

Summary of Presentation

Presenter

- **Yasuhiko Ushikubo, Senior Executive Officer, Global Head of Sustainable Business Solutions**

Page 4 Accelerating decarbonization and sustainability trends

COP26 in autumn 2021 set the overall agenda amidst mixed reviews.

Page 5 Strong additional policies are essential to achieve the target of “-46% by 2030”

The Government of Japan has set an ambitious target to reduce its greenhouse gas (GHG) emissions by 46% in 2030 (compared to 2013 levels). While 40% is feasible, Japan is set to fall short of the 46% target, even if assuming realization of the energy mix based on the Strategic Energy Plan announced in autumn 2021. The government will need to make even greater efforts to achieve its target.

Page 6 Necessity of reexamining business strategies to incorporate sustainability criteria

The horizontal axis is business profitability, and the vertical axis is sustainability. So far, we have been focusing on the horizontal axis in considering business portfolio rearrangement and so on. Going forward, it is important to fully consider business portfolio in terms of four quadrants, including the vertical axis.

Page 7 Achieving sustainability management through backcasting thinking

It is critical to establish a long-term vision and make unwavering efforts.

Page 8 Structure for promoting sustainable business

For each client company, Mizuho sets up a structure for supporting its sustainable business and helping the company become more carbon neutral and sustainable. The Research & Consulting Unit (RCU) I head has a range of functions. We are working with others to leverage these functions across the company and across the entities.

Page 9 Mizuho’s approach to achieving corporate sustainability management

We are a financial group, and our main operations are procurement related. At the same time, on the investment side, we are extensively engaged in business strategy planning and support our clients in promoting sustainability. Herein lies Mizuho’s strength and Mizuho’s raison d’être.

Page 10 Mizuho's strength: one-stop service ranging from non-finance to finance

We will make full use of the functions of the RCU to support our clients' sustainability improvements.

Presenter

- **Shinichi Tsunoda, Head of Sustainable Business Promotion Desk, Corporate Strategy Advisory Department**

Page 12 Sustainable business promotion in terms of corporate banking

Mizuho Group promotes sustainable business through collective efforts, organically bringing together Mizuho Bank (BK), Mizuho Trust & Banking (TB), and Mizuho Securities (SC), as well as Mizuho Research & Technologies (RT), Mizuho Leasing, and Asset Management One.

Page 13 Japanese industry's challenges = Mizuho's challenges

The most urgent and critical challenge is tackling climate change. In achieving the goals which may conflict of becoming carbon neutral and improving corporate value over a long timeframe, transformation (change in business structure) will inevitably occur. Our biggest immediate challenge is how we respond as a financial institution.

Page 14 Execution process of transition in corporates

This slide shows the specific process to achieve transition in corporates.

Page 15 Mizuho's strengths

Mizuho's strengths include non-financial consulting capabilities and wide-ranging insight, spanning industry, management and finance capital, and the environment and technology. We offer these strengths to our clients.

Page 16 Mizuho's solution mapping

This slide shows the actual products and services we offer. In the financial sector, the Industry Research Department, the Corporate Strategy Advisory Department, which is in charge of business strategies, and RT offer a comprehensive lineup of consulting products and services that leverage our environmental insight.

Page 17 Mizuho's initiatives execution structure

A key point is how to offer a team with the best mix at the discussion in the beginning and execution at the end. Our greatest strength is our ability to act in an integrated and flexible manner, which includes not only BK, TB, and SC but also RT.

Page 18 Consultation examples in transition areas

These are some consultation examples. Mizuho's strength is its ability to form a team with the best mix based on the needs of the respective examples.

Page 19 Mizuho's sustainable finance performance

This slide shows Mizuho's performance in regular syndicated loans, domestic publicly-offered bonds, and sustainable finance.

Page 20 Mizuho's execution structure of sustainable finance initiatives

We increased staff engaged in sustainability promotion in order to take maximum advantage of the strengths of BK, TB, and SC. Currently, we are further enhancing our sustainable finance functions in the bonds area, which has the largest market demand.

