

# CORPORATE CULTURE

## Strengthening our Corporate Culture

To achieve our vision of becoming “Japan’s preeminent financial services firm,” we made significant strides to further align our corporate culture with our promise to our customers, as expressed through our strong brand.

### Embedding our Values and Winning the Competition for Talent

In fiscal year 2007 we further extended our values education initiative, “Color Your Bank,” through internal promotion and a roadshow covering all of our branches throughout Japan. Through this initiative, we were able to provide “better together” opportunities for our employees to learn about our heritage, key areas of business and our values. In addition to providing a highly interactive educational experience, we were also able to bring together people of different levels from various business areas and locales.

We were able to integrate and extend our values alignment effort into a value-aligned competency performance evaluation process. We successfully introduced this concept in fiscal year 2005 for senior executives, extended it to key general managers in fiscal year 2006 and finally to all employees in fiscal year 2007. This process of creating a values-aligned culture at Shinsei Bank was published as a case study by the Harvard Business School in fiscal year 2006 and updated with a follow-up case in fiscal year 2007.

To further align and strengthen our engagement and people practices, we implemented a second employee climate survey in fiscal year 2007. We showed improvement from our fiscal year 2006 survey in most areas, and our management committed to several specific actions to ensure that Shinsei is a place where employees can contribute their best each day. Once again, we were well ahead of market and industry peers in the ratio of female titled managers. As of April 1, 2008, our ratio was 21.4% and we consider this to be a key differentiating factor for our future success. We focused on work-life balance,

gender diversity and talent management initiatives in fiscal year 2007 and will continue to ensure that we have rigorous processes to attract, develop, and retain the best talent to win in a highly complex and competitive financial services market.

### Building a Great Brand from Within

Over the past seven years, we have established Shinsei Bank as an innovative and unique type of financial institution in Japan. The Shinsei brand is an icon for customers looking for something other than “just another bank.” The Shinsei brand embodies the promise that we make to our customers: the promise of ease and convenience, the promise of innovative products and services that speak to their needs, the promise of trust and integrity and the promise of partnership. These qualities are what make us truly unique amongst our competitors, and it is why more and more customers choose us and why we consistently rank among the top tier of financial institutions in the area of customer satisfaction. Customers recognize and appreciate that we have “changed the game” in Japan’s financial services industry.

In June 2006, the senior management team decided to further strengthen the Shinsei brand and apply the successful brand principles to all Group companies, including APLUS and Showa Leasing. This decision led to the formation of a Group-wide project team that was given a mandate to create a single “Brand Idea” that could be applied across the Group, aligned with our vision and values and also provide a common statement of purpose to all employees, regardless of their organization. This Brand Idea was launched in September 2007, and since then we have conducted various internal activities to embed this idea throughout the organization, including a tour of many of our branches throughout Japan that culminated in a commitment signing ceremony asking all our employees to agree to adopt our new Brand Idea.

With all employees committed and united under this single Brand Idea, our belief is that Shinsei Bank can further differentiate and establish itself and own a unique position in this competitive market.