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President and CEO
(Code: 8303, TSE First Section)

New Initiatives in Institutional Businesses for Building a Sustainable Society - Establishment of Sustainable Impact Development Division-

Tokyo (Wednesday, January 29, 2020) --- Shinsei Bank, Limited announced that it will set up "Sustainable Impact Development Division" on February 1, 2020 to promote new initiatives in Institutional Businesses to address environmental and social challenges through financial solutions that facilitate the circulation of sustainable social capital.

Nowadays, actions to pursue the sustainability of the global environment and social systems have attracted a great deal of attention, and the social demands on financial institutions for solving environmental, social and economic issues simultaneously have been increasing each day. Shinsei Bank Group has actively invested in and provided finance to projects and companies that contribute to resolving environmental and social issues through such means as project financing for renewable energy, financing for senior care and medical service facilities, and Impact Investing^{*1} by Shinsei Corporate Investment Limited.

The "Sustainable Impact Development Division" will take various steps to promote "Sustainable Impact", which is based on the objective that integrates sustainability and ESG/SDGs with the concept of social impact, aiming to bring positive impacts to environment, society and economy.

Sustainable Impact Development Division's strategy

(1) Plan and promote Sustainable Finance^{*2}

- We will develop and provide products and services related to Sustainable Finance to accelerate our clients' businesses that contribute to resolving environmental and social issues and their new businesses that create innovations.
- We aim to promote investments in and finances to companies and projects that have positive impacts on social issues by such means as financing programs for investees and borrowers based on the following assessment models,

(2) Establish own assessment model and management system

- We established the "Sustainable Impact Assessment Department" within the Sustainable Impact Development Division. This department will build its own assessment model to assess and evaluate sustainability, ESG/SDGs and social impact holistically, that require constant dialogues with clients ("Engagements").
- We will upgrade the environmental and social risk management of our investments and loans in order to tackle clients' important issues related to constantly changing environmental and social issues and to support them in managing their risks and considering business opportunities.

(3) Develop and supply investment products for institutional investors

- We will develop and supply investment products that meet the investment needs of institutional investors who value sustainability and ESG perspectives by using mostly our investments and loans in structured finance business, which has a strong affinity for such perspectives.

The Shinsei Bank Group aims to create our sustainable corporate value by supporting the creation of positive impacts on social issues and contributing to building a sustainable society. We also aim to establish a corporate brand for the entire Shinsei Bank Group by taking concrete actions in consideration of Sustainable Impact.

- *1 Impact Investment refers to investment aimed at achieving both economic returns and social returns by investing in companies that contribute to solving social issues.
- *2 Sustainable Finance refers to investment, financing and other financial solutions that consider non-financial information such as environmental, social and governance perspectives. This aims to build a sustainable society by addressing environmental issues such as climate change and social issues.

End

Shinsei Bank is a leading diversified Japanese financial institution providing a various range of financial products and services to both institutional and individual customers. The Bank has a network of outlets throughout Japan and is committed in its pursuit of uncompromising levels of integrity and transparency in all of its activities in order to earn the trust of its customers, staff and shareholders. The Bank is committed to delivering long-term profit growth and increasing value for all its stakeholders. News and other information about Shinsei Bank is available at <https://www.shinseibank.com/corporate/en/index.html>

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