those sentiments.

Our Commitment to Reform

No matter how we explain our Group's strengths, value creation story P. 16, or new Medium-Term Management Plan, our repeated failures to meet past targets represent a serious barrier to winning everyone's trust. Our only option is to rigorously execute each of our strategies and deliver results so that we can begin to earn trust.

Our Group's Purpose, "Open the Future with You", expresses our determination to take genuine care of each of our customers and leading with enthusiasm, staying close to the present and the future status of each of our individual customers, living people, and our corporate clients, including SMEs and individual business owners, while also leveraging our Group's credit capabilities to such valued customers.

When our Group was founded in Hiroshima 70 years ago, we developed and provided products and services as only we could for customers who tended to get left behind by the financial markets of the time. Today, pioneering DNA still lives within us.

Upon my appointment as President, we decided to entrust the creation of branch management plans to our General Managers throughout Japan. We have told our General Managers to try to be enthusiastic concerning what kind of branch they want to be in the medium to long term based on careful consideration of factors relevant to branch management. These include the regional characteristics and business environment of the branches they have been entrusted with, their profit and trading structures, and issues related to human resources and organizational operations.

For many employees who had previously believed that the role of General Managers at branch was to achieve targets assigned by management or Head Office to each branch, the initial period was apparently filled with nothing but confusion. However, I am currently visiting our branches to hold dialogues with General Managers and employees about their daily struggles and management-related opinions and needs, and I'm starting to see signs of change.

I have even seen General Managers working with other companies, local governments, among other stakeholders, to revitalize local economies by considering what they can do and incorporating the findings into their plans. It has been quite reassuring for me to see our General Managers fighting tooth and nail to escape our traditional credit sales business approach, which involved providing our Group's products and services through member merchants and dealers, as they do what they can to achieve the vision we are aiming for.

■ Dialogue with employees

Message from the President

Last year, we revised our Corporate Philosophy for the first time in 30 years, and this year marked the launch of our new Medium-Term Management Plan. The path we must walk as a Group is clear. We will ensure that each employee is on board with this strategy and does everything in their power to achieve it so that we can get back on a growth trajectory.
I pledge to lead the reformation to ensure our stakeholders are able to truly perceive the “new Orico” in action. I look forward to your ongoing support in this regard.

Profile

April 1987	Joined the current Mizuho Bank, Ltd.
April 2012	General Manager of the Osaka Branch of Mizuho Bank, Ltd.
April 2014	General Manager of Financial Planning Department of Mizuho Financial Group, Inc.
April 2017	Managing Executive Officer of Mizuho Financial Group, Inc. and Head of Financial Control & Accounting Group
April 2022	Director and Deputy President & Senior Executive Officer (Representative Executive Officer), Chief Digital Innovation Officer and Head of Financial Control & Accounting Group of Mizuho Financial Group, Inc.
April 2023	Director, Deputy President & Senior Executive Officer (Representative Executive Officer) and Group CDO of Mizuho Financial Group, Inc.
April 2024	Executive Vice-President Executive Officer of our Company
April 2025	President and Representative Director of our Company (current position)

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Corporate Philosophy

Purpose

Open the Future with You

Value

Embrace Integrity

Establish Trust

Envision the Future

Enjoy Challenges

Our Story

From past to present, we have been offering safe, secure, and convenient financial services tailored to the changing demands and lifestyles.

In the whirlwind of uncertainty, we endeavor to be a trusted partner to our customers, taking a genuine care and leading with enthusiasm, staying close to the present and the future status of each one of our stakeholders.

To this end, we envision the future of our customers and the society, and continue to take on the challenges to create new value arising from these visions.

—To open the future with you.

Who We Are

For 70 years, we have been offering safe, secure, and convenient financial services tailored to changing demands and lifestyles.
We will continue to take on the challenge of envisioning the future of both our customers and society as well as creating new value.

Back when I was still in my twenties, gazing up at the star-filled sky while camping made my heart tremble. I took the plunge and bought a professional camera on installment payments. My pursuit of the night sky only made me want more gear, and each time, installment payments came to my rescue. Now retired, I spend every weekend traveling the world with my partner in search of the most spectacular starry skies.

The other day, I realized I had lost my credit card and contacted Orico. They immediately suspended the use of the credit card and carefully explained how they would respond in the event of any unauthorized charges.
Orico provided me with support that truly stayed by my side when I was feeling quite upset and low.

Since we began entrusting Orico with the collection of accounts receivable and the like, we've been able to reassign personnel previously engaged in collection and other accounting duties to new business ventures. Furthermore, since Orico thoroughly conducts anti-social forces checks on our business partners, we can expand our business with ease of mind.

Back when I established my company, Orico was the only company that concluded a member-merchant contract with mine.
Despite the limited number of orders, the Orico representative often met with me. When I told them that I was considering retiring and shutting down my business, they kindly offered to help me with business succession planning. Thanks in part to Orico's assistance, I was able to build a relationship with a reputable company, which enabled me to leave behind some assets for my family.

Since childhood, becoming a doctor had been my dream. Just as I was about to give up because of financial worries, I visited an open campus event and learned about a flexible tuition payment system.
During my studies, I was able to keep pursuing my dream supported by my parents as well.
Now, while paying the remaining tuition myself, I support the futures of many children as a pediatrician.

My family strongly opposed my driving a car without safety equipment, but since I plan to surrender my drivers license in a few years and considering the purchase costs, I couldn't quite bring myself to take the plunge. When I mentioned my dilemma to a car serviceman I was visiting for maintenance, he recommended Orico's car leasing plan, saying that I would not have to worry when I return my license. I then made up my mind to buy a new vehicle. Lately, I have been driving with my family more often, and I have been able to go to distant places with peace of mind.

Several months ago, a large piece of machinery broke down, requiring repair costs. I was nervous that bank financing wouldn't cover the payment in time ... then, I spotted a flyer I'd received from Orico, switched the payment from bank transfer to card payment, and successfully settled the bill.
Not only did I gain time to adjust my finances before the payment was due, but I also earned card points.
Now, the card has become my trusted partner, perfect for someone like me who loves point-earning activities.

History

Since its founding in 1954, the Group has expanded its business fields to anticipate changes in the times and society's needs, helping to make people's lives prosperous and comfortable while continuing to grow. The various transformations and endeavors in its history have paved the way for its current business foundation.

December 1954
Hiroshima Coupon established

April 1969
Introduced installment credit purchase business
(now known as auto loans and shopping credit)

November 1969
Started issuing credit cards

November 1983
Launched guarantee services for personal loans from financial institutions
(now known as bank loan guarantees)

October 1989
Company name changed to Orient Corporation

April 1992
★Launched fee collection guarantee services
(now known as settlement and guarantees)

July 2004
Formed a comprehensive business alliance with Mizuho Bank, Ltd.

October 2017
Orico Forrent Insure Co., Ltd. made into a wholly owned subsidiary

April 2022
Listed on the TSE's Prime Market Index

June 2022
Transitioned to a company with an Audit and Supervisory Committee

September 2023
Orico Auto Leasing Co., Ltd. made into a consolidated subsidiary

September 2023
Orico Business Leasing Co., Ltd. made into a consolidated subsidiary

March 2024
Orico Product Finance Co., Ltd. made into a wholly owned subsidiary

March 2024
Formed a business alliance with AEON Financial Service Co., Ltd.

March 2025
Orico Carlife Co., Ltd. made into a consolidated subsidiary

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Consumer Client Strategy
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Year of establishment and onward

	Year	Event
Orico	★1984	Formed an organizational alliance with JU*.
	★1996	Started issuing asset-backed securities (ABS).
	★1998	Started handling online credit card applications.
	★1999	Expanded into the servicing company business as a result of the establishment of Japan Collection Service Co., Ltd.
Society	1961	Installment Sales Act enforced and Act on Specified Commercial Transactions enacted.
	1974	Policy interest rate increased.
	1990	Kei car, or "light vehicle", standards revised.
	1991	Japanese asset price bubble burst.

2000 onward

	Year	Event
Orico	2001	Exceeded 10 million credit card holders.
	★2002	Started handling residual value guarantee deferred auto loans.
	★2003	Started issuing credit cards that can be used to pay auction prices for vehicles.
	2007	Reported a net loss of 450 billion yen and switched to the Second Section of the TSE.
	2008	Established Orico Auto Leasing Co., Ltd.
	★2009	Started handling applications via mobile phone (Mobakure).
	★2011	Returned to the First Section of the TSE.
	★2017	Introduced HyperCube to increase the sophistication of credit extension.
	2018	Released a joint core system.
Society	2000	Act Regulating the Receipt of Contributions, Receipt of Deposits and Interest Rates maximum interest rate decreased to 29.2%.
	2002	Class action lawsuit filed related to the use of the deceptive "monitor" method for the sale of high-priced kimono.
	2008	2008 financial crisis occurred.
	2008	Acceleration of transition from ownership to usage began.
	2010	Revised Money Lending Business Act enforced and total volume control introduced.
	2010	Gray zone interest rates abolished.
	2011	Great East Japan Earthquake struck.
	2016	Negative interest rates introduced by the Bank of Japan.

2020 onward

	Year	Event
Orico	★2023	Obtained certification as a Certified Comprehensive Credit Purchase Intermediary.
	2023	Obtained a business model patent for the O-Lai! application system.
	2024	Revised performance downward for the second year in a row.
	2025	Currently obtaining a business model patent for digital installment payments.
Society	2020	COVID-19 spread.
	2023	COVID-19 reclassified as Class 5.
	2024	Negative interest rates abolished by the Bank of Japan.
	2025	Trump tariffs enforced.

*Japan Used Car Dealers Association

★ First ever in the industry ★ First ever in Japan ★ First for a major credit company

How We Create Value

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Strengths and Management Capital

*As of FY2024 or March 31, 2025

Social Capital

Networks and ecosystems of the Company for which business is to be scaled up

In addition to a broad customer base and extensive network of member merchants and financial institutions, the Group has a strong foundation with Mizuho Bank, Ltd., which is a major shareholder. The Group also provides products and services in line with the needs of each and every customer through its partnerships and alliances with business operators that have their own ecosystems, including AEON Financial Service Co., Ltd. and Rakuten Group, Inc.

Intellectual Capital

Credit extension, collection, and operations

The Group builds dedicated scoring models with high determination accuracy for each product, dividing the zones judged by AI and credit examiners in an effort to achieve more stable and high-performing credit assessment operations while also leveraging customer-focused counseling negotiations and the Group's accumulated expertise to provide support until full payment is achieved through appropriate debt collection. In addition, the Group automates repetitive routine work, thereby preventing erroneous processing and wasted time while also achieving large-volume, accurate administrative processing.

Social Capital

Broad customer base

- Domestic auto loans: **1.67** million cases
- Overseas auto loans: **100,000** cases
- Installment credit transaction volume including auto loans: **1,268.8** billion yen
- Credit card holders: **10.75** million people
- Business credit card holders: **240,000** people
- Credit card transaction volume: **3,341.6** billion yen
- Rent settlement guarantees: **1.46** million cases
- Companies using accounts receivable settlement guarantees: **270,000** companies
- Settlement and guarantee business transaction volume: **1,830.0** billion yen
- Bank loan guarantees: **1.29** million cases
- Outstanding bank loan guarantee balance: **1,385.2** billion yen
- Auto leasing for individuals: **187,000** vehicles

Extensive network

- Member merchants: **910,000** entities
- Affiliated financial institutions: **553** institutions
- Business operators with their own ecosystems:
  - **AEON Financial Service Co., Ltd.** (business alliance formed in March 2024)
  - **Rakuten Group, Inc.** (business alliance concluded in November 2024)

Human Capital

Employees

- Consolidated: **9,032** people
- Non-consolidated: **5,412** people

Female manager ratio

- Senior Manager or above: **29.7**%
- General Manager equivalent positions: **11.3**%

KENKO Investment for Health 2025

Platinum Kurumin Plus-certified

Male childcare leave acquisition rate: **100**%

Finance/Sustainability

- JCR/R&I: **A+**
- MSCI: **A**
- CDP climate change score: The highest rating **A** List

Value Creation Process

Based on the Company's purpose, "Open the Future with You", we aim to create value beginning with the resolution of social issues. We hope to dramatically expand our business by refining our strengths in credit extension capabilities through the power of technology to create new solutions, and by leveraging our networks and ecosystems to provide unique solutions tailored to the needs of our customers, including individuals and SMEs.

Envisioned Society

A sustainable society in which everyone can realize a fulfilling life

Vision

Leading company creating new financial scenes with "Credit Extension X Technology"
—for our customers' smiles and a prosperous future

*Here, "X" carries a double meaning: innovation through the combination of the two elements, and transformation.

Environmental Changes Deeply Related to Our Business

- Anxieties about a cashless society due to an increase in fraudulent usage, among others
- Increasingly diverse customer values and lifestyles
- Increasingly strong need for diverse products and services
- Expansion of financial access for foreign nationals, elderly persons, among others
- Labor shortages faced by SMEs, among others, due to Japan's shrinking working-age population
- Deindustrialization of regional economies
- Environmental issues including climate change

Business Strategy | **Strengthening the Management Foundation**

Purpose Open the Future with You

Materiality (Value creation outcomes)

- Contributing to the realization of a safe, secure, and convenient cashless society for individuals and SMEs
- Creating new customer experiential value that captures the needs of each and every customer
- Contributing to the revitalization of local economies
- Contributing to the realization of a circular society and decarbonization

Sustainability KPI (FY2029)

- Delivering of value to our customers through installment payment services: **676.5 billion yen**
- Number of small and medium-sized companies that have expanded business opportunities: **Approx. 330,000 companies**
- Guarantees for business loans that support SMEs in the region: **47.7 billion yen**
- Contribution to the creation of a circular market through auto leasing for individuals: **70,000 vehicles**

WEB Other Sustainability KPIs

Management Targets

Five years from now (FY2029)

Ordinary profit **Over 50 billion yen** | ROE **12% or more**

Value Creation Story

Our Role in Japan's High-Growth Era, Our Origins, and Our Vision

The strength of our Company lies in **our ability of credit extension screening and collection**, which is a testament to our accumulated wisdom and trust, and **our ability to provide safe, secure, and convenient financial services** to a wide range of customers by combining these skills and know-how **with AI and other technologies**. Since our founding, we have leveraged our strong relationships of trust with member merchants and regional financial institutions to support consumer spending and contribute to Japan's economic growth. To date, we have a history of more than 70 years of helping many customers to realize fulfilling lives by meeting the retail financial needs of individuals. We believe that it is our social mission to continue to **provide products and services that are suited to the even more diverse range of consumers and scenes of consumption**.

Contributing to the Achievement of a Cashless Society

Today, technology has greatly advanced the diversification of payment methods and the use of cashless services. While the convenience of cashless services that enable convenient payments has enriched the busy lives of many people, **fraud and financial crimes have become a serious social problem**. As a retail financial services company, our most important management task is to enhance customer satisfaction by creating an environment in which customers can enjoy the benefits of cashless services safely and securely and use them more speedily and conveniently than ever before.

With the elimination of promissory notes and checks, there is **a growing social need for safe, secure, and convenient alternative means of payment**. In this environment, it is becoming more important than ever for small and medium-sized enterprises (SMEs), which account for 99% of Japanese companies, to solve issues such as going cashless, increasing sales, improving cash management, and improving operational efficiency. By combining the power of credit extension with technology, we will respond to these social issues and needs and **create a new financial scene**.

New Customer Experiential Value

As socioeconomic conditions become increasingly complex and people's personal values and lifestyles change, the need for a variety of products and services **to help customers build a life that is uniquely their own** is expected to increase even further. For example, we expect to see an increase in the number of people who value social and global sustainability in their daily consumption behavior, as well as those who value psychological connections with the things they like to do and see to color their lives, especially among Generation Z. In addition, with changes in the social structure, the attributes of customers are expected to diversify, including freelancers, foreign residents, the elderly, single-person households, and start-up businesses. As the needs and attributes of our customers continue to diversify, it is an important mission for us to **make financial services that support people's daily lives more convenient for everyone**, and it is also essential for enhancing the vitality of society as a whole. To this end, we will pursue further evolution with the power of technology based on our strengths in high credit extension capability, **anticipate changes in customer values and lifestyles**, and **pursue convenience and added value in our financial services**. We will also create new customer experiential value so that our customers can open the door to the future and **realize a higher grade of fulfilling life**.

Reasons for Environmental Initiatives and Future Generations

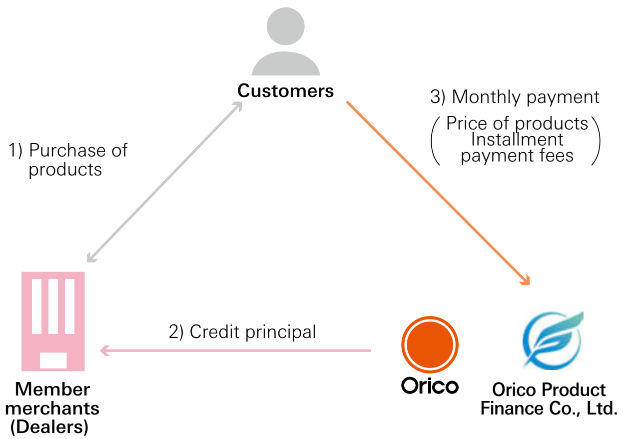
As climate change and other environmental issues escalate in severity these days, we recognize that **contributing to the realization of a sustainable economy** is an important social responsibility for our Company, which has a presence in markets such as second-hand and reuse. We will not only reduce the environmental impact of mobility and housing, but will also play a role in the transition to a circular economy and the promotion of ethical consumption, and work together with our business partners to realize a recycling-oriented society and decarbonization, and **pass on our society to future generations**.

Revenue Structure

*The indicated transactions are only examples, and they may differ from actual transactions.

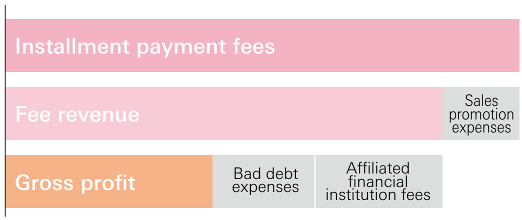
The Company leverages the credit extension capabilities it has cultivated over the years to provide various services in line with the needs of customers, including installment credit, credit cards, bank loan guarantees, accounts receivable settlement guarantees, and rent settlement guarantees. Note that, when customers use the Company's services, they generally apply through member merchants such as dealers, wholesalers, and distributors, as well as affiliated financial institutions and the like.

Auto loans and shopping credit

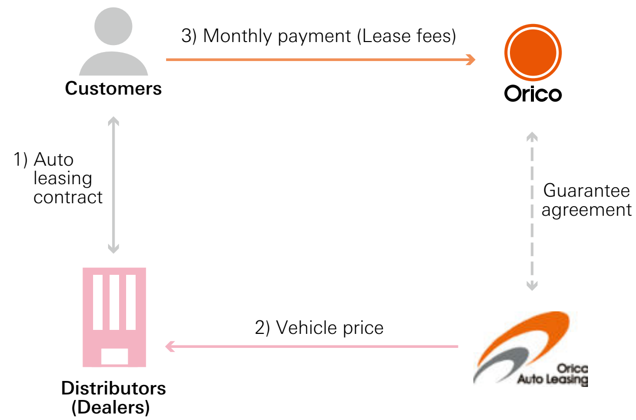


When customers utilize products or services such as vehicle purchases, housing-related items, or educational offerings, they submit applications through affiliated merchants and enter into individual contracts for each transaction.
The Company and Orico Product Finance Co., Ltd. provide advance payment for goods and services to member merchants in a lump sum, while customers repay in monthly installments. The installment fees and other charges from these repayments constitute revenue for the Group.

Example Revenue

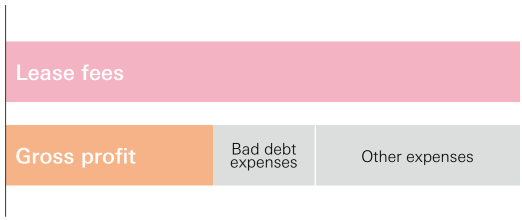


Auto leasing

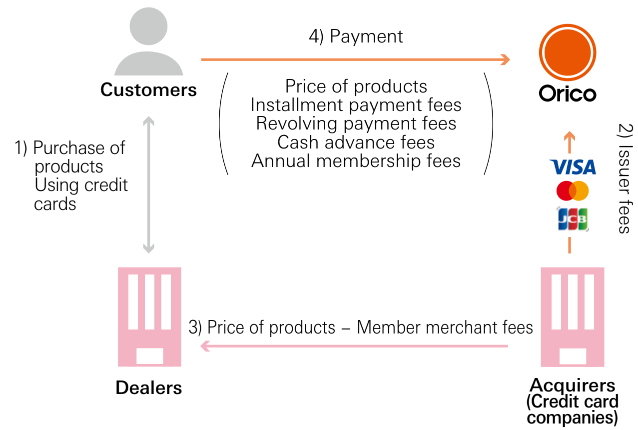


Under this borrowing and lending scheme, vehicles that customers want are purchased by Orico Auto Leasing Co., Ltd. (called "OAL" below), and various registration costs, taxes, compulsory automobile liability insurance premiums, and the like are handled by paying fixed monthly fees for a fixed period. Of the lease fees repaid by customers, the resulting guarantee fees serve as the Group's revenue. Note that the vehicle price and all other relevant amounts are paid as a lump sum to distributors by OAL.

Example Revenue

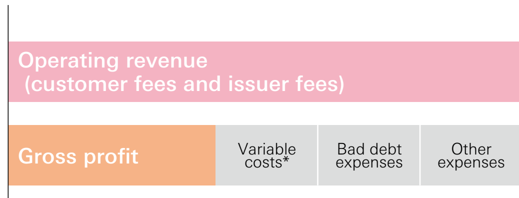


Credit cards



This is a scheme where customers pay for purchased goods and services later within their credit limit.
Membership fees, such as installment or revolving payment fees for card shopping, annual card fees, cash advance fees, and issuer fees, constitute our revenue.

Example Revenue

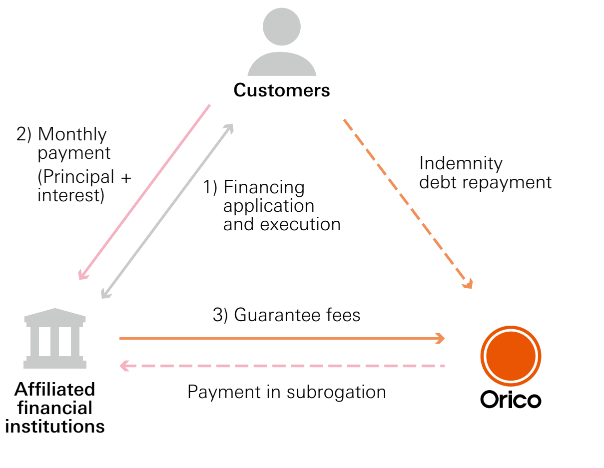


*Point costs, among others, proportional to the transaction volume

Revenue Structure

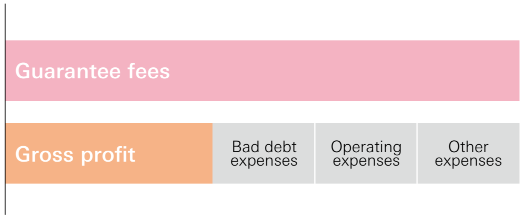
*The indicated transactions are only examples, and they may differ from actual transactions.

Bank loan guarantees

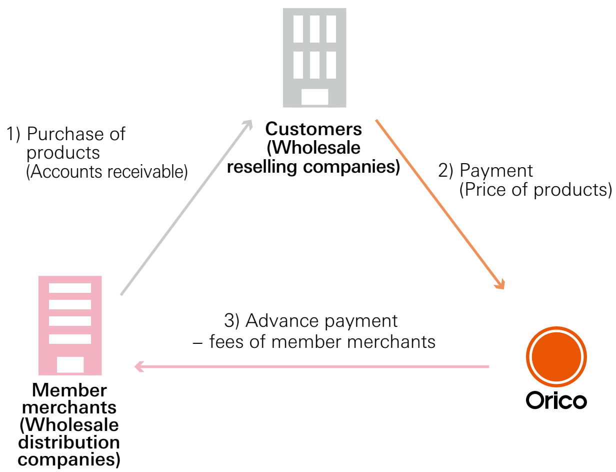


Under this scheme, when customers receive financing from financial institutions, the Company jointly guarantees that debt and, in the unlikely scenario that the customers cannot make their payments, the Company pays the remaining debt in subrogation as a lump sum to financial institutions instead of the customers.
The guarantee amount or remaining debt is multiplied by a fixed rate to calculate the guarantee fees, and these serve as the Company's revenue.

Example Revenue

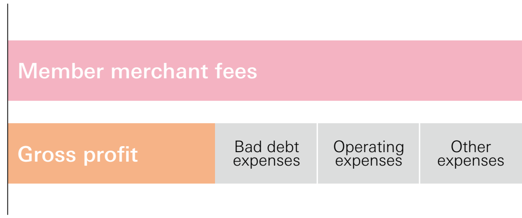


Accounts receivable settlement guarantees

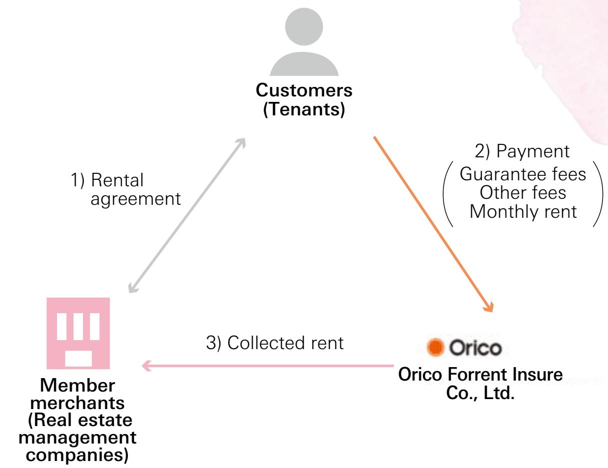


Under this scheme, the Group handles settlements and guarantees related to accounts receivable, among others, of participating wholesale distribution companies for corporate and individual-business-owner customers who are wholesale resellers. The Company collects fees from advance payments made to the participating wholesale distribution companies, and these fees serve as the Company's revenue.

Example Revenue

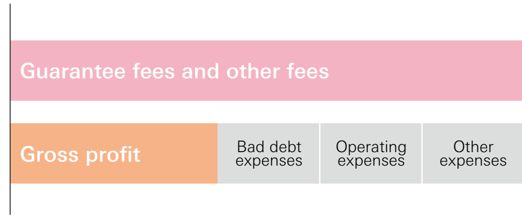


Rent settlement guarantees



Under this scheme, there is no need to search for rent guarantors, with Orico Forrent Insure Co., Ltd. (called "OFI" below) acting as the joint guarantor instead.
The guarantee fees and other fees that customers pay to OFI serve as revenue.

Example Revenue



How We Materialize the Goals

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Medium-Term Management Plan

Overview of Previous Medium-Term Management Plan—FY2022 to FY2024

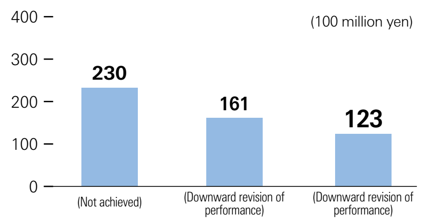
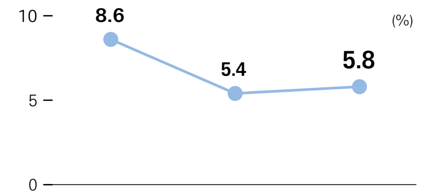
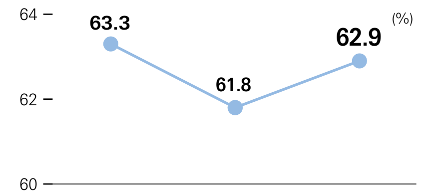
Where We Were in FY2024

In the previous management plan, we set the following goals: to depart from the conventional credit sales model, create value from the customer's perspective, and enhance our social contribution and corporate value through the perspectives of Green, Digital, and Open Innovation.

Management Targets

Ordinary profit	ROE	Ratio of general expenses to operating revenue
40 billion yen or more	10% or more	Less than 60%

Performance

	FY2022 / FY2023 / FY2024	Evaluation
Ordinary profit		Not achieved
ROE		Not achieved
Ratio of general expenses to operating revenue		Not achieved

Under the previous Medium-Term Management Plan, we fell far short of achieving our initial management targets due to the major effects of rising interest rates, coupled with increased bad debt expenses in our overseas business and the incomplete progress of business structural reforms aimed at pursuing a departure from our conventional credit sales model.
However, we obtained a certain level of results in the form of progress in our collaborations and alliances with major business operators that have their own ecosystems, the enhancement of our governance structure, and the stabilization of our fund raising base through improved external credit ratings.

Main Initiatives	Evaluation
Rebuilding our business portfolio While progress has been attained in making the business structure more transparent, harvesting the full benefits of the business restructuring—which began with the installment credit business—has been postponed to the next fiscal year and beyond.	Not achieved
New initiatives based on the perspectives of Green, Digital, and Open Innovation We released products and services that help to resolve social issues, including not only digital cards and digital installment payments, but also the Akikatsu Loan service and the Orico Business Payment for SMEs (OBS) settlement service for transactions between business operators.	Only partially achieved
Alliances and partnerships with major business operators that have their own ecosystems, in addition to our collaboration with Mizuho Bank, Ltd. We made progress on alliances with major business operators that have their own ecosystems, such as AEON Financial Service Co., Ltd., Rakuten Group, Inc., among others. In the future, we will use these expansive ecosystems as stepping stones to expand our business foundation.	Achieved
Departure from the conventional credit sales model Although we made some progress, such as encouraging installment credit users to register as e-Orico members, we urgently need to shift from the current model to a truly customer-centric business model.	Not achieved
Strengthening the management foundation •In June 2022, we transitioned to a company with an Audit and Supervisory Committee and increased the ratio of Outside Directors on our Board of Directors to at least one-third. •We formulated a new Corporate Philosophy, transitioned to a new personnel system, and launched a human resources strategy aimed at continuous growth, including job posting. •We positioned sustainability as a top-level management theme and strengthened related initiatives. We were selected for CDP's A List, the highest rating, in the climate change category, and were also included in the FTSE4Good Index Series as well as five ESG indexes adopted by the Government Pension Investment Fund (GPIF).	Achieved
Stabilization of our fund raising base through improved external credit ratings •Our external credit ratings from JCR and R&I were raised to A+. •We made progress in strengthening our foundation through the establishment of new capital policies and financial discipline.	Achieved

Message from Head of Corporate Strategy Group

Introduction

During the period covered by our previous Medium-Term Management Plan, we fell short of our management targets and were forced to revise our ordinary profit targets downward for the last two fiscal years. As management, we consider this matter to be of the utmost importance. Major factors included delays in achieving business structural reforms, which prevented us from halting the decline in profitability; delays in taking measures to address the rapid increase in delinquent loans at our overseas subsidiaries, which resulted in higher bad debt-related expenses; and increased financial expenses due to higher market interest rates.

