

# Sustainability Progress 2025

May, 2025



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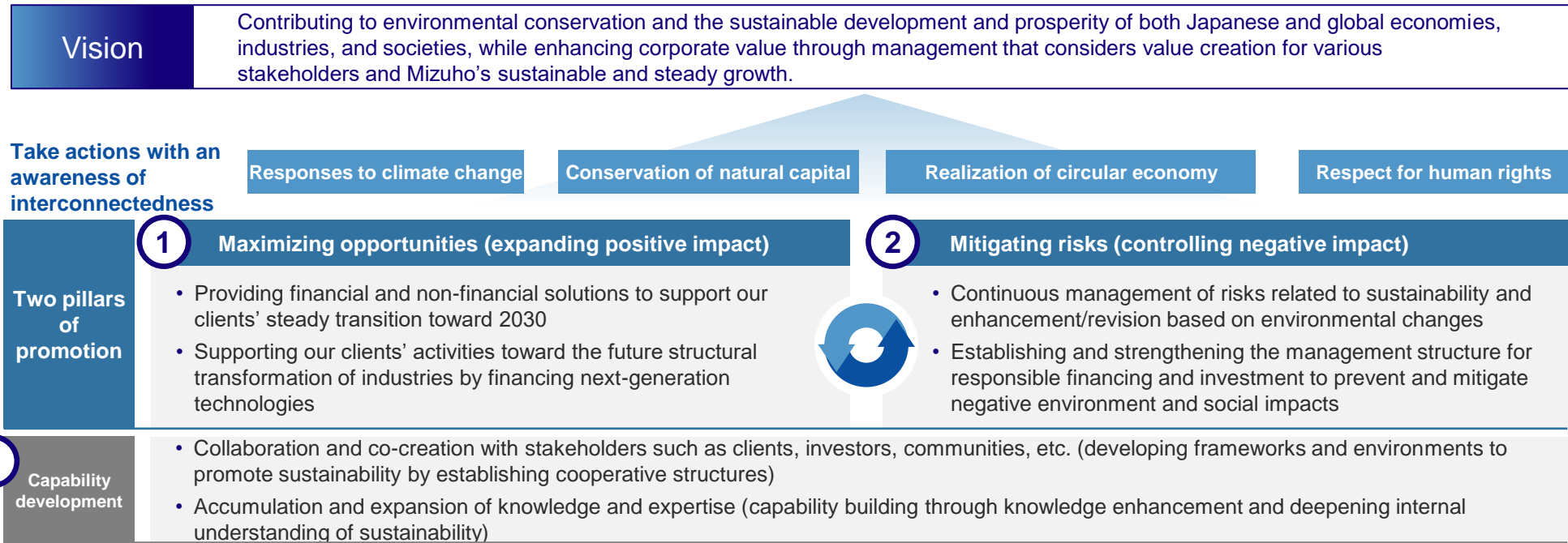
## Appendix

This report generally does not include specific corporate suffixes for the companies and organizations in the case studies.

# Mizuho’s general approach to sustainability

- Mizuho believes in the importance of personal well-being and a sustainable society and economy. As stated in our Purpose: *Proactively innovate together with our clients for a prosperous and sustainable future*, we are continuing to take on challenges together with our clients and stakeholders.
- We are driving forward with both ① maximizing opportunities through supporting our clients’ sustainability transformations, and ② mitigating risks based on strategic and systematic frameworks. To support these initiatives, we are also ③ strengthening our capability by leveraging external resources.
- Even amid global uncertainty, we remain committed to advancing our sustainability initiatives, aiming to enhance corporate value through solving sustainability issues.

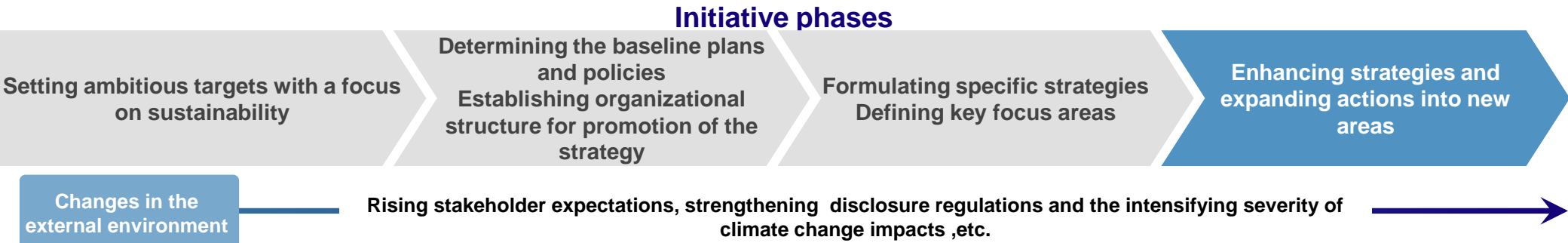
## //Overview of Mizuho’s sustainability initiatives



# Retrospective and actions taken in FY2024

- Mizuho has integrated sustainability into its management strategy and continuously strengthened a wide range of initiatives. These initiatives include establishing a dedicated organization to promote sustainability efforts, advancing its JPY 100 trillion sustainable finance target and Net Zero Transition Plan, and reinforcing efforts in areas such as respect for human rights and the conservation of natural capital.
- In FY2024, Mizuho has further strengthened its existing initiatives while actively expanding its efforts into new areas such as hydrogen, carbon credit, and “Impact” as a measure of value creation. Additionally, Mizuho has also strengthened its promotion capability by expanding investments and partnerships.

## Initiative phases by fiscal year





# FY2024 Highlights

## Reinforcing climate change response

- Formulating the “Grand Design” for Japan and strengthening dialogue based on GHG emission reductions in order to enhance the effectiveness of engagement
- Supporting clients’ efforts of steady transition through proactive funding and strengthening initiatives in focus areas to achieve carbon neutrality
- Enhancing framework on climate-related risk management (Revision of evaluation criteria for clients’ status of responses to the transition risks)

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## Integrated approach to natural capital and circular economy

- Strengthen initiatives that are conscious of synergies and trade-offs
- Collaboration with clients to explore business opportunities and risk analysis related to natural capital
- Promoting business on two axes: regional-base within Japan approach and resource-specific approach, towards the realization of circular economy business

P.16

B

## Presentation and promotion of the concept of “Impact”

- Focusing on “Impact” as a new metric to measure value creation across environmental, social, and economic factors as a whole
- Striving to encourage impact business in society, strengthening new product development with various assets and global stakeholders collaboration such as clients, investors, community, etc.

P.20

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## Strengthening the capability for further actions

- Shifting from establishing framework and knowledge accumulation to a stage focused on output
- Promoting initiatives both inside and outside the company, such as strengthening stakeholder collaboration and co-creation, raising employee awareness, and consolidating their capabilities

P.24

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## Reinforcing climate change response

- Formulating the "Grand Design" for Japan and strengthening dialogue based on GHG emission reductions in order to enhance the effectiveness of engagement
- Supporting clients' efforts of steady transition through proactive funding and strengthening initiatives in focus areas to achieve carbon neutrality
- Enhancing framework on climate-related risk management (Revision of evaluation criteria for clients' status of responses to the transition risks)

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# Approach to climate change response

- Climate change is a global common challenge that significantly impacts the economy and society, and it holds a crucial position in our clients' management and business strategies.
- At Mizuho, we developed a "Grand Design" for the ideal industrial structure for Japan and actively support our clients in their choices relating to decarbonization and energy transition. We believe that these initiatives will contribute to enhancing corporate value for both Mizuho and our clients, from both opportunity and risk perspectives and also promoting real economy transition in Japan.

## Support clients' decarbonization and transition

### Grand Design

Mizuho's vision based on its ambition of achieving carbon neutrality by 2050

P.9

#### 1 Enhancing the effectiveness of engagement

P.9-11

Supporting clients' various initiatives by leveraging climate change response as a catalyst

<Major progress in FY2024>

- Dialogue based on the Grand Design
- Strengthening dialogue based on GHG emission reductions

#### 2 Supporting clients' steady transition efforts

P.12-13

Providing financial and non-financial solutions to support clients' steady transition

- Promoting the environment and climate-related finance target (JPY 50 trillion from FY2019 to FY2030)
- Supporting commercialization of decarbonization-related businesses

#### 3 Building the foundation for carbon neutrality

P.14

Supporting financing framework and next-generation technologies for the future structural transformation of industries

- Declaration of "JPY2 trillion in hydrogen financing"
- Investment in next-generation technologies
- Carbon credit

Mizuho's strengths

Expertise in industry and technology

Connecting within and outside of Mizuho

Finance arrangement capability

**Enhancing corporate value**  
Capturing opportunities  
Risk mitigation

**Facilitating real economy transitions for Japan**

## Risk management

P.15

- Establishing a framework to assess and monitor risk levels along two axes: clients' industry sectors and clients' status of responses to transition risks
- Continuing the implementation and review of the "Environmental and Social Management Policy for Financial Activities"

- **Improving evaluation criteria** for clients' status of responses to the transition risks

