






“Sustainable Impact” Execution of Green Loan to a Special Purpose Company Formed by Invenergy Japan G.K.

Tokyo (Friday, April 9, 2021) --- Shinsei Bank, Limited (hereinafter, “Shinsei Bank”) promotes "Sustainable Impact Initiatives" by integrating the perspectives of ESG/SDGs as well as Sustainability and the concept of social impact which aims to have a positive impact on society, including the environment, society and the economy. We provide finance to the companies and businesses that make positive impacts on social issues through continuous dialogue with customers.

On March 31, 2021, we executed the Shinsei Green Loan with Yuzukami Kita Solar Energy GK to finance the development, construction and ownership of a solar power plant in the Tochigi Prefecture. Yuzukami Kita Solar Energy GK is a directly wholly owned subsidiary of Invenergy Japan GK (Chiyoda-ku, Tokyo, hereinafter “Invenergy Japan”) and also benefits from TK investments from Invenergy LLC (Chicago, Illinois, hereinafter “Invenergy”) and EastEdge Energy GK.

"Shinsei Green Loan" is a loan which designates use of funds for businesses or projects that can provide clear environmental benefits. Shinsei Green Loan must align with the "Shinsei Green Finance Framework" *1 formulated in May 2020.

Borrower	Yuzukami Kita Solar Energy GK
Use of funds	Funds for construction of the Yuzukami Solar Energy Power Plant (Ohtawara City, Tochigi Prefecture)
Environmental benefits	Expanding the Implementation of Renewable Energy ➤ Expected to generate 53,340 MWh (first year of the operation) per year by the renewable energy, which is equivalent to reducing 24,270 ton-CO2 annually
Contribution to social issues of the project through its environmental benefit	This project can contribute mainly to the SDGs Goal 7: “AFFORDABLE AND CLEAN ENERGY”, Goal 9: “INDUSTRY, INNOVATION AND INFRASTRUCTURE”, and Goal 13: “CLIMATE ACTION”. The Japanese government has set "Decarbonized Society" as the final achievement, and the "SDGs Implementation Guiding Principles" sets the promotion of renewable energy as one of its priority areas. Hence, the project can be aligned with issues and the policies that the national and regional government have.   
Other assessment points of the Loan	<ul style="list-style-type: none"> ✓ Invenergy and its affiliated companies, which includes Invenergy Japan, makes " Innovators building a sustainable world." as a vision statement, and provides large-scale power generation and storage facilities around the world for a future with clean energy. This project is aligned with the company goals. ✓ Invenergy Japan conducted the natural environment assessment and has implemented conservation measures. It also engages the local community by explaining the project comprehensively including its environmental and social impact. This project has been developed with environmental and social considerations. ✓ Invenergy annually publishes an impact report that discloses its efforts for the environment, community, and its employees with quantitative information such as the amount of CO2 offset.

*1 Please refer to the attached material; an overview of the “Shinsei Green / Social / Sustainability Finance Framework”

Shinsei Green/Social/Sustainability Finance Framework

In recent years, more companies have chosen financial instruments which restrict use of loan proceeds to specific businesses with environmental / social benefits, such as green loans, social loans or sustainability loans as a means of raising funds. In order to support our customers to solve their environmental / social issues through the implementation of these finances, we formulated the "Shinsei Green Finance Framework", "Shinsei Social Finance Framework" and "Shinsei Sustainability Finance Framework" (hereinafter collectively referred to as "the Frameworks") in May 2020.

Sustainable Impact Assessment Department, our in-house independent assessment function, confirms whether a loan is aligned with the Frameworks after assessing the loan proceeds, the management of proceeds, potential negative environmental / social impacts or other elements.

We have also obtained a third-party opinion from Japan Credit Rating Agency, Ltd. (JCR) stating that the Frameworks are consistent with the relevant principles*2 and that the internal implementation system of the Framework are robust.

We use the following logos to verify compliance with the Frameworks.

[Environmental]



SHINSEI
SUSTAINABLE
IMPACT
ASSESSMENT

[Social]



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*2 The frameworks operates in accordance with the following related principles, which are domestic and international guidelines.

- "Green Bond Principles", "Social Bond Principles" and "Sustainability Bond Guidelines" published by the International Capital Market Association (ICMA)
- "Green Loan Principles" formulated by the Loan Market Association (LMA) and the Asia Pacific Loan Market Association

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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