Meanwhile, we steadily promoted initiatives to strengthen our management foundation, including human capital management and sustainability, and we have seen progress on initiatives aimed at creating business, including digital installment payments, Akikatsu Loans, and other efforts to discover seeds of new growth. Going forward, it will be necessary for us to increase our ability to promote and execute strategies and to rapidly respond to environmental changes. We consider our top priority to be further strengthening the business foundation we built during the above period in order to realize sustainable growth.

Regarding the Formulation of Our New Medium-Term Management Plan

We formulated our new Medium-Term Management Plan under the guidance of Mr. Umemiya, our new President, while keeping in mind how to fully utilize the foundation established under the previous Medium-Term Management Plan. First, in the new Medium-Term Management Plan, we have significantly revised the processes and organizational structure from the planning phase to enhance strategic execution and driving force.

We also had each division and group imagine what the world would be like 10 years from now in terms of their business fields and draw up a vision. In other words, instead of a top-down approach, our plan was to have divisions and groups proactively participate starting at the initial formulation stage, think on their own, and commit themselves. Subsequently, we held repeated discussions at the management level while incorporating the opinions of multiple outside experts and taking other steps to refine and ultimately finalize our Medium-Term Management Plan.

In addition, based on the opinion that it is difficult to determine whose and which issues we are trying to resolve and what kind of social value we are creating, we came up with a 10-year vision and envisioned society based on the Group's strengths, and we revised our materiality and wrote a value creation story. Believing that creating value by leveraging our Group's competitive advantages and strengths lies in meeting the financial needs of our customers—including individual consumers, SMEs, and individual business owners—we have clarified the core of our strategy along customer-centric and market-centric axes, such as our Consumer Client Strategy, Corporate Client Strategy, and Circular Economy approach.

Thoughts Behind "Credit Extension X Technology"

To formulate our new Medium-Term Management Plan through the above process, we assumed the following 10-year vision: to become a leading company creating new financial scenes with "Credit Extension X Technology"—for our customers' smiles and a prosperous future. We will utilize the power of AI and other technologies to further refine our credit extension capabilities—credit extension, collection, and operations—which are a testament to the wisdom and trust we have accumulated over the last 70 years, to create new social value through our financial business. The above vision embodies our strong drive to transform into a financial group that will be continuously chosen by our customers.

Our Group's use of technology for credit extensions began as early as around 1990. At that time, we launched a scoring model to quantify creditworthiness based on customer attributes and our own usage history and began accumulating credit extension data. In the 2000s, we improved our scoring model by incorporating information from external credit extension agencies, and, in the 2010s, we introduced DataRobot ahead of other companies, which enabled us to establish a more accurate credit extension model. In this way, we have a history of continuously refining our credit extension capabilities, which are one of our major strengths, through constant efforts, and we will continue working to increase the sophistication of this strength to ensure that it keeps differentiating us from our competitors by fully utilizing generative AI and other cutting-edge technology.

To reliably achieve our 10-year vision, we have set "establishing a unique financial model of Orico" as our goal in five years. The reason is that we recognize it is important to establish the core business fields of our Group in the market where growth is expected going forward, as a stepping stone towards the 10-year vision.

We will continue to fully utilize the Group's strengths to stay closely in tune with the needs of our customers, take genuine care of them, and lead with enthusiasm. To this end, we will aim to be a financial group that can serve as a trusted partner.

Medium-Term Management Plan

Materiality

In response to increasingly strong societal demands regarding sustainability, we engaged in discussions with internal and outside experts, as well as deliberations by management and the Board of Directors, and identified our materialities, which are important topics to be addressed as a priority. Based on the materialities identified, we developed our new Medium-Term Management Plan. We will continue to promote the creation of social value through our business and realize business growth that contributes to addressing social issues.

Materiality Identification Process

STEP 1

Understand social issues

Gain a comprehensive understanding of social issues based on market changes and megatrends, financial needs resulting from environmental changes and social issues, and international frameworks for SDGs, ESG evaluation items, among others

STEP 2

Identify relevant social issues

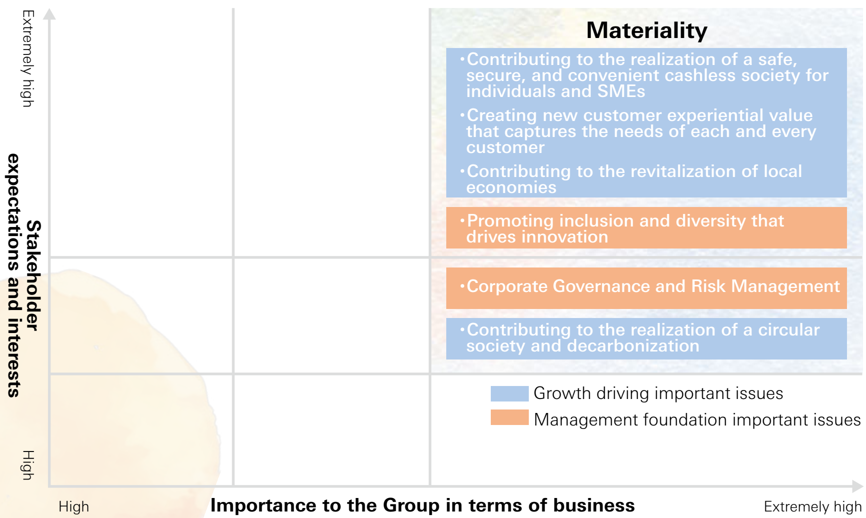
Identify social issues that are closely related to the Company's business based on their relevance to our Corporate Philosophy and the Group's core business, business risks and opportunities, and management impact value

STEP 3

Engage in dialogues with stakeholders and identify important issues

After multiple discussions with outside experts as well as discussions between management and at the Board of Directors level, identify and prioritize materialities in terms of their importance to society and to the Company.

■ Materiality Map



Reasons for Identification as Materialities

	Materiality	Reasons for Identification
1	Contributing to the realization of a safe, secure, and convenient cashless society for individuals and SMEs	The increase in and growing sophistication of fraud in line with the advancement of cashless transactions is an important social issue. The field of SME DX support (B2B payments, accounts receivable settlement guarantees, among others) is also an initiative that can help solve social issues such as labor shortages, and we judge it to be extremely important for achieving both corporate value and social value.
2	Creating new customer experiential value that captures the needs of each and every customer	Over the next 10 years, the attributes, lifestyles, and values of customers are expected to further diversify, and there is demand that we contribute in fields such as installment payments and settlement guarantees. We have judged that providing new financial services that anticipate diverse needs is particularly important for the vitality of not only our Company but also society as a whole.
3	Contributing to the revitalization of local economies	The revitalization of local economies is important for the maintenance of the business fields of our Group and our business partners, including alliance partner financial institutions. We believe that providing smooth financing to local individuals and SMEs in cooperation with business partners and contributing to the expansion of sales channels and the resolution of labor shortages are indispensable for achieving our Envisioned Society.
4	Contributing to the realization of a circular society and decarbonization	With our presence in the second-hand and reuse markets, we believe that stakeholders have high expectations for us to realize a circular society through our business. Providing new services that anticipate the shift in values from ownership to usage is also important from a business perspective.
5	Promoting inclusion and diversity that drives innovation	We position inclusion as the source of innovation. We aspire to become an organization in which executives and employees with diverse attributes, backgrounds, and strengths can collaborate with a variety of external stakeholders and proactively take on challenges and innovate. We position this as a prerequisite for strengthening our management foundation as well as for business success.
6	Corporate Governance and Risk Management	We believe that securing and solidifying our strength in credit extension capabilities (including assessment, operation, and collection), and strengthening governance, including enhancing Group management, are important issues and prerequisites for business success.

WEB Sustainability KPIs

Medium-Term Management Plan

Growth Story Informed by Dialogue with Outside Experts

When formulating the Group's new Medium-Term Management Plan, we obtained the following opinions from outside experts and others to ensure objectivity regarding our previous plan, including past materialities and value creation flow.
Based on these opinions, under the new Medium-Term Management Plan, the Group decided to emphasize its credit extension—the source of its competitive advantage deepened over 70 years—and to focus on utilizing the Group's strengths to respond to financial needs that are closely related to the social issues faced by both individual and corporate customers. Note that we also separately reported on our growth strategy under the new plan to the outside experts and others from whom we had received opinions. They provided feedback suggesting that the new plan was easier to understand than the previous one and that they look forward to Orico's unique financial model going forward.

Opinions from Outside Experts and Others on the Previous Medium-Term Management Plan

Something seems off about Orico's please-everyone policy strategy and its decision to focus on its overseas business, which has a weak foundation. For example, although the Company seems to be pushing cashless business, suddenly focusing on Asia seems like it could be confusing from the perspective of investors.
If the Company's strengths lie in credit extension, collection, and operations, why not **focus on those fields**? By doing so, I think investors will be able to understand how Orico plans to earn money over the next 10 years.

Orico's strategy is based on products and businesses and does not seem to consider **the perspective of beneficiaries**. The Company's growth strategy also lacks specificity.
If a company clearly states whose needs it responds to and what kinds of needs when communicating its purpose of existence in society to internal and external parties, it becomes easier to determine whether the company is worth investing in.
For example, in Orico's case, I think it would be best to adopt a strategy that clearly specifies **whose financial needs they intend to satisfy, what kinds of needs these are, which strengths they will leverage, and what outcomes those stakeholders will be able to achieve as a result**.
To achieve a PBR of over 1.0x, it seems necessary for Orico to deliver **credit extension that leads to expectations of growth based on the Company's unique strengths**.
I therefore recommend that Orico consider what new criteria to adopt, and which types of individuals and companies to serve, in order to meet their financial needs in the future.

The Group's Response to Received Opinions

Under the new Medium-Term Management Plan, the Group is emphasizing its credit extension, the source of its competitive advantage deepened over 70 years.

Strengths of the Group P. 14

Under the new Medium-Term Management Plan, we are focusing on utilizing the Group's strengths to respond to financial needs that are closely related to the social issues faced by both individual and corporate customers.

- Value Creation Story P. 16
- Consumer Client Strategy P. 31—32
- Corporate Client Strategy P. 37—38
- Deepening Circular Economy Market P. 39—40

Medium-Term Management Plan

Overview of New Medium-Term Management Plan—FY2025 to FY2029

We have positioned the prompt restoration of our PBR of over 1.0x as a top-priority management issue, and we will steadily implement strategies and measures aimed at achieving our management targets while also pursuing corporate management conscious of stock price.

We have divided our five-year plan into two phases. During the first three years, we will promptly complete the business structural reforms we have worked on so far to establish a business foundation that offers us a competitive advantage. During the last two years, we will work on reaping the rewards of our efforts. To achieve this, we will formulate business strategies that start with resolving our materialities and strengthen our management foundation as we strive to be a company that continues to be chosen by customers.

Our Envisioned Society in 10 Years

A sustainable society in which everyone can realize a fulfilling life

Our 10-Year Vision

Leading company creating new financial scenes with "Credit Extension X Technology"

—for our customers' smiles and a prosperous future

FY2028 to FY2029

Expand our market share and accelerate our acquisition of revenue in fields where we have a competitive advantage

Our Goals in 5 Years

Establishing a Unique Financial Model of Orico

FY2025 to FY2027

Establish a business foundation that offers us a competitive advantage

Promptly complete business structural reforms, free up managerial resources, and shift to growth fields

Business Strategy

- Completion of Business Structural Reforms P. 30
- Strengthen Engagement with Customers by Providing New Experiential Value —Consumer Client Strategy P. 31
- Grant Credit for and Support Productivity Improvement of SMEs —Corporate Client Strategy P. 37
- Deepening Circular Economy Market P. 39

Strengthening the Management Foundation

- Corporate Cultural Reform to Become a "Leading Company Creating New Financial Scenes" P. 43
- DX/Full-Scale Expansion of Digital and AI Utilization P. 48
- Further Evolution of Human Capital Management and Human Resources Strategy, and Reform of Work Styles P. 50
- Upgrading Corporate Governance, Risk Management, and ALM P. 60

		FY2027	FY2029
Management Targets	Ordinary profit	Over 25 billion yen	Over 50 billion yen
	ROE	7.5% or more	12% or more
	Ratio of general expenses to operating revenue	Less than 60%	Low 50s percent

Medium-Term Management Plan

Message from Head of Finance Group

Kazuaki Baba

Representative Director and Managing Executive Officer
Head of Finance Group

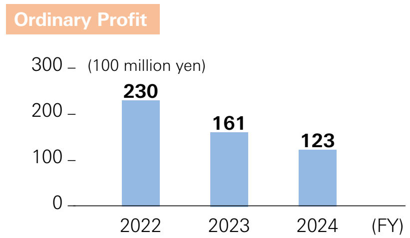
Our Aspirations for the New Medium-Term Management Plan

Regarding the previous Medium-Term Management Plan, we fell short of all management targets: ordinary profit, ROE, or ratio of general expenses to operating revenue. External factors certainly played a role, including rising market interest rates since 2022 and the impact of the COVID-19 pandemic. However, it is undeniable that we were slow to implement fundamental measures to accelerate growth while adapting to these external changes.
For over ten years, we have had no choice but to invest a lot of managerial resources in resolving urgent issues, including responding to revisions to the Money Lending Business Act and Installment Sales Act, dealing with the problem of claims for refund of overpayment, replacing mission-critical systems, and redeeming preferred shares. As stated in the opening top message, our efforts to sophisticate business portfolio management and ALM operations, as well as to strengthen investor relations, are still in progress and are still ongoing challenges.
Being the Head of the Finance Group, I am keenly aware that my role involves leading the Company's financial strategy to support sustainable growth while playing a crucial part in enhancing corporate value. I served as Head of Business Promotion Division until March 2025, earlier in my career having been responsible for finance, corporate planning, and overseas business. Leveraging my experiences, I am determined to bring about comprehensive reform across the entire Company.
We will steadily execute strategies and measures to achieve the management targets set forth in our new Medium-Term Management Plan. By practicing management conscious of stock price, we will take measures to restore a PBR above 1.0x as quickly as possible. In terms of promoting strategies and measures under our new Medium-Term Management Plan, during the first three years, we will strive to promptly implement business structural reforms to establish a business foundation that offers us a competitive advantage, and, during the latter two years, we will take steps to accelerate the expansion of our market share and securing of revenue to achieve our management targets as soon as possible.

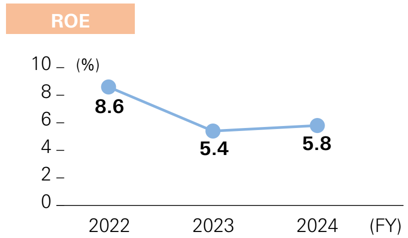
Current Situation

Regarding the economic outlook, there are concerns that rising prices could dampen consumer sentiment and affect personal consumption. Furthermore, the impact of the U.S. tariff hikes on the economies of various countries is a factor of anxiety, and the situation remains unclear. Close attention must be paid to fluctuations in financial markets both domestically and internationally.
Amid challenging business conditions, operating revenue increased in fiscal year 2024, the final year of the previous Medium-Term Management Plan. However, on a non-consolidated basis for Orico alone, revenue decreased by 4.2 billion yen compared to the same period last year. Major factors included the impact of three companies newly consolidated as subsidiaries: Orico Auto Leasing, Orico Business Leasing, and Orico Product Finance. Furthermore, operating expenses increased by 3.2 billion yen compared to the same period last year due to the impact of increased bad debt expenses in overseas businesses which were positioned as key markets. Additionally, amid the headwinds of declining profitability caused by delays in business structural reforms and rising interest rates, ordinary profit decreased by 7.5 billion yen compared to the same period in the previous year.
As mentioned above, in the previous Medium-Term Management Plan, the management targets such as ordinary profit, ROE, and the ratio of general expenses to operating

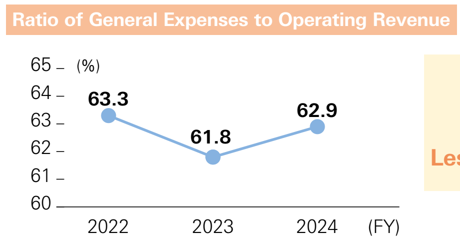
■ Results of the Previous Medium-Term Management Plan



Final fiscal year goal (FY2024)
40 billion yen or more



Final fiscal year goal (FY2024)
10% or more



Final fiscal year goal (FY2024)
Less than 60%

Medium-Term Management Plan

Message from Head of Finance Group

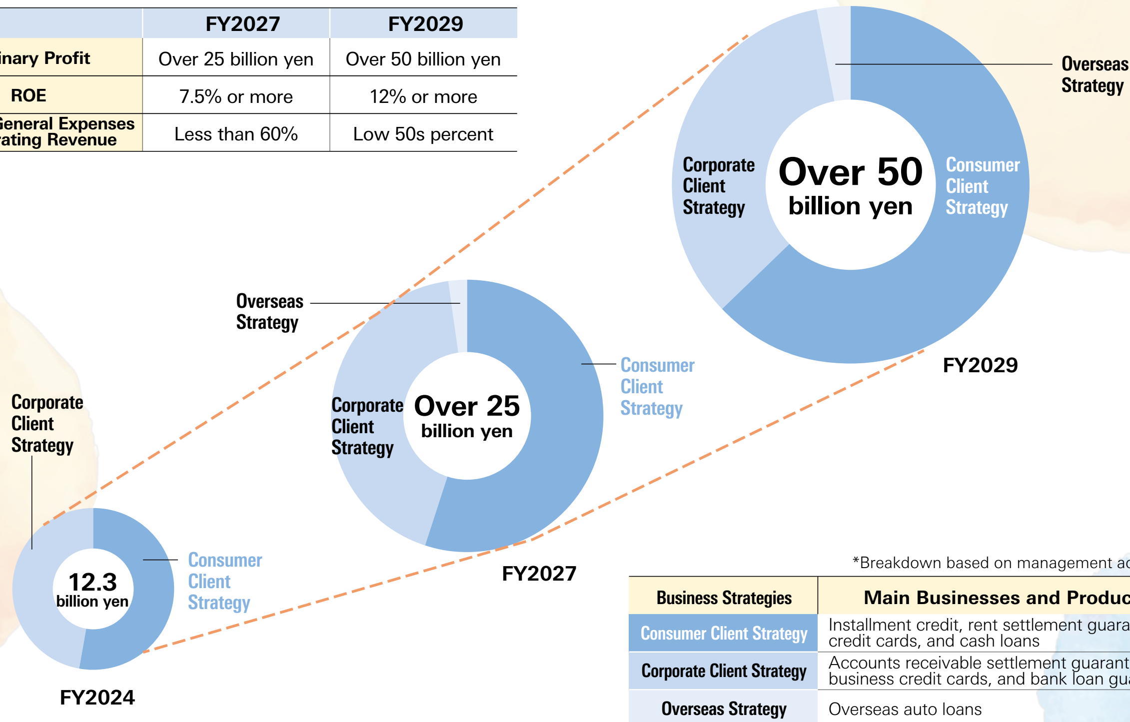
revenue were all unachieved. We, as the management, take very seriously the fact that in the recent two fiscal years we were forced to revise down our performance projection. At the same time, there has been progress in financial discipline, with external credit ratings rising to A+, which we believe has contributed to the stabilization of our funding base. In addition, to meet the continued listing criteria of the TSE's Prime Market, we engaged in repeated dialogues with major shareholders and successfully achieved the tradable share ratio of tradable shares of at least 35% or higher, thereby satisfying all the continued listing criteria.

Financial Goals of Our New Medium-Term Management Plan

Under the new five-year Medium-Term Management Plan announced in May 2025, we have set management targets for the final fiscal year, including ordinary profit over 50 billion yen, an ROE of at least 12%, and a ratio of general expenses to operating revenue of low 50s percent. The new plan, covering a five-year period with an ordinary profit target set at over 50 billion yen, reflects our concern about the current situation where our PBR is below 1.0x.
However, based on our current situation, it appears that the market valuation does not reflect any level of confidence in our profit growth over the medium to long term.
The management targets in our new Medium-Term Management Plan may appear somewhat ambitious; however, if we steadily implement our business strategy, we expect to achieve ordinary profit of over 50 billion yen and to recover our PBR to above 1.0x.
Specifically, the installment credit business, which is the top priority in our business structure reforms, will be transformed into a leaner business model including Orico Product Finance. This will be achieved by shifting low-margin small-amount installment payments to digital installment payments, reviewing our sales structure, withdrawing from unprofitable clients, increasing administrative efficiency, and reducing expenses.
In addition, regarding our overseas business, we will reduce the scale of operations, pursue comprehensive cost-reduction measures for restructuring, and aim to establish a profitable business structure.
Regarding our growth strategy, we will steadily implement our strategies in high-priority fields, including digital installment payments and auto leases (under Consumer Client Strategy), as well as business credit cards and accounts receivable settlement guarantees (under Corporate Client Strategy). Through these efforts, based on our operating revenue compared to fiscal year 2024, we aim to achieve an increase of over 75 billion yen under Consumer Client Strategy (including over 25 billion yen from digital installment payments and over 10 billion yen from the circular economy strategy), and an increase of over 20 billion yen under Corporate Client Strategy, in order to achieve an ordinary profit of over 50 billion yen, which is one of our management targets.
Moreover, fiscal year 2025, as the first year of our Medium-Term Management Plan, is particularly important for reinforcing the foundation of the plan. Although our current plan is to achieve ordinary profit of 12 billion yen, which is lower than last year, we are pursuing initiatives such as expanding the number of member stores offering digital installment payments, improving convenience, and developing platforms for the corporate market.
While some results may take a little longer to materialize, we intend to make steady progress on our strategies this year, looking ahead to our five-year goals.

Management Targets

	FY2027	FY2029
Ordinary Profit	Over 25 billion yen	Over 50 billion yen
ROE	7.5% or more	12% or more
Ratio of General Expenses to Operating Revenue	Less than 60%	Low 50s percent



*Breakdown based on management accounting

Business Strategies	Main Businesses and Products
Consumer Client Strategy	Installment credit, rent settlement guarantees, credit cards, and cash loans
Corporate Client Strategy	Accounts receivable settlement guarantees, business credit cards, and bank loan guarantees
Overseas Strategy	Overseas auto loans

Medium-Term Management Plan

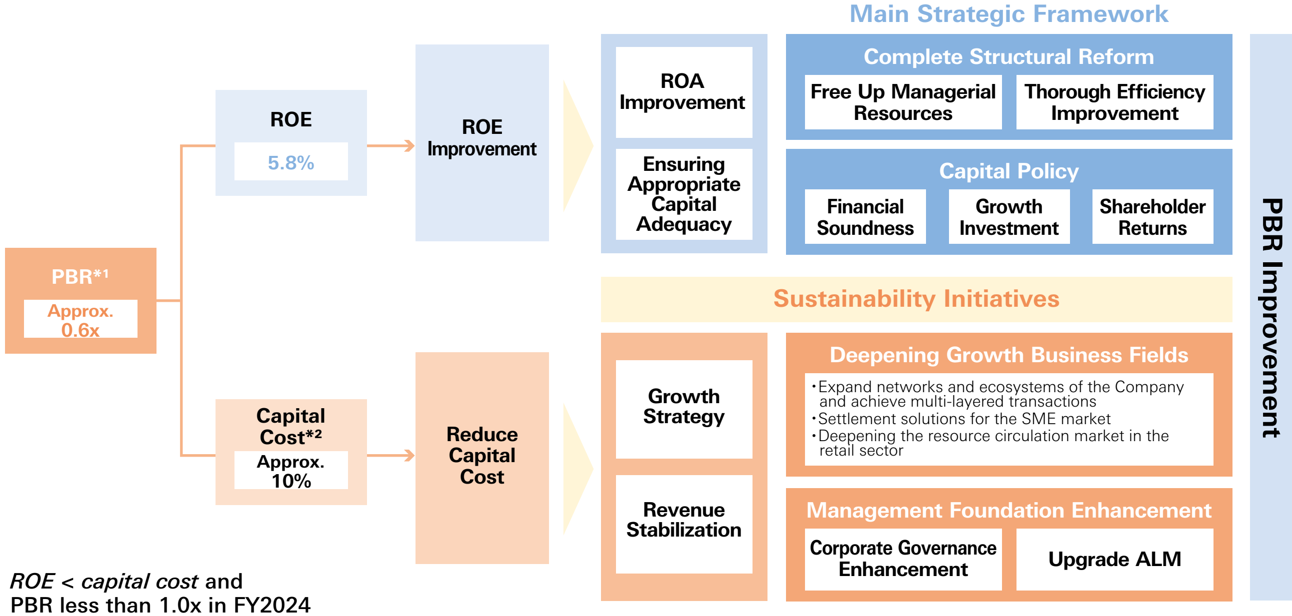
Message from Head of Finance Group

Towards the Implementation of Management That Is Conscious of Cost of Capital and Stock Price

Our PBR has remained below 1.0x, and our TSR also falls below 100%. Given these market assessments of our Company, we are gravely concerned and have positioned the early recovery of PBR above 1.0x as our most critical management priority. The persistent PBR of less than 1.0x stems not only from our failure to meet targets but also, we believe, from a lack of dialogue with capital markets.
In light of these challenges, our new Medium-Term Management Plan outlines business strategies and a profitability roadmap aimed at restoring our PBR above 1.0x. To this end, we will pursue improvements from both the perspectives of improving ROE and reducing the cost of capital.
First, to improve ROE, we recognize that improving ROA and securing an appropriate level of equity capital are essential.
As a consumer credit company, building up a certain level of assets is unavoidable, making the improvement of ROA paramount. The key lies not merely in pursuing profits, but in how efficiently we manage our operations.
As described above, in order to increase the efficiency of our assets, we must implement business structural reforms in order to achieve a profitable structure. Specifically, we must actively invest the managerial resources freed up by the reforms in each strategy specified under our new Medium-Term Management Plan, replace our business portfolio, strive to redistribute resources and expand our profits in markets where we have a competitive advantage.
Regarding optimal capital adequacy, we will aim for capital management that balances investment for sustainable growth with shareholder returns, while maintaining financial soundness by considering the balance between equity and debt on the premise of securing stable funding.

P. 30 See our business portfolio outlook.

■ Initiatives to Achieve a PBR of over 1.0x



*1. Stock price as of the end of FY2024 = 790 yen
*2. Capital cost in the broad sense = CAPM - expected growth rate
(reciprocal of the expected PER of approx. 10.0x) Approx. 5.0% Approx. -5.0%

Moving on to reducing capital costs, we intend to enhance expectations for our business as we execute our growth strategy, while also enhancing our management foundation and stabilizing earnings.
Currently, through partnerships with Mizuho Bank and AEON Financial Services, our network ecosystems are steadily expanding. As our customer base grows, we will enhance customer engagement for our Consumer Client Strategy by providing new experiential value from the customer's perspective and achieving multi-layered transactions. Furthermore, through the full-scale rollout of the digital installment payment app Waketara, we will enhance customer loyalty and engagement, aiming to become a company of choice while also pursuing revenue growth. To deepen the circular economy market, we will focus on leveraging our strengths in terms of auto leases for individuals to seize the shift from ownership to use as we explore the resource recycling market in the retail fields.
Our Corporate Client Strategy is to respond to the settlement needs of our member merchants, which are our business partners, and increase the sophistication of our corporate credit extension model to establish superiority in the accounts receivable settlement guarantee market and business credit card market, both of which are growth markets. To build a strong management foundation, it is important not only to strengthen corporate governance but also to comprehensively manage assets and liabilities and to upgrade ALM to suitably control risk.

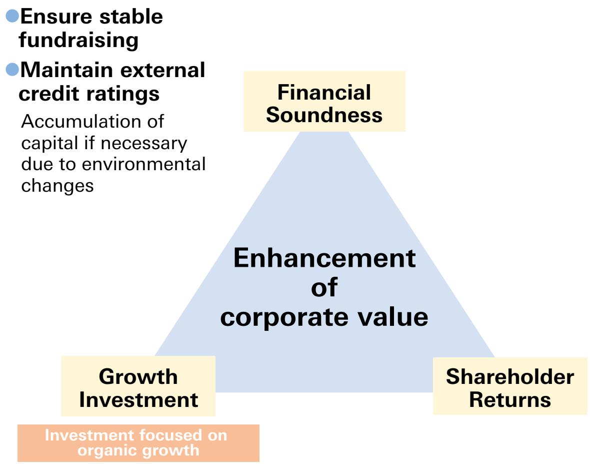
Medium-Term Management Plan

Message from Head of Finance Group

For a long time, we enjoyed the benefits of a “world without interest rates”. However, we have now entered a “world with interest rates” and, furthermore, a “world of fluctuating interest rates”. Market interest rate trends have become a significant variable that greatly impacts business management. We will continue striving to upgrade ALM as part of our efforts to restore our PBR to a value over 1.0x.
Due to the nature of the non-bank business model, our balance sheet possesses a unique risk profile distinct from regulated financial institutions such as banks. Quantifying interest rate risk and liquidity risk based on the characteristics of our specific assets and liabilities is therefore critical. By visualizing the impact these risks have on management, we aim to achieve optimal ALM operations that contribute to management stability. By making operations flexible and sophisticated—through hedging individual funding rates and implementing dynamic balance sheet hedging—we seek to capture the interest margin, or ALM revenue, arising from the duration mismatch between assets and liabilities.
Such initiatives aimed at restoring our PBR to a value greater than 1.0x are not only for improving our short-term financial indicators, but also for improving our sustainable corporate value in the medium to long term. These initiatives will be achieved through the understanding and action of each member of our management team and our employees. We will also advance efforts to ensure that the significance of these approaches permeates not only management but every single employee.

Capital Policy

Under our new Medium-Term Management Plan, our capital policy calls for the realization of an optimal balance between financial soundness, growth investment, and shareholder returns, and, in terms of shareholder returns, we assume the provision of dividends as our basic approach and have clearly stated our intention to provide progressive dividends.



Financial soundness

For non-banks, ensuring fundraising stability and reducing the cost of fundraising are extremely important, therefore maintaining or improving our credit rating is an important element of our financial policy. We conduct financial operations with the premise of maintaining and improving our credit rating. As a result of risk hedging centered on asset financing, which is fixed-rate funding, the fixed funding ratio has hovered around 75%, and the direct funding ratio has also remained at 64%.
The capital adequacy ratio stands at 8.3%, slightly above 8.0%. While we recognize the level as resilient to changes in the external environment, we anticipate the equity ratio could potentially decline by approximately 0.5% to 1% under certain stress scenarios. Considering this point, we also recognize the need for a certain level of capital accumulation.

Growth investment

In our new Medium-Term Management Plan, we will focus on capital efficiency, concentrating investments in strategic fields with high growth potential and prioritizing organic growth. Specifically, to improve ROE and market growth rates, we will allocate resources to each strategic pillar of the new plan: card services (digital installment payments), accounts receivable settlement guarantees, and auto leasing. We will also allocate resources to IT and human capital strategies to strengthen our foundation for improving profitability, including enhancing competitiveness, improving operational efficiency, and creating new business value.
We will carefully select and time our decisions regarding inorganic growth investments. We will consider capital utilization and strategic investments with appropriate discipline, aiming to build an optimal business portfolio and work toward sustainable growth and enhanced corporate value.

