

**Announcement of the Progress Report on FY2020 Action Plan Initiatives and FY2021  
Action Plan related to fiduciary duties**

Mizuho Financial Group, Inc. (President & Group CEO: Tatsufumi Sakai; “MHFG”) has established and announced our Policies Regarding Mizuho’s Fiduciary Duties<sup>1</sup> (“Policies”), with consideration to our customer-focused approach as part of the values and standards of behavior that all Mizuho employees and executive officers should uphold under Mizuho’s Corporate Identity, and in order to fulfill our fiduciary duties<sup>2</sup> which relate to the conduct of our asset management-related business.

Based on these Policies, MHFG and our group companies have released the attached Progress Report on the FY2020 Action Plan Initiatives and the FY2021 Action Plan.<sup>3</sup>

MHFG has enhanced the content of our information disclosures to make it easier for our customers to understand our fiduciary duty-related initiatives.

As a long-term partner and in order to continue to be our customers’ most-trusted financial services partner, we will continue our commitment to developing and pursuing customer-focused initiatives.

1. Policies Regarding Mizuho’s Fiduciary Duties

[https://www.mizuhogroup.com/binaries/content/assets/pdf/mizuhoglobal/news/2017/03/20170330\\_2release\\_jp\\_1-1.pdf](https://www.mizuhogroup.com/binaries/content/assets/pdf/mizuhoglobal/news/2017/03/20170330_2release_jp_1-1.pdf)

2. Fiduciary duties is a general term for the broad range of roles and responsibilities that fiduciaries are expected to fulfill when engaging in certain business activities in order to live up to the trust that is placed in them by their customers.

3. Ahead of this announcement, we held the Seventh Meeting of the Fiduciary Duty Advisory Committee and invited the following external experts to serve as advisors.

Panel of external experts (in alphabetical order by surname)

Name	Post
Hideki Kanda	Professor, Graduate School of Law, Gakushuin University; Professor Emeritus, University of Tokyo
Tadashi Oka	General Manager, Investment Trust Business Department, Investment Evaluation Division, Rating and Investment Information, Inc.

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# Initiatives regarding Mizuho's fiduciary duties

June 2021

Mizuho Financial Group

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The initiatives listed at the top of each page correspond to the Policies Regarding Mizuho's Fiduciary Duties

The principles listed at the bottom of each page correspond to the Principles for Customer-Oriented Business Conduct of Japan's Financial Services Agency.

The following abbreviations are used for major group companies.

Mizuho Financial Group, Inc.

FG

Mizuho Securities Co., Ltd.

SC

Mizuho Bank, Ltd.

BK

Asset Management One Co., Ltd.

One

Mizuho Trust & Banking Co., Ltd.

TB

## 1. Policies and action plans

### Our policies

We have released Policies Regarding Mizuho's Fiduciary Duties<sup>1</sup> ("the Policies") as group-wide policies which ensure that through our asset management-related businesses we offer products and services that are in the best interest of our customers and that we continue to be our customers' most trusted financial services partner and long-term partner.

### Policies Regarding Mizuho's Fiduciary Duties

[https://www.mizuhogroup.com/binaries/content/assets/pdf/mizuhoglobal/news/2017/03/20170330\\_2release\\_jp\\_1-1.pdf](https://www.mizuhogroup.com/binaries/content/assets/pdf/mizuhoglobal/news/2017/03/20170330_2release_jp_1-1.pdf)

1. Fiduciary duties is a general term for the broad range of roles and responsibilities that fiduciaries are expected to fulfill when engaging in certain business activities in order to live up to the trust that is placed in them by their customers.

### Our action plans

Mizuho's holding companies and group companies have established and released their own action plans according to their respective functions.

#### Major group companies that have established and released action plans

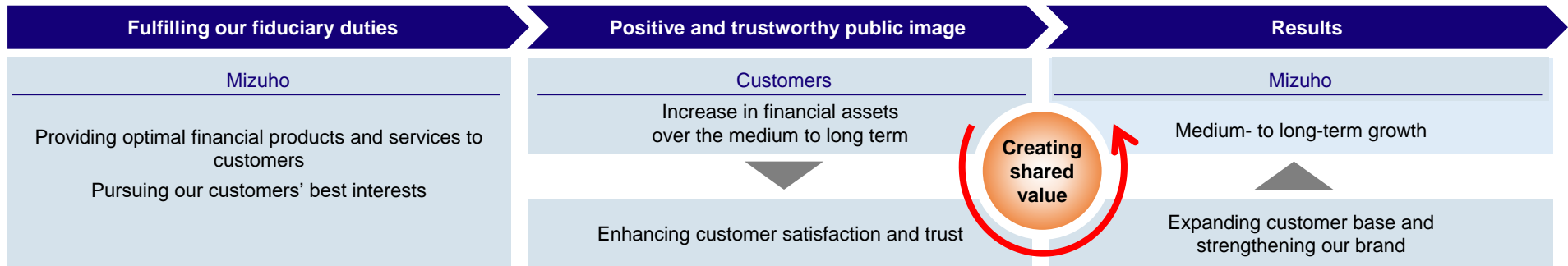
The terms in parentheses are abbreviated names of group companies.