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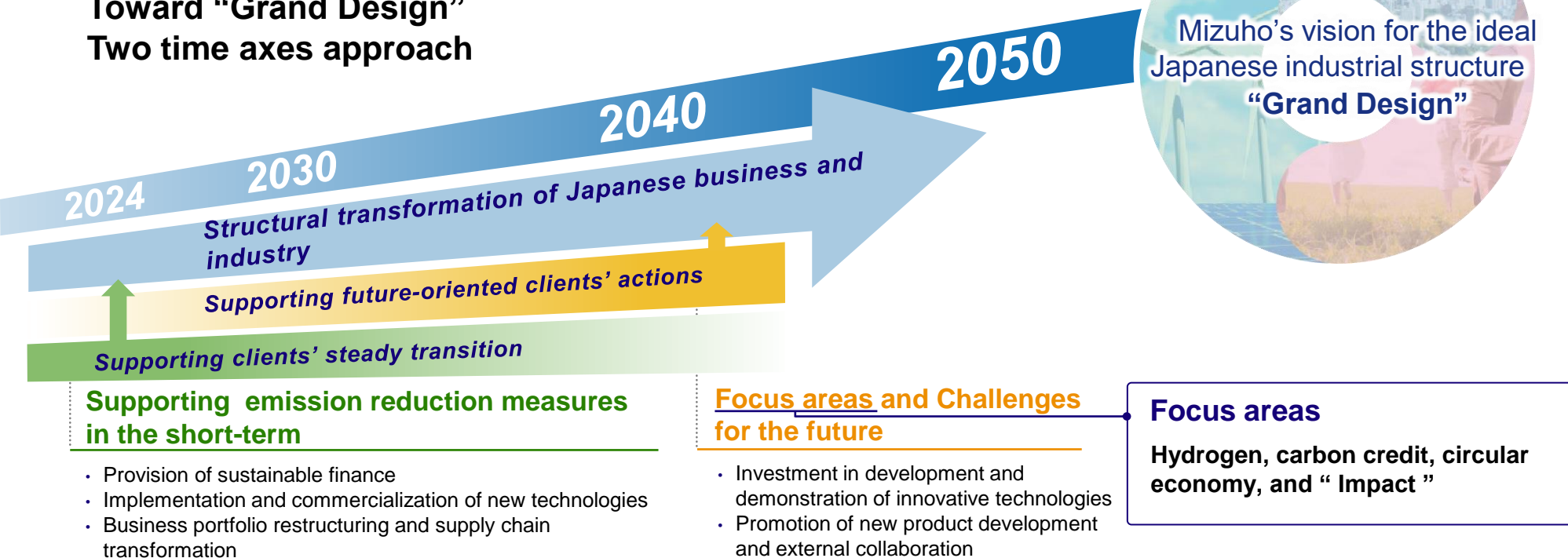


# Enhancing engagement effectiveness

- In FY2024, to make our engagement with clients even more effective, Mizuho developed the "Grand Design" for the ideal Japanese industrial structure in 2050. We presented an approach that involves co-creating with various industry clients and engaging in cross-industry collaboration to achieve this vision.
- While aiming for the Grand Design, we will not only support steady corporate transitions in the short term but also promote technological innovation and business model transformation. Our goal is to envision the future together from a medium- to long-term perspective, thereby contributing to enhancing our clients' corporate value and expanding their businesses.

## Mizuho's approach to contributing to a decarbonized society

### Toward "Grand Design" Two time axes approach

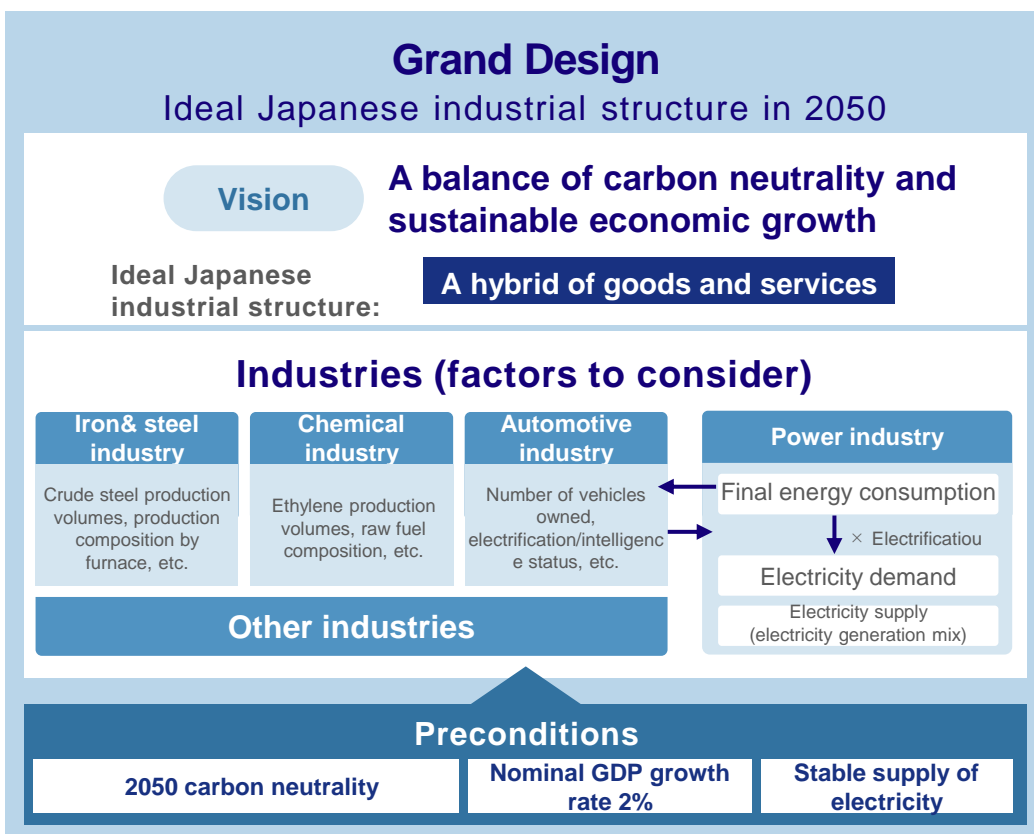


Industry, government, and academia collaboration

# "Grand Design" for the ideal future industrial structure for Japan

- The "Grand Design" explores a Japanese industrial structure that balances carbon neutrality with sustainable economic growth. We will collaborate with various stakeholders such as clients, investors, communities and others across industries to drive the transformation of industrial structures, strengthening Japan's industrial competitiveness.
- Using the "Grand Design" as a starting point for dialogue with clients, we facilitate discussions and shared understanding to enhance the effectiveness of engagement. Through this approach, we support our clients in their efforts to decarbonize their business portfolios and advancing corporate actions, including energy transition.

## Overview of the Grand Design for Japan



## Background of the Grand Design development

- Addressing social issues requires a comprehensive approach that considers the entire industry, looking beyond isolated efforts. The Grand Design presents a hypothesis on the desired direction for industries, enabling collaboration with clients and various stakeholders to work together toward its realization.

## Preconditions of the Grand Design

- In addition to achieving 2050 carbon neutrality, the Grand Design assumes a sustainable economic growth target of a 2% nominal GDP growth rate and the stable supply of electricity essential for industrial competitiveness. This framework is developed based on megatrends such as demographic shifts.

## Essence of the Grand Design

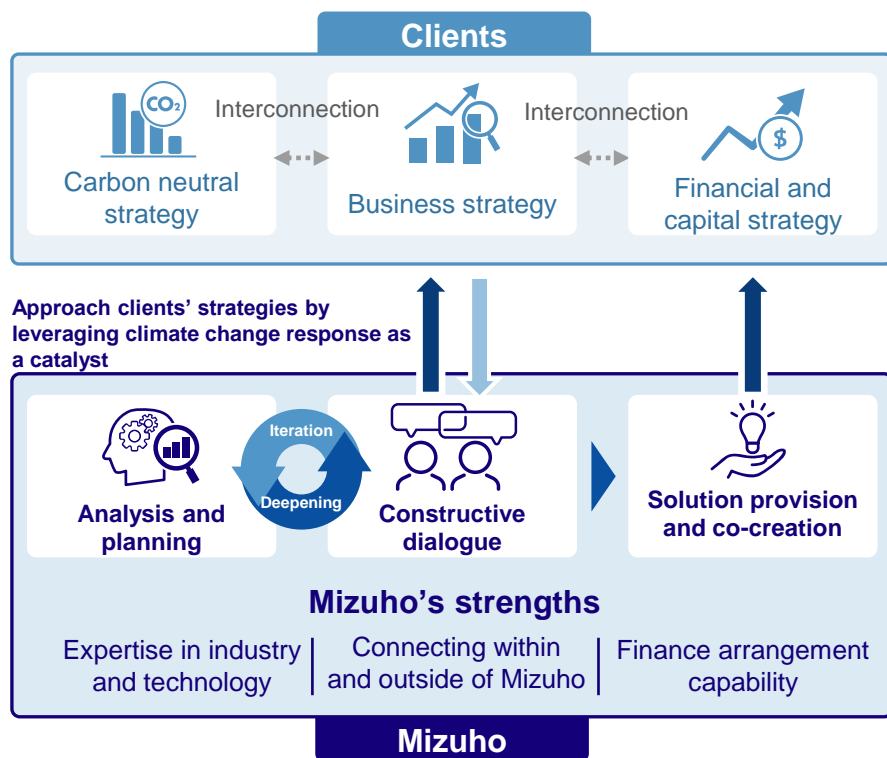
- Quantifying the supply and demand dynamics in Japan for the electric power, iron&steel, chemicals, and automotive industries, which together account for approximately 70% of the country's GHG emissions. Examining the impacts on individual industries and the necessary challenges within the framework of overall optimization, including other industries.
- Aiming for sustainable growth through a "hybrid of goods and services," strengthening value creation in Japan's core manufacturing industry (goods) while advancing the industrialization of promising areas in the non-manufacturing (services) industry.

# Strengthening client engagement

- Through engagement on climate change-related response, we aim to support our clients' efforts towards transition, thereby facilitating the transition of the real economy while mitigating transition risks and capturing business opportunities for both our clients and Mizuho.
- To foster deeper engagement with clients and relevant government ministries and agencies, we are enhancing dialogues based on the "Grand Design" and in the sectors with Scope 3 targets. Additionally, we are implementing measures to improve effectiveness, such as providing support from specialized departments and offering sector-specific support books.

