

Mizuho International plc Retirement Benefits Scheme

Statement of Investment Principles – November 2025

Introduction

The Trustee of the Mizuho International plc Retirement Benefits Scheme (“the Scheme”) has drawn up this Statement of Investment Principles (“the Statement”) to comply with the requirements of the Pensions Act 1995, the Pensions Act 2004, the Occupational Pension Schemes (Investment) Regulations 2005 and the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2018 and 2019. The Statement is intended to affirm the investment principles that govern decisions about the Scheme’s investments. In preparing this Statement the Trustee has consulted Mizuho International plc (“the Employer”) on the Trustee’s investment principles.

Governance

The Trustee makes all major strategic decisions including, but not limited to, the Scheme’s asset allocation and the appointment and termination of investment managers. The process for making investment decisions is as follows:

- Identify appropriate investment objectives
- Agree the level of risk consistent with meeting the objectives
- Implement an investment strategy and investment manager structure in line with the level of risk and objectives agreed

When making such decisions, and when appropriate, the Trustee takes proper advice. The Trustee’s investment consultants, Capita Pension Solutions Limited (“Capita”), are qualified by their ability in and practical experience of financial matters and, have the appropriate knowledge and experience to provide such advice.

Investment Objectives

The Trustee is required to invest the Scheme’s assets in the best interest of members, and its main objective with regard to investment policy is to secure members’ benefits in full in the least-risk way, using bulk annuity policies with Just Retirement Limited (the “Insurer”). This is initially held as a buy-in policy, which is expected to be converted into a buy-out of benefits before the Scheme is formally wound up.

When making such decisions, and when appropriate, the Trustee takes proper advice from personnel who are qualified by their ability in and practical experience of financial matters, and have the appropriate knowledge and experience to provide such advice.

The Trustee is required to invest the Scheme’s assets in the best interest of members, and its main objectives with regard to investment policy are:

- To achieve, over the long term, a return on the Scheme’s assets which is consistent with the assumptions made by the Scheme Actuary in determining the funding of the Scheme;

- To ensure that sufficiently liquid assets are available to meet benefit payments as they fall due; and
- To consider the interests of the Employer in relation to the size and volatility of the Employer's contribution requirements.

The Trustee understands, following discussions with the Employer, that it is willing to accept a degree of volatility in the company's contribution requirements in order to reduce the long-term cost of the Scheme's benefits.

Risk Management and Measurement

The Trustee is aware of and pays attention to a range of risks inherent in investing the assets of the Scheme. The Trustee intends that the investment strategy provides for adequate diversification both within and across different asset classes and that the current investment strategy is appropriate given the Scheme's liability profile. The Trustee's policy on risk management is as follows:

- The primary investment risk faced by the Scheme arises as a result of a mismatch between the Scheme's assets and its liabilities. This is therefore the Trustee's principal focus in setting investment strategy, taking into account the nature and duration of the Scheme's liabilities. This risk has been mitigated through the purchase of bulk annuities from the Insurer.
- The Trustee recognises that whilst increasing risk increases potential returns over a long period, it also increases the risk of a shortfall in returns relative to that required to cover the Scheme's liabilities as well as producing more short-term volatility in the Scheme's funding position. The Trustee takes advice on the matter and (in light of the objectives noted previously) considers the implications of adopting different levels of risk. This risk has been mitigated through the purchase of bulk annuities from the Insurer. Residual "surplus" assets continue to be invested in assets that are expected to deliver potential returns over a long period.
- The Trustee recognises the risks that may arise from the lack of diversification of investments. Subject to managing the risk from a mismatch of assets and liabilities through the purchase of bulk annuities with the Insurer, the Trustee aims to ensure the asset allocation strategy in place for any "surplus" assets results in an adequately diversified portfolio. Due to the size of the Scheme's "surplus" assets and recognising the need to diversify, investment exposure is obtained via pooled vehicles.
- Longevity risk is the risk that members live, on average, longer than expected. The Scheme's exposure to longevity risk has been transferred to the Insurer through the purchase of bulk annuities in respect of broadly 100% of the Scheme's liabilities.
- The documents governing the manager's appointments include a number of guidelines which, among other things, are designed to ensure that only suitable investments are held by the Scheme.
- The safe custody of the Scheme's assets is delegated to professional custodians appointed by the managers.

Should there be a material change in the **Scheme's** circumstances, the Trustee will review whether the current risk profile remains appropriate.

Investment Strategy

Given their investment objectives, in June 2022 the Trustee purchased a bulk annuity policy from Just Retirement Limited in respect of broadly 100% of the Scheme's liabilities. The bulk annuity policy remains an asset of the Scheme under the control of the Trustee and is not yet individually allocated to members (i.e. it is a "buy-in" policy). The Scheme's bulk annuity policy is illiquid and cannot be changed

or surrendered. The Scheme also holds a gilt fund with Legal and General Investment Management ("LGIM").

Expected Return

Cashflow from the buy-in policy will meet the benefit payments but will not generate any expected return above the liabilities. "Surplus" assets not required for near term operational purposes have been invested in a gilt holding with LGIM.

Investment Mandates

Following the bulk annuity policy transaction in 2022, the Scheme holds a gilt fund with Legal and General Investment Management ("LGIM"). LGIM is regulated under the Financial Services and Markets Act 2000. The Trustee has a rolling contract with LGIM.

Investment Manager Remuneration

The Trustee monitors the remuneration and incentives that are paid to LGIM and how it rewards its key staff who manage client funds, along with how remuneration and incentives motivate employees who manage client funds.

As part of the monitoring that the Trustee carries out on a periodic basis, it should ensure that this policy is in line with its investment strategy.

Employer-Related Investments

The Trustee's policy is not to hold any direct employer-related investments as defined in the Pensions Act 1995, the Pensions Act 2004 and the Occupational Pension Schemes (Investment) Regulations 2005.

Fee Structures

The Platform Provider is paid a management fee on the basis of assets under management which includes the underlying investment manager's management fees. The investment consultant is paid on a fixed fee basis for providing 'core services'. The Trustee can also request that Capita undertake 'out-of-scope' projects, which may be undertaken on a fixed fee or time-cost basis - as negotiated between the Trustee and Capita.

Review of this Statement

The Trustee will review this Statement at least once every three years and without delay after any significant change in investment policy. Any change to this Statement will only be made after having obtained and considered the written advice from someone who the Trustee reasonably believes to be qualified by their ability in and practical experience of financial matters and to have the appropriate knowledge and experience of the management of pension scheme investments.

Andrew Cheseldine

Trustee

30 December 2025

Date

Signed on behalf of the Trustee of the Mizuho International plc Retirement Benefits Scheme