

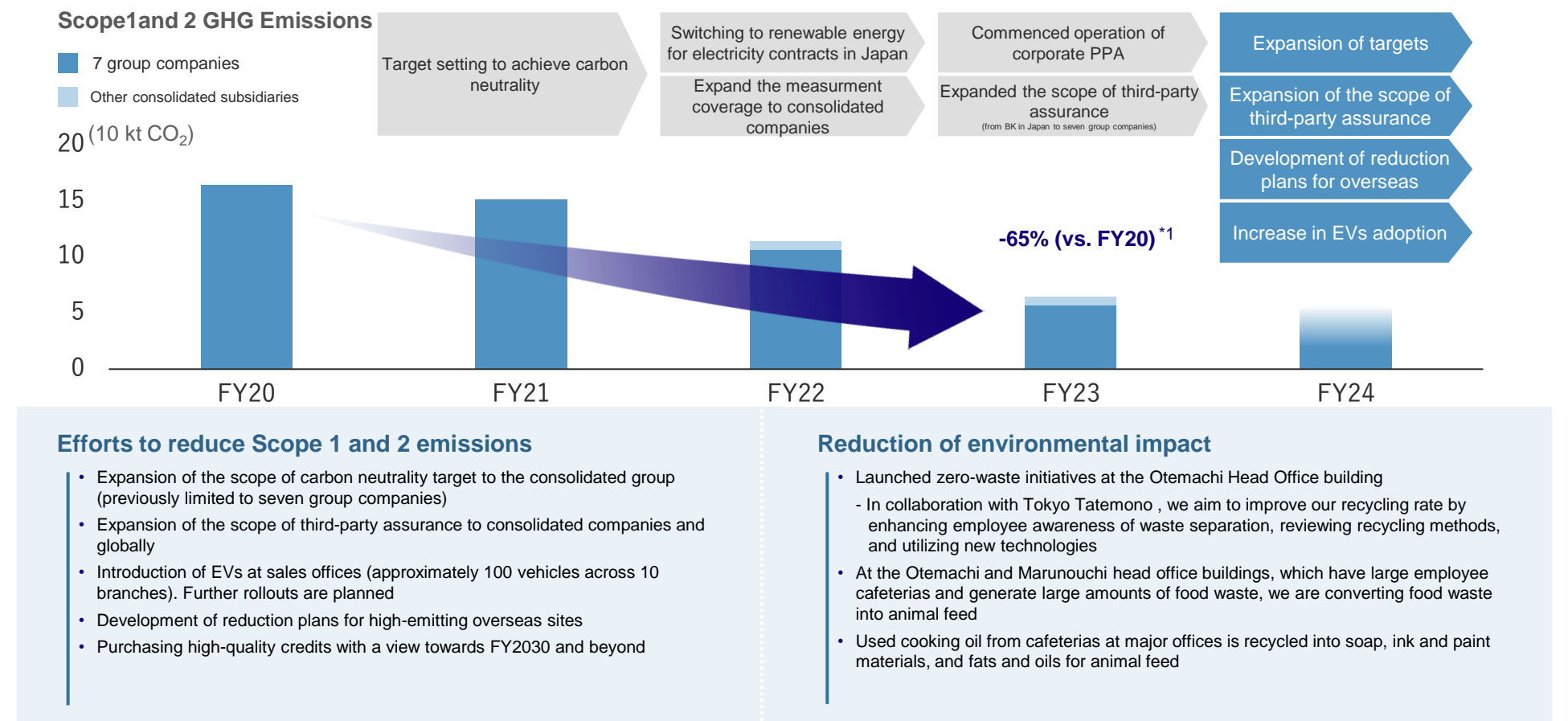
Appendix- Sustainability Progress2025

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Efforts to reduce GHG emissions and environmental impact from own operations

- In FY2022, we completed the switch to renewable energy for all electricity contracts of our properties in Japan, and have been steadily reducing emissions to achieve carbon neutrality by FY2030. Our efforts had previously centered round domestic operations and Scope 2 emissions, but in FY2024, we are expanding our initiatives to include developing reduction plans for overseas operations and other emission sources, as well as introducing EVs to reduce Scope 1 emissions.
- We are also promoting various initiatives to reduce the environmental impact of our own operations.

