

# CORPORATE PHILANTHROPY

## Redefining Corporate Philanthropy at Shinsei Bank

In fiscal year 2007, we started to realign our corporate philanthropic initiatives to achieve greater impact from the events and organizations we underwrite. We have established a corporate philanthropy framework that classifies our corporate contributions into three main categories: commercial, strategic

and community. We are now applying a value-added model to all corporate philanthropic initiatives that we support through direct cash and non-cash contributions. Through this model we apply a rigorous due-diligence process for appropriate awareness, alignment, promotion, monitoring, measuring and reporting of all our philanthropic activities. Furthermore, we strive to fulfill our promise to all of our stakeholders to fully exemplify our community values.

### Corporate Philanthropy Framework

|                     | Philanthropic Initiative Categorization |  |                     |
|---------------------|---|--|---------------------|
|                     | Commercial                              | Strategic  | Community           |
| Target stakeholder: | Customers                               | Society  | Local communities   |
| Objective:          | Customer loyalty & appreciation         | ESG awareness/social innovation through multi-stakeholder partnerships | Employee engagement |

## Living our Shinsei Value of Community

Shinsei Bank has made great efforts to support various organizations and events through our direct cash and non-cash contributions. We supported performing and visual arts events, international, cross-cultural exchanges and educational initiatives through direct sponsorship. We support many causes by allowing numerous NPOs, NGOs, foundations, associations and university clubs free use of our central Tokyo headquarters building, which allows them to raise awareness of their missions and advance their causes.

Organizations that held events in our venues throughout the year included the Japan Committee Vaccines for the World's Children, Room to Read, Global Enhancement for Women's Executive Leadership (GEWEL), US-Japan Bridging Foundation, Special Olympics Nippon, Tokyo Sinfonia, Urban Land Institute,

Harvard Club of Japan, Toriizaka Arts' Le Thanh Son "A Brilliant Life" Exhibition, Mobile Monday Tokyo, Shouhikagaku Rengokai Consumer Finance Symposium, Living Dreams, Heroes' Edutainment and Japan Red Cross. We also hosted university visits from the Harvard Business School, MIT Sloan Management Program, Yonsei University, University of Phoenix, École des Mines de Paris, The Wharton School, INSEAD, Yale, several Japanese universities, as well as alumni events for local and overseas universities.

We are also committed to supporting employees in serving our communities. We have introduced a volunteer leave program, allowing our employees to take time off to support volunteer participation in community-based projects like Special Olympics Nippon National Games in Yamagata, FIT for Charity Run, Hands on Tokyo Day of Service, Run for the Cure, Chiyoda Volunteer Center, Second Harvest Japan and KIDS project.

## Building Environmental, Social and Governance (ESG) Awareness and Fostering Social Innovation

As part of our strategic philanthropy platform, Shinsei Bank is focusing on building Environmental, Social and Governance (ESG) Awareness. Our objective is to address specific ESG issues in Japan through convening multi-stakeholder symposiums to raise awareness. We are also underwriting organizations committed to finding innovative ways to address complex ESG issues.

### Social Innovation and Social Entrepreneurship

In order to further advance the importance of out-of-the-box thinking when addressing ESG issues, we are deepening our commitment to social innovation and social entrepreneurship. We are committed to investing in social entrepreneurs who act as change agents to find effective solutions to the complex and pressing ESG problems currently facing our planet. Through supporting such innovation, our goal is to dramatically improve the circumstances of the underserved and disadvantaged.

Shinsei Bank has been firmly committed to social entrepreneurship since 2005 when we supported the launch and development of the first non-governmental microfinance organization in Japan, PlaNet Finance Japan, through direct cash and non-cash contribution. PlaNet Finance Japan's main objective has been to raise awareness and provide education to various stakeholders in order to mobilize Japan's human, technological and financial resources in support of the global microfinance movement.

Shinsei Bank is a collaborating sponsor of Ashoka's Social Entrepreneurship DVD Series with Skoll Foundation and Kinokuniya. This DVD series highlights the visionary thinking of social entrepreneurs and thought leaders who have championed long-term and innovative solutions to global sustainability issues. With the launch of this educational resource, we are furthering our commitment to students, academia, think-tanks and institutions of higher learning in promoting awareness of this important area.

We have also created the first corporate partnership in Japan

with Social Ventures Partners (SVP) Tokyo, a venture philanthropy organization which aims to support social entrepreneurship in Japan. Shinsei Bank and SVP will provide financial support and professional skills transfer to carefully selected start-up, early- and mid-stage organizations with great potential who address important ESG needs and have not yet received adequate attention or resources in Japan. Through providing expertise in areas of capacity building, our objective is to make recipient organizations sustainable within a defined time frame, enabling them to create significant social impact.

### Environmental Sustainability

Shinsei Bank is partnering in an environmental sustainability pilot program with global law firm DLA Piper. The objective is to build environmental awareness through bringing together orphans and volunteers from both companies around the cultural values and tradition of rice planting and harvesting. The sustainability project involves local farmers, environmental specialists, youth and senior citizens.

Shinsei Bank's other commitments to the environment include being a signatory to the Carbon Disclosure Project (CDP6), joining Team Minus 6% and actively participating in the MOTTAINAI Project. On May 2, 2007, we sponsored a lecture at our headquarters by Dr. Wangari Muta Maathai, the first African female Nobel Peace Prize laureate and an active promoter of "MOTTAINAI," to support the 3Rs of *reducing* waste, *reusing* finite resources and *recycling* what we can.