## Overview of client engagement

By supporting clients' transitions efforts through dialogue-driven engagement, we contribute to mitigating risks and capturing opportunities for both our clients and Mizuho.



## Engagement implementation status in FY2024

### Dialogue based on the Grand Design

- Engaging in discussions **with domestic electric power companies, steel companies, and relevant government ministries and agencies** based on the Grand Design to explore the ideal structure of Japan's industries and sectors.

### Dialogue in the sectors with Scope 3 targets

Details on page App.P6

- Engaging in dialogues focused on GHG emissions reduction with **approximately 100 client companies**, which account for 70–90% of emissions in the target sectors.

### Dialogue with clients in transition risk sectors

Details on page App.P7

- Engaging in dialogues with **approximately 550 client companies** across transition risk sectors, regardless of credit exposure, to assess their responses to transition risks.

### Initiatives to enhance engagement effectiveness

- Client relationship managers responsible for engagement are supported by specialized departments with advanced industry expertise.
- In FY2024, we provided industry-specific support books on emission reduction to facilitate proactive dialogues.



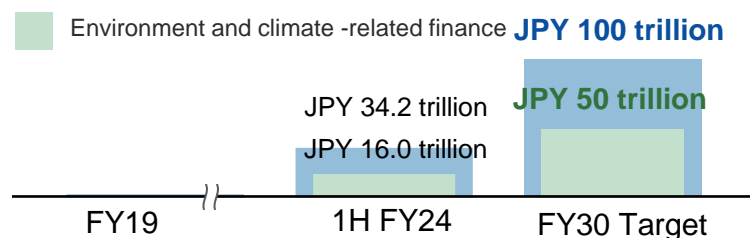
Support book  
(Example)

## Supporting clients' steady transition – progress in sustainable finance (1/2)

- We are promoting initiatives toward our target of JPY 100 trillion in sustainable finance. By the first half of FY2024, the cumulative total has reached JPY 34.2 trillion, of which JPY 16.0 trillion is allocated to environment and climate change-related initiatives, showing steady progress.
- We are advancing our efforts through various approaches, including financing, investment, and asset management. In terms of league table rankings, we have maintained the No. 1 position in the category of SDGs bonds (publicly offered SDGs bonds in Japan) for six consecutive years, and achieved the No.2 global ranking (No.1 in Japan) for sustainable finance.

Detailed case studies on App.

### // Sustainable finance progress (cumulative since FY2019)



### Major projects in FY2024

#### Finance for renewable energy

- Finance for offshore wind power in Japan and overseas
- Finance for next-generation geothermal power project in Germany

#### Transition finance

- The first transition-linked bond issued by a Japanese city gas company
- Transition bond for an electric power company

#### Asset management (Mutual fund)

- As part of the "Mizuho Sustainable Fund Series", we structured and launched.
  - "Robeco Smart Energy"
  - "LO Circular Economy" (Collaboration with the Lombard Odier Group)

### // League table/external evaluation



SDGs bonds  
(publicly offered SDGs  
bonds in Japan)

Source : Capital Eye  
(Apr. 2024 - Mar. 2025)



Sustainable finance  
(loan)

Source: LSEG  
(Jan. 2024 - Dec. 2024)



- At the 6th ESG Finance Awards Japan sponsored by the Ministry of the Environment, Mizuho Bank received the Gold Award (Minister of the Environment Award) in the Indirect Financing category, while Mizuho Securities received the Bronze Award in the Financial Services category, marking its fifth consecutive year of recognition.
- At "The Asset Triple A Awards," which has a track record of over 20 years of recognition in the APAC region, 23 ESG finance transactions involving Mizuho were awarded.
  - Arranged social loans for financial institutions in Indonesia
  - Arranged green bonds for financial institutions in India
  - Arranged SDGs bonds and other instruments for offshore financial institutions in China and others

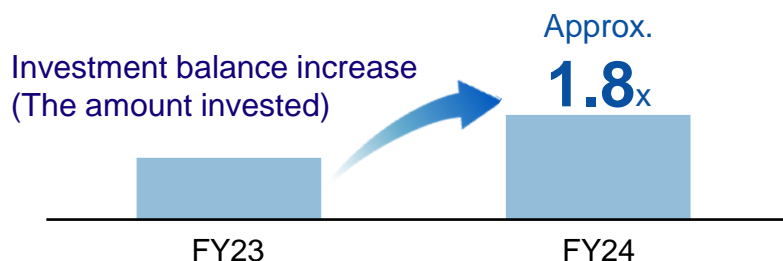


## Supporting clients' steady transition – progress in sustainable finance (2/2)

- Our Transition Investment Facility and Value Co-creation Investments, aimed at supporting the R&D, demonstration, and commercialization of next-generation technologies, are also making steady progress.
- In FY2024, we are not only investing in the decarbonization and circular economy sectors but also strengthening post-investment collaboration such as verifying the technology developed by our investee company within Mizuho.

Detailed case studies on App.

### Progress of Transition Investment Facility and Value Co-creation Investments



#### Transition Investment Facility

Targeting projects in the proof-of-concept and start-up stages, aiming to develop technologies and business models in areas that contribute to improving environmental and social sustainability

**FY2024: 5 investments (9 in total)**

#### Value Co-creation Investment

Targeting companies aiming to commercialize technologies that address social issues, generate new demand, and realize new business models  
Strengthening post-investment co-creation with our investee company by conducting demonstration trials at Mizuho branches utilizing their technologies

**FY2024: 4 investments (11 in total)**

#### Investment in chemical recycling technology (Sept. 2024)



- Invested in R Plus Japan Ltd., which is developing innovative, environmentally friendly plastic recycling technology
- Enabling high-volume processing with fewer steps and contributing to reducing CO<sub>2</sub> emissions and energy consumption compared to conventional chemical recycling processes that involve oil refining process

#### Investment in biotechnology (Sept. 2024)



- Invested in CHITOSE BIO EVOLUTION, the holding company of the Chitose Group based in Singapore, which is engaged in large-scale algae production
- Supporting the development and social adoption of algae-derived resources, such as cosmetic ingredients, contributing to addressing climate change and the transition to a decarbonized society

#### Investment in Lithium-ion battery (LiB) recycling technology (Mar.2025)



- Invested in Altium Metals Limited, a UK-based company operating a demonstration plant that recycles LiBs used in electric vehicles and produces low-carbon, sustainable battery materials
- Aiming to establish an integrated business model in the UK by building a large-scale commercial plant that covers the entire process from LiB collection to battery material production

# Building the foundation for carbon neutrality by 2050

- In Japan, realizing a decarbonized society requires both the energy transition of high-emitting industries and the capture and offset of CO<sub>2</sub> in sectors where emission reduction is challenging.
- Recognizing that building a hydrogen supply chain is essential for energy transition, we have announced a commitment to providing JPY 2 trillion in financing for hydrogen production and related initiatives. We are also actively providing funding for the development of next-generation technologies, including fusion energy.
- Regarding the increasingly anticipated "carbon credits" for CO<sub>2</sub> capture and offsetting on a global scale, we engage in credit brokerage and our own off-take. Through these efforts, we aim to stimulate transactions and drive global demand in this emerging market.

Detailed case studies on App.

## Initiatives for energy transition

### Hydrogen, etc



Focus areas

#### Mizuho's vision

#### First-call bank for hydrogen in Japan and Asia

- In May 2024, we announced a goal of providing JPY 2 trillion in financing for the production and supply of hydrogen and the related technologies by 2030. As a unified group, we are actively engaged in overseas hydrogen production projects and have secured the role of Financial Advisor for multiple projects.
- In March 2025, we signed a memorandum of understanding with five companies, including IHI, to explore investment in a green ammonia production project in India, with an annual capacity of approximately 400,000 tons.



### Next-generation technology

- In October 2024, we invested in Zap Energy Inc., a U.S. based firm focused on commercializing fusion energy, through Mizuho Innovation Frontier Co., Ltd.

## Initiatives toward CO<sub>2</sub> capture and offset

### Carbon credits



Focus areas

#### Mizuho's vision

#### The top solution provider in Japan

- Promoting carbon credit trading to Japanese companies in collaboration with Climate Impact X, Singapore's carbon credit exchange operator.
- In February 2025, we have signed a memorandum of understanding with GenZero, which is an investment platform established by Singapore sovereign wealth fund Temasek, to form a strategic partnership for transition credits aimed at encouraging the early retirement of coal-fired power generation plants.
- In March 2025, we joined as a buyer of the "NextGen CDR Facility," established by Mitsubishi Corporation and South Pole, to support the creation and development of the market for technology-based Carbon Dioxide Removal (CDR) credits.
- In March 2025, we awarded as "The Best Market Makers 2024" on the Tokyo Stock Exchange for the second consecutive year.

# Framework on climate-related risk management

- In the risk control framework for carbon-related sectors, we assess the level of risk for each client along two axes: the client's sector and the "clients' status of responses to transition risks." In FY2024, the following two evaluation criteria regarding the "clients' status of responses to transition risks" were added.