Reduction of GHG emissions and environmental impact from own operations



Progress of Scope 3 : Revision of medium-term targets (oil and gas sector)

- We have revised our targets for the oil and gas sector by adding gas liquefaction and oil refining to the initial targets for upstream production (exploration, development, and production).
- Scope 1 and Scope 2 emissions** from companies and projects whose primary business is gas liquefaction and oil refining have been added to the existing (a) GHG emissions intensity target and (b) Absolute GHG emissions target, respectively.

Metrics	(a) GHG emissions intensity (gCO ₂ e/MJ)	(b) Absolute GHG emissions (MtCO ₂ e)
Targeted value chain • Targeted scope	<ul style="list-style-type: none"> Direct emissions by companies/projects whose primary business is in upstream production (mining, development, production, and <u>liquefaction</u>; including integrated oil and gas companies; <u>Scope1 and 2</u> (including methane leaks)) 	<ul style="list-style-type: none"> Indirect emissions by companies/projects whose primary business is in upstream production (mining, development, and production; including integrated oil and gas companies; Scope 3 (category 11¹)) Direct emissions by companies/projects whose primary business is <u>oil refining</u>: <u>Scope 1 and 2</u>
Targeted assets	Loans (total of corporate finance and project finance ²)	
Metric formula	$\sum \left[\text{GHG emissions intensity of each company or project} \times \frac{\text{Loan balance to company or project}}{\text{Total loan balance across the target portfolio}} \right]$	$\sum \left[\text{GHG emissions of each company or project} \times \frac{\text{Loan balance to company or project}}{\text{Corporate value of the company or project}^3} \right]$
Target year	Base year: FY2019; Target year: FY2030	
Base year result	FY2019: 6.4 gCO ₂ e/MJ (before revision: 6.6 gCO ₂ e/MJ)	FY2019: 67.0 MtCO ₂ e (before revision: 60.6 MtCO ₂ e)
Benchmark scenarios	IEA Net Zero Emissions by 2050 Scenario (NZE) ⁴ (1.5°C)	(1) IEA Net Zero Emissions by 2050 Scenario (NZE) ⁴ (1.5°C) (2) IEA Sustainable Development Scenario (SDS) ⁴ (well below 2°C)
Numerical targets	FY2030: 4.1 gCO₂e/MJ (compared to FY2019: -35%) (before revision: 4.2 gCO ₂ e/MJ)	FY2030:: -12%(2) to -29%(1) (compared to FY2019) (before revision: Same as above)
Data sources	Wood Mackenzie database, information disclosed by each company, interviews with clients, etc.	

*1 : Emissions when sold products are used (combusted) *2: Aggregate for Mizuho Bank and Mizuho Trust & Banking *3: In line with the PCAF Standard, we adopt EVIC (sum of market capitalization of ordinary and preferred shares and book value of interest-bearing debt and non-controlling interests) for listed companies, and the corporate value (sum of total equity and interest-bearing debt) for private companies 4: IEA World Energy Outlook 2021

Progress of Scope 3 : Approach to the oil and gas sector medium-term targets

*Revised parts in red

Approach to the targeted value chain and Scopes	<ul style="list-style-type: none"> ● We have targeted upstream production businesses (exploration, development, production, and <u>gas liquefaction</u>) and the <u>oil refining business</u>, considering the oil and gas sector's percentage of our portfolio and value chain implications for real-economy transition. ● Over 70% of emissions in the oil and gas sector are Scope 3 (CO2 emissions from the combustion of sold products). For this reason, we have targeted Scope 3 emissions as well as Scope 1 and 2 emissions. ● <u>For the gas liquefaction business and oil refining business we target Scopes 1 and 2 (Scope 3 overlaps with that of upstream production businesses).</u>
Approach to metrics	<ul style="list-style-type: none"> ● We think decarbonization of the oil and gas sector entails reducing absolute GHG emissions by scaling back use of fossil fuels and reducing GHG emissions intensities through having oil and gas companies improve their production processes. ● Compared to Scope 1 and 2 emissions (direct), Scope 3 emissions (indirect) require different action on the part of oil and gas companies and also have a different level of impact. To raise the effectiveness of our target-setting initiatives, we set separate emissions targets for Scope 1 and 2 and for Scope 3. ● <u>For Scope 1 and 2 emissions of upstream production businesses, we set a GHG emissions intensity target that reflects clients' efforts for production process improvements.</u> ● <u>For Scope 3 emissions of upstream production businesses and Scope 1 and 2 emissions of oil refining businesses, we set an absolute GHG emissions target that reflects clients' efforts for total emissions reduction, since reduction in production and business structural transformation are expected to become main drivers of emissions reduction.</u>
Benchmark scenarios	<ul style="list-style-type: none"> ● We adopted the IEA NZE scenario to pursue efforts to limit the global temperature increase to 1.5°C. ● However, because the IEA NZE scenario assumes a significant decline in demand for oil and gas towards 2030 and because initiatives must match the actual speed of transition in the real economy, we have set the target for Scope 3 emissions (absolute GHG emissions) to a range between the IEA NZE scenario and the IEA SDS scenario, which is a well-below 2°C scenario.
Initiatives to achieve the target	<ul style="list-style-type: none"> ● Reducing emissions from the oil and gas sector encompasses both initiatives to reduce emissions from oil and gas production and initiatives to decarbonize the demand side that uses oil and gas. ● Through engagement, we verify the transition progress of clients and provide them with both financial and non-financial solutions. In this way, we support client initiatives toward achieving business structural transformation and production process improvements. ● We are furthering our initiatives to encourage decarbonization on the demand side, alongside these initiatives. ● In our initiatives, we take social impact into consideration, such as impact on the stable supply of energy.

