

For Immediate Release

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**Promotion of “Redesigning Workstyle”
Initiative to Provide Tailored Working Style Options for Each Employee**
- Flexibility of Workplaces, Elimination of Conventional Commuting and Review of Ideal Offices -

Tokyo (Wednesday, October 28, 2020) --- Shinsei Bank, Limited (Headquarters: Chuo-ku, Tokyo; Hideyuki Kudo, President and CEO; hereinafter, “Shinsei Bank”) announced that Shinsei Bank regards the rapidly spreading new normalization as an opportunity to change toward sustainable growth, and redefines diversified work styles as "Redesigning Workstyle" to accelerate what we have been promoting to date. This initiative will lead to sustainable growth of the Shinsei Bank Group by improving engagement with employees and providing new value to customers and society through innovation derived from diversity. The Shinsei Bank Group will also contribute to the achievement of SDGs through "Redesigning Workstyle".



<https://www.shinseibank.com/corporate/reworkstyle/>
(Japanese only)

"Redesigning Workstyle" consists of the following three elements and the infrastructure to support them, such as information and communications. We aim to create a hybrid work style combining main offices, satellite offices and working from home while improving productivity and customer service.

[Redesigning Workstyle] Promoting Free Working Styles that are Not Limited to Time or Place

- 1 Flexibility of working places out of offices <Implemented in October 2020>
In principle, we allow employees to choose where to work from as long as they can ensure protection of information security. In addition, we institutionalized some working rules which were initially temporarily allowed after the Declaration of Emergency Situation, such as irregular time-shift working hours and intermittent working while ensuring total required working hours are completed and allowing bicycle commuting.
- 2 Elimination of commuting allowances and establishment of operational support allowances (scheduled to start in January 2021)
We have redefined the allowances system as "allowances supporting employees to choose the work styles". Shinsei Bank considers paying a fixed amount of operation support allowance across the board. Shinsei Bank will abolish the commuting allowance and consolidate it into the operational support allowances within FY2021. As a transitional measure, Shinsei Bank plans to switch to actual commuting cost reimbursement in accordance with the number of days working from offices instead of providing monthly cost of commuter passes from January 2021 or later. Shinsei Bank will begin paying a business support allowance including various other allowances (10 thousand yen per month) from January 2021. The group companies will also introduce it later.
- 3 Strengthening Health Management under New Normal
In order to take a positive view of these changes and ensuring continuously producing desired results, it is important that every employee remains healthy both physically and mentally. The Shinsei Bank Group will clarify its health management objectives and enhance its health initiatives more than in the past. In October 2020, we established a group-wide consultation desk for all group employees. We also opened the Career-Life Support Desk as an internal contact point for consultations to employees with concerns about how they should conduct their work-related duties and at the same time pursue their

future career vision.

4 Stimulation of internal and external communications (to be rolled out in March 2021)

With the aim of maximizing productivity under the new normal, the Shinsei Bank Group will introduce one on one meetings to conduct appropriate personnel evaluations, ICT tools to stimulate communication throughout the Shinsei Bank Group and tools for business negotiations with customers. In addition, it will remove fixed-line telephones and distribute smartphones to all employees to realize smooth internal and external communication that is not constrained by where they work.

[Redesigning Workplace] Redesign How to Use Offices

1 Redesign office style

As working from home is becoming common, the Shinsei Bank Group redefines Office as "a place to create innovation through collaboration among group employees, foster a sense of loyalty and a corporate culture through communication, as well as a place to work with customers and partner companies". We revised the common practice which assumed that all employees should come to the office every business day and will broadly introduce the Activity-Based Working (ABW), which has already been introduced in some divisions. It will allow employees to select the working environment according to their business features and will improve the efficiency of office space usage.

2 Expansion of satellite offices

We will expand choice of locations to work from by utilizing excess space at our branches and other existing locations across Japan, establishing new remote work locations and expanding the number of contracted shared satellite offices. In addition to using these offices for when employees go out of the office for sales activities, we will make them available for employees, who find it difficult to work from home for reasons such as lack of working environment at home.

[Redesigning Work Process] Reviewing Work Processes

1 Introduction of electronic contract tools (to be implemented by March 2021)

The Shinsei Bank Group will aggressively promote digitization, including end-to-end processes for providing financial services to customers and workflows, to accelerate the efficiency of business processes. It will use electronic contracts and signature tools to promote the trend toward digitization of contracts and documents while also considering customer intentions. We aim to eliminate physical papers in contracts and documents that do not interfere with business transactions.

2 Expansion of computerization of workflows, such as internal proposals (to be implemented by March 2021)

In order to abolish the principles of physical papers and stamps in workflows, such as internal approval processes, we will deploy the group wide workflow system by evolving the current initiative that has already been partially introduced.

Background and Initiatives

"Enhance / Leverage our Capabilities" is one of the Shinsei Bank Group's Medium-Term Strategies, "Redesigning Finance" began in FY2019. We recognize the importance of establishing a foundation in which employees can demonstrate diversity and autonomy and to respond to change in order to achieve sustainable growth in light with rapidly evolving surrounding environments.

Aiming to create a workplace environment in which each employee can maximize his/her capabilities.

The Shinsei Bank Group has been taking various steps to realize a working style that is not restricted by time or place, such as eliminating the use of dress codes (August 2019) and without limiting the number of working days from home for all employees (October 2019), as well as allowing employees to do part-time/side businesses ahead of the bank industry in April 2018.

Response to COVID-19 (Novel Corona Virus)

As countermeasures to prevent the spread of COVID-19 infections, the Shinsei Bank Group has been conducting business operations with greater consideration for the safety of employees and customers in order to protect financial services to support the necessary social infrastructure. As a result, the overall bank attendance rate declined to as low as approximately 20 percent after the Declaration of Emergency Situation and it is currently hovering around 30 to 40 percent.

In addition, in anticipation of the prolonged impact of COVID-19 and the current environment becoming a new normal, the Shinsei Bank Group has established a cross-organizational task force to consider issues such as how to support customers facing this change, what business opportunities and new values can be provided in response to emerging behavioral patterns, values and needs and how to enhance the capabilities required to realize these.

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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