## Newly added evaluation criteria

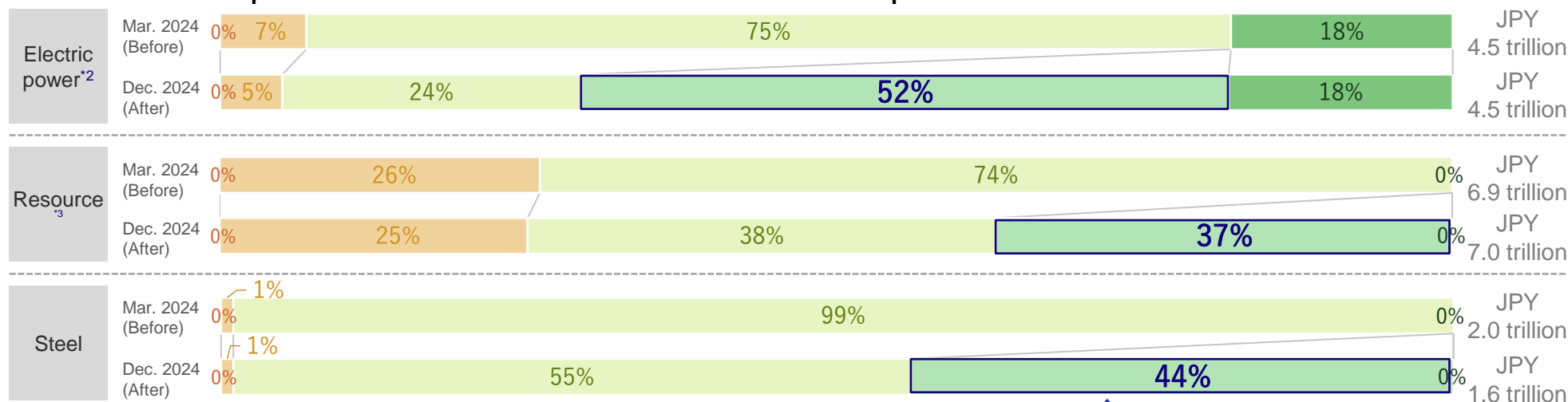
④ **Certain GHG emission reductions have been achieved relative to targets**  
This criterion was added to assess the progress of clients toward their GHG emissions reduction targets, in light of the growing external focus on companies' progress toward such goals.

⑤ **Target and performance are consistent with the 1.5 degree-aligned pathway**  
This criterion was added to evaluate clients that are proactively advancing their transition efforts, by assessing the alignment of their targets and performance with a 1.5 degree-aligned pathway.

## Evaluation criteria for "clients' status of responses to transition risks"



## "Clients' status of responses to the transition risks" based on the amount of exposure



\*1 Science Based Targets, etc.

\*2 Coal/oil/gas/thermal power generation

\*3 Coal mining/oil and gas

Among the clients categorized under "Clients' status of responses to transition risks" (3), those that have achieved certain GHG emissions reductions have been reclassified as (4), providing a clearer visualization of progress in addressing transition risks

## Integrated approach to natural capital and circular economy

- Strengthen initiatives that are conscious of synergies and trade-offs
- Collaboration with clients to explore business opportunities and risk analysis related to natural capital
- Promoting business on two axes: regional-base within Japan approach and resource-specific approach, towards the realization of circular economy business

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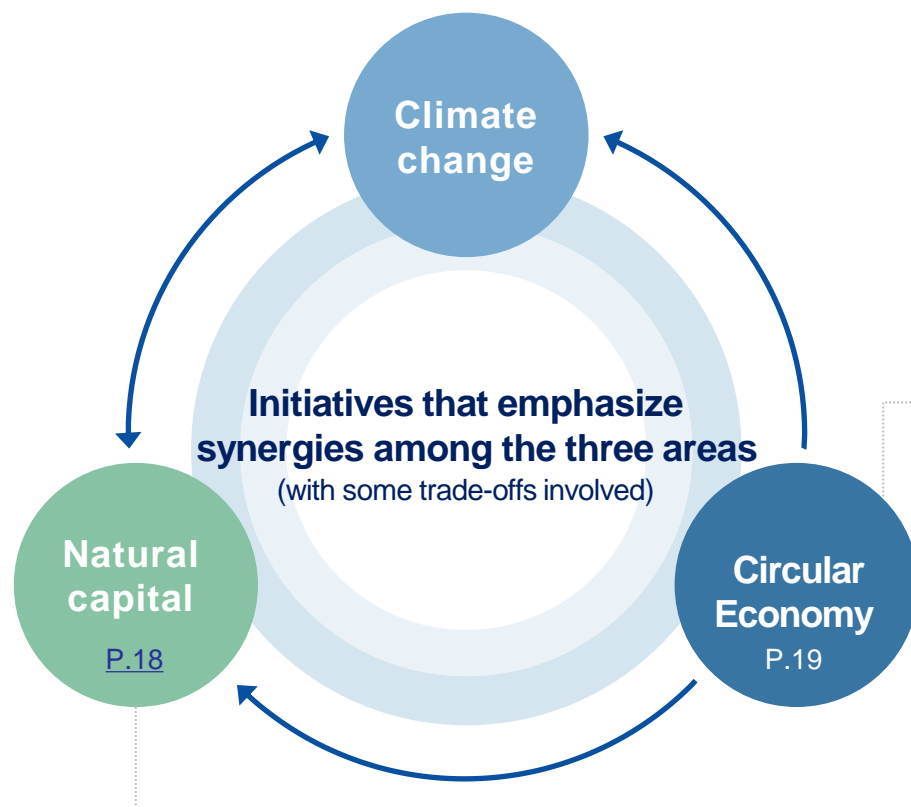
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# Integrated approach to natural capital and circular economy

- At Mizuho, we place importance on the interconnectedness of environmental issues. In addition to addressing climate change, we are also focusing on initiatives that consider the synergies and trade-offs with natural capital and the circular economy.
- Among these, with the circular economy offering synergies in mitigating negative impacts on both climate change and natural capital, Mizuho is leveraging its strengths to enhance business-driven approaches in this area.

## Mizuho's initiatives addressing the interconnectedness of environmental issues



### Strengthening efforts in the circular economy business

- Leveraging Mizuho's strength in connecting businesses, local communities, and the public and private sectors
- Promoting a dual approach based on "regional-base within Japan axes" and "resource-specific axes"
- Aiming to become an "organizer" that will help build the circular economy industry

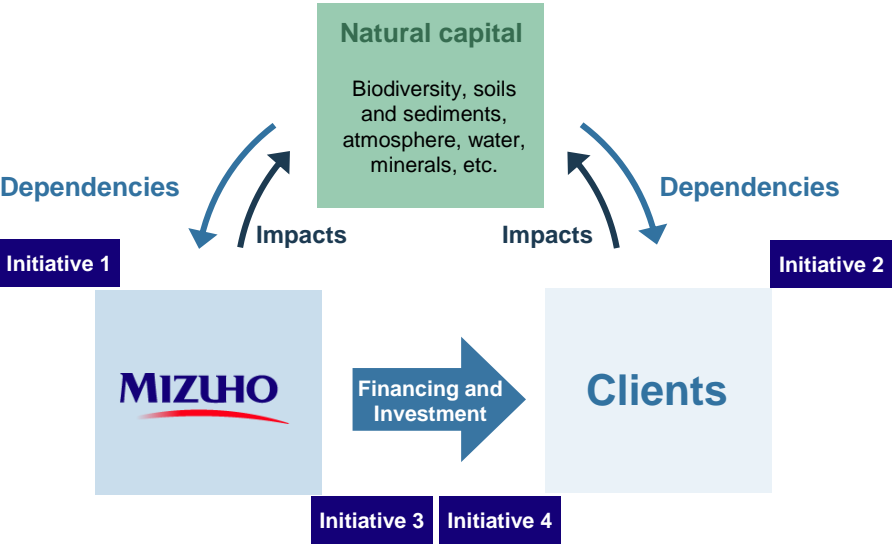
### Exploring business opportunities and risks related to natural capital

- Deeper analysis of dependencies and impacts on natural capital and sectors most material to Mizuho at clients and Mizuho operational sites
- Supporting clients' transition to nature-positive
- Revision of "Environmental and Social Management Policy for Financial Activities" (ES Policy)

# Exploring business opportunities and risks related to natural capital

- We conducted an analysis of dependencies and impacts on natural capital arising from our financing and investment to clients, and identified key natural capital and sectors to Mizuho.
- To support clients' transition efforts toward nature positive, we are working together with them to further explore business opportunities and risks.
- In addition to conducting risk assessments at our operational sites, we revised our "ES Policy" to reflect greater consideration for high conservation value areas.

## Mizuho's relationship with natural capital



### Mizuho's financing portfolio

Key natural capital	Sectors with major dependencies and impacts
Water Biodiversity	Chemicals, automotive, real estate, general wholesale/retail, oil and gas (mining)

## Natural capital initiatives

### Initiative 1 Analysis of Mizuho's dependencies and impacts at its operational sites

- Conducted risk analysis using the LEAP approach on water and biodiversity at domestic and overseas sites ([see details on App.P.9](#))

### Initiative 2 Exploring business opportunities and risks related to natural capital through clients

- Scoring the degree of dependencies and impacts of key clients in sectors with high dependencies and impacts on water and biodiversity, using a proprietary analysis model
- Considering joint in-depth analysis of specific businesses and sites of our clients

### Initiative 3 Capturing concrete business opportunities and collaborating with clients

- Provision of blue finance and engagement in nature-related consulting projects
- Business alliance with UNDP and functional expansion through investment in Pollination ([see details on page 23](#))
- Development of service-based solutions aimed at delivering the value of natural forests ([see details on App.P.19](#))