Progress of Scope 3 “Financed Emissions” targets by sector

- Recent performance against the sector-specific FY2030 medium-term targets for Scope 3 “Financed Emissions” shows steady reductions, driven by progress in emissions reductions by clients.

Sector	Target scope	Metrics	FY2030 Medium-term target	Benchmark scenarios	Base year	FY22	FY23 (Most recent)		
					Actual results	Actual results	Actual results (preliminary figures)	Compared with previous FY	Compared with base year
Electric power	Scope 1	Emission intensity (kgCO2e/MWh)	138 to 232	IEA NZE – SDS	388	368	318	-14%	-18%
Oil & Gas	Scope 1, 2	Emission intensity (gCO2e/MJ)	4.1	IEA NZE	6.4	5.4	5.4	-1%	-15%
	Scope 1, 2 Scope 3 Cat 11	Absolute emissions (MtCO2e)	From FY19 -12 to -29%	IEA NZE - SDS	67.0	37.4	31.3	-17%	-53%
Coal mining (thermal coal)	Scope 1, 2 Scope 3 Cat 11	Absolute emissions (MtCO2e)	OECD : Zero by FY30 Non-OECD : Zero by FY40	IEA NZE	5.1	0.6	0.5	-25%	-91%
Steel	Scope 1, 2	Absolute emissions (MtCO2e)	From FY21 -17 to -23%	IEA NZE - MPP TM	17.3	14.1	12.0	-15%	- 31%
Automotive	Scope 1, 2	Absolute emissions (ktCO2e)	From FY21 -38%	SBTi 1.5°C	934	831	704	-15%	-25%
	Scope 3 Cat 11	Emission intensity (gCO2e/vkm)	From FY21 -31 to -43%	IEA NZE - SBTi B2D	198	184	178	-3%	-10%
Maritime transportation	Scope 1	Portfolio climate alignment score	≤ 0%	IMO GHG reduction target	1.8%	-1.5%	-7.0%	-5.5%	-8.8%
Real estate	Scope 1, 2 Scope 3 Cat 13	Emission intensity (kgCO2e/m²)	33 to 42	CREEM 1.5°C - B2°C	69	65	55	-16%	-21%

Dialogue status in client engagement for Scope3 target sectors

- In FY2024, we conducted in-depth engagement with high-impact clients in the Scope 3 target sectors. We facilitated dialogues on sector- and client-specific challenges related to GHG emissions reductions, as well as expectations toward Mizuho.
- Many of the comments received through engagement reflected long-standing challenges and expectations. Relatively straightforward measures have already been adopted by many clients, and achieving emissions reductions by 2030 and beyond will increasingly require more advanced actions, including large-scale investments.

