

Company Name: Shinsei Bank, Limited
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President and CEO
(Code: 8303, TSE First Section)

Revision of "Policy for Customer-Oriented Business Conduct"

Tokyo (Tuesday, June 30, 2020) --- Shinsei Bank, Limited (hereinafter, "Shinsei Bank" or "we") revised its "Policy for Customer-Oriented Business Conduct*" with the aim of further advancing its customer-oriented business operations to become a bank with which customers can trust to consult with calmness for their asset management. At the same time, we have defined our commitments to customers focusing on six values that all staff members must uphold in pursuit of conducting customer-oriented business operations.

Under the Medium-Term Strategies, the Shinsei Bank Group is committed to fulfilling its social responsibilities through the provision of customer-oriented services, while striving to achieve sustainable growth and contribute to SDGs. We will continue to strive to provide even better financial services with customers as our first priority.

* For details, please refer to the attachment.

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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[Attachment]

The “Policy on Customer-Oriented Business Conduct” and its “Action Plan”

In 2017, Shinsei Bank, Limited established the “Policy on Customer-Oriented Business Conduct” as a guide to providing financial services with “the best options” to its customers as the top priority. Together with Shinsei Bank, our Group companies, namely, Shinsei Trust & Banking Co., Ltd., Shinsei Securities Co., Ltd., Shinsei Investment Management Co., Ltd. and FINANCIAL JAPAN CO., LTD. have also established these policies to pursue their customer-oriented businesses .

We have established management principles of “becoming a banking group that is sought out by customers while contributing to the development of both domestic and international industrial economies” and “becoming a banking group that strives for highly transparent management and values that is trusted by all stakeholders including customers, investors and employees”.

We reviewed our business promotion structure for our asset management consultancy business to respond to more diverse needs of our customers due to social changes such as workstyle reform and aging society with fewer children. The business has been serving the best interests of customers by using various tools including not only branches and contact centers but also the internet and video conference systems.

In developing and selling products and making investments, we have been making proposals focusing on the “best interest” of customers by broadly collaborating with Group and non-Group companies.

We have developed “Promises to Our Customers” aiming to pursue and enhance customer-oriented financial services further and to become a bank with which customers can feel secure and trustworthy in consulting on their investments. We also reviewed the “Policy on Customer-Oriented Business Conduct”.

We will act based on the “Promises to Our Customers,” while pursuing customers’ best interests as the top priority. We will also provide even more satisfactory financial services in line with the new “Policy on Customer-Oriented Business Conduct.”

Shinsei Bank will continue to serve as many customers as possible and always provide the best solutions for as many diverse needs as possible.

Promises to Our Customers

To realize customers' best interests

Shinsei Bank has defined the following six values as "Promises to Our Customers". These values must be pursued by all of our staff to pursue customer-oriented financial services and deliver the best interest to customers.

Our top priority is to achieve customers' best interests through the "Promises to Our Customers".

1. Customer-oriented (The best consulting in line with customer needs)

We will always make proposals that best suit our customers' life stages and will provide additional services including follow-ups.

2. Compliance (Comply with social norms, laws and regulations)

We will strictly comply with social norms, laws and regulations in order to maintain the trust of our customers and society as a whole and to secure the legality and appropriateness of our business.

3. Sincerity (Sincere and fair conduct from customers' viewpoints)

We will build a stronger relationship with our customers by acting in a sincere and fair manner with a strong sense of ethics and honesty in order to pursue their best interests.

4. Professional mindset

We will continue to develop ourselves as financial professionals meeting customers' requests at a satisfactory level in order to continue to provide quality financial services.

5. Sense of responsibility

We will thoroughly pursue responsible behavior in order to maintain the trust of our customers and ensure customer-oriented business conduct.

6. Teamwork

We will provide unparalleled quality financial services to our customers by closely working with other teams in the Bank and using our Group's total capability.

New Policy and FY2020 Action Plan

Consulting

Placing importance on relationships of trust with customers more than anything, Shinsei Bank will continue to make proposals from customer viewpoints.

- We will serve our customers with our proposals to follow-ups as one service.
- We will always deploy employees having special skills and financial expertise, aiming to make the best possible proposals in line with various life stages of our customers.
- We will optimize our organization according to the changes in customer needs.

FY2020 Action Plan

- ◇ Shinsei Bank will enhance post-transaction follow-ups in order for customers to feel satisfied.
The Bank will place importance on continuous relationships with its customers, covering services from proposals to post-contracting follow-ups as one service.
- ◇ Shinsei Bank will optimize and enhance its organization in response to the changes in customer needs.
- ◇ The Bank will develop organizations and deploy staff so as to always make the best possible proposals responding to various requests of its customers, from asset building to asset management.

Products and Services

Shinsei Bank will prepare and provide a variety of financial products and services in line with various customer needs.

- We will prepare our product lineup eyeing a 100-year life span, responding to the purposes, issues and preparations in customers' life stages.
- We will not necessarily provide Shinsei Group's financial products and services but will broadly select the best products that will match with customer needs.
- We will always provide easier-to-understand information through easier-to-understand approaches so that customers can select the best products and services.