Page 21 Mizuho's proven record in sustainability finance

Mizuho is still ranked top in sustainable finance structuring. The challenge going forward is to remain as market leader.

Page 22 Mizuho's decarbonization strategy

We are reducing our exposure in high-risk areas by mitigating the transition risks of clients in carbon-related sectors. We are combining our consulting and financing capabilities to support clients' transitions, which in turn will contribute to our decarbonization strategy.

Page 23 Transition finance

Transition finance will become mainstream in the future. A key point is how Mizuho can support so that transition finance is incorporated during the consultation at the beginning of the process.

Page 24 Development of new transition solutions

We are developing and offering new transition strategies. For sourcing clean power, which is one of the leading examples of corporate Power Purchase Agreements (PPAs), we are offering client services that make use of not only RT but also Mizuho Leasing's leasing function. In addition, Mizuho is the first Japanese bank to be engaged in voluntary carbon credits.

Page 25 Mizuho's challenge: balance the sustained development of Japanese industry with improving the sustainability of society

Our consulting capabilities bring together the comprehensive strengths of the Group, including not only BK, TB, and SC but also RT's think tank function and Mizuho Leasing. We will leverage these strengths to promote sustainable business based on our performance in the area of corporate finance.

Presenter

- **Kotaro Sueyoshi, Deputy General Manager of Sustainable Business Planning Team, Business Banking Coordination Department**

Page 27 Engagement with middle market firms & SMEs

Mizuho promotes sustainability as a strategic partner of the growth strategies and business structure reforms of middle market firms and SMEs. We provide both non-financial and financial solutions to support middle market firms and SMEs in developing an understanding of sustainability, addressing Sustainable Development Goals (SDGs) in the process of setting priorities and targets, and encouraging decarbonization efforts in their supply chains.

Page 28 Responding to various sustainability challenges depending on the growth stage of a company

Our services must be tailored to the needs of middle market firms and SMEs based on their different growth stages. As sustainability initiatives are one of the medium- to long-term growth drivers, it is critical to incorporate sustainability into growth strategies and business structure reform efforts. We are expanding our sustainability support solutions in addition to our existing financial solutions.

Page 29 Support systems for the decarbonization of our clients

A concrete example is support for decarbonization. We provide a one-stop solution for CO₂ emissions measurement, target setting, decarbonization implementation, and information disclosure.

Page 30 Collaboration with external partners

We collaborate with external partners on wide-ranging sustainability themes. This slide shows our network with our main external partners. We provide support in collaboration with external partners in various areas, ranging from initial sustainability management actions to circular economy, health management, and women's empowerment.

Page 31 Service lineup

This slide outlines Mizuho's finance support based on needs that have come to light through engagement.

"Private placement bonds and loans which support the promotion of SDGs" is a finance product for clients that have declared the targets of their SDGs initiatives. At no cost to them, Mizuho supports clients in clarifying the significance and challenges of their SDGs initiatives and in setting targets and formulating measures.

In order to facilitate procurement through sustainable finance in accordance with international principles, Mizuho is working to obtain certification of conformity with international principles from third-party institutions, which will reduce the costs and time required to obtain certification.

The Mizuho Sustainability-Linked Loan Pro launched in October 2021 is the only framework in Japan consistent with the Sustainability-Linked Loan Principles revised in May 2021. Private placement bonds have also been newly added to the lineup to strengthen our response to the diverse financing needs of our clients.

Pages 32-33 Case examples of engagement

These two slides show case examples that led to an expansion of transactions as a result of enhancing the quality and quantity of both our non-financial and financial solutions.

Page 34 Strengthening of engagement ability

This slide elaborates on Mizuho's development of human resources who are critical to the continuous improvement of its initiatives. We established an internal SDGs qualification for making proposals through engagement, and more than 2,000 corporate relationship managers are already certified. Furthermore, in order to cultivate a comprehensive ability in "ESG and sustainable management," corporate sales representatives as well as head office staff supporting products and services take the Grade 2 CSR Exam to continuously build up insight across the organization.