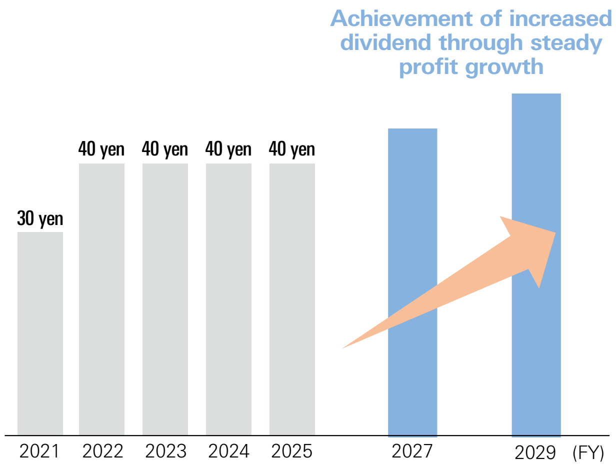
Shareholder returns

To handle shareholder returns during the period covered by our new Medium-Term Management Plan, instead of stock repurchasing, we will prioritize dividend-based returns.
We have decided on a dividend policy that is based on progressive dividends, and we will aim for a consolidated dividend payout ratio of 30% to 40%.
Up until now, in addition to improving our corporate value, we have positioned the appropriate return of profits to our shareholders as one of our key management priorities. Ever since we resumed the provision of dividends in fiscal year 2016, we have not reduced dividends and have strived to provide consistent and ongoing dividends.
We have introduced progressive dividends in an effort to further clarify our intention to return profit to shareholders who hold shares of the Company over the long term and to make clear our intention to increase dividends by achieving steady profit growth.
In terms of dividend payout ratio, because we plan to pursue balanced capital management in accordance with the situation, we have left ourselves some leeway and intend to handle this flexibly.
We have disclosed a dividend forecast of 40 yen for fiscal year 2025, which remains unchanged. However, we will pursue steady profit growth while executing the strategies

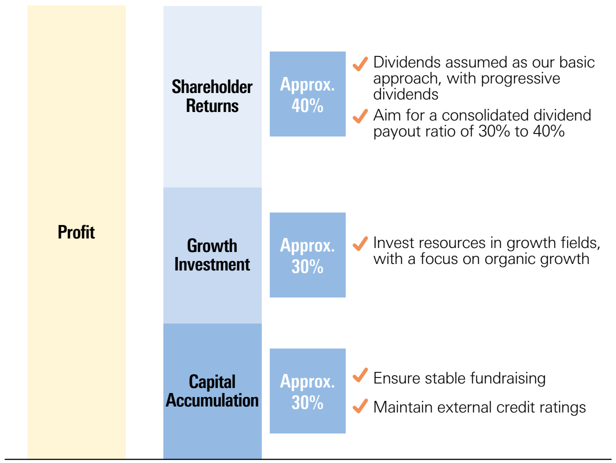
Medium-Term Management Plan

Message from Head of Finance Group

outlined in our new Medium-Term Management Plan, aiming to increase dividends during the plan period.



■ Capital Allocation During the Period Covered by Our New Medium-Term Management Plan



To Our Valued Stakeholders

Under our previous Medium-Term Management Plan, we initiated business portfolio management. With progress in visualization, including analysis and evaluation based on risk and cost returns, we have raised awareness of business portfolio management. Throughout the formulation stage of the new Medium-Term Management Plan, we have repeatedly discussed the medium- to long-term direction of each business portfolio while setting a common ROE target. We will further advance the refinement of our business portfolio management to achieve an early recovery of PBR exceeding 1.0x.

Recently, we have been receiving an increasing number of requests from investors for more in-depth questions about individual businesses and for enhanced information disclosure. I believe that one important mission of the Head of the Finance Group is to engage in constructive dialogues with investors and other stakeholders, and it also seems important to accurately explain our strategies and the nature of our business to ensure that they are well understood.

We will naturally continue to disclose accurate information on our performance and strategies in a timely manner, but we will also consider opportunities for investors to engage in dialogues with not only Mr. Umemiya, our President, but also our Outside Directors. Management will work together to build open relationships with every stakeholder.

We intend to share the insights, learnings, and opinions gained through dialogue with all of you with the Board of Directors and management, and use them as reference for business operations, capital policies, and other matters. We will also make every effort to provide sufficient information so that our investors can gain a deeper understanding of our Company. We will be particularly mindful of proactively disclosing information on areas of high interest, and will continue to engage in two-way engagement, which will lead to sustainable growth and increased corporate value.

Additionally, to clarify our target groups beyond previous product-specific disclosures, we are now disclosing results categorized by Consumer and Corporate Client Strategies. We are still in the process of trial and error, but we will strive to create IR materials that are easier for our stakeholders to understand.

We would like to ask for the continued understanding and support of our stakeholders.

P. 75 Status of Dialogues with Shareholders and Investors

Business Strategy

Completion of Business Structural Reforms

Although we have made progress in visualizing the risk return, cost return, and other details of each of our business portfolios, we have not yet reached the level of boldly shifting managerial resources from fields to be scaled down, exited, or streamlined to growth fields, or of making major business portfolio changes. As the management environment surrounding the Group becomes increasingly challenging, including rising interest rates, we believe that establishing business portfolios that offer both stability and growth potential is an urgent issue.
More specifically, we will fundamentally review our installment credit business, credit card business, and overseas business, and increase operational efficiency to free up around 1,200 employees. Of these, around 300 will be shifted to growth fields that include digital installment payments, accounts receivable settlement guarantee, and auto leasing.

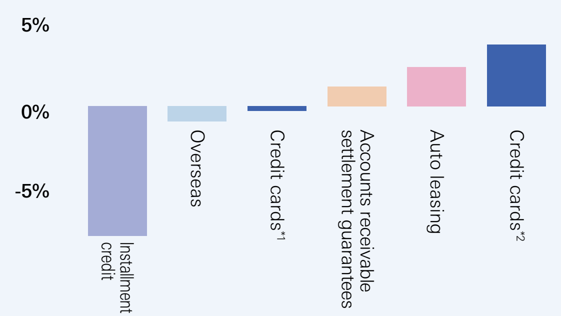
Free Up and Reallocate Managerial Resources

Personnel Reassignment

FY2024 total employees (consolidated):	9,032
Freed-up personnel:	(1,200)
Shift to growth fields:	300
Net reduction by FY2029 (including attrition):	(900)

	FY2024	FY2029
Number of Sales Offices (The Company + Orico Product Finance Co., Ltd.)	107	Reduced by half
Ratio of General Expenses to Operating Revenue	62.9%	Low 50s percent

Capital Reallocation (Shift in allocation share: FY2024 → FY2029)



*1. Excluding digital installment payments *2. Digital installment payments

Business Portfolio Direction (FY2029)

ROE: FY2029 forecast (based on ordinary profit)

Business Strategy

Strengthen Engagement with Customers by Providing New Experiential Value—Consumer Client Strategy

To create the new customer experiential value set forth in our materiality, the Company will use e-Orico* as a starting point to provide customers with new experiential value and increase their loyalty and engagement, with a view to becoming a company that continues to be chosen by customers. *A website for members

■Overall Consumer Client Strategy

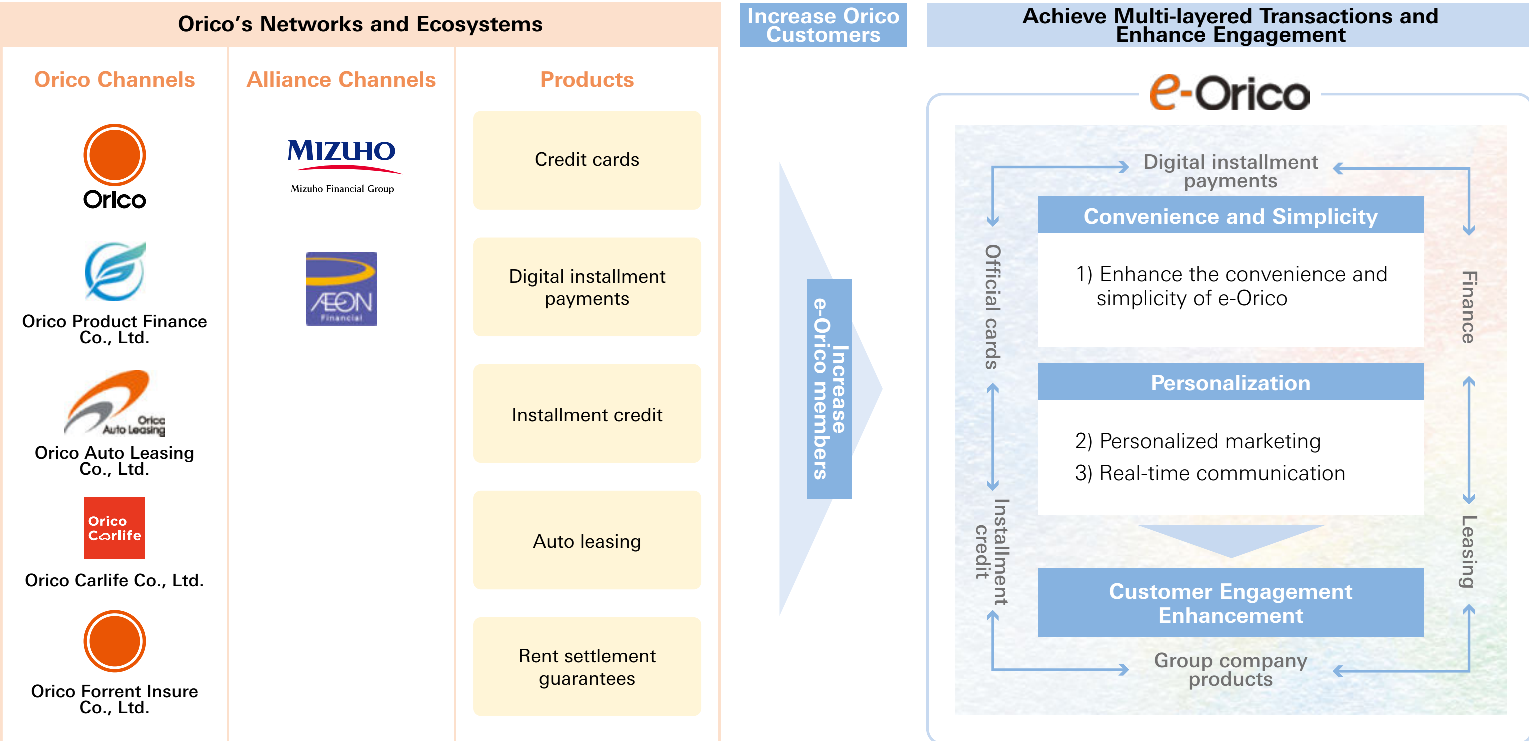
	FY2027	FY2029
Operating Revenue (compared to FY2024)	+41.0 billion yen	+76.0 billion yen

1. Expand Our Networks and Ecosystems

In addition to encouraging credit card holders to register as e-Orico members, we will also encourage installment credit users to do the same. Furthermore, in addition to collaboration with Group companies and Mizuho Bank, Ltd., we will leverage our alliances and partnerships with AEON Financial Service Co., Ltd., Rakuten Group, Inc., and other major business operators to expand our networks and ecosystems further, with the aim of expanding our e-Orico customer base. We will also aim to more effectively attract the young adult segment and other customers with high consumption propensity who are expected to generate high lifetime value (LTV), and to expand services for the increasing number of foreign residents.

2. Strengthen Customer Engagement

We will provide our e-Orico members, who have increased due to the expansion of our networks and ecosystems, with new experiential value from the perspective of our customers, while also striving to strengthen customer engagement through multi-layered transactions.



Flow for Enhancing Engagement

1) **Enhancement of the convenience and simplicity of e-Orico**
Use e-Orico to complete everything from the initial offer to application and use

2) **Personalized marketing**
Utilize the Company's customer data as a foundation to offer products optimized for individual customers

3) **Real-time communication**
Utilize marketing automation tools to offer products based on transaction data, behavioral predictions, among others

To become a leading company creating new financial scenes with "Credit Extension X Technology" in line with our 10-year vision under our new Medium-Term Management Plan, we will aim to continue to be chosen by our customers by further refining our credit extension, collection, and operations, including introducing risk-based pricing.

Business Strategy

Strengthen Engagement Through Digital Installment Payments

Full-Scale Deployment of Digital Installment Payments, Our New Product

We obtained feedback from customers and member merchants that, because using our shopping credit required an application procedure and assessment each time, they wished there were installment payment services that can be used even more simply and quickly.
To respond to this wish, in July 2023, we obtained certification as a Certified Comprehensive Credit Purchase Intermediary and began providing performance-based credit. As a result, we became one of the few companies in the industry that utilize AI-powered credit extension functions, thereby simplifying the application process and speeding up assessments. Thereafter, we released Orico Code settlement in September 2023 followed by our digital cards in March 2024. Later, we started offering digital installment payments, our new installment payment service combining these technologies and services.
Our digital installment payment services include the “Platform-type ‘Waketara’” model, which offers simple implementation for member merchants, and the “OEM-type” model, which customizes payment methods and usage for specific member merchants. After assessment completion, customers can use installment payments “immediately, anytime, and as often as needed” within their approved credit limit. We assume that digital installment payments can access a combined market with a scale of approximately 8 trillion yen that includes both the conventional shopping credit market of installment credit for low-priced goods and credit card installment payments including revolving payments. We will realize installment payment services that customers can use reliably and continuously to strengthen the new customer experiential value.
Going forward, we will combine our established credit extension capabilities with “performance-based credit” and “digital technology, including Orico Code settlement and digital cards”. In this way, we will continue to provide unique products and services tailored to our customers’ needs, striving to be the company continuously chosen by our customers.

Goal in Three to Five Years

	FY2027	FY2029
Active Membership in Digital Installment Payments	2.05 million	3.80 million
Number of Engaged Customers*1	280,000	430,000

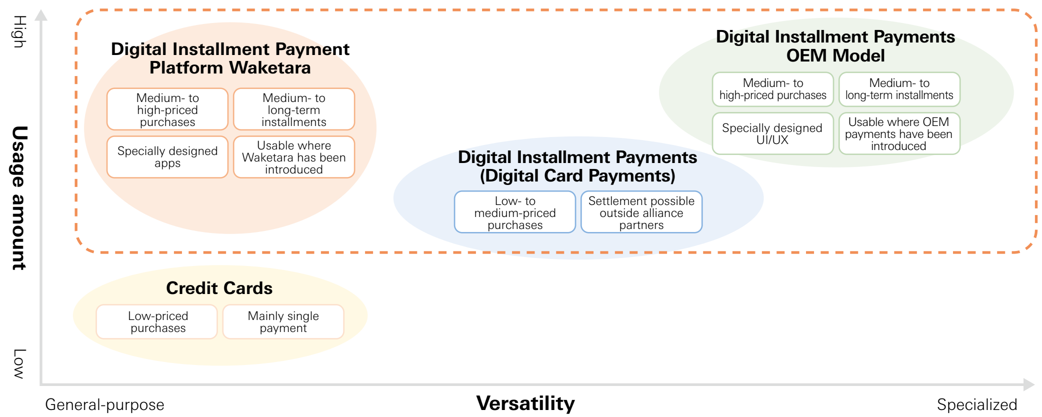
*1. Logs in to e-Orico at least once a month and uses two or more of our products

All Digital Installment Payments

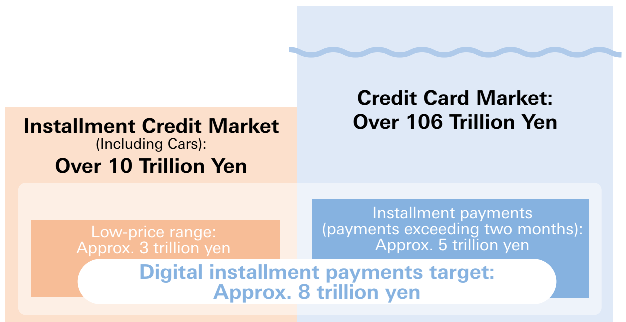
Operating Revenue*2 (compared to FY2024)	FY2027	FY2029
	+12.0 billion yen	+28.0 billion yen

*2. Figures included in our Consumer Client Strategy

Target Segment for Digital Installment Payments



Assumed Size of the Installment Payment Market (Annual / 2024)



Installment Credit Market

Issues
1. Applying is a hassle.
2. It is necessary to apply every time for an assessment when reusing services.

Installation payment

Solutions
1. Applying is simple.
2. The service can be used with a single tap if within the Waketara usage limit.

Credit Card Market

Issues
1. Long-term installment payments are not possible.
2. Installment interest rates are too high (generally a real annual rate of around 15% to 18%).

Installation payment

Solutions
1. Up to 99 payments.
2. Installment payments with preferential interest rates, among others, are available*.
*Number of payments and interest rate conditions are set by each member merchant.

Business Strategy

Feature: Waketara, Our Digital Installment Payment App

Waketara is a new **installment payment app** that can be used **simply and speedily.**

Waketara Usage Situations

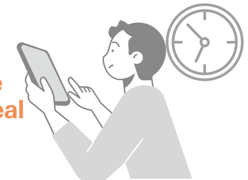
Unexpected expenses

Waketara can help reduce the burden on household budgets by, for example, enabling installment purchases of replacement home appliances if one suddenly breaks.

Expensive products

With Waketara, you can more easily buy expensive products, such as that bag you have always wanted.

Situations where you are too busy to deal with in-store procedures



The application procedure can be done even from home. After registering, you can use the app at stores by scanning the QR code from within the app and then entering the amount and number of payments. Similarly, on e-commerce websites, installment payments can be selected during the product purchasing procedure.

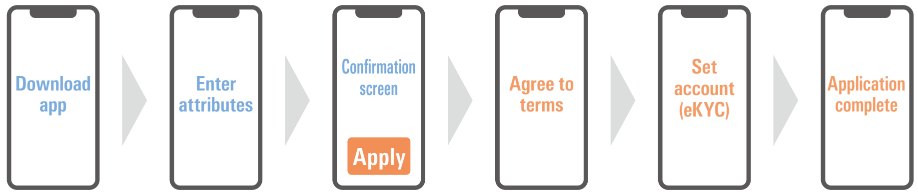
To download the official Waketara app, please go here: (Japanese only)

Download on the App Store

GET IT ON Google Play

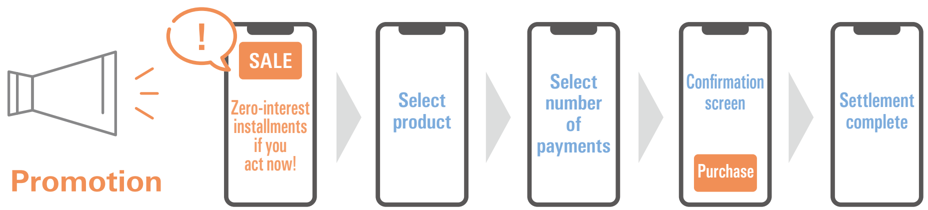
Waketara Features

Application Thanks to performance-based credit*1, the number of application items has been reduced to just 17. **5** Application: minutes



Assessment Credit extension available until midnight*2 (automatic credit extension) **90** Assessment: seconds

Use Starting with the second transaction, installment payments can be made with a single tap 24 hours a day, 365 days a year **0** Use: minutes

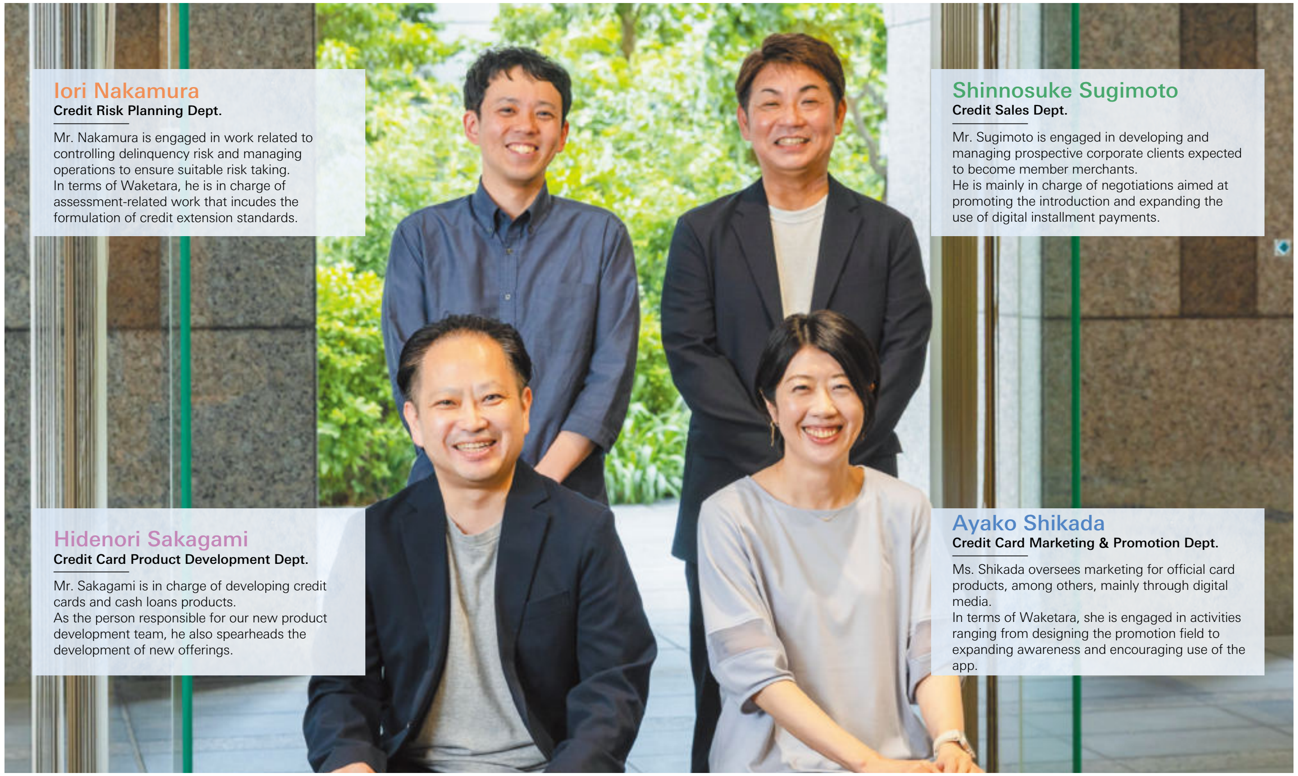


*1. A registration category approved under the Installment Sales Act. *2. Applications must be completed by 11:45 p.m.

WEB Waketara, Our Digital Installment Payment App (Japanese only)

Business Strategy

Feature: Waketara, Our Digital Installment Payment App—Waketara Roundtable Discussion



Becoming a Company Chosen by Customers Through Waketara, Our Digital Installment Payment App

Waketara[*1] is the first digital installment payment app ever released by a major credit card company to feature performance-based credit functionality.
We recently had the opportunity to talk to some of the employees involved in the development and operations of this service about the circumstances behind its development and the future outlook for the app.

*1. A digital installment payment-based platform that is easy for member merchants to introduce
*2. QR codes are a registered trademark of DENSO WAVE INCORPORATED.

—— Please give us an overview of Waketara and tell us about the circumstances behind its development.

Mr. Sakagami: In the last several years, the settlement industry has seen the development of various kinds of settlement infrastructure in addition to credit cards, including electronic money and QR code[*2] payments. In response to such changes in the business environment, we launched Orico Code settlement in September 2023, a service that enables QR code payments when using co-branded credit cards issued in collaboration with member merchants. Similarly, in March 2024, we started providing digital cards that enable customers to check their card information in a secure environment by utilizing our e-Orico membership website. Thus, we have been working to expand our digital settlement services. At the same time, instalment credit did not meet the needs of customers concerned about procedural burdens, and there are cumbersome procedure for member merchants to sell the products. Every time a product was bought, the customer had to fill out an application and go through a credit check. To resolve these issues, we considered how to go about applying our digital settlement service system to the installment credit fields. As a result, we ultimately designed and developed Waketara, which allows users to make multiple installment payments within their usage limit through a single application, followed by a speedy performance-based credit assessment using the installment-payment function for credit card payment.

Mr. Sugimoto: I too strongly felt the challenges with installment credit products and have worked to promote web-based solutions to reduce the hassle of application procedures, but we were unable to sufficiently differentiate ourselves from other companies' payment services. When we proposed our newly developed Waketara app to our member merchants to obtain their feedback, we found out that they appreciated its high usability—such as prompt settlement capabilities and support for long-term installments—which gave us confidence as we made adjustments leading up to its release. Given that digital installment payments differ considerably from the business model used by our member merchants in the past, it was necessary for us to directly reach customers and formulate credit extension standards, so we collaborated with our Credit Card Marketing & Promotion Department as well as our Credit Risk Planning Department as we worked on developing our new service.

—— One thing that differentiates us is that we are a Certified Comprehensive Credit Purchase Intermediary, but what does this mean?

Mr. Nakamura: I believe that the biggest factor that differentiates us from other companies is our ability to provide performance-based credit by leveraging our credit extension capabilities, one of our key strengths. In the past,

Business Strategy

Feature: Waketara, Our Digital Installment Payment App—Waketara Roundtable Discussion

we were legally required to conduct an investigation into the projected acceptable amount, each company had to make calculations by following the same rules, and it was necessary to have customers report the number of people in their household, their relationship with the head of household, and other details. However, in line with 2021 regulatory easing aimed at promoting the use of cashless settlement as well as market entry by fintech companies, the new Certified Comprehensive Credit Purchase Intermediary system was established. Business operators certified by the government under this system no longer have to obtain reports of the above items, and they can use their own credit extension methods to calculate each customer's purchase amount projected to be affordable.

For many years, the Company has offered a wide range of products that include not only credit cards but also installment credit, bank loan guarantees, among others, and I believe that our accumulation of various kinds of customer data and the utilization of AI-powered analysis to boost our credit extension capabilities is a strength of us that other companies lack. I also think these credit extension capabilities present an opportunity for us to differentiate ourselves from our competitors, which is why we decided to go forward with obtaining certification as a Certified Comprehensive Credit Purchase Intermediary. The conditions on obtaining certification were strict, but we gradually overcame each barrier and successfully obtained it after around three years.

—— Please tell us about the advantages that Waketara offers to customers and member merchants.

Mr. Sakagami: As was also briefly mentioned by Mr. Nakamura, I think the biggest advantage of performance-based credit—which allows a company to provide credit extensions in a unique way—is that it reduces the number of items that individual customers have to report. In the past, the process from application to the completion of the corresponding assessment took around 30 minutes, but the use of performance-based credit reduces this to around five minutes, which has enabled us to enhance the customer experience. In addition, because customers can complete the application procedure on their own, member merchants are relieved of the work they previously had to handle when a customer did not pass the credit assessment. Given the current labor shortages, I think the ability to reduce the time necessary for certain business talks offers major advantages that include freeing up time to deal with the next business talk. From a systems perspective as well, Waketara can reduce the administrative processing workload by enabling settlement to be completed in linkage with member merchant's systems.

Mr. Nakamura: Back when the law required every company to follow the same rules to conduct an investigation into the projected acceptable amount, any discrepancy with items reported by customers had to be confirmed with them before calculating the projected purchase amount, which made it impossible to automate assessments. However, we currently calculate estimated payment amounts using our proprietary credit assessment methodology, enabling us to increase the automation rate of our screening process. Waketara has reduced waiting times for customers and member merchants while also alleviating the workload on our assessment operations.

Mr. Sugimoto: From a sales perspective, the increased automation rate of the assessment process has served as a major selling point, leading to a number of cases where we secured merchant agreements with major retail companies.

Ms. Shikada: Performance-based credit has indeed sped up assessments, and the ability to appeal to prospective member merchants by highlighting "assessment times as short as 90 seconds" has been a major advantage in demonstrating our promotional superiority.

Mr. Sakagami: Non-face-to-face transactions, including online and television-based shopping, offer the advantage of allowing customers to apply without the concern of being observed. However, in the case of expensive products, it was still necessary to apply for installment payments and undergo an assessment for each transaction. With Waketara, customers are granted a usage limit in advance, which enables them to pay for multiple transactions as long as they stay within their limit and to choose how many payments they want to make. I also feel that the ability to use this service at stores without worrying about people watching you is another major advantage.

Mr. Sugimoto: Another advantage is that it is possible to apply for an assessment even late at night. In the past, our assessments ended at 9:00 p.m., so we could not provide customers who applied later than that with their assessment results until the next morning. This was inconvenient for customers and even caused them to choose other companies before morning in some cases. In contrast, because digital installment payments enable assessments until 11:45 p.m., we can cover customers at night, when a lot of online shopping is done. In addition, because only one assessment is necessary, starting with the second transaction, installment payments can be made with a single tap 24 hours a day, 365 days a year, so I am confident that we are delivering a customer experience that can be found nowhere else.

Ms. Shikada: Through e-Orico, the Company's membership website, we provide support to facilitate promotions of member merchants who have introduced Waketara services, and I feel like this indirectly helps them to attract customers. Member merchant information can also be posted to the Waketara app, which can be effective for referring customers to each store. If the number of Waketara members increases, we believe it could help to bring previously untargeted customer segments to stores and lead to the acquisition of new customers.

Mr. Sakagami: As suggested by Ms. Shikada, our hope is to organically shift from the past approach, which was for member merchants to directly acquire customers, to one where customers select available member merchants through the app, essentially resulting in the use of Waketara to refer customers to member merchants.

—— Has anything changed about Orico's business stance?

Mr. Sugimoto: Because our Credit Sales Department used to deal mainly with installment credit, we were behind in terms of both our knowledge and sense of digital technology. However, this service increased our interest in digital

Business Strategy

Feature: Waketara, Our Digital Installment Payment App—Waketara Roundtable Discussion

technology and has given rise to a stance characterized by a greater willingness to take on new challenges.

Ms. Shikada: Up until now, the Company has not really been on the front line where many services are provided. Instead, its main role has been to support stable settlement services from behind the scenes. As we advance with our promotion of Waketara, I expect the Company's brand recognition to further increase, which should strengthen Waketara's presence as a service provided by the Company. Given that Waketara is one of our services and is deployed through utilization by member merchants, it seems to be helping to clarify the image that customers have of the Company as well.

Mr. Sakagami: On August 6, 2025, our digital installment payment system was introduced on the online shopping site "Amazon.co.jp". This system will enable customers to select "Orico installment payments" as a settlement method when shopping on the "Amazon" website, and, since they will see our name more often when shopping, we hope that increased exposure to our customers will solidify the image that "Digital instalment payment is about Orico" in their minds.

—— Please tell us about your future outlook and policies.

Mr. Sakagami: As inflation continues, the need for installment payments is expected to keep increasing. To directly respond not only to the above need but also a wide variety of others, including Waketara and OEM digital installment payments in line with the requests of Amazon, Apple, and our other member merchants, we are developing various products and will continue to expand these offerings going forward.

Ms. Shikada: In today's age of digital dominance, speedy market share acquisition through vigorous promotion is often seen as the key to success. However, we prioritize expanding the number of accessible stores over increasing membership numbers. If we instead ramp up our promotional efforts while there are only a few stores where our services can be used, it could confuse our customers, which might even backfire and negatively affect the spread of our services. Once we have increased the number of major chain stores and other urban locations where our services can be used to a certain extent, we plan to transition to the brand-recognition boosting phase. In the future, when we ramp up our promotional efforts, we will try to appeal to potential customers so that they choose our services from the earliest stage at which they see them.