Functions		
Sales	Asset management / product development	Asset administration
Mizuho Bank, Ltd. (BK)		
Mizuho Trust & Banking Co., Ltd. (TB)		
Mizuho Securities Co., Ltd. (SC)		
	Asset Management One Co., Ltd. (AM-One)	

## 2. Our goal and key performance indicators (KPIs)

### Our goal is to create shared value between customers and Mizuho

- Through fulfilling our fiduciary duties, Mizuho aims to ensure a high level of customer satisfaction and to earn the trust of customers by increasing their financial assets in the medium to long term.
- At the same time, by expanding our business base and establishing a brand built on customer satisfaction and trust, we aim to create shared value with our customers that will also lead to medium- to long-term growth for Mizuho, which will allow us to further enhance the level of customer service we provide.



### Key performance indicators (KPIs)<sup>2</sup>

- Key performance indicators (KPIs) for fiduciary duties are reviewed regularly and updated as necessary in order to create shared value between customers and Mizuho.

- Number of personnel with professional qualifications
- Number of funds with a rating of 4 stars or higher
- Number of companies involved in our engagement activities
- Number of publicly offered investment trusts in different balance ranges
- Average balance per publicly offered investment trust
- Total number of seminar attendees
- Number of participants enrolled in financial education courses

- Customer satisfaction surveys
- Number of funds which have received fund awards
- Survey of satisfaction among investment trust companies

- Balance of assets under management from investment products
- Number of customers using our investment products
- Ratio of customers receiving different percentage ranges of returns, including realized returns, for publicly offered investment trusts
- Average holding period for publicly offered investment trusts
- Balance of funds in publicly offered and privately placed investment trusts
- Balance of funds invested in DC specialized funds and installment-type NISA funds
- Balance of pension trust assets
- Balance of publicly offered investment trusts under administration

2. In addition to the Key Performance Indicators listed above, the following common KPIs have also been released.

Common KPIs

(1) Ratio of customers receiving different percentage ranges of returns for investment trust funds/fund wraps, (2) Cost vs. return of the best-selling investment products in terms of the balance of investment trust assets under management, (3) Risk vs. return of the best-selling investment products in terms of the balance of investment trust assets under management

Common KPIs are indicators based on the Common Key Performance Indicators (KPIs) Comparable Across Investment Trust Distributors published by Japan's Financial Services Agency in June 2018.

# FY2020 progress and key performance indicators (KPIs) Sales

## 1. Group-based consulting framework

BK TB SC

### Main initiatives in FY2020

- By sharing our customers' life plans, with their permission, across the group, based on the information they have given us on their assets, we are developing a framework to provide products and services in line with each company's role and comprehensive consulting taking advantage of each company's strengths.
- Mizuho helps its customers achieve their **goals**: their dreams, hopes, and desires.

Basic policy

**Goals-based wealth management: To be a partner helping customers design their lives**

Mizuho contributes to enhancing the wealth of households in Japan

Building a successful investment experience with diversified investment

Focus of investment proposals

- Global equity strategy to capture the medium- and long-term growth of the global economy through diversified investment
- Thorough selection, checking, and provision of world-class active funds

(See page 12 for details)



In fiscal 2020, Mizuho Financial Group, Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities earned an industry-first S+ score from Rating and Investment Information under its Customer-Oriented Investment Trust Sales Company Evaluation. This was the highest score among the companies evaluated. (See page 25 for details.)

