

December 1, 2021

SHINSEI SUSTAINABLE
IMPACT ASSESSMENT



Company Name: Shinsei Bank, Limited
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(Code: 8303, TSE First Section).

“Sustainable Impact” Execution of a Green Loan to Takara Leben Infrastructure Fund, Inc.

Tokyo (Wednesday, December 1, 2021) --- Shinsei Bank, Limited (hereinafter, “Shinsei Bank”) promotes “Sustainable Impact Initiatives” by integrating the perspectives of ESG, SDGs as well as Sustainability into our business with the concept of social impact which aims to have a positive impact on society, adding the environmental, social and the economic value. We provide financing to companies and their businesses addressing social issues with positive impacts through continuous dialogue with those corporate customers.

On December 1, 2021, Shinsei Bank provided a finance, as a “Shinsei Green Loan”, jointly with Sumitomo Mitsui Banking Corporation to Takara Leben Infrastructure Fund, Inc. (Headquartered in Chiyoda-ku, Tokyo; Masahide Kikuchi, Executive Officer; hereinafter, “Takara Leben Infrastructure Fund”) mainly for the purpose of the acquisition of solar power plants. This loan was syndicated with Asahi Shinkin Bank, the Chiba Bank, Ltd., Kansai Mirai Bank, Ltd, the Hiroshima Bank, Ltd., the Chugoku Bank, Ltd., Mizuho Bank, Ltd. and the Nishi-Nippon City Bank, Ltd. In December 2020, Shinsei Bank had executed the Shinsei Green Loan to Takara Leben Infrastructure Fund as a syndicated loan for acquisition of other solar power plants, and this is the second execution of the loan.

“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	Takara Leben Infrastructure Fund, Inc.
Use of funds	Funds for the acquisition of four solar power plants, including the LS Chiba Katsuura Power Plant (Katsuura City, Chiba Prefecture)
Significance of the project	Expansion of renewable energy introduction <ul style="list-style-type: none"> ➤ Expected to generate 51,323MWh of electricity from the renewable energy resources in the first year ➤ CO2 emission reduction benefit is estimated to be 23,908 tons per year.
Contribution to social issues of the project through its environmental benefit	This project can contribute to the UN Sustainable Development Goals (SDGs), especially to “Goal 7: AFFORDABLE AND CLEAN ENERGY”. The Government of Japan has set “Decarbonized society” as the final achievement and has promoted the introduction of renewable energy as one of national priority areas. According to an ambitious outlook towards FY2030 in the “Sixth Strategic Energy Plan”, 14-16% of solar photovoltaic within 36-38% of renewable energy sources are targeted for the energy mix in FY2030. In addition, national and regional plans are addressing maximum introduction of renewable energy as major power sources in 2050, which

	is consistent with this project.
Other positive points of the Loan	<ul style="list-style-type: none"> ✓ The borrower aims to achieving its goals " create value through utilizing natural energy and contribute to creation of employment and economic development as well as measures against global warming and improvement of energy self-sufficient rate in the community". This project is aligned with their corporate objectives. ✓ The borrower and Takara Asset Management Co., Ltd., the asset management company of the borrower, have established a risk management system including environmental and social considerations. The system is designed to identify potential risks on the environment and to implement risk mitigation measures based on the Takara Leben Infrastructure Fund's "Green Finance Framework", "Investment Guidelines" as well as corporate "Risk Management Regulations". ✓ Takara Asset Management Co., Ltd. has established a system for responding to complaints as well as inquiries, and implemented continuous communication with local residents and governments as part of their stakeholder engagement. In addition, they contribute to local communities in line with local needs by acquiring power plants that utilize unused land, outsourcing management operations to local corporations as well as making donations.

*1 Please refer to the attached reference; an overview of the "Shinsei Green / Social / Sustainability Finance Framework" including the Shinsei Social Finance Framework.

[Reference]

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 Framework") in May 2020.

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

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

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

[Environmental]



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[Social]



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*² This framework 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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