Mr. Nakamura: Although the Waketara service offers the appeal of simple applications and speedy assessments, we are also seeing an increasing risk of fraudulent applications. We would like to work to raise awareness that "Orico's services are safe and secure for customers" in line with the materiality "Contributing to the realization of a safe, secure, and convenient cashless society for individuals and SMEs".

Ms. Shikada: By providing not just settlement methods but seamless experiences that allow customers to use our services across both e-commerce and physical stores, we aim to offer convenience and peace of mind while supporting their daily lives, and to be a partner that customers continue to choose in the long term.

Mr. Sakagami: As we said before, our hope is to recognize as "Digital instalment payment is about Orico". At the same time, we aim to continue evolving so that, even after achieving such recognition, we will be able to reliably respond to the various financial and usage needs of our customers.

Mr. Sugimoto: Waketara is a hybrid service that optimally combines the "member-merchant perspective" of the installment credit field with the "customer perspective" of the credit card field, and we believe that it is precisely this combined perspective that has enabled Waketara to become a service suited to the needs of the current era. I hope that, by sincerely responding to the needs of customers and member merchants and by earning revenue commensurate with the added value we provide as a result, we will be able to contribute to enhancing the Company's corporate value.

Business Strategy

Grant Credit for and Support Productivity Improvement of SMEs—Corporate Client Strategy

SMEs and individual business owners, including member merchants serving as the Company's business partners, face a wide range of management issues, including the need for efficient fund settlement, credit extension protection, and smooth cash flows. We will create new customer experiential value by providing solutions to management issues faced by SMEs, among others, through efforts such as enhancing our product appeal with digital technology, increasing the sophistication of our corporate credit extension services, and strengthening our sales structure. Through such efforts, we are aiming to establish a superior position in the accounts receivable settlement guarantee market and business credit card market, both of which are growth markets, and achieve sustainable growth alongside SMEs, among others.

■Overall Corporate Client Strategy

	FY2027	FY2029
Operating Revenue (compared to FY2024)	+11.0 billion yen	+24.0 billion yen

Initiatives in Accounts Receivable Settlement Guarantees

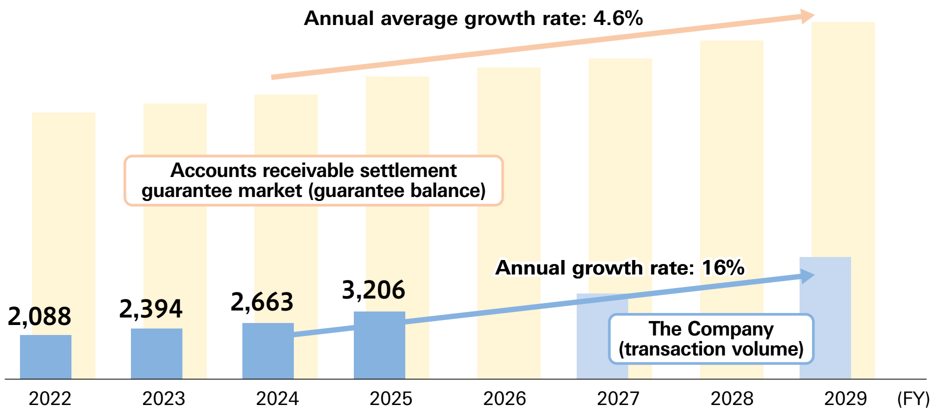
We are developing our business in the accounts receivable settlement guarantee market by strengthening our collaboration with Mizuho Bank, Ltd., increasing the sophistication of our digital marketing efforts, and pursuing other initiatives. In addition, we continuously strengthen our sales structure and train sales representatives, while deepening our transactions with member merchants, in an effort to expand our business faster than the market growth rate*.

*Estimated average annual growth rate of approx. 4.6% assuming that the market will reach 40 trillion yen by 2030

Deepening Accounts Receivable Settlement Guarantees

■Market Scale and Guarantee Balance / Our Transaction Volume

Unit: 100 million yen

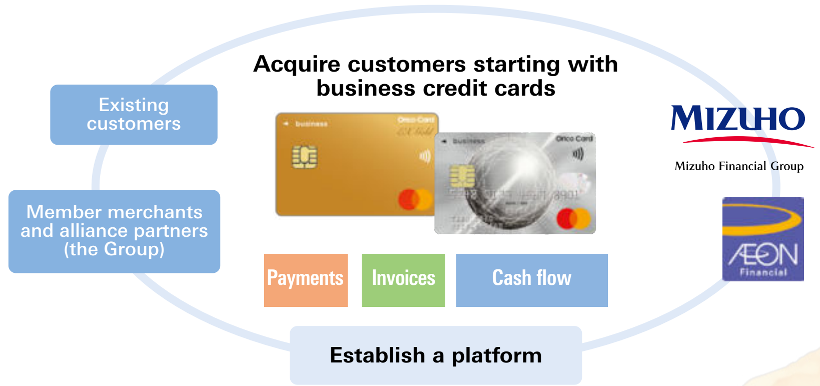


*Estimated by the Company based on a think tank research report

Digital Transformation (DX) Support for SMEs

Due to the progress of digitization, corporate settlement is rapidly transitioning to a cashless paradigm. In response, we will strive to increase the sophistication of our credit extension for SMEs and support them in improving operational efficiency and visualizing cash flow through accounting and cash flow apps, among others. In terms of our networks and ecosystems, including collaboration with Mizuho Bank, Ltd., AEON Financial Service Co., Ltd., among others, we will strive to acquire customers starting with business credit cards, and we will deploy our various products and services in a unified manner by using our platform. For details, see the next page.

DX Support for SMEs



■Goal in 5 Years (FY2029)

Annual Growth Rate of the Business Credit Card Market

Market	Orico	Market share
18.6%	32.4%	Over 10%

Number of Active Members in Business Credit Cards and Biz Cards

440,000
(+280,000 compared to FY2024)

Business Strategy

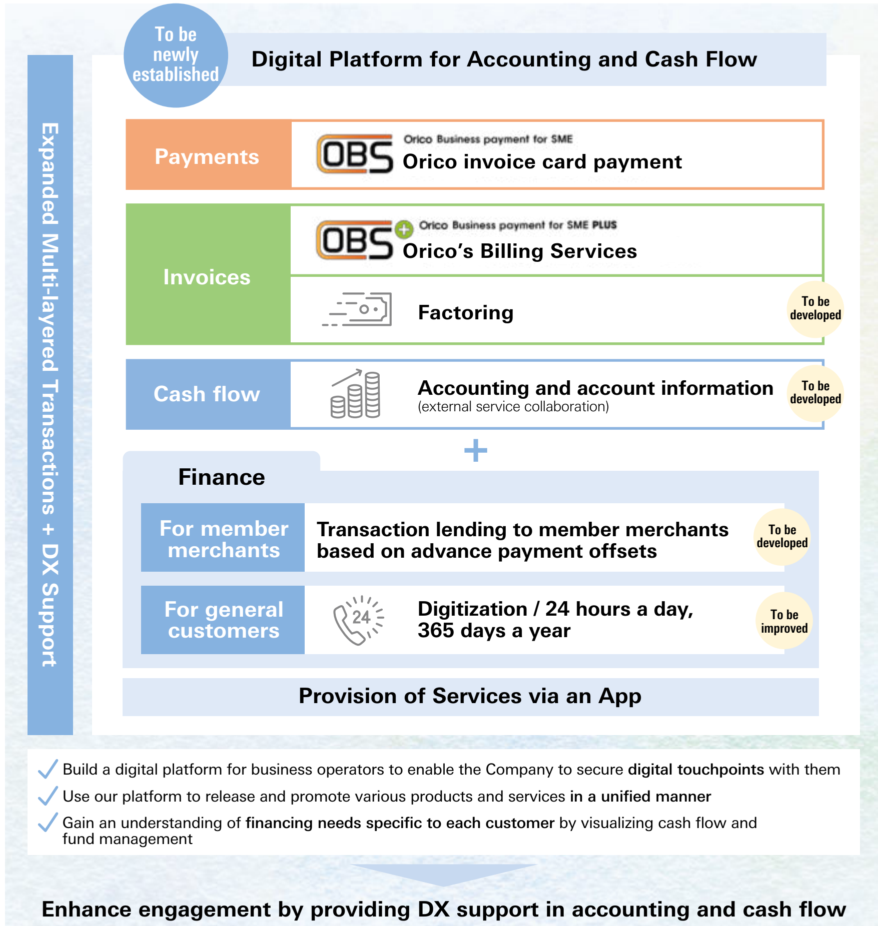
Digital Transformation (DX) Support for SMEs

Due to the abolishment of promissory notes and the full digitization of checks in fiscal year 2026, both companies and individual business owners are expected to progress on transitioning to a cashless approach. In addition, due to the increase in freelancers, the market is expected to see further growth. Amidst this background, we are promoting strategic initiatives to take advantage of new business opportunities.

More specifically, we will expand our share of the market and enhance our competitiveness by taking advantage of our customer base in our networks and ecosystems and a wealth of expertise in credit extension, while also releasing major co-branded business credit cards with AEON Financial Service Co., Ltd., and other partners.

Furthermore, to provide DX support to SMEs, among others, we will build a digital platform for accounting and cash flow and offer various solutions to establish a position as a major player in the market. By doing this, we will strive to flesh out our services targeting SMEs and individual business owners while also aiming to increase customer experiential value.

■ Enhancing Engagement by Utilizing Our Digital Platform



Business Strategy

Deepening Circular Economy Market

The Group's Envisioned Circular Economy

To contribute to environmental sustainability starting with natural capital and ecosystems, we have provided safe, secure, and convenient financial products and services that contribute to the realization of a circular society and decarbonization. The automotive industry, in particular, has fostered "circular economy" that promote the long-term use of products through regular maintenance, vehicle inspections, and other services, while we have supported these trends from a financial perspective.

The environment, such as natural capital and ecosystems, forms the foundation for the lives of our various stakeholders, including customers, business partners, and the Group's executives and employees.

We consider the sustainability of the environment to be of utmost importance, and aim to contribute to the achievement of sustainable society in which everyone can realize a fulfilling life through the power of innovation to help resolve various social issues.

To help establish "a circular economy" that achieves economic growth through the effective utilization of limited resources, we will utilize our various strengths, including the credit extension capabilities deepened over our 70-year history as well as our networks and ecosystems with member merchants, Group companies, major business operators, and others, to contribute to the establishment and further expansion of markets that contribute to reuse and recycling.

In particular, in the automotive field, where there is greater awareness of the environmental impact than ever before, we are aiming to contribute more to environmental friendliness, as a leading company with the top share in the personal auto leasing industry.

Auto leasing is a circular service that involves "use, collection, refurbishment, and reuse", so, by maximizing the life cycle of each vehicle, we help to achieve the effective utilization of resources. By providing this safe, secure, convenient, and of course environmentally-friendly service to more customers, we will promote the establishment of circular economies.

In addition, as the trade of used products between individuals increases, there is a growing need to establish a transaction environment that allows customers to benefit from such transactions safely and securely, and to use them more quickly and conveniently than ever before. As a retail financial service provider, we will utilize our credit extension capabilities to provide services in line with financial needs, thereby contributing to the establishment of a healthy marketplace.

Moreover, in the construction and housing field, which is responsible for approximately one-third of the world's CO_2 emissions, there is an accelerating shift in preferences for used and remodeled homes instead of new ones. We will utilize our credit extension capabilities and network with business partners to help promote circulation in the secondary market for used housing, including vacant houses, and to contribute to the expansion of this market.

To this end, we will collaborate with our business partners to contribute to the realization of circular economies through our business and pursue both social and corporate value.

Business Strategy

Circular Economy Strategy

The Group's Major Strengths in the Circular Economy

- A network of member merchants and branches that supports our top share in the individual auto leasing industry
- Competitive advantages gained by acquiring three companies and making them consolidated subsidiaries under the names Orico Auto Leasing Co., Ltd., Orico Product Finance Co., Ltd., and Orico Carlife Co., Ltd.
- A strong network with major sharing-economy companies and organizations

Risks and Opportunities for Growth

Risks	•Laws, regulations, among others, for the establishment of circular and decarbonized economies •Contraction of the ownership-based auto loan market •Contractual problems related to trading between individuals, among others
Opportunities	•Intensifying changes in the markets for autonomous driving, ride-sharing, and EVs •An increased awareness of the importance of reuse and recycling, and acceleration in the transition from ownership to use •Further growth of the individual used-product trading market and individual auto leasing market

Business Strategy

- **Deepening the circular economy market in the automotive industry**
- **Respond to financial needs in the individual used-product trading market**
- **Promote the circulation of used housing, including vacant houses**

Overall Circular Economy Strategy

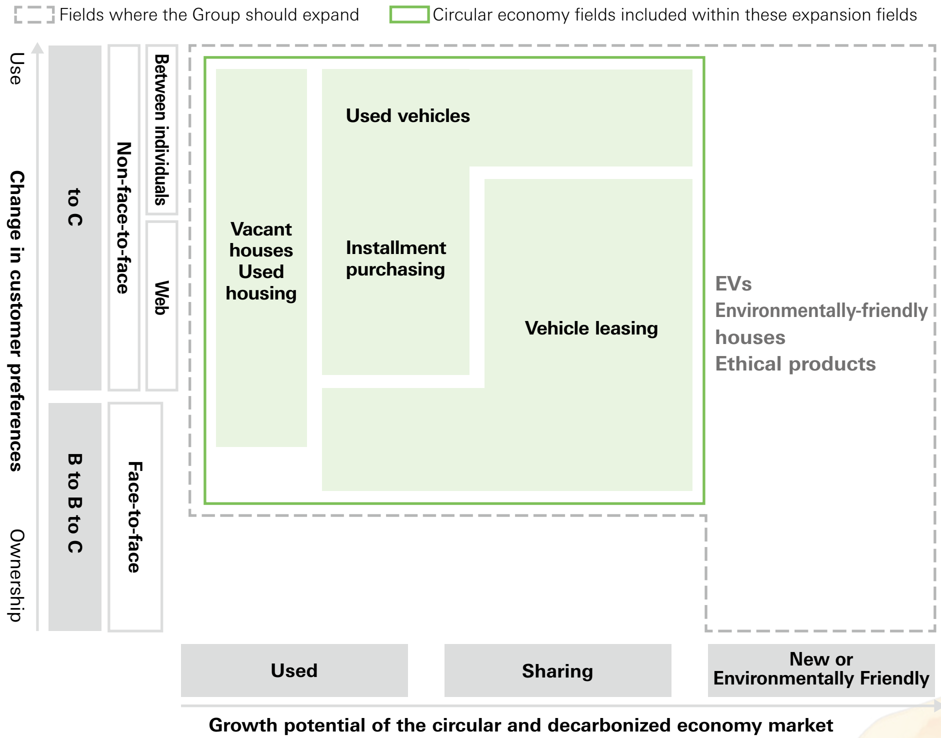
	FY2027	FY2029
Operating Revenue (compared to FY2024)	+7.0 billion yen	+13.0 billion yen

*Figures included in our Consumer Client Strategy

Goal in 5 Years (FY2029)

Annual Growth Rate of the Auto Leasing Market	Market	The Group	Market Share
	10.7%	11.2%	Over 19%

Circular Economy Field



Our Foundations for Success

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Strengthening the Management Foundation

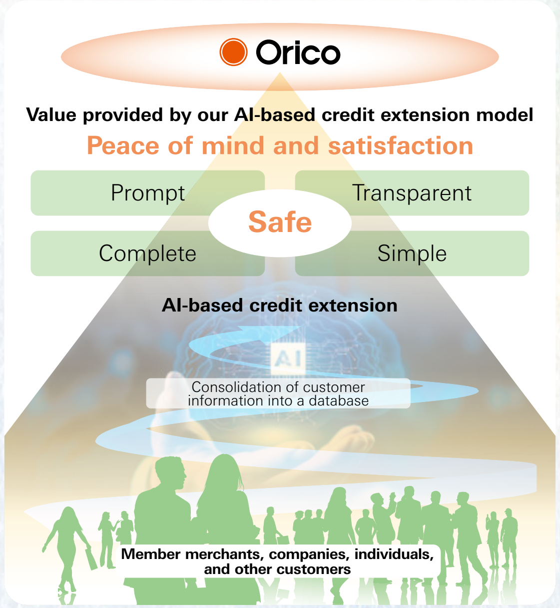
Four Management Foundations

We will focus on strengthening the management foundations below, all of which are essential for promoting our business strategy.

Corporate Cultural Reform to Become a "Leading Company Creating New Financial Scenes" P. 43	**Transform into a culture that seeks to collaborate and take on challenges with diverse colleagues to create new value and fulfill our mission** **▸Cultural elements necessary to achieve our vision** ・Open, inclusive, and innovative ・Ability to think about what to do, take ownership of actions, and independently act and promote initiatives ・Encouragement of positivity regarding change, praise for taking on challenges, and spirited rivalry
DX/Full-Scale Expansion of Digital and AI Utilization P. 48	**Enhance technological capabilities as an organization to contribute to the creation of a new financial model** ・Increase competitiveness by utilizing technology ・Become a leading marketing company by deepening DX ・Realize a learning organization driven by digital technology and data, underpinned by the cultivation and retention of talent equipped with digital and data capabilities
Further Evolution of Human Capital Management and Human Resources Strategy, and Reform of Work Styles P. 50	**Build a foundation that enables diverse personnel to actively participate and perform at their best** ・Establish a personnel group that encourages individual growth and collaboration to drive reform and improvement ・Create an environment that enables employees to perform at their best ・Create an advanced structure of human resources capable of contributing to our management strategy
Upgrading Corporate Governance, Risk Management, and ALM P. 60	**Increase the effectiveness of our Group governance, including the management of domestic and overseas subsidiaries, and enhance our credit extension model and RAF** ・Enhance corporate governance, mainly by improving the effectiveness of the Board of Directors and reviewing the executive compensation system ・Increase the sophistication of our risk management and consumer / corporate credit extension model* ・Upgrade ALM

*** Increasing the sophistication of our consumer / corporate credit extension model**

Our credit extension model has been developed with the support of information from diverse customers who have used our products and services over the last 70 years.
We started utilizing AI at the beginning of the 21st century ahead of other companies. This has enabled the more precise utilization of customer information, and our current AI-based credit extension model is helping us to achieve suitable credit extension results in line with the needs of individual customers.
Going forward, our credit extension model will be designed to take full advantage of the latest AI technology, becoming even more customer-centric—safe, prompt, simple, complete, and transparent.
We will continue to incorporate both the continuously expanding data of our customers and rapidly advancing AI technologies into our credit extension to further enhance the sophistication of our credit extension model.



Strengthening the Management Foundation

Corporate Cultural Reform to Become a “Leading Company Creating New Financial Scenes”

Changes in our business structure and periods of poor performance over the course of our history have brought to light challenges in the corporate culture of the Company. Under our previous Medium-Term Management Plan, we promoted our human resources strategy and various other initiatives. Among these were efforts that emerged to take on challenges in previously unknown fields and to create something new. However, such activities are still limited to only part of the Company. As society undergoes dramatic changes due to increasingly diverse values and lifestyles, we recognize the need to further accelerate our Corporate Cultural Reform initiatives in order to deliver the products and services that our customers truly need and to establish a “Unique Financial Model of Orico”. Under our new Medium-Term Management Plan, we have examined challenges related to our corporate culture, identified the elements necessary to achieve our “10-Year Vision”, and spelled out our cultural vision.

Up Until Now—Up Through the Period Covered by Our Previous Medium-Term Management Plan

Challenges recognized by the Company—circumstances

Evaluation-oriented culture
Due to excessive emphasis on our performance evaluation system, our organizations have tended to put off initiatives related to items not subject to evaluation, which has resulted in insufficient focus on customer needs and employee training.

Siloed
As our business structure has differentiated and changed, we have ended up with a siloed and inward-looking organizational climate characterized by separated businesses and functions, which has caused us to fall behind in addressing company-wide challenges and responding to market changes.

Top-down communication and a passive attitude
As a result of periods of poor business performance, our employees tend not to act unless instructed to. This has resulted in a reluctance to proactively take on new challenges, making it difficult to develop products and services that capture market needs.

A tendency to avoid digging deep into the heart of issues
Due to an extended period of overreliance on orders from superiors, our employees have gradually lost the habit of thinking for themselves, which has resulted in a shortage of experience and skills in understanding and analyzing market needs, as well as in pursuing root cause analysis.

These issues have had multi-layered effects,making it difficult to reform our business or create new value, while also resulting ininsufficient employee engagement.

Initiatives under our previous Medium-Term Management Plan

Promoted various initiatives starting with our human resources strategy
Specific initiatives
- Supported autonomous career development and expanded external work opportunities
- Developed our training program for Digital Transformation (DX) talent
- Significantly expanded recruitment of experienced personnel
- Conducted activities to promote greater awareness and practice of the new Corporate Philosophy

→ Supported “being proactive”, “taking on challenges”, “learning”, and “looking outside the Company”

Good examples

Examples	Details
Digital installment payments	Received approval for Japan’s second certified comprehensive credit purchase intermediary and developed new products from the users’ perspective.
Akikatsu Loans	A new product that addresses social issues and embodies the Company’s vision. Received “Nikkei Veritas Award” at the 2023 Nikkei Superior Products and Services Awards.

Changes in our engagement survey scores

	FY2022	FY2023	FY2024
Sense of responsibility for customers and society	3.1	3.2	3.2
Demonstration of individuality and ability	3.2	3.3	3.4
Corporate Philosophy strategy	3.2	3.3	3.3
Responsibility and fulfillment	3.1	3.2	3.2

The scores improved initially but have plateaued over the last year.

Need to accelerate initiatives

Starting Now

Our 10-Year Vision

A leading company creating new financial scenes with “Credit Extension X Technology”

Our Cultural Vision

Open, inclusive, and innovative

Ability to think about what to do, take ownership of actions, and independently act and promote initiatives

Encouragement of positivity regarding change, praise for taking on challenges, and spirited rivalry

Strengthening the Management Foundation

Corporate Cultural Reform to Become a "Leading Company Creating New Financial Scenes"

To achieve our "10-Year Vision", we believe it is necessary to foster and increase the sophistication of five elements, specifically to be: "outward-looking", "inclusive", "ownership-minded", "willing to take on challenges", and "technology-oriented". To achieve our cultural vision, we will take various measures based on these elements, thereby enabling our employees to actively participate and grow while also facilitating the development of the Company. To effectively implement these measures, we will take steps to ensure that each employee regards our Corporate Cultural Reform as personally relevant and thinks and acts accordingly, while supervisors and the Company itself will promote the necessary "reform of the management system".

Elements Necessary to Achieve Our "10-Year Vision"

Outward-looking | Inclusive | Ownership-minded | Willing to take on challenges | Technology-oriented

Measures to Achieve Our Reform

- Connecting the Company's Corporate Philosophy and mission to personal work
- Promoting a deeper understanding of the Company and other organizations within the Company as well as collaboration
- Training leaders who embody our "Cultural Vision" during their daily activities
- Establishing an organizational climate that fully supports proactive behavior and attempts to take on challenges
- Incorporating and utilizing outside knowledge
- Eliminating unreasonableness, wastefulness, and inconsistency and implementing automation to free up creative time
- Developing and applying the ability to drive reform and create added value

Commitment by our management and organizational leaders

Our Cultural Vision

Open, inclusive, and innovative

Ability to think about what to do, take ownership of actions, and independently act and promote initiatives

Encouragement of positivity regarding change, praise for taking on challenges, and spirited rivalry

Initiative Stance

Creation of Intrinsic Motivation

Employees will internalize our Corporate Philosophy in light of their own values, proactively think and act to achieve their organizations' missions as derived from the Philosophy, and thereby realize personal growth and lead fulfilling lives.

Reform of the Management System

Supervisors will engage with individual employees and establish an environment where employees can freely and openly exchange opinions and proactively act and collaborate to achieve their missions.
The Company will leverage technology and reform any systems that hinder realization of such environment.

Strengthening the Management Foundation

Corporate Cultural Reform to Become a "Leading Company Creating New Financial Scenes"

To achieve our cultural vision, we established the position of "Officer in Charge of Corporate Cultural Reform" under the direct supervision of the President in April 2025. The Officer will serve as the command center, collaborating with those involved in the five related initiatives to drive cross-organizational activities. Our management will continue to communicate to employees the importance of being inclusive and innovative, thinking positively about change, and independently taking on challenges, while also implementing specific initiatives. In addition, the President visits our branches and Group companies throughout Japan to talk directly to employees, addressing on-site challenges and engaging in a wide-variety of problem solving.

■ Organizational Structure for Corporate Cultural Reform

Officer in Charge of Corporate Culture Reform—Command Center

Corporate Philosophy Engagement and Practice Initiatives—Core Activities
Establish a foundation for employees to understand the Corporate Philosophy in light of their personal values and to think and act accordingly

Organizational Development
Establish an inclusive organization by working on interpersonal relationships

Provide support to facilitate our Corporate Cultural Reform and drive it forward

BPX
Eliminate unreasonableness, wastefulness, and inconsistency and employ digitization to free up creative time

DX
Promote greater awareness of and actions toward "X" transformation, with technology as the starting point

Brand Strategy
Foster employees' renewed awareness of our Company through external recognition of the Company and drive reform efforts through internal promotion of diverse initiatives

■ Roadmap for Corporate Cultural Reform

■ Our Cultural Vision

- **Open, inclusive, and innovative**
- **Ability to think about what to do, take ownership of actions, and independently act and promote initiatives**
- **Encouragement of positivity regarding change, praise for taking on challenges, and spirited rivalry**

Up to 10 years from now
Independence, stabilization, and evolution phase
Our Cultural Vision embedded in the organization

Starting in FY2027
Implementation enhancement and growth phase
Employees experience Corporate Cultural Reform as a tangible movement

Starting in FY2025
Foundation-building phase
Formulate and start implementing action policies and measures
Establish a PDCA structure

【Sustainability KPI Targets】

Performance Trends

	FY2022	FY2024
Employee engagement score	48.1	52.8
Number of volunteers*1	—	226*2

*1. Number of people who volunteer to take on a new career challenge
*2. Total number of people during the three-year period covered by the previous Medium-Term Management Plan

Targets

	FY2027	FY2029
Employee engagement score	58.0	60.0
Number of volunteers	1,000*3	2,000*3

*3. Total number of people during the three- or five-year period starting with the initial year (FY2025) covered by the current Medium-Term Management Plan

Strengthening the Management Foundation

Corporate Cultural Reform to Become a "Leading Company Creating New Financial Scenes"

Specific Initiatives: Corporate Philosophy Engagement and Practice Initiatives

The core initiative for reforming our corporate culture to achieve our "10-Year Vision" is our "Corporate Philosophy Engagement and Practice Initiatives". Based on the new Corporate Philosophy formulated in April 2024, these initiatives are intended to raise engagement of Group employees of the relationship between the Company's target direction and each individual's work, mission, and values, as well as to encourage intrinsic behavioral change. We will aim to ensure that each executive and employee remains mindful of the Corporate Philosophy and seeks to embody it during their daily work by gradually expanding training and workshops—originally implemented for executives under the previous Medium-Term Management Plan—to General Managers and Middle Managers, as well as holding workplace dialogue meetings through our Corporate Philosophy ambassadors.

Executive Management

- Manage the Company as a whole in the right direction based on the Corporate Philosophy
- Executives express the Corporate Philosophy in their own words based on a unified management perspective to ensure that it permeates the organization

General Managers

- Manage their organizations in the right direction, grounded in the Corporate Philosophy, while aligning with the position and mission of each organization and individual
- Gain a deep, accurate understanding of the Corporate Philosophy, practice it through initiatives aimed at accomplishing missions, and foster an environment that enables subordinates to practice the Philosophy as well

All Employees

- Take action and address challenges based on the missions of their roles rooted in the Corporate Philosophy, thereby gaining a sense of personal growth and fulfillment
- Gain a deep, accurate understanding of the Corporate Philosophy, internalize it, and practice it to achieve both personal and corporate growth, grounded in each employee's personal philosophy and the Company's Corporate Philosophy

Top-down

Fusion

Middle-/bottom-up

Sessions for Executives

We held multiple one-on-one meetings and workshops on the theme of enabling executives to express the Company's Purpose in their own words through a process of recollection and self-reflection that traces the roots of their values.

Training for General Managers

The objective of the training was to deepen understanding and raise engagement of the Corporate Philosophy, enabling General Managers to articulate the missions of their departments, offices, and branches. We held multiple workshops on the theme of supporting employees in practicing the Corporate Philosophy, thereby providing next-generation human resources with a foundation for growth and success.

Workshops Conducted by Corporate Philosophy Ambassadors*

We held workshops where 108 volunteer ambassadors from across Japan learned about the intent behind and importance of our Corporate Philosophy and discussed practical actions to apply it in their own workplaces.

Embodiment of the Corporate Philosophy during daily work

* A key person who deeply understands the background behind the formulation of the Corporate Philosophy and the ideas embedded in it, practices the Philosophy independently based on the Company's purpose and value, passionately leads related workplace activities, and plays a vital role in supporting employees who share the Philosophy and put it into practice.

Initiatives to Advance Corporate Philosophy Engagement and Practice Initiatives

Application of the Philosophy to our evaluation system

Publication of a Corporate Philosophy Handbook

Holding dialogue sessions between the President and employees

Conducting workplace dialogue sessions

An interview with a Corporate Philosophy ambassador who held a workplace dialogue meeting at his department

I am grateful to all participants for proactively engaging in the dialogues.
It all started when I suggested to my manager that holding a workplace dialogue session would be motivating for our team members. To me, the permeation of the Corporate Philosophy means naturally conveying to third parties that the Company operates in accordance with these philosophies. To accomplish this state, I place importance on deciding my actions with the mindset: "I will act in accordance with the Corporate Philosophy". I feel that actions driven by the desire to contribute to others are easily understood and help spread the Corporate Philosophy. That is why I am glad that, instead of worrying about what others might think and keeping my feelings to myself, I chose to share my idea with my supervisor.

Daiki Uchinishi

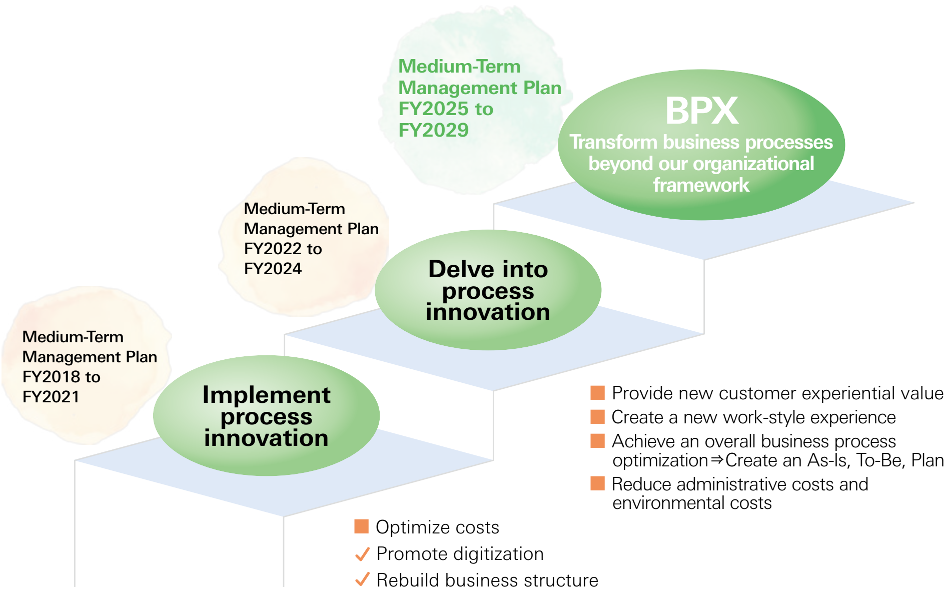
Corporate Planning Dept.,
now under the Secretarial Office

Strengthening the Management Foundation

Business Process Transformation (BPX)

What Is BPX?