Client engagement insights: Decarbonization challenges and expectations toward Mizuho

Challenges in achieving decarbonization
Supply side of electric power and energy
(Clients in electric power, and oil & gas sectors)

- **Renewable energy, nuclear plant restarts, hydrogen/ammonia co-firing, and CCS** all face challenges such as technological development and rising costs. Additionally, there are complexities that transcend national and sector boundaries, such as the need to rebuild supply chains.
- **The cost increases and investment burdens** associated with renewable energy adoption and energy transition are significant
- **Ensuring a stable supply of electric power and energy is essential, and balancing this with decarbonization and low-carbonization is important**

Challenges in achieving decarbonization
Demand side of electric power and energy
((Clients in steel, automotive, maritime transportation, and real estate sectors)

- Early deployment of **renewable energy, hydrogen, ammonia, LNG, biofuel, and CCS is essential for decarbonization.**
- **Stable and affordable procurement of clean energy is necessary.**
For some clients, this involves exploring opportunities for upstream development project investments, corporate PPA agreements, and the introduction of new technologies.
- **The cost increases and investment burdens** associated with energy and material transitions are significant.
- **Decarbonization based on life cycle assessment (LCA), including both suppliers and end users,** is essential, but it is challenging for a single company to address this alone.

Expectations toward Mizuho
(Cross-sector)

- **Financial support for the transition**
- **Involvement in domestic and international rule-making for decarbonization.**
- **A bridge connecting clients, projects, and technologies across countries and sectors**

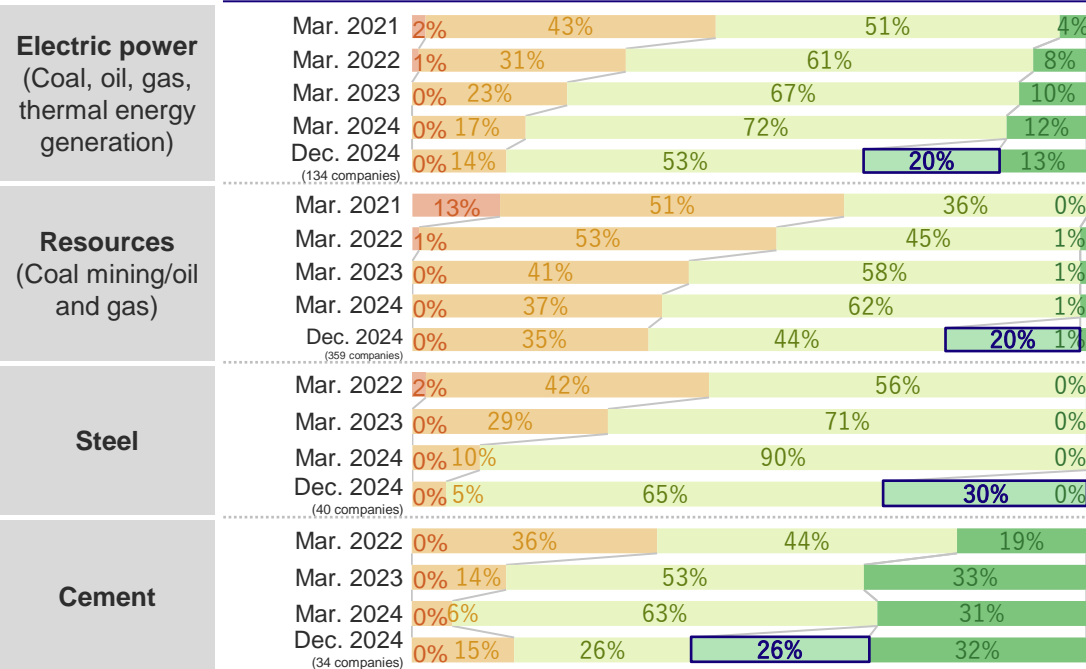
Development in clients' status of responses to transition risks (1/2)

- Steady progress in “clients’ status of responses to transition risks”