Promoting sustainability among middle market firms and SMEs, which account for 99% of the companies in Japan, is essential for achieving sustainability, including carbon neutrality and regional decarbonization throughout Japan. We consider it our mission as a Japanese financial institution to support middle market firms and SMEs by enhancing the quality and quantity of both our non-financial and financial solutions.

Presenter

- **Susumu Miyazaki, Head of Business Promotion Office, Global Corporate Coordination Department**

Page 36 Sustainable business initiatives

Mizuho leads the origination of sustainable finance deals and has built up achievements in regions outside Japan.

Page 37 Global ESG Champions scheme

We have established a global information network by appointing "ESG Champions" in each area, such as products and coverage, to serve as sustainable business leaders in the Americas, EMEA, East Asia, and Asia Oceania. ESG Champions share information on external environmental changes and advanced initiatives within the Group and use the information to expand Mizuho's sustainable business.

In addition, Sustainable Business Heads have been newly hired in each region to encourage enhancement of know-how and proposal capabilities.

Page 38 Available products at Global Corporate Company

Mizuho offers products and solutions tailored to varied local needs, leveraging its strengths in debt capital markets (DCM) and leveraged capital markets (LCM).

We offer numerous products, including project finance for DCM, LCM, and renewable energy in compliance with the Green Bond Principles and the Sustainability-Linked Loan Principles. We also offer solutions that leverage industry sector insight for business reorganization and environmental adaption needs in response to the decarbonization trend.

As the heat map on the right side of the slide illustrates, overall origination volume is driven by LCM in EMEA and the Americas and by DCM in the Americas. Mizuho has originated many deals and raised its status by leveraging its strong relations with the energy and other sectors in the Americas and by making proposals that leveraged Mizuho's strengths such as Asian investor pool in EMEA.

Page 39 Sustainable finance credentials

We have originated many structuring agent mandate deals in the capital markets of the EMEA and the Americas, which account for a significant share of sustainable finance, and we believe that the deals show an improvement in quality.

This is a result of the synergistic effects of enhancing and increasing experts through the ESG Champions scheme, sharing global information and know-how, and Mizuho's capability to make proposals by leveraging its traditional strengths in industry sector insight and presence in Asia, which have been demonstrated in the highly competitive capital markets of the EMEA and the Americas.

In Asia, too, sustainability is gaining momentum. We are originating finance to meet local-specific needs, providing our clients with the added value that only Mizuho can offer.

Page 40 Achievements in sustainable finance outside Japan

The origination volume of Mizuho's sustainable finance outside Japan is increasing year by year. This fiscal year, the nine-month volume as of December has already exceeded the target, increasing to 5.2 times the FY2018 volume.

As for the bond market league table, Mizuho's share has increased from last fiscal year, growing faster than market growth.

By region, Mizuho is ranked top among Japanese banks in the Americas and Asia, while Mizuho's share has nearly doubled in EMEA.

Page 41 Supporting carbon neutralization and transition efforts

Mizuho engages with businesses outside Japan in the same manner as those in Japan. We identify high-risk areas by evaluating risks based on: (1) clients' sector, and (2) actions to address transition risk. We engage with clients in high-risk areas to ensure a swift transformation of their business to lower risk sectors.

Through engagement, we gain a deeper understanding of the challenges and needs of each client, which contribute to tapping into business opportunities and strengthening risk management. We also address the various specific needs that come to light as a result of engagement, from divestment to transformation of the power mix.

Mizuho's sustainability business outside Japan has transitioned from accumulating finance origination amount, to elevating in status due to an increased ability to make proposals. In order to fulfill its social responsibility and public mission, Mizuho will continue to engage with clients to strengthen concrete and substantive support tailored to their ESG strategies.