Business Process Transformation (BPX) takes the process innovation initiatives undertaken up through our previous Medium-Term Management Plan to the next step. BPX aims to dramatically enhance the Group's overall operational efficiency by utilizing technology to achieve a fundamental business process transformation.
By reviewing how we do business, unconstrained by organizational boundaries, we will achieve a workplace that provides employees with a greater sense of fulfillment and satisfaction than ever before while also contributing to increased satisfaction for every customer who uses our Company's services.



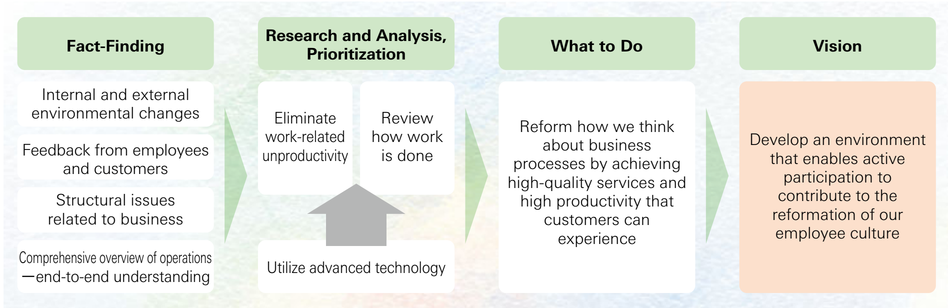
The BPX Promotion Office, which serves as the flag bearer of the whole Company, sets forth the 10-year vision below and is engaged in various policies to achieve the objective.

【Our vision in 10 years】
To realize an environment where each employee who supports the delivery of high-quality services and high productivity to customers can maximize their motivation and abilities to thrive, leveraging cutting-edge technology.

Process

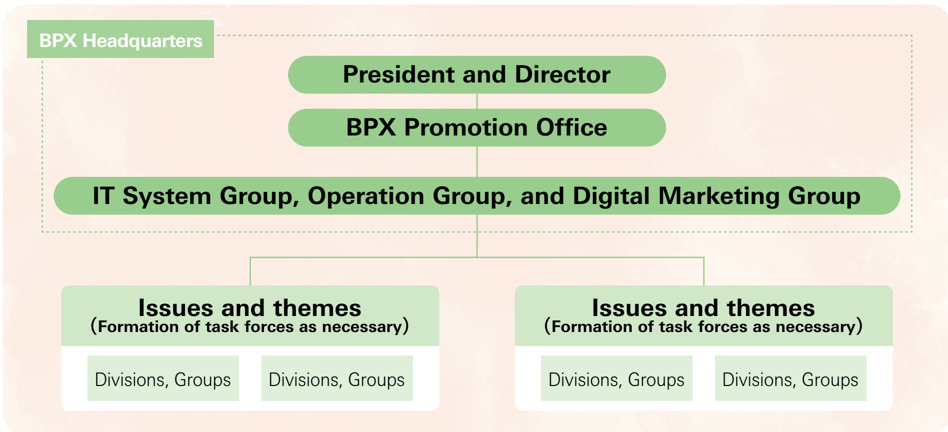
We take a comprehensive overview of our operations while monitoring internal and external environmental changes and listening to feedback from customers and employees. Without being constrained by conventional thinking, we leverage advanced technology to identify fundamental issues from the perspectives of "reviewing work methods" and "eliminating inefficiencies", and promote business process transformation.

■ Approach to Initiatives



Promotion Structure

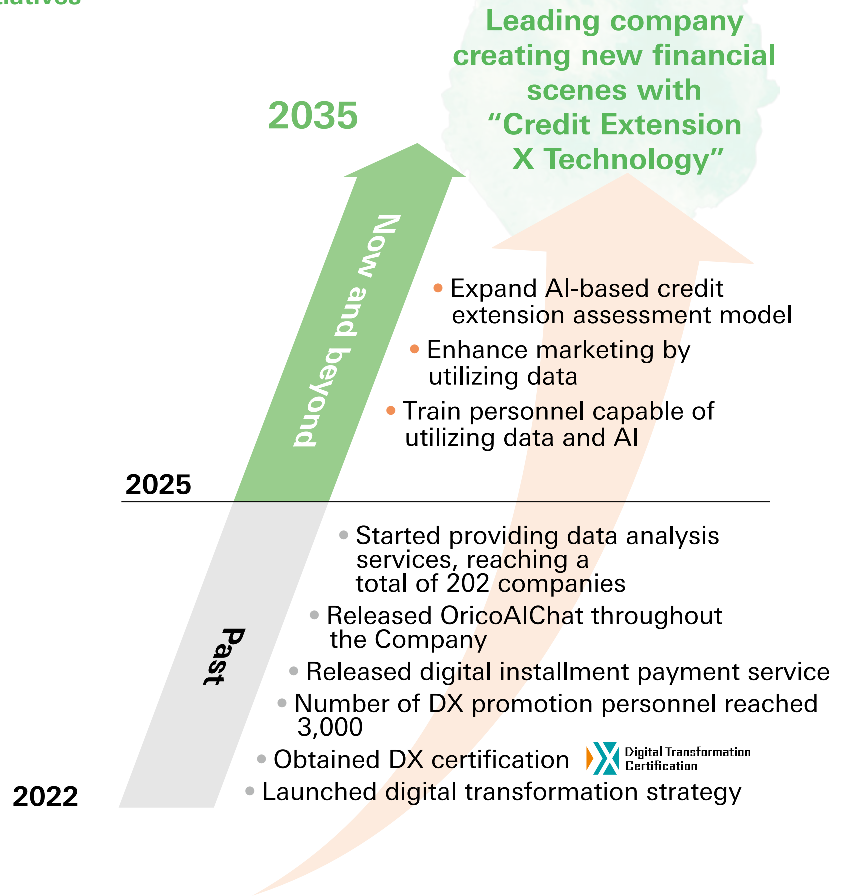
We have established a BPX Headquarters, which is led by our President and Director and in which relevant Group Heads participate. Within this framework, we assign an order of priority to issues that are important to tackle in terms of achieving Company-wide optimization, determine the direction of solutions, form task forces, and promote initiatives.



Strengthening the Management Foundation

DX/Full-Scale Expansion of Digital and AI Utilization

DX Initiatives

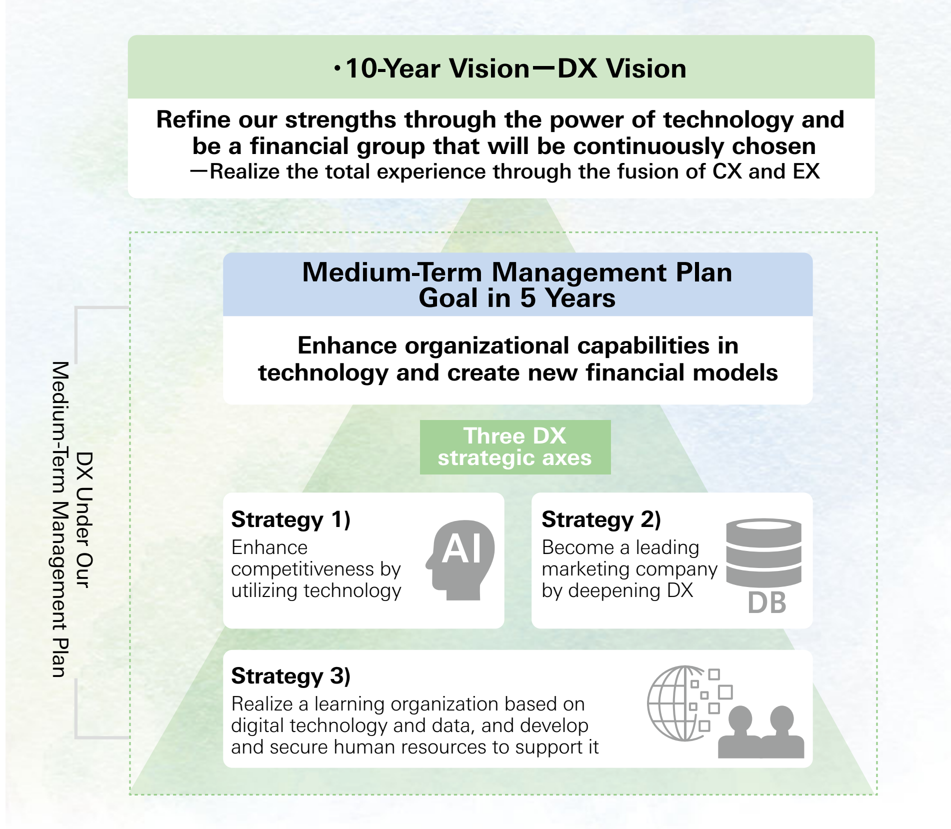


To achieve our previous Medium-Term Management Plan, we formulated a digital transformation strategy in April 2022, under which we established three strategic pillars: “creating new business models using digital technologies”, “implementing DX for existing business models”, and “training DX personnel and fostering a DX culture”. We subsequently promoted various initiatives in line with these goals. In terms of utilization of data and generative AI, we achieved results exceeding the goals of our initial plan through our initiatives.

Orico Group’s DX Strategy

Our 10-Year Vision—DX Vision

The Company’s 10-year vision through DX is to “refine our strengths through the power of technology and be a financial group that will be continuously chosen”. We will leverage digital technology to create new experiential value for our customers (CX) while also providing a new kind of employment experience (EX) to our employees, including through work-style reforms, aiming to be a financial group that continues to be chosen by both customers and employees.



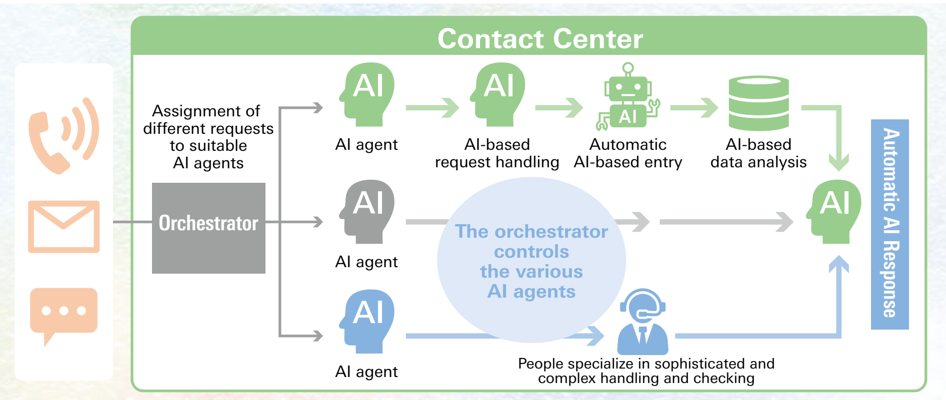
Strengthening the Management Foundation

DX/Full-Scale Expansion of Digital and AI Utilization

Orico Group's DX Strategy

While it is difficult to predict the next decade of technological evolution, the recent speed of generative AI's evolution has been remarkable, making us believe that efforts in this field could have a major impact on the future competitiveness of companies.
For example, we expect that the use of generative AI at contact centers will enable them to respond to inquiries from customers, perform the necessary processing even in the case of multiple requests, and send reports of completion. It is projected that we will eventually enter an era in which AI agents handle individual tasks and in which AI acts as an orchestrator as well to control and manage such agents.
Based on our strengths in know-how and knowledge we have cultivated over the years in the fields of credit extension business, related operations, and collection, we will adapt to these changes by promoting data development and the effective utilization of generative AI and other technology and further refine our strengths. At the same time, we will promote various initiatives aimed at solidifying our relationships of trust with member merchants and affiliated financial institutions.

■Future Contact Center—Concept



Three Pillars of DX Strategy

Building on the DX promoted through our previous Medium-Term Management Plan, to achieve our 10-year vision and become a financial group that continues to be chosen by customers, we have identified "enhancing organizational capabilities in technology and create new financial models" as the end goal of our new Medium-Term Management Plan. To accomplish this objective, we will promote our Digital transformation (DX) strategy based on three pillars.

Strategy 1) Enhance competitiveness by utilizing technology
Under this strategic pillar, we will mainly promote the utilization of data and technology with the aim of enhancing productivity and revitalizing operating activities of the Group. In terms of "Credit Extension X Technology," we will pursue various initiatives. For example, under our Consumer Client Strategy, we have released "digital installment payments", which utilize our proprietary AI-based credit extension technology. Similarly, in the corporate field, we are taking steps to ensure that many financial institutions utilize the AI-based credit extension assessment model we collaboratively developed with Money Forward X, Inc. We will also take on challenges that include fully introducing risk-based pricing and providing credit extension to foreign customers we have not been able to sufficiently support until now.
For collection and operations, we will utilize generative AI and other technology to greatly enhance productivity and increase our competitiveness compared to other companies. In particular, finding a way to automate contact centers, for which it is becoming harder to secure labor every year, is imperative, and we have already started taking steps at our working sites to achieve this.

Strategy 2) Become a leading marketing company by deepening DX
Under this strategic pillar, we will utilize data and technology mainly with the aim of offering sales support to member merchants, financial institutions, and others, as well as expanding the services we provide to users. More specifically, we will utilize data to provide data services useful for the business and marketing strategies of member merchants and financial institutions, establish stronger relationships between the Company and these organizations, and further refine the products and services we provide to customers.
In addition, to revitalize the development of new businesses and products, we will strengthen collaboration among our business divisions and Group companies, promote initiatives based on customer issues and needs, and strive to "create a mold" for developing new businesses unique to Orico.

Strategy 3) Realize a learning organization based on digital technology and data, and develop and secure human resources to support it
Under this strategic pillar, we will promote a culture that supports strategic pillars 1) and 2) as well as the training and securing of suitable personnel. To facilitate such a culture that encourages employees to proactively acquire necessary knowledge and skills, we will provide diverse "places for learning". In addition, regarding training personnel related to data and generative AI, during the period covered by our new Medium-Term Management Plan, we plan to train 500 "citizen data scientists"*1 and 3,000 "generative AI utilization personnel"*2. In the area of generative AI, we will also train 100 "generative AI experts"*3.

*1. Personnel who utilize Business intelligence (BI) tools to analyze data and resolve issues
*2. Personnel who have acquired basic generative-AI knowledge and skills and utilize them for work
*3. Personnel who understand both the logic and implementation behind generative AI and can spearhead efforts to utilize generative AI to develop business or transform operations

Strengthening the Management Foundation

Further Evolution of Human Capital Management and Human Resources Strategy, and Reform of Work Styles
Message from Head of Human Resources & General Affairs Group

Hideyuki Matsuoka

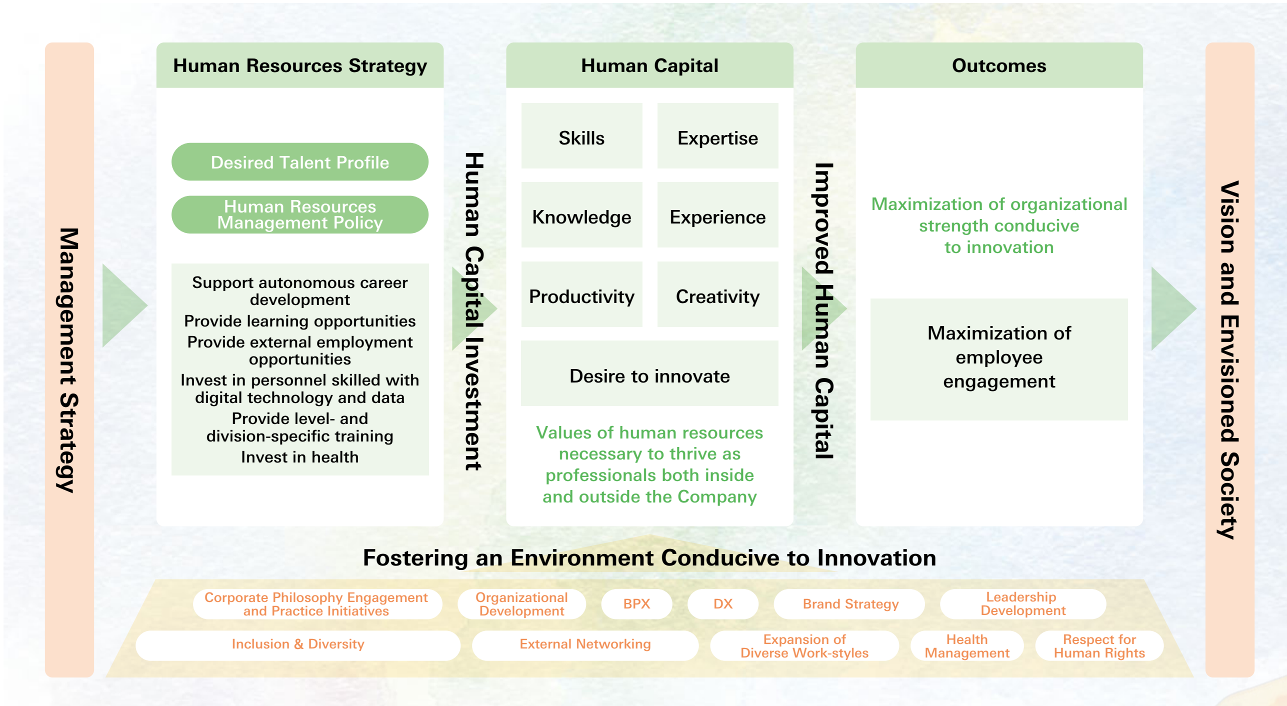
Director and Senior Managing Executive Officer
Head of Human Resources & General Affairs Group
In charge of Business Coordination & Administration Dept.
In charge of Corporate Cultural Reform, Corporate Strategy Group

Creating an Organization Where Everyone Can Flourish in Their Own Way

In a “VUCA-era” social environment characterized by rapid technological development, the shrinkage of the labor force due to the declining birthrate and aging population, and the end of lifelong employment and seniority systems, there is an increasing need to reform business through flexible thinking that is not bound by the past. Employees are the driving force that creates this value and the “assets” that support sustainable growth.
In an era marked by diversifying values and lifestyles among the working population, we believe it is essential for the Company to align closely with each and every employee.
My mission is to create an environment in which each employee can demonstrate their full potential. To that end, I will build a relationship that enables the Company and employees to grow together, thereby creating an organization in which all employees feel a sense of fulfillment and a desire for growth through their work, while also being able to flourish in their own way.

Our Human Capital Management and Human Resources Strategy

At the Company, we define “human capital management” as initiatives that encompass both investment in our employees, such as education, learning support, and health promotion to help them acquire the skills and expertise necessary for their careers and duties, and the creation of systems and environments that enable employees to fully demonstrate their abilities and drive innovation as members of their respective organizations and teams. Investing in our human capital will encourage each employee to learn autonomously and take on new challenges, thereby enhancing the value of our personnel. Empowering each employee to leverage their unique personality and strengths to perform at their best will, in turn, lead to increased corporate value.
In addition, we recognize all of our employees as vital “assets” for achieving the Company’s sustainable growth, and we have formulated a “human resources strategy” aimed at further strengthening our management foundation.
Our human resources strategy is based on the desire to change the relationship between employees and the Company from one of “employer and employee” to one of “mutually chosen parties—a win-win relationship”. Through this strategy, we aim to foster relationships in which the Company and its employees influence each other and deepen their ties as mutually necessary partners, as well as relationships that enable both employee growth and active participation, along with the sustainable growth of the Company, while striving to maximize employee engagement.



Strengthening the Management Foundation

Further Evolution of Human Capital Management and Human Resources Strategy, and Reform of Work Styles

Human Resources Strategy Vision and Human Resources Basic Policy

To execute our human resources plan, we have established “What We Envision Through Our Human Resources Strategy”. To achieve this objective, we have established a “desired talent profile” that evolves Orico’s essential characteristics in a future-oriented manner, requiring employees to create value through innovation and improvement while taking into consideration the manner in which we conduct ourselves with an emphasis on social norms, as well as a “Human Resources Management Policy” that underscores the Company’s commitment to supporting and encouraging new ways of thinking and acting.
During the period covered by our previous Medium-Term Management Plan, we formulated and executed various human resources measures aimed at achieving the Human Resources Management Policy and made steady progress on the related initiatives.
Under our new Medium-Term Management Plan and based on a foundation consisting of a “data-driven” and “group-based” approach, as well as “vertical and horizontal dialogues”, we have formulated strategies and measures from three perspectives: “our personnel and organization”, “our environment and systems”, and “our structure”. In addition, we are focusing on interpersonal relationships as a new initiative to promote organizational development in order to maximize employee engagement and reform our corporate culture.

What We Envision Through Our Human Resources Strategy

Maximize employee engagement by establishing a mutually beneficial relationship where the Company and employees can grow together—Win-Win relationship

Desired Talent Profile

1. **Proactiveness**
2. **Willingness to take on challenges**
3. **Analytical thinking**
4. **Passion**
5. **Curiosity and ambition**
6. **Open-mindedness and eagerness**
7. **Integrity and nobility**

Human Resources Management Policy

1. **Emphasize individuality and nurture diversity**
2. **Provide opportunities for self-growth and support autonomous career development**
3. **Evaluate and treat fairly, with objectivity and transparency**
4. **Develop leaders to drive change and unite diverse talents**
5. **Ensure psychological safety and create a vibrant work environment**

Three Strategies and Measures Under the Medium-Term Management Plan

1) Personnel and Organization	2) Environment and Systems	3) Structure
Establishing a personnel group that encourages individual growth and collaboration to drive reform and improvement	Creating an environment that enables employees to perform at their best	Creating an advanced structure of human resources capable of contributing to our management strategy

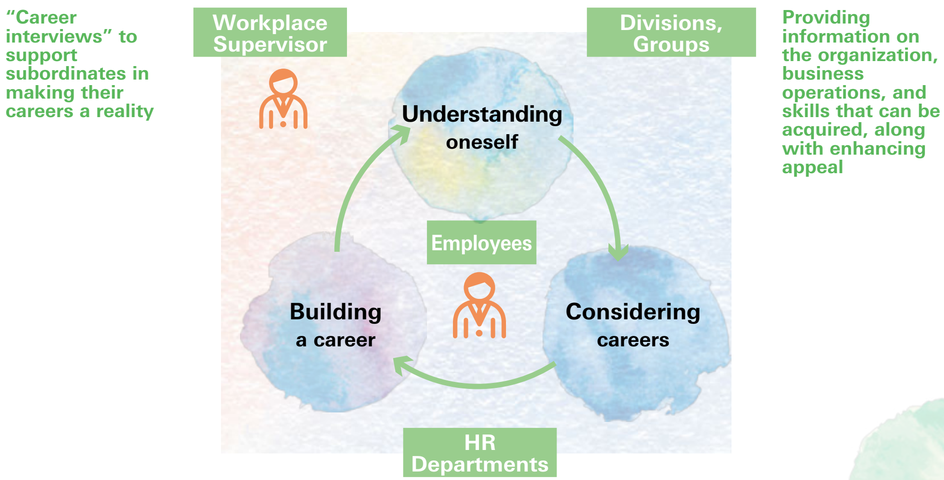
1) Establishing a Personnel Group That Encourages Individual Growth and Collaboration to Drive Innovation and Improvement

Supporting Autonomous Career Development

As career values and work styles become increasingly diverse, we believe it is important for employees to take ownership of their career decisions and determine their own direction in their work and life in the future. We are implementing a variety of initiatives to create a system in which each individual can take on challenges and grow while feeling fulfilled in their job. In fiscal year 2024, we fully launched our job posting system and provided employees with more opportunities to challenge themselves both within and outside the Company. These opportunities included an internal job posting system targeting managerial positions in our branches as well as all departments at our head office, domestic and overseas trainee programs, temporary assignments at startup companies, and side jobs. In this way, we worked to establish an environment that enables employees to take ownership of their careers, proactively learn, and take on new challenges.
These initiatives to support autonomous career development have been recognized, resulting in us winning an “excellence award” at the Career Ownership Management Awards two years in a row.

Career Ownership Management Award 2025

The workplace supervisor, division/group, and HR departments work together as a triad to support employees’ career development



Expanding opportunities for employees to work and challenge themselves both inside and outside the Company and assigning career consultants

Strengthening the Management Foundation

Further Evolution of Human Capital Management and Human Resources Strategy, and Reform of Work Styles

2) Creating an Environment That Enables Employees to Perform at Their Best

Establishing, Improving, and Expanding Our Human Resources System

In April 2025, we completed the transition to a new human resources system based on the concept of all employees maintaining an awareness of their personal “mission”, working while feeling a sense of value and meaning in their work, and being treated fairly.
We will continue to incorporate employee feedback and needs to update our HR system, with the aim of creating a work environment where all employees can work “in their own way”. Our efforts will include investing funds freed up by reviewing certain employee benefit programs into developing an environment that enables employees to experience self-fulfillment through their work while also supporting a balance between work and personal life. We will also focus on promoting employee health.

Overall Picture of Our Human Resources System

Becoming a Company Where All Orico Employees Can Flourish in Their Own Way Through Their Work

Supporting “Autonomous” Career Development	• Ability to take on any job in line with one’s aspirations, growth, and life stage
“Mission-Based” Human Resources System	• Working while feeling a sense of value and meaning in one’s work, and being treated fairly
Creating a “Comfortable Work Environment”	• Environment enabling to work long-term with peace of mind

Initiatives for Organizational Development

Starting in fiscal year 2025, we established a dedicated position in charge of organizational development for the purpose of “strengthening the relationships between our employees and the organization in order to build an inclusive environment that enables employees to trust each other and fully leverage their strengths and individuality within the organization, thereby maximizing organizational performance”.
Through proactive “dialogues” among employees that foster “awareness” and through initiatives actively undertaken by employees themselves to build a better organization while engaging with management, we will work on resolving challenges related to organizational engagement. In addition, we will aim to establish an environment that ensures the psychological safety necessary to enable employees to demonstrate who they are without worry, while also serving as a bridge between employees and the Company to ensure that each employee’s “feedback” is reflected in the Company’s future, thereby building relationships characterized by mutual empathy and growth.

3) Creating an Advanced Structure of Human Resources Capable of Contributing to Our Management Strategy

Restructuring Our Human Resources Functions

To achieve our management strategy, it is necessary not only to promote changes in the awareness and behavior of our employees, but also to reform our human resources functions. By consolidating and/or delegating various HR roles, including “planning”, “recruitment”, “training”, “assignment”, and “labor management”, in the manner best suited to our business scale and organizational structure, we will aim to achieve more flexible, dynamic HR operations.

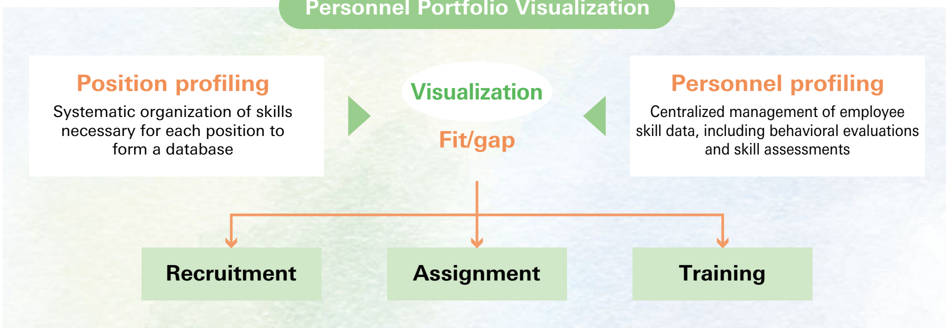
Group-Based HR Operations

Given the current social environment, including the shrinking labor force, achieving sustainable growth and development of the Company requires building a structure that takes full advantage of human capital throughout the Group. Therefore, by treating our Group as a unified entity, we will advance HR operations that include transfers and promotions across Group companies and enhance the sharing and broader application of HR information, as well as personnel exchange and training, while establishing an environment in which all Group employees can continue to work with motivation.

Talent Management Utilizing Technology and Data

To adapt to rapidly changing times and markets, it is necessary not only to secure and train outstanding personnel but also to assign them more effectively.
By utilizing technology and data, setting up a personnel database necessary to achieve the Company’s management strategy, and visualizing a personnel portfolio to assess the “quantity and quality” of personnel required by each division and group, we will increase the efficiency of processes that include everything from recruitment to training, assignment, and evaluation, thereby improving our organizational performance.

Personnel Portfolio Visualization



Strengthening the Management Foundation

Further Evolution of Human Capital Management and Human Resources Strategy, and Reform of Work Styles

Inclusion & Diversity

Inclusion to Achieve a Brighter Future

At the Company, we support inclusion and diversity (I&D) and aim to evolve into a more innovative and flexible organization by respecting all kinds of differences and fostering a culture that enables the mutual utilization of individual strengths. Inclusion is the key to our future, and we believe that embedding inclusion as a deep and natural part of our organization will ultimately lead to the Company's sustainable growth. Together, we are promoting inclusion across the Company to create an environment where all employees can shine in their own way as they take on new challenges.

Toward the Establishment of a Workplace Where Inclusion Takes Root

To foster an inclusive organizational climate, we have designated every May as I&D Month, providing employees with opportunities to view I&D as a "personally relevant matter" and to deepen their understanding of I&D. In fiscal year 2024, under the theme "Let's Start with Getting Interested!", all executives and employees set their own behavioral goals through *#My I&D Declaration.* We also encouraged employees to acquire basic knowledge by studying for the Grade 3 D&I Kentei (Certification Exam), and 490 employees have passed so far.
In addition, to transition from "inclusive systems to an inclusive culture", our employee-led Employee Resource Group (ERG) conducted activities on a wide range of themes, including the "promotion of women's empowerment", "LGBTQ+", "people of foreign nationality or origin", "experienced-personnel recruitment", and "caregiving and support for persons with dementia".

I&D Month
A talk session with female executives

Orico Women's Network
Cross-industry exchange seminar

Initiatives for Promoting Women to Managerial Positions

To achieve sustainable corporate growth and innovation, we regard increasing the ratio of female managers as an important priority, and therefore promote systematic training and support to accomplish this objective. More specifically, we provide opportunities that help women more clearly envision how they can thrive in the future, including our "Executive Mentorship Program" which fosters insights and growth through dialogues between executives and female employees, as well as our "Orico Women's Network" which is intended to expand the horizons of women by building networks both inside and outside the Company. Thanks in part to such initiatives, in fiscal year 2024 the ratio of female managers reached 29.7% at the level of Senior Manager or above and 11.3% at General Manager equivalent positions, demonstrating our continued success in promoting women to managerial positions.