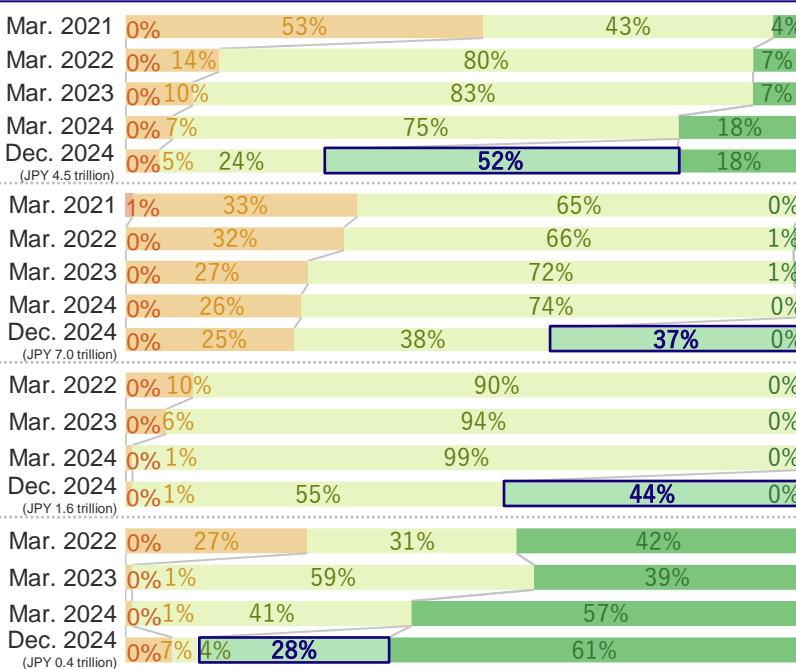


Transition risk sector*1

Based on the number of companies



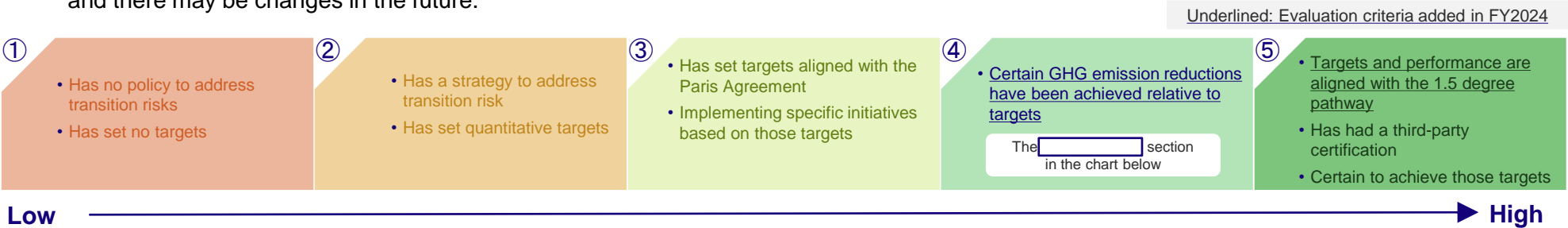
Based on the amount of exposure



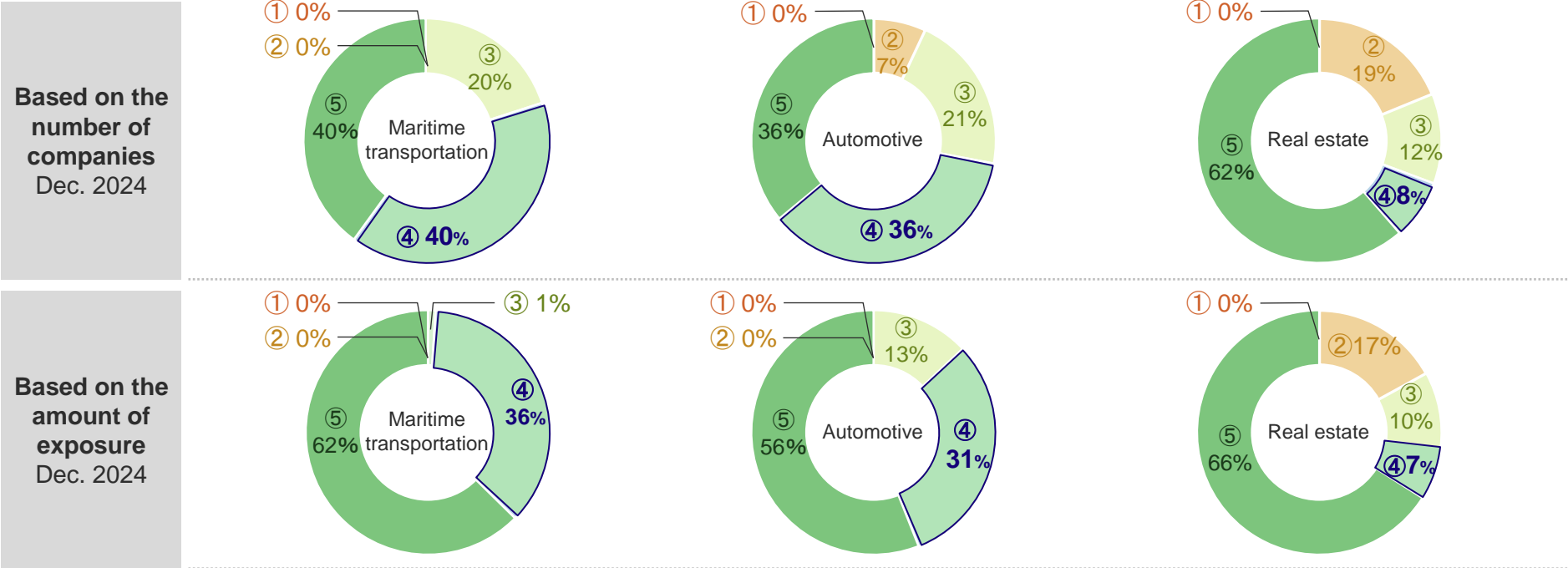
*1 Target: Corporate credit for electric power (coal, oil, gas, thermal energy generation-; excluding renewable energy, nuclear power, and power transmission), resources (coal mining, oil and gas), steel, and cement