### Initiative 4 Revising "ES policy" (nature-related)

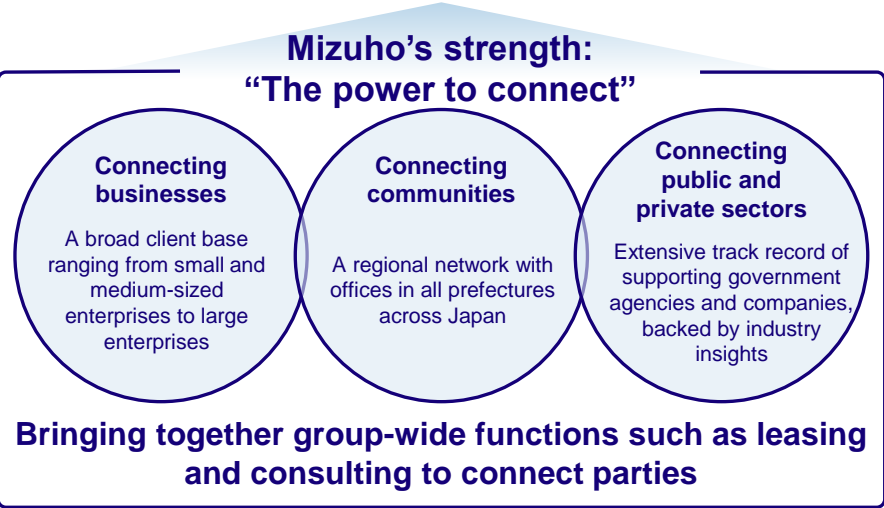
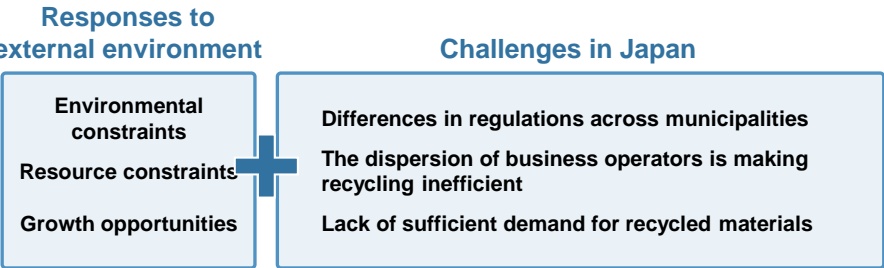
- **Cross-sector:** Conducting due diligence when considering financing and investment in projects that have adverse impacts on high conservation value areas
- **Specific sectors:** Prohibiting financing and investment in projects involving illegal logging (clarified policy) in the Large plantations/Palm oil/Lumber and pulp sector

# Strengthening efforts in the circular economy business

- Realizing a circular economy not only contributes to climate change mitigation and the conservation of natural capital, but is also growing in importance from the perspective of economic security, making it an essential initiative for Japanese industry.
- Despite this growing importance, the transition to a circular supply chain linking upstream (arterial) and downstream (venous) is still in progress. Mizuho is leveraging its strengths to advance initiatives through both regional and thematic approaches, with the goal of becoming an organizer that helps build the circular economy industry.

Detailed case studies on App.

## Mizuho’s potential contribution



## Circular economy initiatives

### Circular economy

Focus areas

#### Mizuho’s vision

Aiming to become an “organizer” that will help build the circular economy industry

- Regional- base within Japan axes
- Establishing a regional recycling system that connects the upstream and downstream (arterial and venous) flows
  - Fostering core companies that bridge upstream (arterial) and downstream (venous) industries

- Resource-specific axes
- Involvement in building recycling systems in emerging fields

#### Examples of past initiatives toward supply chain transformation

- In August 2023, **Mizuho Leasing entered into a capital and business alliance with TRE Holdings, which owns a major recycling company**
- In August 2024, Mizuho Leasing and TRE Holdings established a joint venture through their subsidiaries to engage in the demolition of buildings and waste disposal.
- **Mizuho Research & Technologies has long supported circular economy policy development for government ministries and agencies,** while also providing a wide range of customer-oriented solutions in the private sector, such as developing quantitative analysis models for building circular supply chains.

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## Presentation and promotion of the concept of “Impact”

- Focusing on “Impact” as a new metric to measure value creation across environmental, social, and economic factors as a whole
- Striving to encourage impact business, strengthening new product development with various assets and global stakeholders collaboration such as clients, investors, community, etc.



# Focusing on “Impact” as a new metric to measure value creation

- Companies are increasingly expected to address a wide range of sustainability issues in an integrated manner, including not only climate change, natural capital, and the circular economy, but also social areas such as human capital. We are focusing on the concept of “Impact” as a new metric for internalizing such externalities.
- To promote a broader understanding and dissemination of the concept of impact across the economy and society, we have published materials such as the “Impact Business Compass,” which outlines the possibilities and practices of impact business, and a report emphasizing the importance of Avoided Emissions.

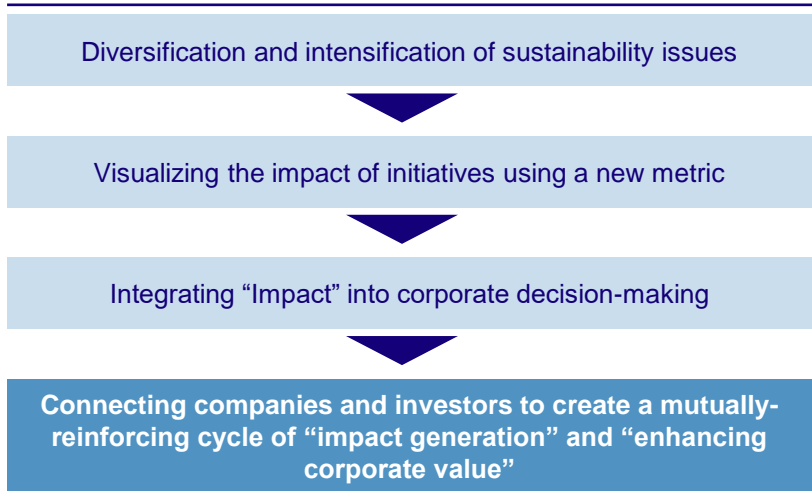
## Initiatives toward “Impact”

### Impact business

Focus areas

#### Background to the initiative and the vision of Mizuho

##### Leading the implementation of impact business as a front-runner



## Impact Business Compass

- In May 2024, seven Mizuho group companies jointly published the “Impact Business Compass,” **introducing Mizuho’s vision, the potential of impact business, and examples of co-creating impact with clients**

### Mizuho’s impact business

- ✓ With the aim of achieving a sustainable society,
- ✓ Mizuho supports our clients in embedding impact into their decision-making processes and business management,
- ✓ both through finance and other services.
- ✓ It will serve as an instrument to improve corporate value by generating impact and revenue.



## Avoided Emissions Focus Report

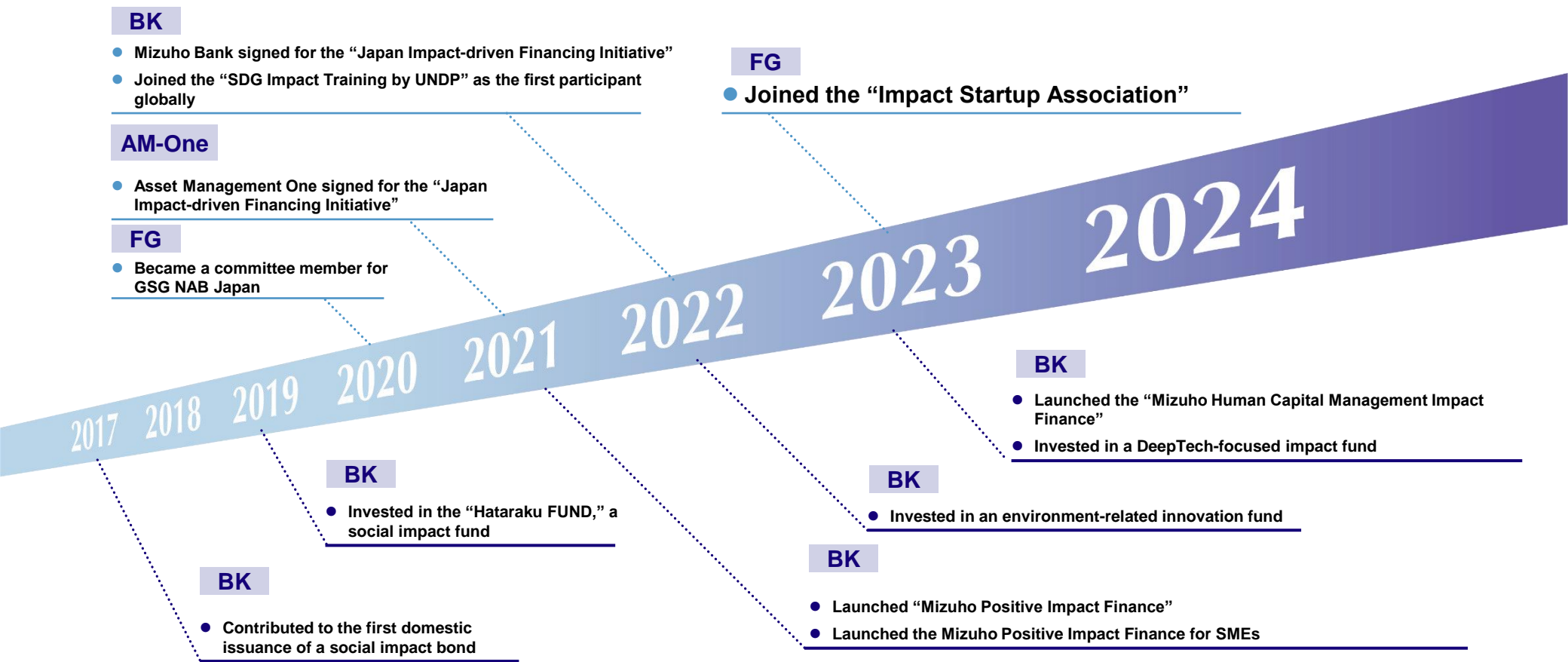
**As a concrete approach to impact generation, we have been studying the concept of “Avoided Emissions,” which assesses the impact across the entire supply chain,** and published a report on the topic in October 2024. At COP29, we shared insights at a seminar co-hosted by Ministry of Economy, Trade and Industry and the WBCSD. We utilized the report in our consulting support



# Mizuho’s initiatives to promote impact

- Mizuho has focused on “Impact” over the years and has continuously worked to enhance its expertise, strengthen organizational capabilities, and develop impact-related products.