Work and Child-Rearing Are Both Essential to Me; Through My Career, I Strive to Achieve a Fulfilling Life

Kuniko Kamohara
Credit Center
Tokyo First Office

I am currently using our reduced working hour system to manage my team as a Senior Manager while caring for children. When I was appointed as a Senior Manager, I felt both anxious and uncertain about whether I could fulfill my managerial duties within the time constraints and whether I might impose a burden on my subordinates or colleagues. In spite of my doubts, what ultimately inspired me to take on the challenge of this position was seeing my senior at work successfully working in her own way.
Once I finally took that first step, I discovered a new perspective, gained new learning, and found job satisfaction.
I also became more aware of how I use my time, developed the ability to clarify my priorities, and strengthened my capability to make decisions and act more efficiently.
In addition, I realized how important it is to trust your subordinates and those around you, and to rely on their abilities. I also felt that focusing on achieving results as a team helped to improve relationships of trust in the workplace. I am truly grateful to my colleagues and subordinates for their cooperation. Instead of trying to do everything perfectly on your own, it is better to handle both work and childcare as a team. In my case, having the support and understanding of my family allows me to take pride in my work and embrace new challenges.
Different people approach career advancement in their own ways, and I believe that even if such advancement takes time or seems to involve extra steps, the experience gained ultimately becomes a strength. One's career potential can also be expanded even with reduced working hours. I hope to continue sharing this message with those around me through my own experience.

Strengthening the Management Foundation

Further Evolution of Human Capital Management and Human Resources Strategy, and Reform of Work Styles

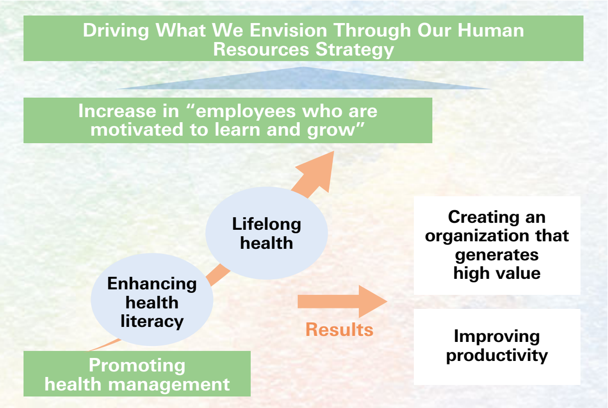
Health Management Initiatives

The Company's health management initiatives have been highly recognized, resulting in an upper ranking in the KENKO Investment for Health (KIH) Outstanding Organizations (White 500) list in fiscal year 2024 and its first-ever selection as a "KIH 2025 company", for which, in principle, only one company from each industry is chosen. To promote high-level health management, in fiscal year 2023 we reviewed our basic policies in association with our management strategy and defined "health management" as a foundation for advancing our human resources strategy. We will actively enhance employees' health literacy and take steps to maintain and promote their physical and mental health. Through these efforts, we will aim to increase the number of employees who are motivated to learn and grow, thereby improving productivity and creating an organization that generates high value. In addition, we will collaborate with industrial physicians and health nurses as we foster an organizational climate that prioritizes health by planning and implementing various measures based on data analysis. This approach will help us achieve what we envision through our human resource strategy.

2025 健康経営銘柄 KENKO Investment for Health

2025 健康経営優良法人 KENKO Investment for Health Large Corporations Division

White 500



Challenges Tackled by Young Leaders

Two employees who joined the Company at the same time and sat next to each other at the Nagoya Branch benefitted from their friendly rivalry!
Here is an interview with our youngest Senior Managers ever, both of whom advanced their careers seven years after joining the Company via internal job posting.

Kouhei Komazawa
Akita Branch

Ibuki Takenaka
Wakayama Branch

Reasons for Taking on the Internal Recruitment Challenge

Mr. Komazawa: I always looked up to my superior when I was working at the Nagoya Branch, and I ended up deciding that I wanted to be in a position where I could help other people grow as well, which is a major reason I took on the challenge of applying. I was still in my twenties at the time, so I thought it would still be a few years before I could become a manager, but then I heard that Mr. Takenaka, who had joined the Company at the same time as me, was trying for a managerial position, and my competitive nature compelled me to go for it, too. Driven in part by my gratitude to everyone who had supported me, I steeled myself and took on the challenge.
Mr. Takenaka: During my time at the Nagoya Branch, the Senior Manager had a major influence on me, and I feel like their guidance enabled me to improve both my knowledge and skills. The General Manager also taught me to try to "always keep an open mind", and, as I broadened my horizons, I found myself becoming more interested in taking on new challenges. The General Manager also encouraged me, so I ended up applying.

Struggles Faced and Overcome

Mr. Komazawa: When I was first appointed, I constantly struggled to convey my thoughts to my subordinates who had extensive experience. To make matters worse, my overly conciliatory approach to getting things done ended up weakening us as a team. What eventually changed things for us was my realization that "I could not change the fact that I had a limited career", alongside my resolution to "act as a coordinator to achieve results together with my team". I then conducted repeated individual interviews with my subordinates to get to know them better, and by conveying respect and enthusiasm, we achieved effective cohesion as a team. I will continue to lead my team based on the belief that "attitudes speak louder than words", by ensuring my teammates to feel that "work is a joy", even in a tough situation.

Daily Mindsets

Mr. Takenaka: Instead of trying to communicate knowledge in words, I try to use an approach based on "doing things together". For example, before visiting a member merchant with my subordinates, I work with them to plan the agenda for the day and how we will present it, and afterward, we always compare notes once the visit is over. After all, it is the people in charge who deal with member merchants on a daily basis, so I believe enhancing their skills is essential. In addition, as a Senior Manager, I must clearly convey my ideas regardless of the age or career of the listener. I strive to maintain this stance.

Future Goals

Mr. Komazawa: I strongly feel that rather than simply thinking that I am employed by the Company, I should proactively use the Company to develop my own career. I will continue to act in the spirit of "Enjoy Challenges", which is one of the Company's values.
Mr. Takenaka: Since I was selected through the internal job posting system, I feel a responsibility to first carry out my current duties to the fullest. Our current human resources system seems like the Company supports employees who want to "try new things" or "take on new challenges", so I will continue to do so.

Conversation with Outside Directors

Kazumi Nishino

Outside Director

Career history

After working at a chemical manufacturer, Ms. Nishino became engaged in education and research of business administration focusing on theories of management strategies and management of technology as Vice President of Hitotsubashi University and Professor of the Graduate School of Business Administration.
She has held her current position since June 2019.

Yuuki Sakurai

**Outside Director,
Audit and Supervisory Committee Member**

Career history

At Fukoku Mutual Life Insurance Company, Mr. Sakurai was responsible for business execution of the financial planning department, and subsequently engaged in company management as Director, Deputy President and Executive Officer.
He has served as corporate auditor of the Company since June 2016 and has held his current position since June 2022.

Yuka Ogasawara

**Outside Director,
Audit and Supervisory Committee Member**

Career history

Ms. Ogasawara has been engaged in the administrative, private, and public-service sectors through a government financial institution, a global consulting firm, a government-affiliated organization, and a private foundation, among others.
She has held her current position since June 2024.

Supporting Orico's Commitment to Reform

Orico, which has announced a new Medium-Term Management Plan between fiscal year 2025 and fiscal year 2029 is ushering in a time of reform aimed at sustainable corporate value improvement under a new management structure. Three of our Outside Directors recently engaged in a candid discussion of both the challenges faced by and the expectations surrounding Orico.

Evaluation of Our Previous Medium-Term Management Plan and Challenges Faced by Orico

Ms. Nishino: Under our previous Medium-Term Management Plan, we unfortunately fell short of our three management targets; our ordinary profit, ROE, and ratio of general expenses to operating revenue. As an Outside Director, I take the fact that we were unable to keep our promise to our shareholders extremely seriously.
I believe that one factor behind this is that our outlook was simply too naive. There were many cases where our figures gradually diverged from our targets, ultimately resulting in us falling short of our goals. In terms of our overseas business, which was another major factor, I believe we needed to set goals based on more comprehensive consideration of market and societal changes as well as cultural characteristics, among others.
In addition, in terms of "digitization", one of the key pillars of our plan, there has been rapid progress in the last three years, including AI. While Orico has taken steps to train personnel specialized in digital technology, we recognize that effectively utilizing such personnel remains a challenge going forward. Under our new Medium-Term Management Plan, we plan to promote further training of our personnel and combine digital technology with Orico's strengths in the fields of "credit extension capabilities" to quickly establish business that differentiates us from other companies.

Conversation with Outside Directors

Mr. Sakurai: As we entered "a world with positive interest rates", we found ourselves in a market environment that truly tested our ability to differentiate our products. Therefore, under our previous Medium-Term Management Plan, we identified the "progressive departure from the conventional credit sales model" as one of our goals and took on the challenge of pursuing reforms, including in governance. In particular, we introduced full-scale business portfolio management, and we analyzed each of our portfolios based on a comparison of risks and costs as we strived to explore suitable measures. During the course of these efforts, we steadily established our settlement and guarantee business, as well as our card business, as our foundation for future growth, and our bank loan guarantee business also started turning a consistent profit.

However, in terms of our installment credit business, we were unable to break away from existing industrial constraints and simple price-based competition. In addition, when it came to our overseas business, I believe that we had a shortage of human resources capable of suitably managing changes in the economic environment, among others.

Going forward, it is necessary to conduct more sophisticated revenue analyses in each of our business fields in order to concentrate our resources in fields where Orico is strong, but, to accomplish this, we must first achieve a common company-wide understanding of our strengths. Under our new Medium-Term Management Plan, it seems like our corporate stance has dramatically changed, specifically by clearly identifying our "credit extension capabilities" as a strength and focusing on fields where we can utilize this advantage.

In addition, to break through constraints in a speedy manner, it is especially important to achieve unity between our management and working sites, but the top-down communication and passive attitude of our corporate culture has gotten in the way of this in the past, and I feel like it has delayed the dissemination of management's ideas to working sites.

Based on his awareness of this challenge, Mr. Umemiya, our President, is also taking various measures to increase the effectiveness of our strategies by ensuring that employees, who tend to focus on how to achieve the immediate revenue targets in the short term, fully understand the approach of the management.

Ms. Nishino: This is related to the strengths mentioned by Mr. Sakurai, but I believe that, as we implement strategies in response to changes in society and the market, it is vitally important for us to hammer in an "immovable stake" and achieve a shared company-wide understanding of this unchanging nature of the Company. This "stake" does not necessarily have to be technology directly linked to our business or a similar strength. It could instead be values shared by our employees, for example.

Conversely, if we fail to hammer in a "stake" like this, our Company is likely to just be swept away by societal changes and new technology, and Orico will not be able to differentiate itself from its competitors.

Therefore, at the Board of Directors meeting, I have pointed out that we need to thoroughly discuss both the nature of Orico's strengths for differentiating us from other companies, as well as how to effectively utilize them.

In terms of business structural reforms under our new Medium-Term Management Plan, my hope is that the Company will free up managerial resources currently allocated to our installment credit business and card business, which make up Orico's foundation, as well as our overseas business, and shift them to growth fields to promote a reliable strategy that leads to profit growth. It is my aspiration that both our management and our Company as a whole will share an immovable "stake" to establish Orico as an organization that will never shake or falter no matter what comes our way.

Ms. Ogasawara: I am of the opinion that it is necessary for us to formulate strategies based on the perspective of what kind of value we provide and to whom. As someone who has served as an Outside Director for about one year, my impression is that many of the products we release are based on the consideration of "how we can get people to choose our existing business and products", which is a product-oriented approach. However, given that we live in times of rapid change, instead of proposing services and products based solely on the company's convenience, we

"We will clarify what makes us strong —our "stake"—and invest our resources in accelerating our strategies."

need to transition to a market-in approach, which involves using what our customers demand as a starting point and changing the details of our business accordingly. Therefore, regarding our new Medium-Term Management Plan, we have incorporated materialities into our strategies, specifically by comprehensively discussing both what kind of value we will provide "to whom" in terms of our "Consumer Client Strategy" and "Corporate Client Strategy". In my opinion, we have thus formulated our Medium-Term

Conversation with Outside Directors

Management Plan based on the ideal process, and I hope to focus on the related progress going forward.

Mr. Sakurai: Nowadays, we live in a world where it is perfectly natural to change jobs, and it is no longer feasible to simply have employees with a lot of years of continuous employment at the Company and assign them to naturally inherit our business and embody "what makes Orico unique". As was also mentioned by Ms. Nishino, it is important to maintain a common understanding of what makes Orico unique.

Individual views of marriage and owning a house are also becoming increasingly diverse. In light of this, sooner or later, credit extension models based on traditional values may no longer work. Indeed, using the sort of "market-in" approach mentioned by Ms. Ogasawara to collect different kinds of data than in the past and finding ways to establish effective analysis methods will be a crucial deciding factor for achieving differentiation. I hope that Orico can leverage its strengths in terms of credit extension capabilities to lead the way in responding to changes and innovate on conventional credit sales models.

Ms. Ogasawara: Regarding conventional human resource practices of typical Japanese companies, most employee careers were confined to a single division or position. However, to reliably reform our business portfolio, it is necessary for us to alter our personnel strategy to one that enables us to flexibly shift human resources to growth businesses and new businesses.

Based on our recognition of such issues, under our new Medium-Term Management Plan, we have started transitioning to a new human resources strategy based on the perspective of enabling free and active cross-divisional collaboration, alongside our efforts toward Corporate Cultural Reform. In addition to the Corporate Philosophy Engagement and Practice Initiatives we have conducted so far, I expect that we will take steps to comprehensively change our culture by linking "organizational development", "DX", among others. We also hope to monitor the situation both quantitatively and qualitatively.

Evaluation of Our Management Structure and Corporate Governance Structure

Mr. Sakurai: To ensure that we can reform our organization, it is of course necessary to continue to enhance our governance, but I also believe we must avoid formalism as we do this and always pursue substance over form. For example, even if it is generally assumed that an Outside Director should be appointed for a given position, it is still necessary to carefully assess that the person in question is well versed in the required duties.

Regarding institutional design as well, it is necessary to consider the suitability from various angles, including the company's form of business and culture, and effective functioning is even more important than institutional design itself. This might sound like I am singing our own praises, but, in terms of Orico's Board of Directors, executives always listen attentively even when Outside Directors speak candidly. In addition, Orico selects Outside Directors who truly possess the necessary skills instead of simply appointing the required number of them.

Ms. Ogasawara: As was just mentioned, I also believe it is important to ensure that an effective improvement process is in place instead of simply making things look passable. In particular, during the process of formulating our new Medium-Term Management Plan, we Outside Directors expressed plenty of opinions, including some fairly harsh criticisms. Regarding our effectiveness evaluations as well, I feel like such evaluations are more than just a formality and that we have succeeded at transparently sharing challenges, implementing a cycle that enables us to use such information to further improve our strategies and governance, and thereby made changes to help ensure that our Board of Directors is sound, friendly, and transparent.

Mr. Sakurai: Reformation cannot be achieved if divisions remain siloed or if employees take a passive stance, which reflects a closed corporate culture. I hope that, similarly to the atmosphere of our Board of Directors, we can make our divisions friendlier and more transparent, starting with their top management, thereby gradually achieving more effective collaboration between our sites. I also hope that leading by example based on an understanding of our strategies will help to change the daily activities of our sites for the better, even in a small way.

Ms. Ogasawara: When it comes to establishing such a friendly and transparent corporate culture, I suspect that there is a lot we can only learn by having our President and other members of our management visit our working sites to engage in dialogues with employees and tear down barriers. I mean, such dialogues give us a way to face site-specific challenges and help us to identify effective measures from the perspective of management, which can lead to business

"We will pursue substance over form and establish a friendly and transparent corporate culture."

Conversation with Outside Directors

process reform. The dialogues themselves also enhance engagement. I suspect that steadily promoting such measures will further increase the effectiveness of our strategies.

Ms. Nishino: By aligning with our strategies and management challenges, including the stock price index slump, we have also applied leverage to the compensation system. Our strategies used to be linked to only our single-year performance, but we divided the incentives into short-term incentives for single-year results aimed at improving our corporate value, and medium- to long-term incentives aimed at improving our medium- to long-term corporate value. I understand that this revision is designed to ensure that, in order to achieve our performance goals, our executives first have to discipline themselves.

In June 2025, we appointed Ms. Hirayama, who possesses deep knowledge of marketing strategy, as a new Independent Outside Director, bringing our total number of Outside Directors to six. I believe that this enhanced our structure by further increasing the diversity of represented backgrounds, making the composition of our Board of Directors more consistent with our strategy, and separating our business supervision and execution.

Expectations of Our New President

Ms. Ogasawara: Mr. Umemiya, our new President, strikes me as a good listener, which makes it easy for people around him to express their opinions. At the same time, he demands direct and honest discussion. I must admit that I was surprised to see an executive refute our President's words without fear once, but I suppose this is because he has done such a good job of fostering peace of mind in terms of being able to communicate candidly. I feel like I caught a glimpse of Orico's earnest efforts to change.

Even back when he was our Executive Vice-President, Mr. Umemiya used to talk about the importance of having a "customer-centric perspective", including what kind of value to provide to customers. I think that he has the ability to change Orico for the better by taking on the challenges presented by "a world with positive interest rates".

> "Reformation bears fruit only with employee understanding and dedication, enabling us to chart a shared future together."

At the same time, reforming our organization is only possible with employee understanding and dedication. Based on the results of our employee survey, some of our employees have experienced "uneasiness regarding the performance of our Company and their personal future". I sincerely hope that our Company will devote themselves to the achievement of our plans, both for the sake of our Company and to give such employees hope.

Ms. Nishino: In recent years, the competitive environment has grown more complex due to the entry of players from different industries, fintech companies, among others. In response, we disclosed our new Medium-Term Management Plan in an effort to express how Orico will position itself in the competition and how we will overcome related issues as the structure of our industry changes. However, our shareholders are not so naive as to be convinced merely by disclosing a plan. They will also take a hard look at whether we are capable of implementing each step of our plan, so we must disclose information on each and every result we achieve.

Given that fiscal year 2025 marks both the appointment of Mr. Umemiya as our new President and the first year of our new Medium-Term Management Plan, it is arguably a prime opportunity to demonstrate Orico's commitment to achieving dramatic organizational change. I hope that Mr. Umemiya will take advantage of his level-headed analytical ability and execution ability to implement our strategies and win the trust of our shareholders, employees, clients, and other stakeholders.

Mr. Sakurai: Sometimes, a ship has to change its course and speed while navigating to respond to storms, glaciers, and other unforeseen issues. Similarly, instead of rigidly trying to promote policies under our Medium-Term Management Plan, we need to be able to flexibly make revisions and changes in response to the situation as we execute our plans. However, as is the case for a navigating ship, we also need to clearly specify our destination. This is what our Medium-Term Management Plan is for, and I hope that our Company will strive to clearly explain our situation to not only our shareholders but also our employees, including any changes to our achievement process. As we do this, our Corporate Philosophy, which we revised in fiscal year 2024, will serve as our compass: "Open the Future with You".

I feel like Mr. Umemiya is skilled at determining the true nature of things, and he is also quite sincere, as he demonstrated when he candidly discussed issues faced by Orico upon announcing our financial results. Under his leadership, I hope that Orico will gain the ability to clearly appeal to society in terms of both "Orico's strengths" and the "kinds of things that only Orico is capable of". As Outside Directors, we will also provide consistent support to help ensure that Orico can achieve its vision for the future.our

Message from the Chair of the Board

Tetsuo Iimori

Director and Chairperson

Progress in Terms of Enhancing Governance Under Our Previous Medium-Term Management Plan

When we announced our previous Medium-Term Management Plan in May 2022, we positioned "governance enhancement" as the foundation for improving our corporate value. More specifically, this involves enhancing both the strategy formulation and supervisory functions of the Board of Directors, as well as our business execution agility, and we implemented the measures below based on the "Corporate Governance Code", which was revised in 2021.
First, in June 2022, the Company transitioned from a company with a Board of Corporate Auditors to a company with an Audit and Supervisory Committee, and we reviewed the overall structure of the Board of Directors. We increased the effectiveness of the Board of Directors by appointing 13 Directors including those who are Audit and Supervisory Committee Members, whereas the previous structure consisted of 18 members—13 Directors and five Auditors—and also by appointing enough Independent Outside Directors for the Board to account for at least one third of our Directors. We clearly stated the skills that our Board of Directors requires, and enhanced both its diversity and objectivity.
Next, to take advantage of the legal effects of transitioning to a company with an Audit and Supervisory Committee, we delegated as many important business execution decisions as possible from the Board of Directors to the President and Director, and we reorganized our business execution structure to position the President and Director at its apex. As a result, we greatly reduced the number of resolutions dealt with by the Board of Directors that are in fact a formality so that the Board can focus on important topics instead. On top of that, in addition to our "Corporate Philosophy" and "Orico's Sustainability Statement", which are the core of our management, we systematically developed important policies that include our "Risk Management Basic Policy" and "Human Rights Basic Policy", thereby clarifying our Company's direction and execution framework for the Board of Directors.
We are also an equity method associate of Mizuho Bank, and, because they own a fairly large share of our stocks, we established a Conflict of Interest Management Committee in June 2022, which deliberates on the fairness of transactions with the Mizuho Financial Group. Under our risk management structure as well, we have introduced a risk appetite framework and are working on establishing a compliance framework.

Further Governance Enhancement Under Our New Medium-Term Management Plan

In fiscal year 2025, we launched our new Medium-Term Management Plan, under which we are striving to further enhance governance in line with existing policies, in order to address drastic changes in the economic environment. More specifically, starting in June 2025, we have adopted an 11-member structure in which a majority of the Board of Directors are Independent Outside Directors, thereby further enhancing both diversity and objectivity of the Board. In addition, we appointed Independent Outside Directors as the chairpersons of the Nomination and Remuneration Committee and the Conflict of Interest Management Committee, which are advisory bodies to the Board of Directors, thereby further solidifying its objectivity.
Furthermore, I, as a Chairperson who is a Non-Executive Director, have been appointed Chair of the Board of Directors in place of the President and Director. This change was made because, in order for the Board of Directors to suitably deliberate on resolutions related to the many reforms based on our Medium-Term Management Plan, among others, we need our Chair, who serves as the coordinator, to be well versed in the business of our Company while also being distanced from the execution of our business to ensure objectivity.

My Goals as the Chair of the Board

Our governance and the functions of the Board of Directors, which are based on it, are undoubtedly strong due to the various initiatives we have taken so far. However, governance requires constant initiatives based on a deep understanding of environmental changes.
Our Company's structure enables supervision by the Board of Directors as well as auditing by the Audit and Supervisory Committee, which makes it a so-called monitoring-type corporate governance structure. Using this structure, we developed a system that enables us to promptly and decisively execute business in line with the strategic direction stipulated by the Board of Directors.
As the Chair of the Board, I strive to ensure suitable operations by the Board of Directors to increase the effectiveness of our governance structure. Through such efforts, I intend to contribute to promoting the sustainable growth of our Company and improving its corporate value to respond to the expectations of various stakeholders.
I look forward to your ongoing support and guidance in this regard.

Corporate Governance

Members of the Board of Directors (as of June 25, 2025)

WEB For details about our Directors, as well as information on Executive Officers, please refer to "Management".

1 Tetsuo Iimori
Chairperson of the Board

2 Makoto Umemiya
President and Representative Director, President and Executive Officer

3 Hideyuki Matsuoka
Director, Senior Managing Executive Officer

4 Kazuaki Baba
Representative Director, Managing Executive Officer

5 Kazumi Nishino
Outside Director

6 Shigeaki Honjo
Outside Director

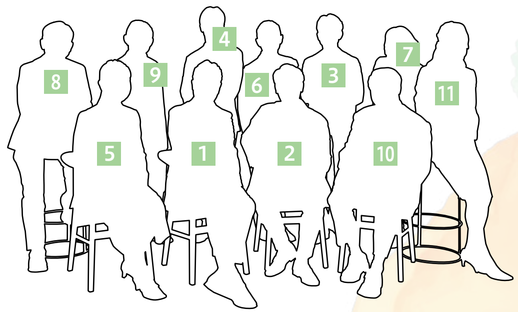
7 Keiko Hirayama
Outside Director

8 Yuji Fukasawa
Director, Audit and Supervisory Committee Member

9 Yuuki Sakurai
Outside Director, Audit and Supervisory Committee Member

10 Gan Matsui
Outside Director, Audit and Supervisory Committee Member

11 Yuka Ogasawara
Outside Director, Audit and Supervisory Committee Member



Corporate Governance

Skills Matrix

Skills the Company's Board of Directors Should Possess

The Company emphasizes the Board of Directors' strategy formulation and supervision functions, with the aim of balancing knowledge, experience, and ability, as well as diversity and an appropriate size for the Board as a whole.
In addition, to achieve the goal set out in our Medium-Term Management Plan of "Establishing a Unique Financial Model of Orico"—that is, to "establish a business foundation that offers Orico a competitive advantage, starting with the resolution of our materiality issues"—we have identified eight skills that members of our Board of Directors should possess.

			Independent Outside Director	Executive Director	Skills That Should Be Possessed								Nomination & Remuneration Committee	Conflict of Interest Management Committee
					Corporate Management	Sustainability	Business Insights	Finance and Accounting	Governance, Risk Management, Legal Affairs, and Compliance	Human Resources and Organization	Digital	Marketing		
Director	Internal	Tetsuo Iimori Chair of the Board of Directors			○	○	○	○	○	○		○	○	
		Makoto Umemiya		○	○	○	○	○	○	○	○			○
		Hideyuki Matsuoka		○		○	○		○	○				
		Kazuaki Baba		○		○	○	○	○					
	Outside	Kazumi Nishino	○			○				○		○	○	
		Shigeaki Honjo	○			○			○		○			○ Committee Chair
		Keiko Hirayama	○			○				○	○	○		
Director Audit and Supervisory Committee Member	Internal	Yuji Fukasawa				○	○	○	○					
	Outside	Yuuki Sakurai	○		○	○		○	○	○		○	○	
		Gan Matsui	○			○			○	○			○ Committee Chair	○
		Yuka Ogasawara	○			○		○				○		

WEB Independence Standards for Independent Outside Directors

Reasons for Appointment as Independent Outside Directors

We appoint Outside Directors considered to be suitable in terms of the skills necessary for the Company's Board of Directors, with the aim of taking advantage of their objective perspectives as Non-Executive Directors to contribute both to strategy formulation and the fulfillment of supervisory functions by our Board of Directors and auditing functions by our Audit and Supervisory Committee.

Kazumi Nishino	As Vice President at Hitotsubashi University and Professor of the Graduate School of Business Administration, Ms. Nishino possesses advanced knowledge of corporate management based on practical research, and we therefore appointed her based on our belief that she is capable of suitable decision-making, among others.
Shigeaki Honjo	Mr. Honjo possesses outstanding management decision-making capabilities based on his wealth of experience as an Executive Officer at a major system development vendor, and we therefore appointed him based on our belief that he is capable of suitable decision-making, among others.
Keiko Hirayama	Ms. Hirayama possesses advanced knowledge of marketing strategies as well as inclusion and diversity, and we therefore appointed her based on our belief that she is capable of suitable decision-making, among others.
Yuuki Sakurai	Mr. Sakurai possesses corporate management experience as an Executive Officer at a major life insurance company, and we therefore appointed him based on our belief that he is capable of conducting audits and offering advice on the legality and appropriateness of our management in general.
Gan Matsui	Mr. Matsui possesses a wealth of experience and advanced knowledge of the legal world, and we therefore appointed him based on our belief that he is capable of conducting audits and offering advice on the legality and appropriateness of our management in general.
Yuka Ogasawara	Ms. Ogasawara possesses a wealth of knowledge related to management and the consulting field, and we therefore appointed her based on our belief that she is capable of conducting audits and offering advice on the legality and appropriateness of our management in general.

Corporate Governance

Basic Views

The Company is strengthening the Board of Directors' strategy formulation and supervision functions while maximizing the delegation of important business execution decisions from the Board to the President and Director to enhance the agility of business execution.
We will continue to work on constantly improving governance as a Tokyo Stock Exchange Prime Market-listed company while considering social indicators such as "Japan's Corporate Governance Code" and "Guidelines for Investor and Company Engagement".

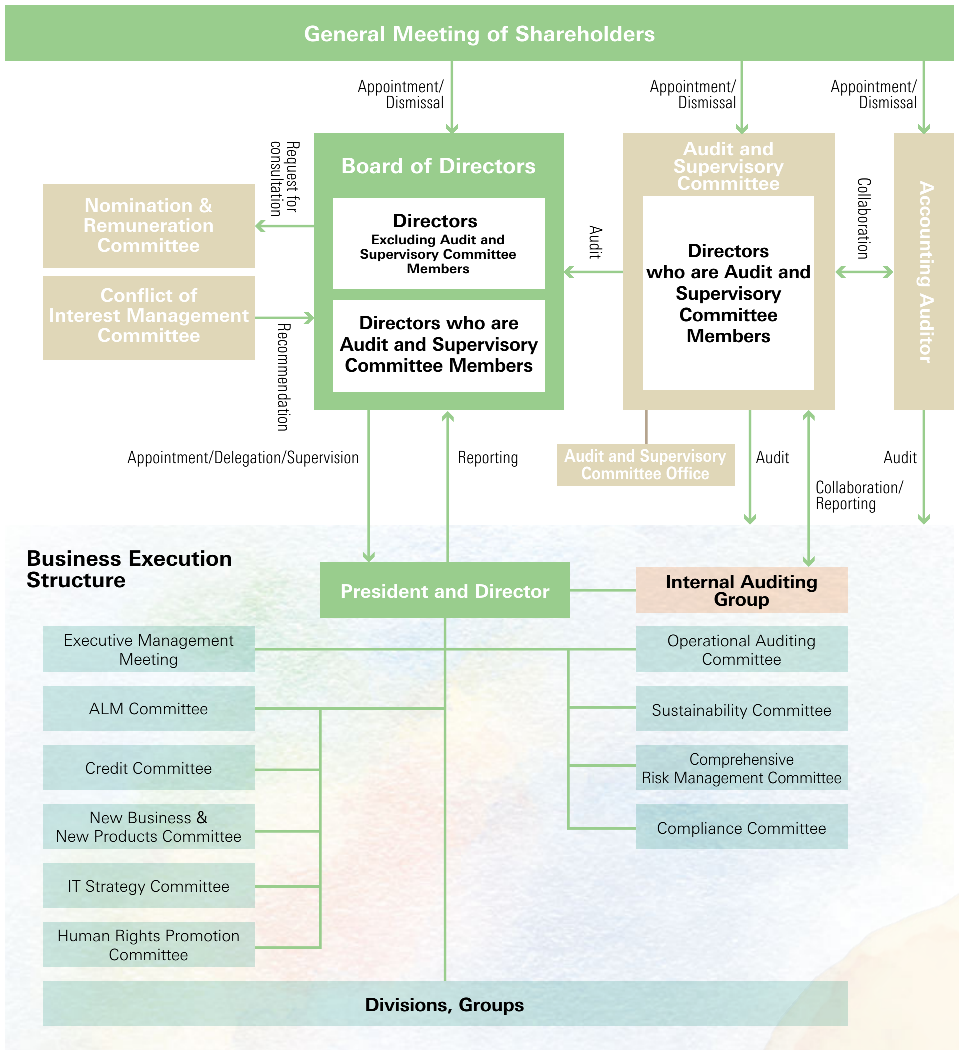
Initiatives to Enhance Corporate Governance

	Policy and Organizational Design	Independent Outside Directors on the Board of Directors*
2015–2018	· Established "Basic Views and Basic Policies on Corporate Governance" · Nomination & Remuneration Committee established · Began evaluation of Board effectiveness	2 (15%)
2019–2021	· Strengthening delegation of authority from the Board of Directors to the President and Director · Established "Policy on Internal Audits" and "Business Continuity Management Basic Policy"	3 (23%)
2022–2024	· Transitioned to a company with an Audit and Supervisory Committee · Established the Conflict of Interest Management Committee · Established the "Basic Policy on Capital Structure", "Information Disclosure Basic Policy", "Human Rights Basic Policy", among others	5 (38%)
2025	· Changed the majority of the Board of Directors to Independent Outside Directors · Changed the Chair of the Board of Directors to the Chairperson of the Board, who is a Non-Executive Director · Changed the Committee Chairs of the Nomination & Remuneration Committee and the Conflict of Interest Management Committee to Independent Outside Directors	**6 (55%)**

*As of the end of June each year

Corporate Governance Structure

as of June 30, 2025

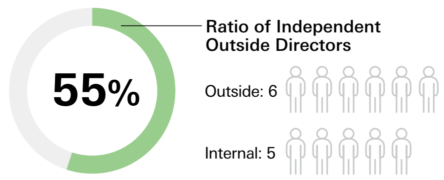


Corporate Governance

Overview of the Board of Directors and Audit and Supervisory Committee

Board of Directors

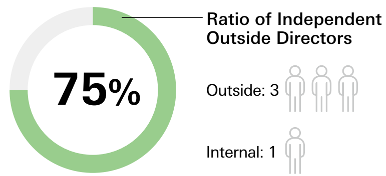
To achieve sustainable growth and improve our corporate value in the medium to long term, the Board of Directors emphasizes strategy formulation and supervisory functions. We also ensure multifaceted consideration and the objectivity and transparency of decision-making within the Board of Directors by maintaining a majority of independent Outside Directors and appointing the Chair of the Board of Directors to Chairperson and Director, who is a Non-Executive Director.