Development in clients' status of responses to transition risks (2/2)

- In order to measure engagement progress, from FY2024, we are assessing transition risk responses in the maritime transportation, automotive, and real estate sectors. The assessment targets are focused on key clients within the Scope 3 medium-term target portfolio based on loan amounts, and there may be changes in the future.



Mizuho's Scope 3 target setting sectors



Analysis of Mizuho's operational sites regarding natural capital

Mizuho's initiatives for analyzing its operational sites

TNFD Recommendations

- The TNFD Recommendations suggest that companies identify the points of contact between assets/operational sites related to their direct operations and areas with high importance related to natural capital, assess dependencies and impacts on nature as well as risks and opportunities, and make disclosures

Desktop research

- For Mizuho's key natural capital of "Water" and "Biodiversity", analyzed the points of contact between Mizuho's operational sites in Japan and overseas (headquarters, branches, and satellite offices, etc.) and nature
- Identified operational sites located in areas with high "Water" risk (using WWF Risk Filter*)
 - Selected sites in India, Thailand, and the United States: extracted as sites with high "Water" risk such as floods and droughts

Understanding the actual conditions

- Possibility of a gap between desktop research and actual on-site conditions
- To understand the actual on-site conditions, conducted a survey of the selected operational sites regarding awareness of water-related risks, occurrence of such risks, and countermeasures

Future direction for action

- Analyze the result of the survey, and assess impacts and risks
- Improve our operations and promote initiatives to reduce negative impact on nature, based on actual on-site conditions

[Analysis image using WWF Water Risk Filter]



Water physical risk map with flagged operational sites
(Source) WWF Risk Filter Suite: riskfilter.org

* WWF Risk Filter (<https://riskfilter.org/>): Allowing for a five-level assessment, ranging from Very High to Very Low, of physical, reputational, and regulatory risks related to water and biodiversity in different regions. However, the biodiversity risk tool does not include a regulatory risk assessment feature.

Collaboration with governments and private Initiatives

Contribution to rulemaking

- We participate in various committees and advisory councils run by governments and public institutions, contributing to rulemaking related to the promotion of transition and energy policy

Theme	Committees/Advisory Councils	Mizuho's role	Operating body
Transition	Asia GX Consortium	Member	FSA ^{*1}
Transition	GX League	Member	METI ^{*2}
Transition	Working Group on Energy Structure Conversion, Green Innovation Project Subcommittee, Industrial Structure Council	Member	METI ^{*2}
Transition	Working Group on Transition Finance Development	Member	METI ^{*2}
Transition	Japan Public and Private Working Group on Promoting Transition Finance in Asia	Member	METI ^{*2}
Energy policy	Subcommittee on Natural Resources Development and Fuel Supply, Advisory Committee for Natural Resources and Energy, Natural Resource and Fuel Committee	Member	METI ^{*2}
Energy policy	Study Group on Future Power Scenarios	Member	Organization for Cross-regional Coordination of Transmission Operators
Measurement/ reporting of GHG emissions	Task Force on Development and Revision of GHG Protocol Standards	Expert	METI ^{*2}
Green finance	Working Group on the Green List	Member	MOE ^{*3}
Carbon credit	Working Group on Financial Infrastructure for Carbon Credit Transactions	Presenter	FSA ^{*1}
Impact	Impact Consortium	Working Group Vice Chair	FSA ^{*1}

^{*1} Financial Services Agency, Japan (FSA)

^{*2} Ministry of Economy, Trade and Industry, Japan (METI)

^{*3} Ministry of Environment, Japan (MOE)