## Enhancing impact expertise and strengthening organizational capabilities



## Development of impact-related products

# Further Promotion of impact business

- To advance the implementation of impact business, we have established a cross-group working group composed of departments with specialized expertise. This group is promoting the development of new products across a variety of asset classes, while also working to further enhance our expertise through collaboration with global stakeholders such as clients, investors, community ,etc.

## // Enhancing expertise and developing new products

### Collaboration with United Nations Development Programme (UNDP) (Oct. 2024)

- Mizuho became the first Japanese financial institution to enter into a business alliance with the United Nations Development Programme (UNDP), to offer advisory and training services for the development of impact-driven investment frameworks
- Leveraging UNDP's expertise in sustainable investment strategy, operations, and project identification, as well as its global network, we are collaborating to promote the development of impact business both in Japan and globally



## Accelerating new product development by enhancing impact-related expertise and embedding it within the organization

### Mizuho Impact Deposit (Oct. 2024)

- Mizuho Bank became the first private sector financial institution in Japan to offer a deposit product for corporate clients, with funds exclusively allocated to impact-related loans
- Amid growing client interest, the product received the Excellence Award at the Sustainable Finance Awards hosted by the Research Institute for Environmental Finance (RIEF)

### Evaluation framework for social impact real estate (Nov. 2024)

- Mizuho Trust & Banking and Mizuho Research & Technologies jointly developed a framework for evaluating the social impact of real estate
- Conducted an evaluation of a wooden hybrid office building in Sendai City

### Mizuho Natural Capital Impact Finance (Feb. 2025)

- Mizuho Bank has developed a new loan product that evaluates clients' attitudes and initiatives towards nature-positive management
- In the first case involving Tokyu Fudosan Holdings, we evaluated initiatives for the conservation and restoration of natural capital in the Greater Shibuya and resort regions

### GHG Visualization Impact Finance (Feb. 2025)

- Mizuho Bank developed a loan product in collaboration with “e-dash,” a provider of a GHG emissions visualization and reduction platform, to support clients in reducing their emissions
  - Supporting GHG emissions visualization and target setting for reduction
  - Providing advice on target achievement through monitoring during the loan period

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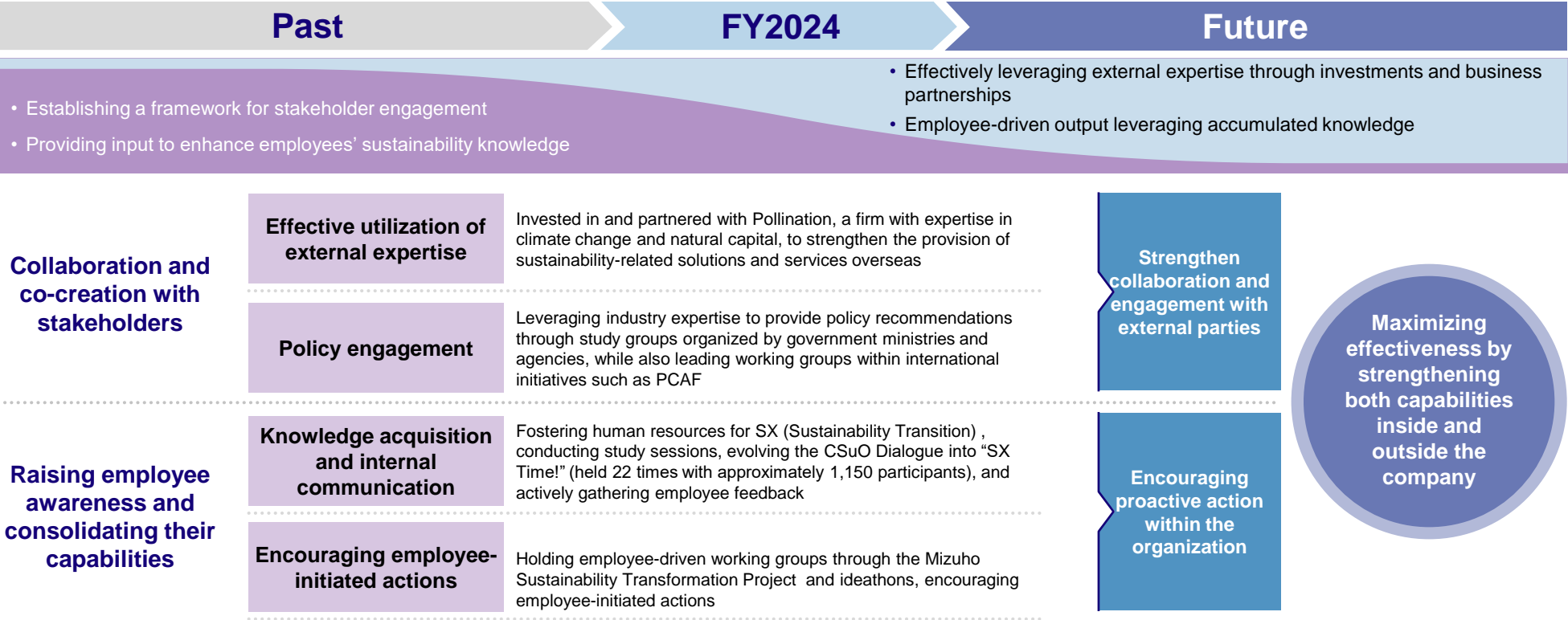
## Strengthening the capability for further actions

- Shifting from establishing framework and knowledge accumulation to a stage focused on output
- Promoting initiatives both inside and outside the company, such as strengthening stakeholder collaboration and co-creation, raising employee awareness, and consolidating their capabilities

# Capability development to promote sustainability

- To support and strengthen concrete actions, we are working to effectively leverage external expertise through stakeholder collaboration, while also raising greater sustainability awareness among each Mizuho employee.
- In leveraging external expertise, we have strengthened our global response capabilities through capital and business partnerships. Additionally, we are engaging in policy engagement, including participation in international rule-making.
- In addition to internal communication efforts aimed at raising employee awareness, we are promoting the "Mizuho Sustainability Transformation Project" which harnesses employee voices and ideas. Through this initiative, we encourage proactive employee action and advance efforts toward sustainable corporate activities.

## Shifting from establishing framework and knowledge accumulation to a stage focused on output






## Collaboration and co-creation with stakeholders – Effective utilization of external expertise

- To strengthen our provision of services and solutions overseas, we have formed a strategic partnership, including capital investment, with Pollination, a group of experts with strong capabilities in the fields of climate change and nature.
- By collaborating with the company, we aim to capture new global business opportunities while also enhancing Mizuho’s own consulting capabilities by learning from and absorbing their specialized knowledge and expertise.

### About Pollination Global Holdings



Established in 2019 (UK)

Climate, Nature and Investment Experts	180+ members
Major Advisory Clients (Advisory services)	Over 200 companies
Offices	7 Offices
Countries with Pollination Presence	5
Languages Spoken	25+ languages

A consulting firm focusing on the transition to a net zero and nature positive future, with a global client base in public and private sectors

Providing advisory services on climate change, nature capital and carbon credit to customers in private sectors as well as supporting public sectors and regulatory bodies developing policies and regulations

### Details of the Partnership (Nov. 2024)

Background	<ul style="list-style-type: none"><li>• Our clients are encountering a broad spectrum of sustainability-related requirements</li><li>• Specialized expertise on sustainability, aligned with global trends and international standards is essential</li></ul>
Objective	<ul style="list-style-type: none"><li>• <b>The partnership focuses on supporting clients to implement their climate and nature transition strategies</b></li><li>• We will contribute to resolving climate change issues and realizing nature-positive future in Asia and the rest of the world</li></ul>
Scope of support	<ul style="list-style-type: none"><li>• <b>Support extends beyond addressing climate change to broadly cover areas such as natural capital, including TNFD readiness, and carbon credits</b></li></ul>

**(Progress since the partnership)**

**Launched multiple initiatives in Japan and globally to address clients’ challenges and needs, including collaboration on specific projects**

# Collaboration and co-creation with stakeholders – Policy Engagement

- Recognizing that broad collaboration among industry, government, and financial institutions is all essential for decarbonization, we are actively participating in government- and public institution-led forums as well as international climate initiatives, thereby strengthening our involvement in domestic and global rule-making for decarbonization.

## International Conferences

- Articulated the role that financial institutions and finance should play at international conferences attended by a broad range of stakeholders, including government and public institutions

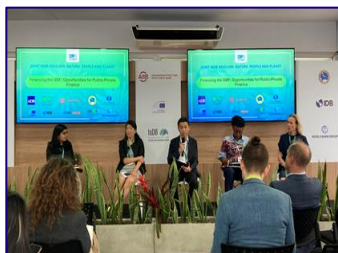
### COP29 (29th Conference of the Parties to the United Nations Framework Convention on Climate Change)

- Articulated the role that financial institutions and finance should play in achieving net zero and supporting countries in meeting their emissions reduction targets
- Promoted Japan's decarbonization efforts globally by participating in seminars hosted by Ministry of Economy, Trade and Industry at the Japan Pavilion



### COP16 (16th Conference of the Parties to the Convention on Biological Diversity)

- Participated in a panel discussion hosted by the World Economic Forum on the importance of addressing natural capital through public-private finance collaboration, presenting concrete cases of how addressing natural capital can lead to business opportunities



## International Climate Initiatives

- Enhanced our capability for promoting decarbonization and enhancing involvement in domestic and international rule-making through participation in international climate initiatives

### PCAF (Partnership for Carbon Accounting Financials)

#### Activities as Chair of the PCAF Japan coalition

- Advancing measurement and disclosure of GHG emissions through financial activities in Japan, as Chair of the PCAF Japan Coalition



#### Participation in PCAF Global Core Team/WG

- The only Japanese financial institution participating in the "Core Team," leading the development of measurement standards at PCAF Global
- Serving as a Co-Chair of the "Transition Finance & Green Finance Working Group" established under the Core Team, contributing to the development of new guidance



# Raising employee awareness and consolidating their capabilities

## – Knowledge acquisition and internal communication

- We are continuously strengthening internal communication and knowledge-building efforts to help employees understand the importance of sustainability promotion and take proactive action.
- We launched "SX Time!" as an initiative to create shared opportunities for employees to think about sustainability together and to gather their thoughts and voices on the topic. In addition to the existing CSuO Dialogue, we have also facilitated staff-level dialogues.

