

SHINSEI SUSTAINABLE
IMPACT ASSESSMENT

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“Sustainable Impact” Social Loan to Medical Corporation ISEIKAI

Tokyo (Wednesday, December 8, 2021) --- The Shinsei Bank Group 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.

Shinsei Bank participated in a syndicated loan for the Medical Corporation ISEIKAI (Headquartered in Osaka City, Osaka, Kohji Tani, The Chief Executive Officer; hereinafter "ISEIKAI"), which uses funds for the construction of a new hospital on the site of the former Ogimachi government office of the Osaka City Waterworks Bureau. The loan was made as a "Shinsei Social Loan" on November 30, 2021 for the portion of the Bank's participation amount. This is the first project for Shinsei Bank to implement social evaluation in terms of a hospital-development-type corporate loan.

This new hospital development project (the "Project") is planned to relocate and integrate the Medical Corporation ISEIKAI (327 beds) and Jouto Central Hospital (233 beds) operated by ISEIKAI, and construct a large-scale new hospital, the ISEIKAI International General Hospital, with 560 beds, on the former site of the Ogimachi government office of Osaka City Waterworks Bureau. The ISEIKAI Group was selected as a developer through the redevelopment project competition sponsored by Osaka City Waterworks Bureau. The new hospital is planned to be built together with cultural facilities, such as a theater, which have a function of "Making a Town Vibrant" in accordance with "Ogimachi Land Utilization Policy" of Osaka City.



(Illustration of completion of ISEIKAI International General Hospital)

Currently, about 40 years have passed since the rush to build hospitals with the last-minute expansion of beds prior to the implementation of private hospital bed regulations in 1986, and rebuilding demand is emerging at hospitals nationwide. Shinsei Bank will support the smooth financing of hospitals to rebuild medical facilities and develop a modern medical system by providing its expertise in the healthcare finance field, which it has accumulated since the establishment of the Healthcare Finance Division in 2010, as well as by visualizing the social significance of financing for hospitals through social evaluation.

The Shinsei Bank Group has been contributing to the building of a sustainable society by providing ongoing financing for businesses that improve environmental and social issues with the provision of solutions to resolve social and environmental issues as a materiality for the Group management.

[Attachment]

Overview of Evaluation of “Shinsei Social Loan”

“Shinsei Social Loan” is a loan that designates use of funds to businesses or projects that can contribute to addressing and alleviating specific social issues so as to create social impact. Shinsei Social Loans shall align with the “Shinsei Social Finance Framework”^{*1} formulated by Shinsei Bank in May 2020.

Borrower	Medical Corporation ISEIKAI
Use of funds	Construction cost of the ISEIKAI International General Hospital
Social significance of this matter	<p>Provide patients with "access to essential services" and "socioeconomic improvement and empowerment" targeting "women" as well as “those who balance work and child-rearing”</p> <ul style="list-style-type: none"> ➤ Viewpoint of patients: Access to acute and advanced acute phases including emergency response ➤ Viewpoint of community: Responding to growing demand for medical care and contributing to the establishment of an integrated community care system ➤ Viewpoint of healthcare professionals: Promotion of female participation and career advancement, health and productivity management, and work style reforms
Consistency between the social impact of this matter and social issues	<p>This project can contribute mainly to "Goal 3: GOOD HEALTH AND WELL-BEING" of the SDGs. It was also evaluated to be consistent with the national policy such as "SDGs Action Plan 2021" of SDGs Promotion Headquarters and "Regional Medical Initiative" of the Ministry of Health, Labour and Welfare, and regional policy such as Osaka Prefectural Government "7th Osaka Prefectural Medical Plan".</p>
Other evaluation points	<ul style="list-style-type: none"> ✓ Based on its own mission "Patient first principle", ISEIKAI has practiced management aimed at realizing four-way satisfaction (patient satisfaction, staff satisfaction, hospital satisfaction, and social satisfaction). We recognized the good design of facilities and systems from the patient's perspective, implementation of initiatives to reduce the workload of staff, and active social contribution activities such as health awareness raising by Holonics Group, conservation efforts for endangered animal species, and donations. ✓ ISEIKAI's lifesaving emergency technicians are practicing "continuous emergency medical care" by setting up shifts for 24 hours 365 days, actively accepting emergency transport and carrying out free transportation of patients whose hospital conditions have suddenly changed at neighboring hospitals, etc. It also provides seamless medical services by establishing the regional medical cooperation office and actively cooperating with local medical institutions. ✓ This project contributes to creating liveliness in the area as well as vitalizing the town through developing facilities which can contribute to the cultural creation and exchange promotion including theaters, in accordance with the "Ogimachi Land Utilization Policy" of Osaka City”, and ISEIKAI adopts environmentally conscious design into buildings and facilities

	of the new hospital (ranked as Class A of CASBEE Osaka Mirai).
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*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]

[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>

For further information, please contact:



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