Promoting sustainability through Initiatives

- We participate in various private sector initiatives and associations, considering the role of finance, to promote efforts toward building a sustainable society

Theme	Initiatives/Associations
Transition	Asia Transition Finance Study Group
Hydrogen	Hydrogen Council
Hydrogen	JAPAN HYDROGEN ASSOCIATION (JH2A)
Carbon cycle	Carbon Recycling Fund Institute
Bio	MATSURI (Chitose Laboratory)
Food	The Consumer Goods Forum (CGF)
Storage battery	Battery Association for Supply Chain (BASC)
Circular economy	Circular Partners (CPs)
Circular economy	JAPAN PARTNERSHIP FOR CIRCULAR ECONOMY (J4CE)
Circular economy	Resource Recycling Council (RRC)
Impact	Asian Venture Philanthropy Network (AVPN)
Impact	GSG Impact JAPAN National Partner
Impact	Impact Disclosure Taskforce
Impact	Impact Investment Initiative for Global Health (Triple I for GH)
Impact	Japan Impact-driven Financing Initiative
Impact	Impact Startup Association (ISA)
Impact	Social Impact Management Initiative (SIMI)
Impact	The Global Impact Investing Network (GIIN)
Sustainability Data	Sustainability Data Standardization Consortium (SDSC)

Human rights initiatives

- In FY2024, we have implemented a process to determine the priority of enhanced due diligence (DD) to proactively address cases of salient incidents. Under the new process, we have performed enhanced DD on 6 incidents detected through grievance and external sources.
- Additionally, taking into account changes in the external environment and human rights issues, we identified salient human rights issues in Mizuho's business activities.

// Status of conducting enhanced human rights due diligence

- In FY2024, we verified the incidents that have occurred, and select 6 incidents as those that should be prioritized for response and implemented enhanced DD.

Human rights issues	# of Cases
Forced labor/Child labor/Human trafficking	1
Human rights violations of indigenous people and local communities	3
Other human rights issues	2

Response status	# of Cases
Ongoing monitoring	4
Monitoring completed, transaction continued	2
Suspended new transaction	0

// Salient human rights issues

- Considering changes in the business environment, we conducted assessments based on severity, likelihood and relevance in accordance with the framework of the UN Guiding Principles on Business and Human Rights and identified salient human rights issues.

Issues related to the client in which we finance and invest

- Forced labor/Child labor/Human trafficking
- Business activities in conflict areas and high-risk countries
- Issues related to working conditions
- Adverse impacts on human rights through services and products

Issues related to providing financial services

- Accessibility of financial services
- Financial security of consumers, fair marketing and information
- Business activities in conflict-affected regions and high-risk countries

Issues related to employees

- Issues related to working conditions
- Harassment
- D&I, Workplace discrimination
- Employee health and occupational safety and health
- Business activities in conflict-affected regions and high-risk countries

Cross-sectional issues


- Privacy and information security
- Responsible use of technology
- Access to remedy

ESG evaluation

Index inclusion status*1


Included in all ESG indices for domestic equities adopted by GPIF*2

Comprehensive




*3

FTSE Blossom Japan Index




*3

FTSE Blossom Japan Sector Relative Index



*4


2025 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX



*4


2025 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX

Theme-based




*4

2025 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)



*5

MORNINGSTAR GenDi J
Japan ex-REIT Gender Diversity Tilt Index
TOP CONSTITUENT 2025



S&P/JPX Carbon Efficient Index

Selected for S&P Global’s “The Sustainability Yearbook 2025”*6

Mizuho was selected as a “Yearbook Member” in “The Sustainability Yearbook 2025” published by S&P Global, a leading global research and ratings firm based in the U.S.

S&P Global conducts annual evaluations of companies’ sustainability efforts

Based on these evaluations, S&P Global selects top-performing companies in each industry and features them in the “S&P Global Sustainability Yearbook”

Please refer to the links below for details on each index and disclaimers.

*1: As of March 31, 2025, *2: <https://www.mizuhogroup.com/sustainability/mizuhosustainability/awards#evaluation>

*3: <https://www.mizuhogroup.com/sustainability/mizuhosustainability/awards#anc01>

*4: <https://www.mizuhogroup.com/sustainability/mizuhosustainability/awards#anc02>

*5: <https://www.mizuhogroup.com/sustainability/mizuhosustainability/awards#anc03>

*6: <https://www.spglobal.com/esg/csa/yearbook/>

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