### SX Time!

- CSuO Dialogue
  - Group CSuO Yasuhiko Ushikubo visited branches and offices to exchange opinions
  - (Total 14 sessions / approximately 1,000 participants)



- Launched Dialogue among the responsible parties
  - Expanding the scope from branch offices to headquarters departments to gather a wide range of sustainability-related insights and issues across various operations



### Employee events

- Held with themes of food loss and sustainable fashion
- By collecting used clothing, employees took part in sustainability-related actions



### Knowledge enhancement

- Group-wide, global training program for all employees
- Supporting knowledge and skill development through various training programs and certifications tailored to business areas and client sectors  
(Sustainability management experts: approximately 1,800 employees)

As a result of these initiatives, over **80%** of employees recognize the importance of sustainability in their own work.

From the results of the 2024 training survey for all employees

# Raising employee awareness and consolidating their capabilities

## – Encouraging employee-initiated actions

- To transform our organization into a more sustainable one and create positive social impact, we launched the "Mizuho Sustainability Transformation Project". Focusing on Mizuho's own sustainability challenges and contributions to clients and society, we are transforming employee-driven outputs, leveraging accumulated knowledge, into concrete initiatives that help address these issues.

## Mizuho Sustainability Transformation Project

### Promoting sustainability within Mizuho

- Fifty employees from Japan and overseas participated in an employee-driven working group to discuss and propose sustainability-related challenges and improvement ideas in our own business operations. The proposals included reducing food waste in employee cafeterias, minimizing office waste, and raising awareness



#### Initiatives toward a zero- waste office

- Working toward a zero-waste office over the medium to long term, based on ideas from the employee working group and employee feedback
  - As the first step, initiated zero waste project at our Otemachi Head Office

### New business development

- Held an ideathon to generate new sustainable business ideas leveraging digital technology
- Received approximately 350 submissions from Japan and overseas, and five ideas were selected and awarded as winners



### Social contribution action program

- A program in which employees submit ideas for social contribution activities they wish to take on, and work together with the company to bring them to life
- In FY2024, implemented four ideas

#### 1 "School lunch during the holidays"

Mizuho Bank hosted a Children's Cafeteria at its branch



#### 2 "Blue Project"

Watershed forest conservation activities in Yamanashi prefecture

#### 3 "The road to ending illegal part-time jobs"

Outreach class at a junior high school to prevent special fraud

#### 4 "Financial Education Picture Book"

Published and donated a Picture Book on financial literacy for lower-grade elementary school students

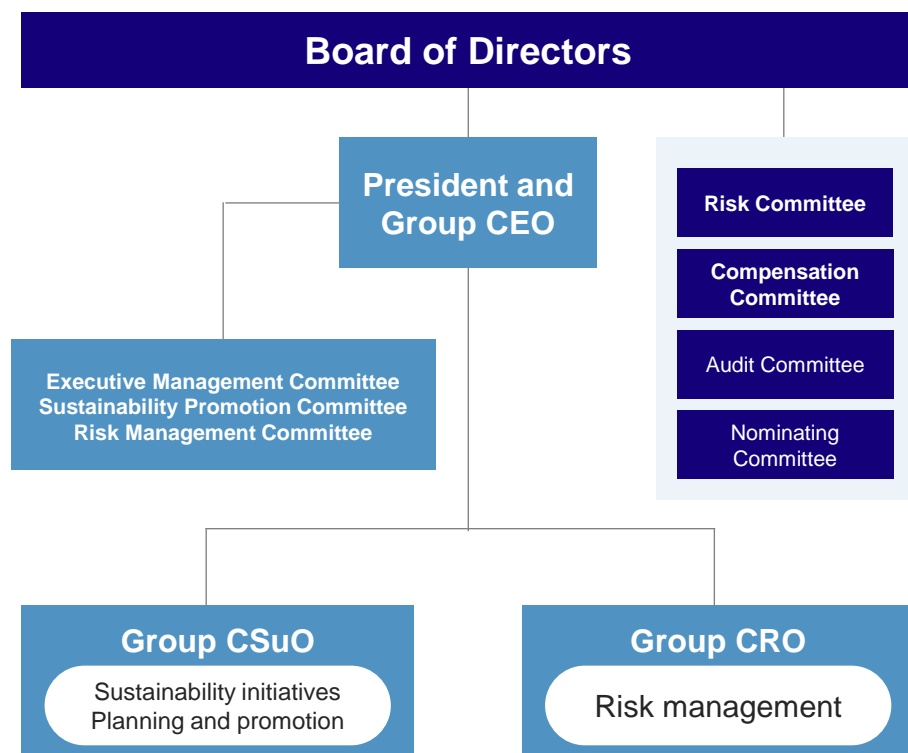


# Governance structure related to sustainability

- Under the oversight of the Group CEO, the Group CSuO and Group CRO are leading initiatives in their respective areas related to Sustainability.
- On the execution side, discussions and deliberations are conducted in the Executive Management Committee, the Sustainability Promotion Committee, and the Risk Management Committee.
- On the supervisory side, the Board of Directors and the Risk Committee oversee matters that have been deliberated by the execution side and subsequently submitted or reported.

## Supervision and execution structure

■ Supervision ■ Execution

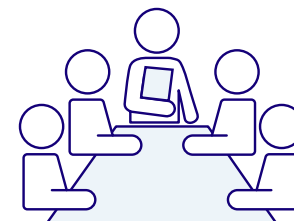


## Providing input to outside directors and Risk Committee members

- Providing information on sustainability-related trends, including changes in the external environment and stakeholder expectations

Number of times sustainability-related topics were addressed

### FY2024 results



Board of Directors

2 times / 13 times

Risk Committee

3 times / 7 times



# Status of discussions at the supervisory level

- The Risk Committee, as an advisory body, provides recommendations to the Board of Directors on risk governance including sustainability, by leveraging the expertise of its members, including outside directors and external experts.

## Topics discussed by the Risk Committee in FY2024 Outside directors and external experts serving as Risk Committee members

### Main comments by Risk Committee members

- To support the transition, need to elevate the level of action, such as formulating the cross-sectoral "Grand Design" for Japan and expanding sectoral coverage to assess the clients' status of responses to transition risks
- Engagement is needed across all industries, not only in high-emission sectors, as biodiversity and human rights grow in importance alongside decarbonization
- Given the growing concerns about greenwashing in society, it is essential to conduct in-depth assessments of the appropriateness of clients' GHG emissions reduction targets, the progress of their strategies, and the challenges and risks involved in their implementation

### Examples of executive initiatives based on discussions

- Formulation of the cross-sectoral Grand Design
- Expansion of sectors targeted for engagement
- Establishment of a support framework for sales representatives to strengthen engagement efforts
- Strengthening efforts in the circular economy business

### Outside directors



#### Izumi Kobayashi

- Member of the Working Group on Disclosure and Assurance of Sustainability-related Financial Information
- Served as President of Merrill Lynch Japan Securities Co., Ltd. and Executive Vice President of the Multilateral Investment Guarantee Agency of the World Bank Group



#### Yumiko Noda

- Chairman and Representative Director of Veolia Japan GK
- Vice Chair of KEIDANREN, Chair of Committee on Environment, KEIDANREN



#### Rintaro Tamaki

- President of Japan Center for International Finance
- Served as Vice Minister of Finance for International Affairs, Ministry of Finance, and Deputy Secretary-General of the OECD



#### Hiroshi Naka

- Professor of School of Policy Studies, Kwansei Gakuin University
- Served as Deputy Director-General of Minister's Secretariat, Ministry of Finance, and Vice President and Auditor General of World Bank

### External experts

# Executive compensation system

- The compensation system for our group’s officers consists of “Base Compensation” and “Incentive Compensation.”
- As part of Incentive Compensation, the medium- to long-term Incentive Compensation (Stock Compensation II) uses the evaluation axes of “Customers,” “Economy and society,” and “Employees” to assess the sustainable growth and development of our stakeholders. The performance evaluation indicators include sustainability-related metrics such as sustainable finance amount, climate-related initiatives, and assessments by ESG rating agencies.

## Compensation system

Type of compensation			Performance-linked
Base Compensation (Cash compensation)			No
Incentive Compensation <sup>*1</sup>	Medium- to long-term Incentive Compensation	Stock Compensation I	No
		Stock Compensation II	Yes (0 - 150%)
	Short-term Incentive Compensation (Cash compensation)		Yes (0 - 150%)

## Performance indicators

### Medium- to long-term Incentive Compensation (Stock Compensation II)

Evaluation axes	Indicators	Weight
Finances of Mizuho Financial Group	<ul style="list-style-type: none"><li>• Consolidated ROE</li><li>• Consolidated Net Business Profits</li><li>• Total Shareholder Return (TSR)<sup>*2</sup></li></ul>	60%
Customers	<ul style="list-style-type: none"><li>• Customer satisfaction<sup>*3</sup></li><li>• Sustainable finance amount<sup>*3</sup></li><li>• Assessments by ESG rating agencies<sup>*4</sup></li></ul>	10%
Economy and society	<ul style="list-style-type: none"><li>• Climate-change initiatives<sup>*3</sup></li><li>• Engagement score<sup>*5</sup></li></ul>	10%
Employees	<ul style="list-style-type: none"><li>• Inclusion score<sup>*5</sup></li></ul>	20%

Sustainability-related initiatives are reflected in evaluations

### Short-term Incentive Compensation

Evaluation axis	Indicators	Weight
Mizuho Financial Group finance	<ul style="list-style-type: none"><li>• Profit attributable to owners of parent</li><li>• Gross Profit RORA</li></ul>	100%

Note: The executive compensation system for FY2024 is provided. For more information, please refer to pages 89 to 90 of the Integrated Report. ([https://www.mizuho-fg.co.jp/investors/financial/annual/data2403/pdf/data2403\\_all\\_browsing.pdf](https://www.mizuho-fg.co.jp/investors/financial/annual/data2403/pdf/data2403_all_browsing.pdf))  
The executive compensation system for FY2025 will be disclosed separately.