Chair	Tetsuo Iimori Non-Executive Director	
FY2024 Results	Number of meetings held	15
	Average attendance rate	98%

Audit and Supervisory Committee

The committee is in charge of important defensive governance functions and auditing the legality and appropriateness of business execution. It consists only of Non-Executive Directors, the majority of whom are Independent Outside Directors.

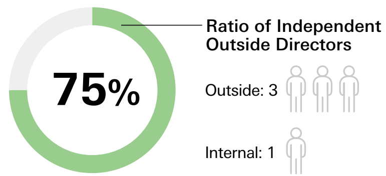


Committee Chair	Yuji Fukasawa Full-Time Audit and Supervisory Committee Member	
FY2024 Results	Number of meetings held	29
	Average attendance rate	97%

▶Advisory Committees Directly Under the Board of Directors

Nomination & Remuneration Committee

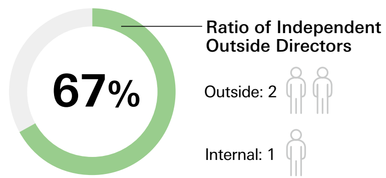
The committee deliberates on matters relating to the appointment and remuneration of executives, as consulted by the Board of Directors.



Committee Chair	Gan Matsui Independent Outside Director	
FY2024 Results	Number of meetings held	7
	Average attendance rate	100%

Conflict of Interest Management Committee

The committee assesses the appropriateness of important transactions with companies of Mizuho Financial Group, Inc., which is our major shareholder.



Committee Chair	Shigeaki Honjo Independent Outside Director
FY2024 Results	No meetings held

Message from a New Outside Director

I was appointed as an Outside Director at the General Meeting of Shareholders held in June 2025. I feel a deep sense of responsibility in being entrusted with such a significant role.

During my approximately 30 years of experience working at technology companies, I have been involved in marketing and diversity promotion. I also spent around 20 of those years at global companies, where I had the opportunity to learn how to approach business based on global standards, including prompt decision-making, rational and logical thinking, and the development of corporate culture.

I aim to leverage my experience to contribute to growth through change, ensuring Orico continues to deliver the strengths built over 70 years in line with the values of this new era. As digitization and globalization continue to advance, driving ever-accelerating changes in the market environment, I will do everything in my power to further enhance our governance structure and help to create our future corporate value.

Keiko Hirayama
Outside Director

Corporate Governance

Analyzing and Evaluating the Effectiveness of the Board of Directors

▶Basic Views

To ensure the Board of Directors, the core of corporate governance, fulfills its roles and responsibilities appropriately, the Company evaluates and analyzes the Board's effectiveness annually with the support of third-party external professionals, makes improvement based on the results, and thereby works on enhancing the Board's effectiveness further.

▶FY2023 Evaluation Results

Overall Evaluation	The management foundation, such as business portfolio operations, risk management, and governance, was steadily strengthened. On the other hand, each management target has not been achieved, necessitating strategic discussions with the formulation of a new Medium-Term Management Plan in mind, as well as further strengthening of audits.
Challenges	**Strategy formulation:** Enhance discussions on important themes **Environmental development:** Enhance the effectiveness of monitoring, including Group companies **Supervision:** Further enhance the effectiveness of the governance structure

▶FY2024 Initiatives

Initiatives	**Strategy formulation:** Established important themes* that outline the broad direction of corporate strategy and enhanced discussions based on the refinement of annual scheduling
	Environmental development: Enhanced our handling of the Three Lines Model, including Group companies, enhanced the self-control of Group companies, and took other steps to optimize Group management, thereby increasing the effectiveness of monitoring
	Supervision: Implemented the PDCA cycle on the execution side based on various basic policies in areas such as customer-centric operations, human rights, information disclosure controls, and environment

*Primary Themes
1. New Medium-Term Management Plan—holding four off-site meetings
2. Establishment of an internal control system for the Group as a whole, including overseas
3. Penetration status of our new Corporate Philosophy
4. Achievement of Business Structural Reforms
5. Overseas business initiative status

▶FY2024 Evaluation Results

Individual Evaluation	**Strategy formulation:** Discussions on important themes have progressed unevenly, necessitating further substantive deliberation on rational planning formulation, analysis of factors behind budget-actual variances, and countermeasures.
	Environmental development: Although we are building a Group governance system, it has not been completely verified, and the further enhancement of monitoring is essential.
	Supervision: Our Board of Directors is appropriately supervising the implementation of the PDCA cycle by executive departments based on our various basic policies.
Overall Evaluation	We have steadily improved the effectiveness of the Board of Directors through enhancements to strategy formulation, monitoring, among others. It is necessary to implement monitoring that contributes to the achievement of our new Medium-Term Management Plan and to further flesh out discussions based on both broad and fundamentally sound perspectives.

▶Major Views on Board Operation in FY2025

Based on matters such as the Board operational status and the Board effectiveness evaluations in the previous fiscal year, the Company's Board of Directors has adopted the following main ideas for its operations in fiscal year 2025.
To achieve sustainable corporate growth and continue to enhance corporate value over the medium to long term, the Board of Directors is committed to appropriately fulfilling roles and responsibilities that include the formulation of strategies and fulfillment of supervision functions.

Viewpoint of Strategies	Discuss strategies that contribute to the achievement of our new Medium-Term Management Plan
Viewpoint of Supervision	• Expand digital technology and AI utilization • Increase the sophistication of corporate governance and risk management • Reform our corporate culture

▶Evaluation Process of Board Effectiveness in FY2024

Participants	All Directors (12) *As of February 1, 2025
Implementation Method	1. The Company conducted questionnaires for all Directors on ensuring the Board's appropriate fulfillment of roles and responsibilities. 2. Third-party external professionals conducted personal interviews with the Directors based on questionnaire responses. 3. Third-party external professionals summarized and analyzed the results. 4. Based on the results of analysis by third-party external professionals, the Board secretariat formulated a draft of the analysis results and evaluations, reported to the Board of Directors, and discussions were held at the Board.
Questionnaire Content Overview	• Composition of the Board of Directors, Audit and Supervisory Committee, and advisory bodies to the Board of Directors • Roles and responsibilities of the Board of Directors • Operational status of the Board of Directors • Status of addressing challenges identified in the fiscal year 2023 evaluation • Matters to be improved, among others

Corporate Governance

Governance Structure with Major Shareholders in Consideration of Protection of Minority Shareholders

The Company is an equity method associate of Mizuho Financial Group, Inc. The Company receives a total of approximately 49% investment from companies of Mizuho Financial Group, Inc., which includes approximately 48.6% investment from Mizuho Bank, Ltd.

Mizuho Financial Group, Inc. makes efforts to expand the businesses of both the Company and our business partners and, as shown below, respects the independence of the Company and strives not to impede the interests of the Company and minority shareholders.

1) In the process of the Company's decision-making on matters such as management plans, there is no involvement by companies of Mizuho Financial Group, Inc. such as mandatory prior approval, sufficiently ensuring the independence of the Company.

2) The Company makes efforts to ensure appropriate conditions of transactions with Mizuho Financial Group, Inc. companies in order not to harm the interests of the Company and minority shareholders. In addition, the Company has established the Conflict of Interest Management Committee as an advisory body to the Board of Directors, of which the Chair and the majority of Committee members are Independent Outside Directors. The Committee deliberates on the appropriateness of material transactions with each company of Mizuho Financial Group, Inc.

3) To confirm appropriate implementation of the operation, the Company conducts an annual investigation on transactions with parties such as major shareholders based on "Policies on Corporate Governance" established by a resolution of the Board of Directors. The Company reports material facts to the Conflict of Interest Management Committee and the Board of Directors as required and appropriately discloses information in accordance with laws and regulations and other rules.

The Company aims to protect the interest of its minority shareholders while also building a good relationship with Mizuho Financial Group, Inc. companies. In doing so, we will enhance our transparent governance structure and continue growing as a company trusted by our stakeholders.

WEB
- Guidelines Concerning Minority Shareholders Protection Policy in Transactions with Controlling Shareholders
- Ensuring Proper Transactions Between Related Parties

Strong Collaboration with Mizuho Bank, Ltd.

Collaboration with Mizuho Bank, Ltd., our major shareholder, is one of our Company's key strengths.
Starting with our previous Medium-Term Management Plan, we have regularly held meetings of the steering committee headed by our President and Director and the Senior Managing Corporate Executive and Co-Head of Retail & Business Banking Company of Mizuho Financial Group, Inc., to promote top management communication as well as specific collaboration.

Main Collaboration Results

For individual customers

- **Increased the number of Mizuho Mileage Club card members**

Year-on-year: 15.1% increase

- **Currently considering the possibility of providing digital installment payment functions to Rakuten Ichiba customers as part of our business alliance framework with Mizuho Bank, Ltd.**

Rakuten

For corporate customers

- **Provided support to increase operational efficiency by utilizing business credit cards and Orico Business payment for SME (OBS) to improve the cash flow**

OBS acquisitions
Mizuho's ratio 24.2%

- **Provided support related to collection risk hedging and operational efficiency using accounts receivable settlement guarantees for medium-sized and large companies**

Volume of accounts receivable settlement guarantee transactions
Mizuho ratio: 18.6%

New agreements: 52 companies

* Our Company assigns employees to Mizuho Bank, Ltd.'s sales offices in an effort to achieve more effective collaboration.

Corporate Governance

Executive Compensation

The compensation of Directors, excluding Non-Executive Directors, Outside Directors, and Directors who are Audit and Supervisory Committee Members, of our Company consists of title-based fixed compensation as well as monetary compensation and stock compensation, which are performance-linked compensation. Regarding the performance-linked compensation, based on feedback from capital markets, we utilize TSR and our employee engagement score, which is aimed at Corporate Cultural Reform, as evaluation indicators to improve our medium- to long-term performance and corporate value. Meanwhile, our compensation for Non-Executive Directors and Outside Directors consists of fixed compensation and stock compensation, which is non-performance-linked compensation, and our compensation for Executive Officers follows a system similar to that of Directors.

	Payment method	Performance-linked ratio	Payment ratio			
			President and Director	Executive Directors / Appointed Executive Officers	Executive Officers	Non-Executive Directors, Outside Directors, and Directors who are Audit and Supervisory Committee Members
Fixed compensation*1	Cash	—	60%	60%	70%	90%
Performance-linked compensation: Short-term*2 incentives	Cash	0-150%	20%	20%	20%	—
Performance-linked compensation: Medium- to long-term*3 incentives	Stocks	0-150%	20%	20%	10%	—
Non-performance-linked compensation	Stocks	—	—	—	—	10%

Breakdown of performance-linked compensation

Performance-linked ratio	Weight*4
Ordinary profit	100%
ROE	40%
TSR	40%
Employee engagement scores	20%

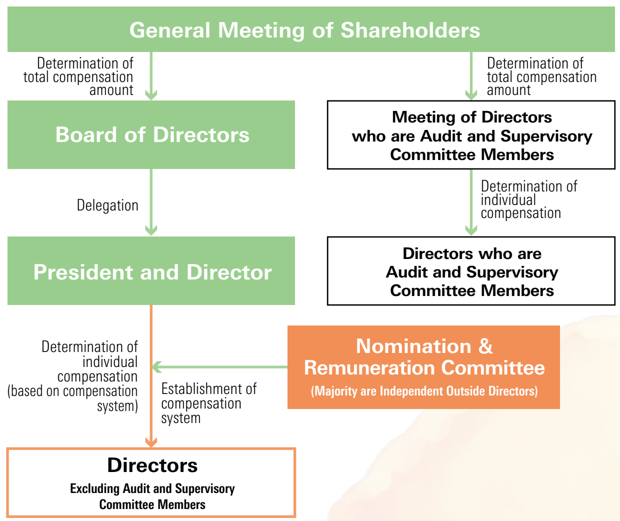
*1. Paid every month according to the title of each executive of each Director
*2. Paid as a lump sum during the following fiscal year as an incentive to achieve single-year results aimed at increasing our corporate value
*3. Paid as an incentive to increase our medium- to long-term corporate value in accordance with the level of achievement of financial indicators emphasized by the Group, the evaluation of stakeholder-related indicators, among others.
*4. The short-term incentives of Division and/or Group Heads are calculated assuming the following weights: 50% consolidated performance and 50% evaluated results of the division or Group for which the person is responsible

WEB Compensation of Directors and Auditors

Compensation Determination Process

- The decision-making process for the details of individual compensation and the like for Directors, excluding Directors who are Audit and Supervisory Committee Members, is delegated to the President and Director based on a resolution of the Board of Directors, within the range of the total compensation amount approved at the General Meeting of Shareholders. To ensure that this authority is appropriately exercised by the President and Director, the President and Director shall make decisions in accordance with the compensation system formulated based on prior requests for consultation and recommendations of the Nomination & Remuneration Committee.
- The decision-making process for the details of individual compensation and the like for Directors who are Audit and Supervisory Committee Members is determined through consultation among Directors who are Audit and Supervisory Committee Members, within the range of the total compensation amount approved at the General Meeting of Shareholders.

■ Compensation Determination Diagram



Risk Management / Compliance

Message from Head of Corporate Compliance Group and Risk Management Group

Toshifumi Murata

Managing Executive Officer
Head of Corporate Compliance Group and Risk Management Group

Introduction

I believe the most important aspect of compliance is the attitude and approach of executives and employees. In 2024, we reviewed our Corporate Philosophy for the first time in around 30 years and formulated a new Corporate Philosophy. Its Values include “Embrace Integrity” and “Establish Trust”, and it is vital that these concepts take root among our executives and employees. I believe risk management is to accurately recognize risks, take appropriate measures to mitigate them, and at the same time assume necessary risks in order to pursue returns. Furthermore, the detection and prediction of fraud and risks constantly demand continuous improvement. We consider that these solutions lie in leveraging AI and other cutting-edge digital technologies, and we are pursuing new initiatives focused on early warning systems. We will continue developing our compliance and risk management structure that serves as a foundation for the Company’s growth.

Basic Views

The Company positions appropriate risk and compliance management as a key management issue to maintain soundness and stability while enhancing corporate value. We understand that compliance extends beyond merely adhering to laws and regulations and includes taking actions deemed “socially appropriate” in keeping with corporate ethics and social norms.
We will continue to advance initiatives to further strengthen these management systems, which support the foundation of our corporate growth.

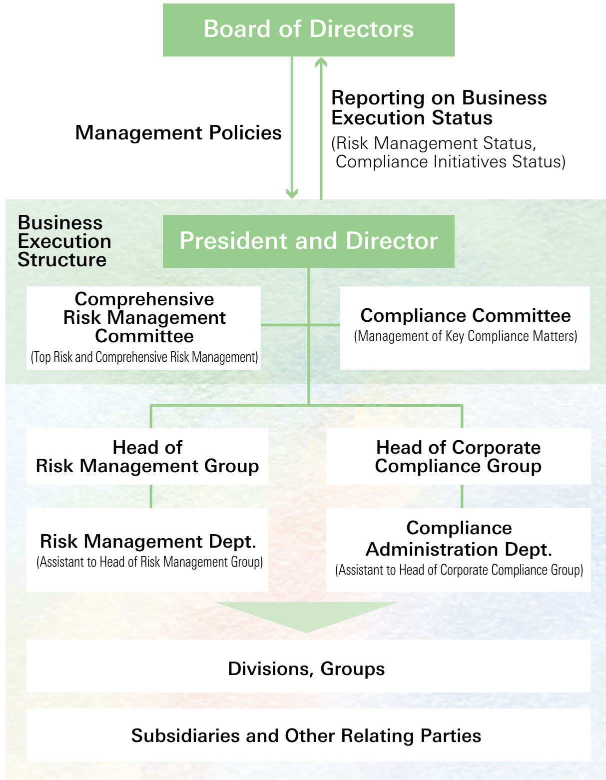
Risk Management Structure / Compliance Structure

To comprehensively understand and manage the diverse risks within the Group, we have established the “Risk Management Basic Policy” and a structure in which individual risks are managed by the responsible departments, while the Risk Management Dept. maintains an overall understanding and provides necessary instructions based on the situation.
In addition, we are working to establish a compliance structure in which each Group company develops its own compliance management system based on the concept of autonomous control. We receive reports on their management status as needed and provide the necessary support and guidance to ensure appropriate compliance across the Group.

Comprehensive Risk Management Committee and Compliance Committee

The Comprehensive Risk Management Committee, which oversees the risks faced by the Group and responds appropriately to any risks that materialize, as well as the Compliance Committee, which deliberates and reports on compliance initiatives, hold a meeting every quarter. We have established structures for suitably managing risks across the Group and ensuring compliance, including the timely and appropriate reporting of meeting details to Executive Management Meetings and meetings of the Board of Directors.

■ Risk Management Structure / Compliance Structure



WEB Risk Management / Compliance Structure

Risk Management / Compliance

Risk Management

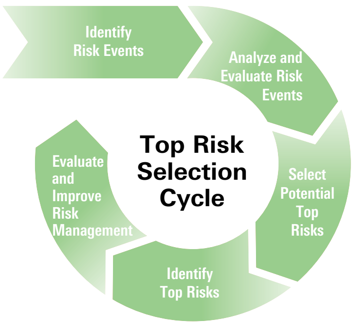
Risk Management Initiatives

Top Risks

The Company identifies risk events that could significantly impact the Group's management as "Top Risks" based on both internal and external factors, if they materialize within the next three to five years. We review the selected Top Risks periodically and as necessary, and strive for appropriate risk control by taking effective measures.

Identify Risk Events
- Identify risk events from internal and external environments that have an impact on our Group

Evaluate and Improve Risk Management
- Regularly monitor and evaluate the operational status and report to the Comprehensive Risk Management Committee, Executive Management Meeting, and Board of Directors
- Review and reassess the selected top risks periodically and as necessary



Analyze and Evaluate Risk Events
- Create a heatmap to evaluate the significance of risk events on an assessment of the likelihood and impact of the risk events

Select Potential Top Risks
- Select potential top risks by classifying high-importance risks based on similarity and relevance

Identify Top Risks
- Comprehensively evaluate the impact on the Group and the response status and select top risks with the involvement of management
- Following deliberation by the Comprehensive Risk Management Committee and the Executive Management Meeting, the President and Director determines the top risks

Top Risks in FY2025

A more serious downturn in the economic environment	Rising interest rates	Cyberattacks and large-scale system failures
Acts that violate social norms	Increased fraudulent use	Natural disasters and new infectious diseases
Insufficient human resources management		

(Current as of June 2025)

WEB Top Risk Scenarios

Business Continuity Initiatives

The Company positions responding to emergencies, such as "large-scale natural disasters", "the spread of infectious diseases", and "system failures", as a key management issue. We have established the "Business Continuity Management Basic Policy" by a resolution of the Board of Directors and are working to enhance its effectiveness through drills and other means.

Compliance

Compliance Initiatives

The Orico Group Code

We have positioned compliance as a key management issue and consider conduct risk that can lead to a loss of corporate value to be an important risk from a management perspective.
We revised "The Orico Group Code" in 2022 to serve as a new code of conduct, providing a basis for judgment in taking actions deemed "socially appropriate". We will continue to work on preventing misconduct and scandals by further fostering compliance awareness throughout the Group, ensuring that the Code takes root among executives and employees.

WEB Compliance System, Internal Reporting System, Compliance Initiatives

Response and System for Money Laundering and Terrorist Financing

We have established the "Basic Policy for the Prevention of Money Laundering, Terrorist Financing, and Proliferation Financing" and launched the "AML Office", or the Anti-Money Laundering Office, as a specialized department within the Compliance Administration Department. We have established systems related to regulations and guidelines by the Financial Services Agency and the Ministry of Economy, Trade and Industry and provide education while continuing to establish the risk management system required of money lenders and credit card business operators.

WEB Basic Policy for the Prevention of Money Laundering, Terrorist Financing, and Proliferation Financing

Response and System for Anti-Social Forces

To sever ties with anti-social forces, we have established a basic policy and regulations, set up the "Compliance Office" as a dedicated department, and built a database and implemented measures to prevent transactions at the time of contract conclusion, as well as to terminate transactions after the contract has been concluded. In addition, we administer training sessions and are striving to develop systems to exclude anti-social forces across the entire organization.

WEB Basic Policy Against Anti-Social Forces

WEB Efforts Against Anti-Social Forces, Initiatives to Preventing Bribery and All Forms of Corruption, Basic Policy and Commitment to Prevent Money Laundering, Terrorist Financing, and Proliferation Financing

Cybersecurity

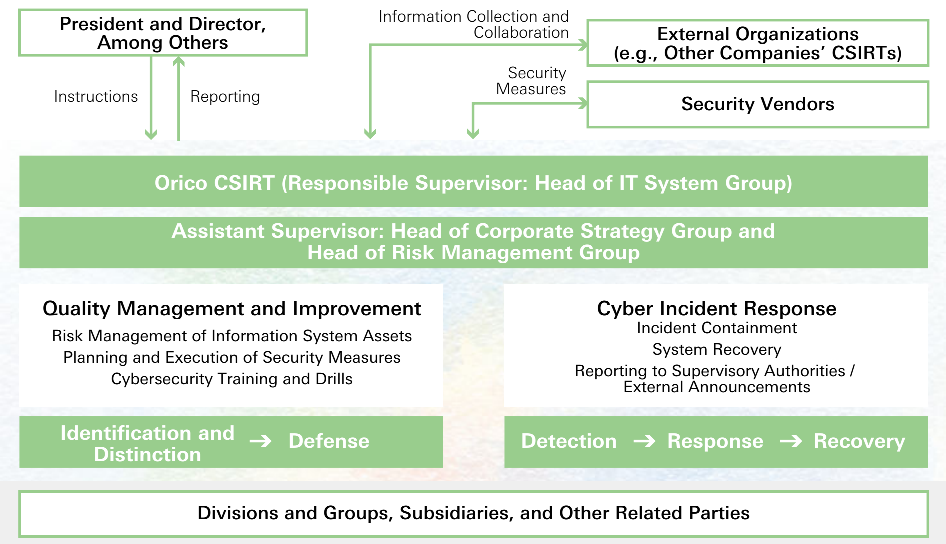
Basic Views

The Company recognizes the threat of increasingly sophisticated and cunning cyberattacks as a key management issue and considers it a top risk that affects our business. We have established a cybersecurity risk management framework by implementing organizational, technical, human, and physical measures.

Management System

We have established the Orico Computer Security Incident Response Team (CSIRT) to strengthen our framework for deterring and preventing cyber incidents and responding to emergencies. It has built a structure for consistent control, ranging from routine safety precautions, which encompass supply chain management, to readiness for incident response. We are working to improve security quality through information collection in collaboration with external organizations, planning and implementing measures, and conducting training and drills. It also plays a central role in minimizing damage and achieving rapid recovery in the event of an incident.

Orico CSIRT Organization Chart



Cybersecurity Measures

1) Monitoring System

We strive for early detection and immediate response to incidents through information collection in collaboration with external specialized agencies and 24/7 monitoring of networks and devices by an integrated SOC*.

*Security Operation Center (SOC):
An organization that analyzes log information collected from various security devices

2) Technical Measures

We have built a multi-layered defense system that includes intrusion prevention and malware countermeasures. We have also introduced DMARC*1 and BIMI*2 as measures against suspicious emails and phishing scams to strengthen our security measures.

*1. Domain-based Message Authentication, Reporting and Conformance (DMARC):
A mechanism that controls actions such as blocking or quarantining emails identified as spam based on the sender
*2. Brand Indicators for Message Identification (BIMI):
A specification that displays the sending company's logo for "authenticated emails" that are sent legitimately

WEB Logo displayed when an email is sent by Orico

3) Education, Training, and Drills

To enhance the security literacy of executives and employees, we regularly provide training for management, as well as targeted email training and e-learning for all executives and employees.
We also strive to continuously enhance our responsiveness by collecting information from external sources and leveraging third-party evaluations, participate in external training to develop specialized personnel, and raise the overall level of knowledge. For drills, we conduct exercises simulating the occurrence of security incidents to improve the effectiveness of our response.

Sustainability Promotion Structures

As a reliable partner, our Group is committed to contributing to society through all its corporate activities and pursuing both social and corporate value. To this end, we have developed the sustainability promotion structures below.

Orico's Sustainability Statement

We, the Group, are committed to our corporate purpose: "Open the future with you". This represents our determination to be a partner, taking a genuine care and leading with enthusiasm, staying close to the present and the future status of each one of our stakeholders, beginning with our customers.
Our goal is to create a sustainable society in which everyone can realize a fulfilling life. We seek to solve various social challenges through the power of innovation and pass on a legacy of such a society to future generations. To this end, as a trusted partner, we pursue both social value and corporate value by contributing to society through all of our corporate activities.

■ Sustainability Governance Structure

Board of Directors

Supervision ↓ ↑ Reporting

President and Director

Sustainability Committee

Committee Chair: President and Director
Standing Members: Head of each Division/Group and relevant members

Subcommittee

Customer Engagement Enhancement Subcommittee
Services for Foreign Residents Subcommittee
SME Market Value Creation Subcommittee
Personnel Management Subcommittee

Sustainability Promotion Structures

We established a promotion structure that the Sustainability Committee, chaired by the President and Director, deliberates and reports important sustainability-related issues.
Heads of Divisions and Groups participate as the standing members of this committee, Group company managers and Company executives and employees involved in sustainability promotion participate as audience members, and Outside Directors participate as observers. The activities of the Sustainability Committee are reported semiannually to the Board of Directors, which oversees the status of sustainability-related initiatives.

Major Discussion and Reporting Themes in FY2024

- Direction of sustainability-oriented management for the new Medium-Term Management Plan
- Reporting on the status of initiatives related to former subcommittee activities, including the Environmental and Regional Subcommittee, Customer Subcommittee, and Human Resources Subcommittee
- Report on the progress of ESG initiatives
- Management of "greenwashing"
- Report on the progress of collaboration with local municipalities
- Report on the status of considering internal penetration measures
- Promoting the Sustainable Management / CSR Test
- Voluntary initiatives by each organization
- Report on social contribution activities

Sustainability-Oriented Procurement Policy

We are committed to considering the sustainability of our business operations. In our sustainability-oriented business operations, we also attach importance to ensuring the understanding of our business partners for a future we share with our stakeholders. In view of the above, we have formulated the "Sustainability-Oriented Procurement Policy".

Matters for Which We Ask for Your Understanding and Cooperation

Legal Compliance, Anti-Corruption, Information Management, Respect for Human Rights, Occupational Safety and Health, Customer Protection, Responsible Advertising and Marketing, and Environmental Considerations

We promote activities aimed at ensuring that our executives and employees, member merchants, alliance partners, outsourcing partners, and goods and service suppliers understand and cooperate with this procurement policy.

Results of Activities Aimed at Understanding and Cooperation (FY2024)

Company executives and employees: 100%

Outsourcing partners: 100%

Business partners with whom we have deep relationships*: 100%

*Regularly visited member merchants, affiliated financial institutions, among others

WEB Sustainability-Oriented Procurement Policy

Environmental Initiatives

Climate Change and Natural Capital Conservation

Amid heightened awareness of the risks posed by climate change and the need to conserve natural capital, in recent years, demands for corporate action on environmental issues are rapidly increasing. We recognize the importance of our contribution to achieving a sustainable economy, especially in light of our presence in secondhand, reuse, and other markets. We have identified “Contributing to the Realization of a Circular Society and Decarbonization” as one of our materialities—important issues to be addressed as a priority—and we promote initiatives accordingly.

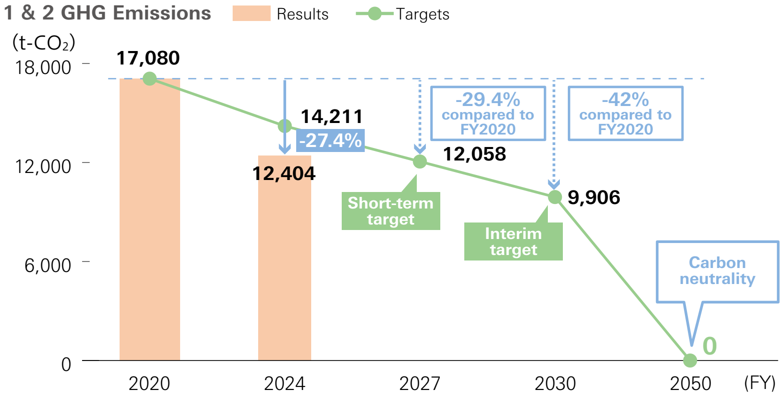
Governance

Regarding the importance of the risks and opportunities related to climate change and natural capital conservation, as well as dependencies and impacts on nature within our business strategies, we have established a structure for discussion and reporting through the Sustainability Committee, chaired by the President and Director.
We have also established our Environmental Basic Policy and are working to improve its effectiveness by implementing the PDCA cycle, including planning, execution, and reporting in line with this policy.
Progress on these environmental initiatives is reported appropriately and as needed to the President and Director and the Board of Directors, which provides oversight of our Group’s initiatives on climate change and environmental matters.