FY2020 Action Plan

- ◇ We will provide all customers with carefully-selected products that have different effects and characteristics with easier-to-understand information to help customers achieve their goals and solve their problems.
- ◇ We will provide objective data to support customers' best investment decisions.
- ◇ We will provide after-purchase services to allow our customers to check their asset condition whenever they wish.
- ◇ When selecting financial products or services, a committee including sections in charge of compliance and risk management will check conflicts of interest. When proposing a financial product or service requiring conflict of interest management, we will clarify and explain it appropriately to our customers.
- ◇ The committee will continuously monitor financial products and services implemented.

Evaluation and Education

In order to achieve ideal customer-oriented business conduct, Shinsei Bank will reflect the evaluation from its customers in the evaluation of branches and staff to build a structure for developing their skills.

- We will use valuable voices from customers for evaluating and training our staff.
- We will also implement a "multifaceted evaluation" by managers, colleagues and subordinates.

FY2020 Action Plan

- ◇ We will highly rate staff who have been identified in a customer survey as having demonstrated outstanding sincerity in customer service.
- ◇ We will conduct evaluations from our customers, managers, colleagues and subordinates and “customer service quality tests” using an external research company.
- ◇ We will evaluate our staff focusing on the evaluation from our customers and accumulation of assets under management to build long-term relationships with our customers.
- ◇ Aiming to develop human resources having expertise and a strong professional mindset that can continue to provide excellent and quality financial services to our customers, we will improve our customer service training programs and encourage our staff to obtain external qualifications to become a financial expert.

DX(*) and Channels

Shinsei Bank will provide various services and environments to accept customer consultations based on their lifestyles.

- Capturing the changes in technology and social trends, we will provide the best communication channels for customers.
- We will prepare an environment that allows our branches, contact centers and online channels to share valuable customer information so that we can provide customers with consulting services smoothly.

FY2020 Action Plan

- ◇ We will prepare manned channels for customers who wish to consult with us closely such as branches and remote consultation counters (using telephones or video conference systems) so that they can feel comfortable with consulting with our staff.
- ◇ We will prepare the latest communication tools for customers wishing to make investment decisions quickly at their own discretion to save time.
- ◇ We will always promote the development of an environment that captures changes.
- ◇ We will manage important customer information in an integrated manner utilizing the latest technology by realizing internal coordination centered on CRM (a customer management system). We will build a structure which shares customers’ desires to allow them to consult with us using whichever channel they choose.

*DX(digital transformation): Companies’ establishing of competitive advantages by transforming operations, organizations, process and corporate culture as well as transforming products, services and business models using data and digital technology, responding to drastic changes in the business environment.

FY2020 Shinsei KPIs and Common KPIs

The implementation status of the Policy and action plan will be checked with the following KPIs.

	KPI	Detail	Related Policy
Communication/ From proposals to post-transaction follow-ups for customers	Status of the asset management consultation service	We will check the status of asset management communications with our customers such as meetings/telephone consultations at branches and telephone/video conference consultations through remote consultation counters.	DX and channels
	Status of post-transaction follow-ups for customers holding investment products	We will check the status of our contact history with customers including meetings, telephone/video conference conversations and Shinsei Communication Application.	Consulting
	Status of communication promotion tools	We will check our customers' status of using communication tools such as Shinsei Communication Application.	DX and channels
Proposals from customer viewpoints/ Provision of easy- to-understand information	Status of asset-building products for investment beginners	Checks the contracts for regular investment in investment trusts, foreign currency transactions and monetary trusts	Consulting
	Increase of asset- accumulation products	Checks our product line-up responding to asset-building needs	Products and services
	Ratio of customers by mutual fund performance (Common KPI)	Checks the income/loss of customers investment in mutual funds	Consulting
	Ratio of customers by the performance of fixed-amount insurance (foreign currency) and variable-amount insurance	Checks the income/loss of fixed-amount insurance (foreign currency) and variable- amount insurance customers	Consulting
	Ratio of investment trusts sold with Shinsei Investment Management as the trustee	Checks the ratio of the sales amount of investment trusts trusted by Shinsei Investment Management, which requires sufficient conflict of interest control	Products and services
	Costs vs. returns and risks vs. returns of top 20 investment trusts in terms of balance (Common KPI)	Checks the performance of investment trusts offered to our customers	Products and services
Proposals from customer viewpoints/ Provision of easy- to-understand information	Ratio of customers by the performance of fixed-amount insurance (foreign currency) and variable-amount insurance	Checks the income/loss of fixed-amount insurance (foreign currency) and variable- amount insurance customers	Consulting
	Ratio of investment trusts sold with Shinsei Investment Management as the trustee	Checks the ratio of the sales amount of investment trusts trusted by Shinsei Investment Management, which requires sufficient conflict of interest control	Products and services
	Costs vs. returns and risks vs. returns of top 20 investment trusts in terms of balance (Common KPI)	Checks the performance of investment trusts offered to our customers	Products and services