<sup>\*1</sup>: A system has been adopted that enables malus (forfeiture of compensation remaining unpaid) and clawback (request for return of compensation) by resolution of the Compensation Committee depending on the performance of the group or the individual.

<sup>\*2</sup>: Evaluated by means of relative comparison with other companies, including our competitors. <sup>\*3</sup>: Evaluated based on target achievement rates on related internal indicators.

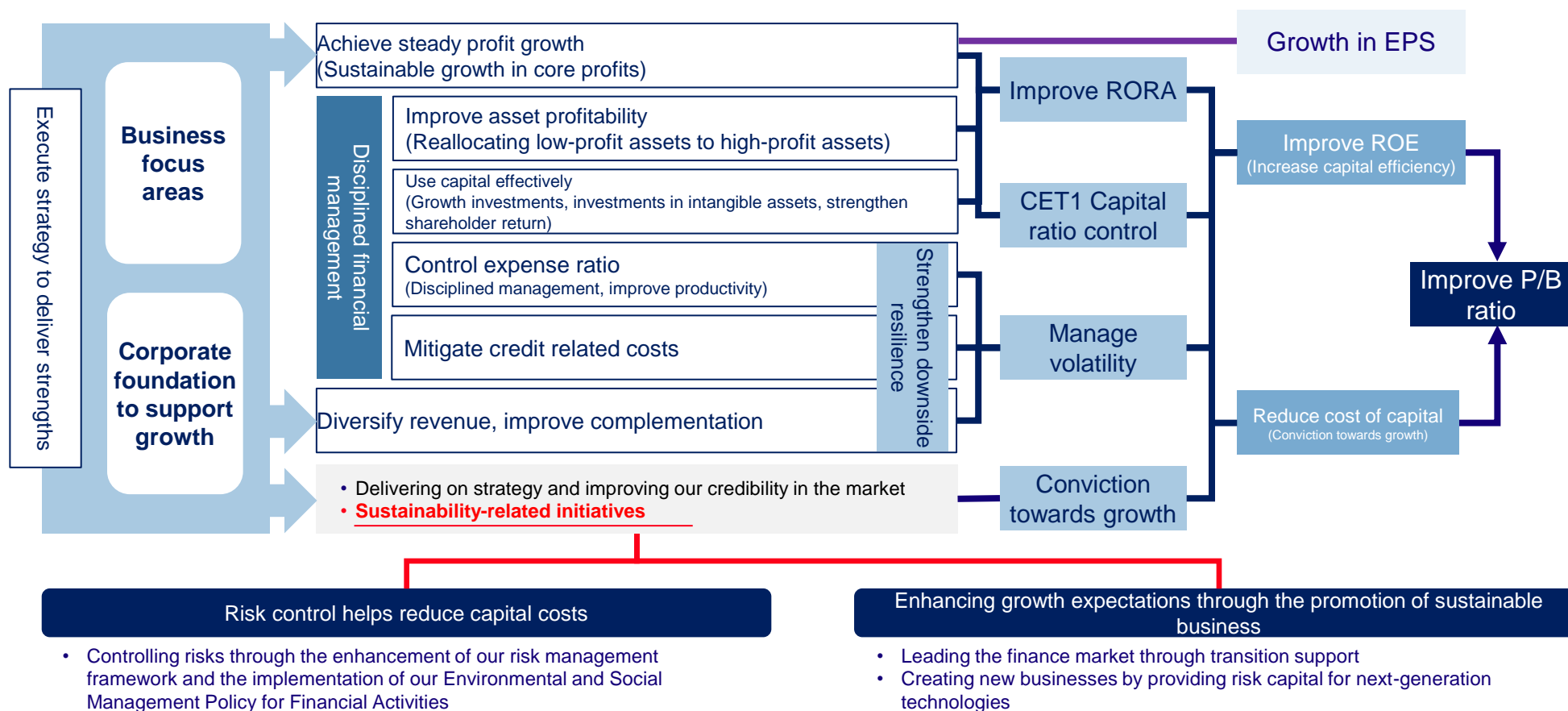
<sup>\*4</sup>: Evaluated by comparison with results of previous years and peers that have been assessed by four major ESG rating agencies (S&P Global, Sustainalytics, MSCI, and FTSE).

<sup>\*5</sup>: Evaluated based on the target achievement rate for the positive response rate for four Staff Survey questions related to engagement and inclusion.

# Looking ahead: The relationship between sustainability initiatives and corporate value enhancement

- Mizuho aims to enhance its corporate value by improving ROE and controlling capital costs through steady profit growth in business focus areas and disciplined financial management. In this context, our sustainability initiatives also may contribute to lowering capital costs and increasing expected growth.
- We will continue to aim to reducing uncertainty and enhancing resilience through risk control. We believe that promoting sustainable business contribute to the sustainable growth of our clients and the creation of value across society as a whole, ultimately supporting Mizuho's own growth and fostering expectations for future growth through a virtuous cycle.

## Mizuho's financial strategy for enhancing corporate value



# Action plan for FY2025

- While the environment surrounding sustainability continues to evolve, Mizuho remains committed to focus on sustainability as a core element of its management strategy. We will continue to make steady progress, incorporating the results achieved and the new challenges identified over the past year.
- In FY2025, we will focus on four key priorities: (1) strategic and effective promotion of climate change response, (2) promoting approaches that support the social deployment of sustainability in our business focus areas, (3) compliance with sustainability disclosure regulations, and (4) continuously strengthening our capabilities for sustainability promotion.

Key priorities	Action Plan for FY2025
<b>1</b> <b>Strategic and effective promotion of climate change response</b>	<ul style="list-style-type: none"> <li>• Focusing on supporting clients in their GHG emissions reduction actions (transition efforts)</li> <li>• Demonstrating our capabilities in strategic approaches tailored to regional and sector-specific characteristics, as well as serving as a bridge and offering policy recommendations for medium- to long-term challenges</li> <li>• Developing a more integrated framework for driving transition plans from the perspectives of opportunities, risks, and real economy transition</li> </ul>
<b>2</b> <b>Promoting approaches that create new businesses and development markets in our business focus areas</b>	<ul style="list-style-type: none"> <li>• Steadily advancing initiatives to create new businesses in four future-oriented focus areas               <ul style="list-style-type: none"> <li>- Hydrogen, etc : Supporting the development of key infrastructure for value chain formation</li> <li>- Carbon credits: Acquire expertise in credit trading and finance transactions, and contributing to market development</li> <li>- Impact: Exploring the development of impact assessment methodologies through product development, case creation, and platform building</li> <li>- Circular economy: Promoting the development of recycling systems across regions and sectors by leveraging network of our domestic operational sites</li> </ul> </li> </ul>
<b>3</b> <b>Compliance with sustainability disclosure regulations</b>	<ul style="list-style-type: none"> <li>• Preparations for disclosure based on the SSBJ criteria</li> <li>• Strengthening internal controls by establishing a group-wide (consolidated) data collection framework in preparation for mandatory sustainability disclosures</li> </ul>
<b>4</b> <b>Continuous strengthening of capabilities for sustainability promotion</b>	<ul style="list-style-type: none"> <li>• Deepening collaboration frameworks to more effectively leverage the capabilities of investee companies</li> <li>• Supporting voluntary actions through the implementation of employee-driven ideas and the expansion of training tools, with the aim of having all employees embrace sustainability as their own responsibility</li> </ul>

# Abbreviations

FG	Mizuho Financial Group, Inc.
BK	Mizuho Bank, Ltd.
TB	Mizuho Trust & Banking Co., Ltd.
SC	Mizuho Securities Co., Ltd.
MSUSA	Mizuho Securities USA LLC.
AM-One	Asset Management One Co., Ltd

RT	Mizuho Research & Technologies, Ltd.
FT	Mizuho-DL Financial Technology Co., Ltd.
LS	Mizuho Leasing Company, Limited
IF	Mizuho Innovation Frontier Co., Ltd

Forward-looking Statements Financial information in this presentation uses figures under Japanese GAAP unless otherwise stated (including management accounting basis). This presentation contains statements that constitute forward-looking statements including estimates, forecasts, targets and plans. These statements reflect our current views with respect to future events and are subject to risks, uncertainties and assumptions. Such forward-looking statements do not represent any guarantee of future performance by management. Further information regarding factors that could affect our financial condition and results of operations is included in our most recent Form 20-F and our report on Form 6-K. We do not intend to update our forward-looking statements. We are under no obligation, and disclaim any obligation, to update or alter our forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by the rules of the Tokyo Stock Exchange. Information on companies and entities outside Mizuho group that is recorded in this presentation has been obtained from publicly available information and other sources. The accuracy and appropriateness of that information has not been verified by Mizuho group and cannot be guaranteed. This presentation does not constitute a solicitation of an offer for acquisition or an offer for sale of any securities