Indicators and Targets

We have set short-term and intermediate targets for achieving net zero emissions in 2050. By promoting the switch to renewable energy and eco-friendly vehicles, we have been successfully reducing GHG emissions as shown below.

■ Scope 1 & 2 GHG Emissions



WEB Emission Details

Strategy and Risk Management

We established “materialities” as important issues to be addressed as a priority in achieving our 10-year envisioned society and vision. We formulated Deepening Circular Economy Market as one of the strategic pillars to solve these key issues using the backcasting approach. We also identify risks and opportunities related to climate change and natural capital conservation as well as our dependencies and impacts on nature and quantitatively assess their impact on our business.

P. 73 Scenario Analysis Results

Specific Scenario Analysis and Risk Management Procedures

We have conducted scenario analyses in line with the framework proposed by the Task Force on Climate-related Financial Disclosures (TCFD) to assess the potential impacts on our Group of environmental issues such as climate change, as well as the transition to a circular society and decarbonization. Additionally, we conducted analyses of the LEAP approach* recommended by the Taskforce on Nature-related Financial Disclosures, or TNFD.
In scenario analysis and in specific evaluation and management processes, we identify environmental “risks and opportunities” and “dependencies and impacts”, including those related to climate change and natural capital, evaluate these items, and consider appropriate countermeasures.
Officers who serve as standing members of the Sustainability Committee, along with executives and other members, participate in the evaluation and consideration of countermeasures. This ensures that our Group promotes effective, Group-wide responses to environmental issues such as climate change.

* A comprehensive approach and framework developed by the Taskforce on Nature-related Financial Disclosures, or TNFD, to evaluate nature-related issues faced by organizations, including their interface with nature as well as nature-related dependencies, impacts, risks, and opportunities. The LEAP approach involves applying scoping and then taking the following steps: Locate, Evaluate, Assess, and Prepare.

Environmental Initiatives

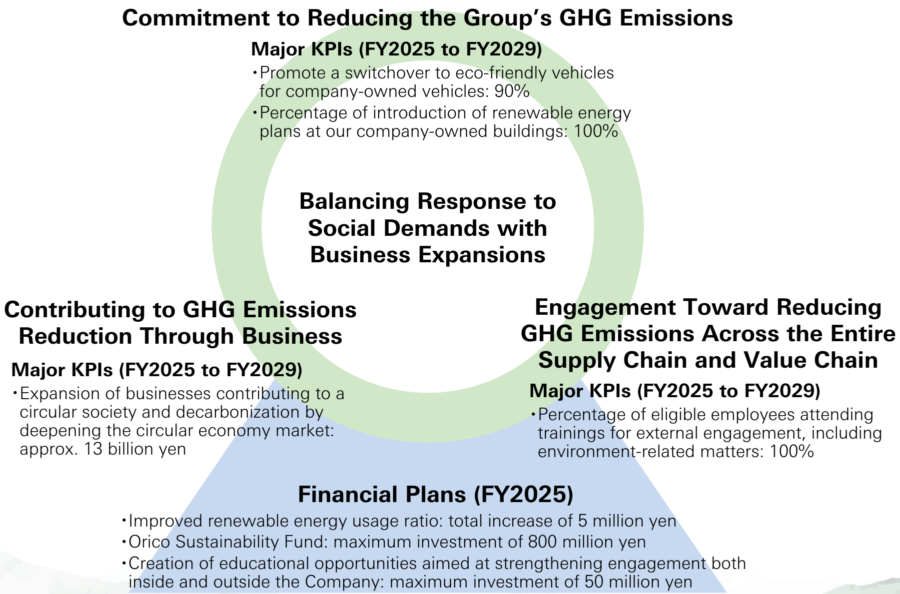
Climate Change and Natural Capital Conservation

Plan and Initiatives Toward Achieving 2050 Net Zero Goal

Approach to Transition Plan

In an effort to realize a circular society and decarbonization by 2050, our Group formulated a transition plan. In a move toward reducing GHG emissions, based on the premise of balancing response to social demands with business expansion, we will promote various initiatives based on three pillars: "reducing the Group's GHG emissions", "contributing to GHG emissions reductions through our business activities", and "engagement to reduce GHG emissions across the entire supply chain and value chain".
We have also set KPIs for promoting these initiatives, and we are working on effectively implementing the PDCA cycle.

WEB Transition Plan Details



Initiatives for Conserving Natural Capital

Analysis Using the LEAP Approach

Our Group recognizes forests and other forms of natural capital as the foundation for the well-being of all stakeholders, including our customers, business partners, executives, and employees. We make ongoing efforts to achieve harmonious coexistence with natural capital and ecosystems such as forests, and have conducted the analysis of natural capital and ecosystems using the LEAP approach.

Identification of Priority Areas

Our Group operates throughout Japan and in Southeast Asia—Thailand, the Philippines, and Indonesia—, and to identify priority areas, we verified whether any of our sites are located in or near areas of concern by cross-referencing with the Key Biodiversity Areas (KBA*1) database and other sources.
As a result of this screening, we confirmed that one of our Group's business sites is located in close proximity to Lake Nakaumi, Matsue City, Shimane Prefecture. We will continue to monitor the situation closely and work to mitigate risks.

Identification and Evaluation of Our Dependencies and Impacts on Nature

We use the Exploring Natural Capital Opportunities, Risks and Exposure (ENDORE*2) tool to generate heat maps showing the categories and magnitude of dependencies and impacts associated with our Group's primary businesses.
Dependencies and impacts not listed in ENCORE are also taken into account during identification and evaluation, based on their importance to our business operations.

WEB ENCORE Heatmap

*1. KBAs are important areas that are key to conserving biodiversity. KBAs consist of areas that are not included in existing conservation areas, including the Important Bird and Biodiversity Areas (IBAs), which are set by BirdLife International to conserve bird life, the Important Plant Areas (IPAs), which are areas important for plants, and the Alliance for Zero Extinction (AZE) areas, which are areas where endangered species live in cases where their distribution is limited to one location, and other existing conservation areas.

*2. ENCORE is a tool for visualizing the dependencies and possible impacts of the economy on nature as well as risks that environmental changes can impose on businesses. ENCORE is useful for organizations that wish to research their exposure to nature-related risks and gain a better understanding of their dependencies and impacts on nature.

Environmental Initiatives

Climate Change and Natural Capital Conservation

Scenario Analysis

List of Dependencies and Impacts Recognized by Our Group

Scenario	Category	Orico's Dependency/Impact	Magnitude of Dependency/Impact (Sum Within the Period)	Countermeasures
Impact from disposal of used vehicles after lease	Impact	Vehicles at the end of their lease term may be improperly disposed of without proper management or undergoing appropriate disposal processes, potentially causing impacts such as environmental pollution	Approx. 100,000 tons	Establish and operate a scheme to extend vehicle life through proper inspection and maintenance during the lease term, enabling vehicles to be resold as high-quality used cars after the lease term
Dependency on forest resources (e.g. paper and fixtures)	Dependency	In the operation of our Group's businesses, the use and consumption of paper and office equipment are indispensable for sales and administrative tasks, thereby creating a dependency on natural capital	Paper: approx. 270 million yen Fixtures: approx. 130 million yen	・Improve operations by shifting to digital workflows where possible in order to reduce paper usage ・Establish a rule mandating procurement of environmentally certified paper and fixtures, and implement it as a standard across the Group

List of Risks and Opportunities Recognized by Our Group as a Result of Identification and Evaluation with Reference to the TCFD and TNFD

Scenario	Category	Time frame	Possibility of Occurrence	Orico's Risks & Opportunities	Level of Impact	Total Impact Value (Sum Within the Period)	Countermeasures
Risk of dependency on existing vehicle sales financing based on ownership	Transition risk	Short-term	High	Decrease in used gasoline vehicle auto loan transaction volume	Medium	Installment credit transaction volume: Approximately -100 billion yen	Develop and offer new products and services related to the sharing economy and subscriptions (especially vehicle), such as auto leasing
Business continuity risk due to increased extreme weather conditions, such as typhoons and heavy rains	Physical risk	Medium-term	Medium	Increased business continuity risk in the event of a power outage at our data center, among others	—	Operating revenue: Approximately -500 million yen (Assuming one day of downtime)	Support for business continuity during disasters
Expansion of the circular economy market	Opportunity (market)	Short-term	High	Increased demand for personal auto leasing expands our business opportunities, leading to growth in transaction volume and operating revenue	High	Operating revenue: Approximately +38 billion yen	Respond to financial needs related to personal auto leasing
Formation of a used Battery Electric Vehicle (BEV*) market	Opportunity (market)	Medium-to long-term	High	Business growth due to the entry of BEVs into the personal auto leasing market and used car market where our Group holds a high share	—	—	Establish a supply chain centred on batteries, the core of BEVs, with business partners
Expansion of financial needs due to increased demand for used housing, including vacant houses	Opportunity (market)	Medium-term	High	Interest in utilization of vacant and other pre-owned housing grows, expanding guarantee opportunities for Akikatsu Loan	Low	Cumulative amount of bank guarantees executed: Approximately +20 billion yen	Drive the promotion of vacant and other pre-owned housing utilization with business partners and expand the market, including guarantees for Akikatsu Loans

*BEV: A vehicle that runs using the electricity stored in a battery instead of gasoline

WEB List of Dependencies and Impacts

Respect for Human Rights

Basic Views

Conducting business activities with consideration for human rights is essential to protect executives and employees, as well as gaining the trust of business partners, customers, and society to create a better society together. We respect human rights as the foundation of our business activities, striving to realize a society where no one is left behind, the dignity of all people is ensured, and everyone is equally respected. We believe that fulfilling our responsibility to respect human rights leads to social trust and ultimately contributes to enhancing corporate value and realizing a sustainable society.

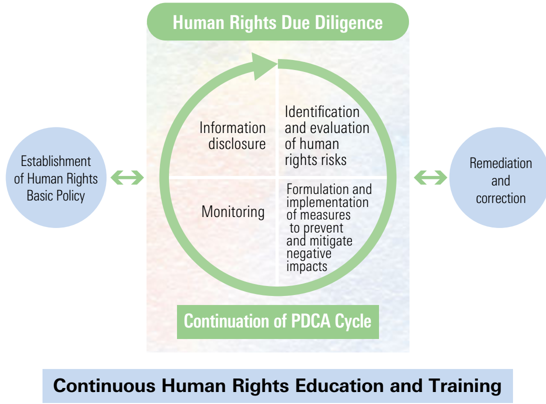
Policy and Promotion Structure

Based on the concept of our "Human Rights Basic Policy", which we established in April 2023 through discussions with outside experts on how companies should address human rights, we will fulfill our responsibility to respect human rights for various stakeholders, including customers, business partners, suppliers, and employees. To effectively address human rights issues, we have established the "Human Rights Promotion Committee", which performs a monitoring function while advancing initiatives to prevent human rights violations both directly and indirectly.

■ Human Rights Promotion Committee Structure

Human Rights Due Diligence Initiatives

We will refer to the UN's "Guiding Principles on Business and Human Rights" as well as the guidelines disseminated by various governments and others to identify and evaluate human-rights violation risks faced by the Group and its clients and to continue applying the PDCA cycle through measures to eliminate or mitigate such risks as well as suitable monitoring.



Initiatives Related to Important Human Rights Issues

We will take measures to prevent or at least mitigate the negative effects of the five important human rights risks below, which we consider as high priority based on the results of our assessment of such risks.

Important Human Rights Risks We Identified		Measures in Response to Human Rights Risks
Customer-related risks	Discriminatory treatment Human rights problems related to AI	・Develop rules and manuals to improve employee literacy ・Verify items used for credit extension scoring and review them as needed ・Formulate policies and guidelines related to AI use
Employee-related risks	Harassment Elimination of overwork	・Provide human rights training on psychological safety, harassment, and other topics in line with job positions ・Limit working hours and develop a monitoring structure to eliminate overwork ・Have industrial physicians conduct individual interviews according to working hours, among others, to manage health
Business partner-related risks	Human rights problems related to business partners	・Make everyone aware of the Company's "Sustainability-Oriented Procurement Policy" ・Conduct activities aimed at gaining an understanding of the Company's approach, including respecting human rights

WEB Initiatives to Human Rights

Status of Dialogues with Shareholders and Investors

Major IR Activities

Activities	Achievements	Activity Status
Financial Results Briefing for Institutional Investors and Analysts	Two meetings	Briefings on financial results by the President and Representative Director and the Head of Finance Group were held twice a year.
Individual meetings with institutional investors and analysts	Total of 66 meetings	The management, including the President and Representative Director and the Head of Finance Group, and the IR Office of the Finance Department took the lead in conducting individual dialogues.
Overseas institutional investors	17 meetings	
Posting of IR materials on website		Financial Results Presentation Materials (Financial Highlights, Financial Results Briefing Materials, Financial Results Briefing Videos, Financial Results Briefing Transcripts, and Figures and Data Materials), Annual Securities Report, Brief Note of Financial Statements, Integrated Reports, Research Reports (Shared Research, Inc.) *Materials underlined are disclosed in English.

Overview of Feedback to Management

	Number of times	Contents
Report on the status of dialogues with institutional investors, analysts, among others	Four times	Q&A at meetings with investors and analysts, and their views are reported at Executive Management Meeting and to Board of Directors.
Analyst Reports	As needed	Shared reports prepared by the market research firms.

Dialogue Outcomes

Requests	Correspondence
Disclosure of ordinary profit by segment	Disclosure of operating revenue, operating expenses, and ordinary profit of overseas subsidiaries, commencing from the second quarter financial results briefing materials for fiscal year 2024 Disclosure of ordinary profit plans for each strategy in the new Medium-Term Management Plan starting from fiscal year 2025, as presented in the financial results briefing materials for fiscal year 2024
Disclosure of market interest rate assumptions	Disclosure of market interest rate assumptions in the new Medium-Term Management Plan, as presented in the financial results briefing materials for fiscal year 2024
Strengthening governance and enhancing disclosure	Disclosure of governance-related matters, including improvements to the effectiveness of the Board of Directors and a review of the executive compensation structure, in the financial results briefing materials for fiscal year 2024

Main Topics of Dialogue and Investor Interest

Main Topics of Dialogue and Investor Interest	・Current status and future plans of business structural reforms ・Trends in bad debt-related expenses in overseas operations ・Capital Policy, including basic policy on capital management as well as shareholder return ・Assumptions and considerations regarding the management objectives in the new Medium-Term Management Plan ・Areas of focus for the future, including digital installment payments, business credit cards, and auto leasing

External Recognitions and Participation in Initiatives

ESG Index

Global ESG Investment Index

FTSE4Good

Developed Index、Japan Index

ESG Investment Indices (Composite) Adopted by GPIF

FTSE Blossom Japan Index

FTSE Blossom Japan Sector Relative Index

2025 CONSTITUENT MSCI Nihonkabu (Japanese Stocks)
ESG Select Leaders Index

ESG Investment Indices Used by the GPIF (Thematic)

S&P/JPX Carbon Efficient Index

Morningstar

Japan ex-REIT Gender Diversity Tilt Index

Awards and Accreditations

CDP Climate Change Questionnaire

CDP Supplier Engagement Leader

Platinum Kurumin Plus

PRIDE Index 2024

D&I AWARD 2024

DBJ Health Management Rating 2023

International Quality Assurance Standard COPC

2023 Nikkei Outstanding Products and Services Award —Nikkei Veritas Award

WEB External Recognition

Participation in Initiatives

United Nations Global Compact

Task Force on Climate-Related Financial Disclosures

GX League

Japan Climate Initiative

WEB Participation in Initiatives

Financial Data

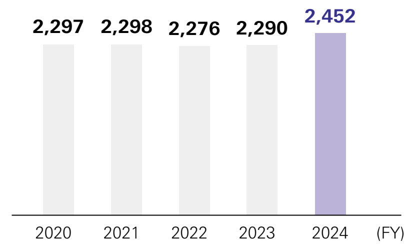
Consolidated Financial Data*1

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	Unit
Operating revenue	2,118	2,136	2,243	2,333	2,431	2,297	2,298	2,276	2,290	2,452	100 million yen
Ordinary profit	294	335	300	219	244	225	289	230	161	123	100 million yen
Profit attributable to owners of parent	245	286	280	288	206	196	194	190	125	139	100 million yen
Net assets	2,740	3,039	2,594	2,564	2,515	2,284	2,168	2,297	2,456	2,465	100 million yen
Total assets	51,529	53,290	54,753	55,429	55,847	25,058	24,721	24,139	31,477 *3	28,816	100 million yen
Net assets per share *2	779.50	953.30	1,092.50	1,192.70	1,253.90	1,199.00	1,249.79	1,324.44	1,388.79	1,397.90	Yen
Profit per share *2	174.60	154.40	132.80	151.90	108.50	105.40	105.54	110.92	73.30	81.45	Yen
Dividend per share *2	-	20	20	20	30	30	30	40	40	40	Yen
General expenses	1,159	1,184	1,279	1,471	1,504	1,474	1,395	1,441	1,414	1,542	100 million yen
Ratio of general expenses to operating revenue	54.7	55.4	57.0	63.1	61.9	64.2	60.7	63.3	61.8	62.9	%
Capital adequacy ratio	5.3	5.7	4.7	4.6	4.5	9.0	8.7	9.4	7.6	8.3	%
ROE	9.4	9.9	10.0	11.2	8.1	8.9	8.8	8.6	5.4	5.8	%
ROA	0.6	0.6	0.6	0.4	0.4	0.6	1.2	0.9	0.6	0.4	%
PBR	2.87	2.11	1.53	0.95	0.96	1.28	0.99	0.83	0.77	0.57	Multiplier
PER	12.83	13.02	12.58	7.44	11.15	16.45	11.75	9.94	14.64	9.70	Multiplier
Dividend payout ratio	-	13.0	15.1	13.2	27.7	28.5	28.4	36.1	54.7	49.3	%
Highest stock price	2,780	2,420	2,080	1,930	1,830	1,680	1,730	1,236	1,211	1,077	Yen
Lowest stock price	1,710	1,760	1,660	1,120	1,000	1,010	1,130	1,098	1,031	788	Yen
Cash flows from operating activities	-422	-1,046	-776	-417	-667	545	817	322	-434	26	100 million yen
Cash flows from investing activities	-224	-279	-366	-274	-122	-140	-190	-203	-444	-133	100 million yen
Cash flows from financing activities	1,117	1,524	1,600	1,483	558	441	-401	-806	2,216	-2,520	100 million yen
Cash and cash equivalents at end of period	1,787	1,984	2,442	3,234	3,002	3,851	4,081	3,398	4,793	2,168	100 million yen

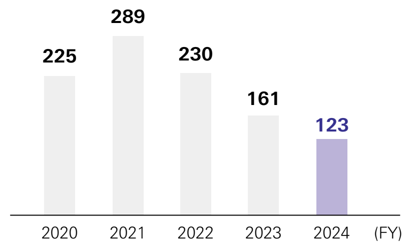
*1. As a result of changes in accounting policies in fiscal year 2023, figures have been reported after retrospective adjustments extending back to fiscal year 2020. For details, see the Annual Securities Report.
*2. As of October 1, 2022, we have conducted a reverse stock split at a ratio of 1 share for every 10 ordinary shares. Note that the amounts stated for fiscal year 2021 and prior have been adjusted to reflect the impact of the reverse stock split.
*3. Due to our consolidation with Orico Product Finance Co., Ltd., this fiscal year 2023 figure was initially the result of tentative accounting, but it was finalized in fiscal year 2024. The results of finalizing this tentative figure were later applied to fiscal year 2023.

Financial Highlights

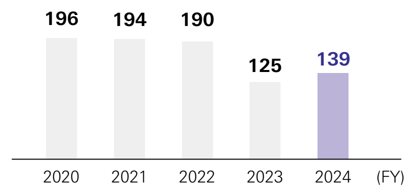
Operating Revenue
(100 million yen)



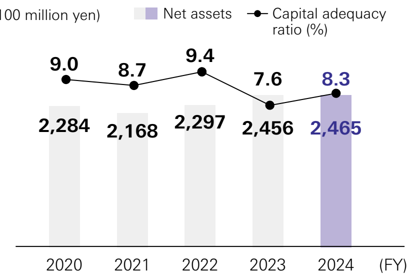
Ordinary Profit
(100 million yen)



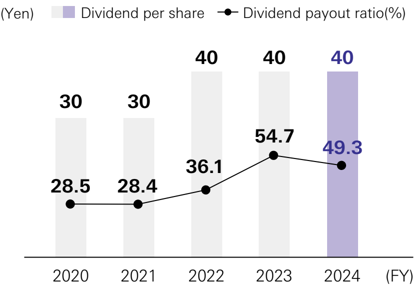
Profit Attributable to Owners of Parent
(100 million yen)



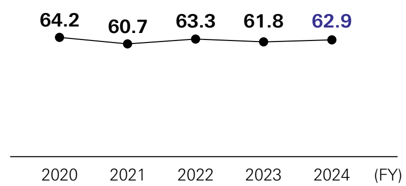
Net Assets / Capital Adequacy Ratio
(100 million yen)



Dividend per Share / Payout Ratio
(Yen)



Ratio of General Expenses to Operating Revenue
(%)



WEB Financial Information

Non-financial Data

Non-financial Data

*1		FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	Unit
Number of consolidated employees	**Total**	8,975	9,020	9,244	9,017	8,785	9,074	8,503	8,521	9,202	9,032	People
Number of non-consolidated employees	**Total**	7,111	7,067	6,995	6,915	6,635	6,413	6,032	5,819	5,585	5,412	People
	Male	2,489	2,473	2,448	2,420	2,322	2,194	2,110	2,046	1,968	1,909	People
	Female	4,622	4,594	4,547	4,495	4,313	4,219	3,922	3,773	3,617	3,503	People
Number of experienced hires	**Total**	14	18	29	12	3	18	42	82	125	106	People
	Male	14	17	28	11	1	12	20	35	40	33	People
	Female	0	1	1	1	2	6	22	47	85	73	People
Employment rate of people with disabilities	**Non-consolidated**	2.0	2.0	1.8	2.2	2.3	2.6	2.4	2.5	2.4	2.6	%
Number of newly appointed managers	**Total**	98	84	103	80	97	57	148	144	141	103	People
	Male	56	57	70	56	69	38	101	72	88	53	People
	Female	42	27	33	24	28	19	47	72	53	50	People
Female manager ratio (Senior Manager or above)		16.2	17.2	18.6	19.2	21.5	22.7	24.2	27.3	27.1	28.6	%
Female manager ratio (General Manager equivalent positions)		0.6	1.2	4.0	4.1	6.0	6.1	4.3	6.3	7.7	10.2	%
Statutory overtime hours (per month)		17:27	16:56	19:47	20:03	18:08	14:14	9:14	10:36	13:09	11:13	HH:mm
Yearly paid leave utilization rate		53.3	54.3	57.4	53.9	65.4	61.2	75.0	76.9	79.0	76.9	%
Number of employees taking childcare leave	**Total**	56	62	79	99	82	109	112	107	129	131	People
	Male	-	-	24	54	46	64	41	51	58	56	People
	Female	56	62	55	45	36	45	71	56	71	75	People
Childcare leave acquisition rate	**Male*2**	-	-	34	94	93	104	93.2	100	91	100	%
Average length of service	**Total**	16.5	16.5	16.5	16.3	16.4	16.3	14.1	14.3	13.9	13.8	Years
	Male	18.0	17.9	17.7	17.5	17.3	16.7	15.2	15.4	14.9	14.6	Years
	Female	14.5	14.9	15.0	14.9	15.5	15.8	13.4	13.5	13.3	13.2	Years

*1. Regarding the items from the number of experienced hires onwards, excluding the employment rate of persons with disabilities, the figures for fiscal year 2021 and beyond are consolidated total results for the Group, while the figures for fiscal year 2020 and before are non-consolidated total results for the Company. Note that the Company's non-consolidated total results can be viewed on the website.

*2. The figures for the "Male Childcare Leave Acquisition Rate" up to fiscal year 2021 have been recalculated based on the ratio of childcare leave acquisition as stipulated in Article 71-4, Item 1 of the Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Ordinance of the Ministry of Labor No. 25, 1991).

		FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	Unit
GHG emissions	**Scope 1*3**	-	-	-	-	-	4,927	4,549	4,869	4,745	4,583	t-CO_2
	Scope 2*3	-	-	-	-	-	12,153	11,506	10,709	8,956	7,821	t-CO_2
	Scope 3*3	-	-	-	-	-	221,333	34,143	31,114	139,675	201,653	t-CO_2
CO_2 emissions*4		17,183	19,401	16,942	14,800	13,292	11,656	11,619	10,764	8,954	7,668	t-CO_2
Energy consumption*4		331,956	336,302	335,040	303,093	267,649	260,036	251,514	226,082	216,658	189,407	GJ
Amount of copy paper purchased	**Consolidated**	-	-	10.6	10.2	8.6	7.0	6.9	6.4	5.8	6.1	10 million sheets
	Non-consolidated	-	-	8.7	8.4	6.8	5.5	5.2	4.9	4.3	3.8	10 million sheets
Paper waste disposal volume*5		211.9	221.1	209.4	199.1	157.3	142.9	112.6	114.7	112.9	107.2	t
Non-combustible waste disposal volume*5		73.5	74.3	75.4	79.1	78.8	80.5	83.7	82.7	85.0	81.4	t
Social contribution activity expenditure		6,570	6,265	6,793	6,398	7,052	7,294	7,422	8,136	10,655	10,165	10 thousand yen
Orico Group Social Contribution Fund expenditure		600	700	700	700	600	600	500	500	600	400	10 thousand yen
Number of participants in social contribution programs		91	109	238	296	577	771	1,309	1,737	1,731	2,671	People

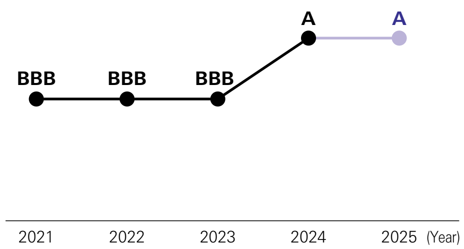
*3. The scope of the calculation includes the Company and its consolidated subsidiaries. In accordance with the GHG Protocol, the emissions from ORICO Auto Leasing Co., Ltd. and ORICO Business Leasing Co., Ltd. are included in Scope 1, 2, and 3 for the base year of fiscal year 2020 and the second half of fiscal year 2023, when these companies became consolidated subsidiaries. Similarly, the emissions from Orico Product Finance Co., Ltd. are included in Scope 1, 2, and 3 for the base year of fiscal year 2020 and fiscal year 2024, when the company became a consolidated subsidiary.

*4. Calculated based on the Act on the Rational Use of Energy

*5. A total of seven companies are located in the Orico Head Office Building: Orico, Japan Collection Service Co., Ltd., CAL Credit Guarantee Co., Ltd., Staff Orico Co., Ltd., Orico Research Institute, Ltd., Orico Real Estate Co., Ltd., Orico Business & Communications Co., Ltd.

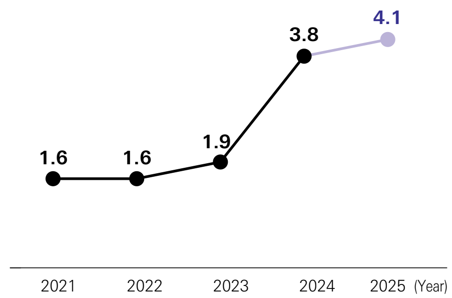
WEB ESG-related Information

MSCI ESG Ratings



*Ratings from MSCI USA (7-grade scale, AAA to CCC)

FTSE ESG Score



*Ratings from FTSE Russell UK (5-point scale)

Company Information / Stock Information (as of March 31, 2025)

Company Overview

Trade Name	Orient Corporation	
Stock Exchange	Tokyo Stock Exchange Prime Market (Code: 8585, Name: Orico)	
Founded	December 27, 1954	
Main Businesses	Installment credit business Credit cards and cash loans business Bank loan guarantee business Settlement and guarantee business Overseas business	
Capital	150 billion yen	
Number of Employees	Non-consolidated: 5,412 Consolidated: 9,032	
Headquarters	5-2-1 Kojimachi, Chiyoda-ku, Tokyo 102-8503, Japan Tel: +81-3-5877-1111	
Domestic Locations *as of April 1, 2025	Sales branches Credit centers Credit collection centers / Service centers Other	54 sites 11 sites 14 sites 7 sites
Subsidiaries and Affiliates	Consolidated subsidiaries Equity-method affiliates	18 companies 4 companies

WEB Company Overview

WEB Group Company Information (Japanese only)

Major Consolidated Subsidiaries

Orico Research Institute, Ltd.
Orico Real Estate Co., Ltd.
Orico Auto Leasing Co., Ltd.
Orico Carlife Co., Ltd.
Orico Business Leasing Co., Ltd.
Orico Business & Communications Co., Ltd.
Orico Forrent Insure Co., Ltd.
Orico Product Finance Co., Ltd.
ORIFA Servicer Corporation
Japan Collection Service Co., Ltd.
HOLONIC CO., LTD.
Orico Auto Leasing (Thailand) Ltd.
Orico Auto Finance Philippines Inc.
PT Orico Balimor Finance

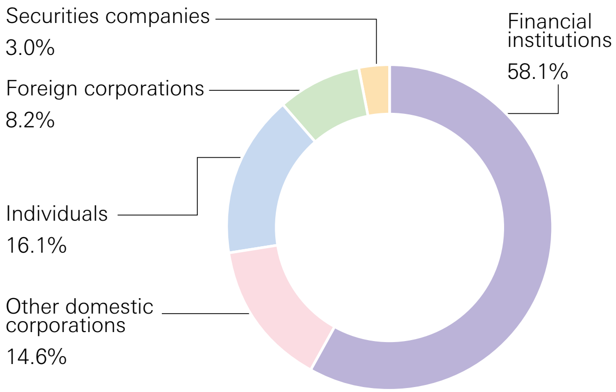
Primary Equity-Method Affiliates

ITOCHU Orico Insurance Services Co., Ltd.

Stock Information

Total Number of Shares Authorized	182,500,000 shares
Issued and Outstanding Shares	171,882,620 shares
Number of Shareholders	34,609
Share Units	100 shares

Distribution of Shareholders by Type (Ordinary Shares)



Major Shareholders

Shareholder Name	Number of Shares Held	Shareholding Ratio
Mizuho Bank, Ltd.	83,640,000 shares	48.66%
ITOCHU Corporation	18,124,000 shares	10.54%
The Master Trust Bank of Japan, Ltd. (Trust Account)	8,609,000 shares	5.00%
Custody Bank of Japan, Ltd. (Trust Account)	5,211,000 shares	3.03%
Chuo-Nittochi Co., Ltd.	1,917,000 shares	1.11%
JPMorgan Securities Japan Co., Ltd.	1,836,000 shares	1.06%
Tokyo Century Corporation	1,536,000 shares	0.89%
STATE STREET BANK AND TRUST COMPANY 505223	1,179,000 shares	0.68%
Morgan Stanley MUFG Securities Co., Ltd.	1,153,000 shares	0.67%
JP JPMSE LUX RE UBS AG LONDON BRANCH EQ CO	917,000 shares	0.53%

Orient Corporation

2-1, Kojimachi 5-chome, Chiyoda-ku, Tokyo 102-8503, Japan
https://www.orico.co.jp/en/company/