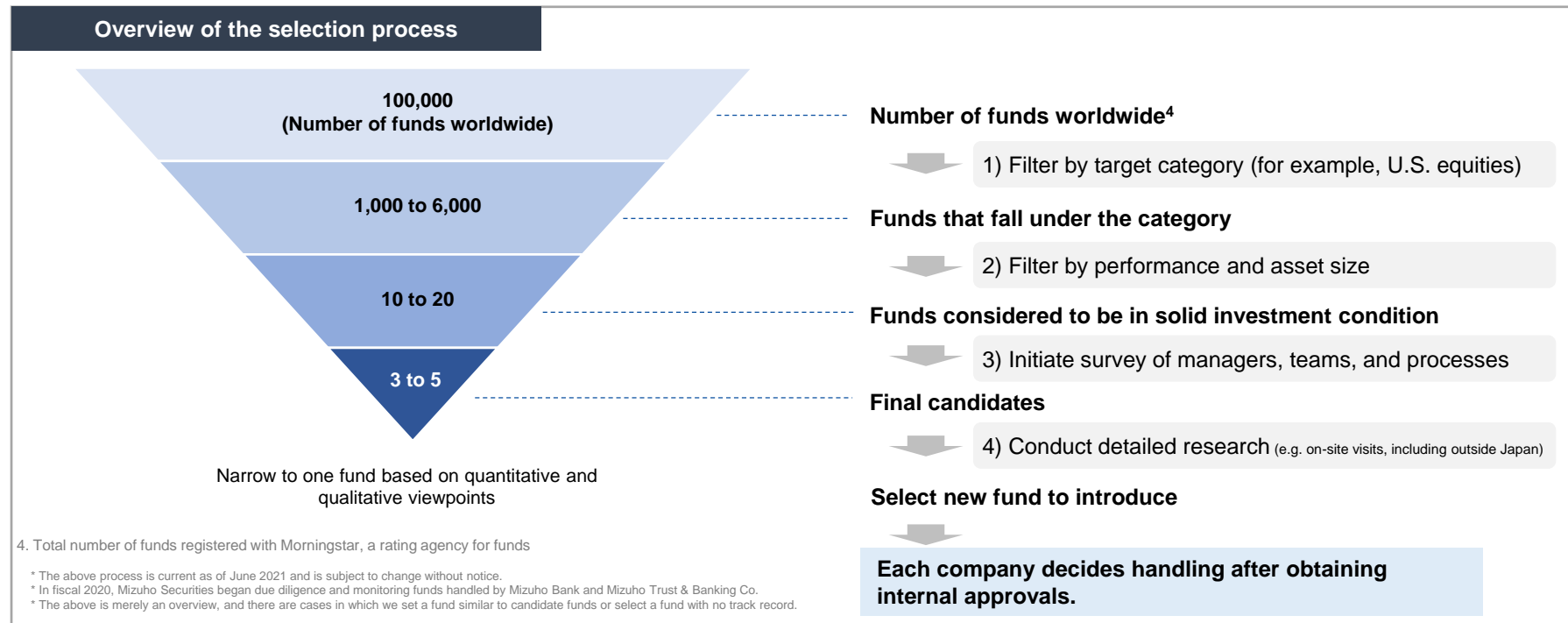
# FY2020 progress and key performance indicators (KPIs) Sales

## 2. Process of selecting investment trust products

### Main initiatives in FY2020

FG BK TB SC

- By enhancing product selection and monitoring as a unified group, we aim to provide clients with funds which will positively contribute to long-term investment.
- We carefully select funds that we feel confident in recommending to clients based on detailed research including performance analysis and on-site visits. Our selection process also takes into account social responsibility (such as degree of contribution to the promotion of environmental or social sustainability). In addition, with respect to the ESG, SDG, and similar funds we handle, we offer a lineup of products with levels of disclosure that comply with European Union sustainable finance disclosure rules (Article 8 or Article 9<sup>3</sup>) or with other relevant terms, in order to ensure accountability to customers. 3. Article 8 relates to funds that promote environmental or social characteristics. Article 9 relates to funds for sustainable investment.
- In regard to handling new funds, we make decisions based on strict processes.
- When group companies have decided to begin offering a new investment trust, we introduce the investment trust to customers through an announcement on the investment trust page of each group company’s website and through information at branches.



# FY2020 progress and key performance indicators (KPIs) Sales

## 3. Investment trust monitoring and review (1)

FG BK TB SC

### Main initiatives in FY2020

- We verify whether the funds we handle contribute to the asset formation of our clients.
- We conduct continuous and multifaceted monitoring from both quantitative and qualitative aspects.
- Based on the results of our research, we strive to maintain the quality of the products we provide to our customers by, for example, requesting performance improvements.
- Based on the results of our monitoring, we narrow down the products we offer to our customers and implement review for products that can be solicited in person.
- In regard to index funds that are linked to the same index and that are handled in person, we consult with trust management companies to keep the total fiduciary fee rate to the lowest level among products handled by the group.
- Customers can check the website of each company for products which will be discontinued or redeemed.

### Monitoring of funds

Qualitative assessment

Through interviews with fund managers and other methods, we assess the management companies' philosophy and whether or not it has a strong business foundation, a team structure for maintaining high management capabilities, and investment processes ensuring reliable performance.

1) Management company



2) Investment team

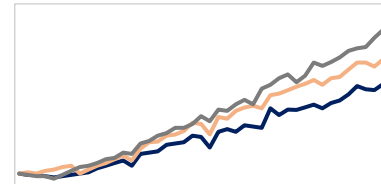
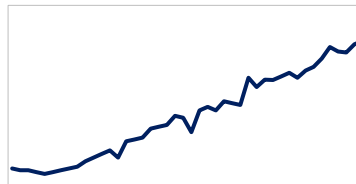


3) Investment processes



Quantitative assessment

Based on past investment performance figures, we compare against benchmarks<sup>5</sup> (or reference indexes) and similar funds<sup>6</sup> to evaluate performance objectively.



5. Indexes used as investment guidelines

6. Refers to funds that belong to the same category. (Global equity funds, US equity funds, etc.)



# FY2020 progress and key performance indicators (KPIs) Sales

## 3. Investment trust monitoring and review (2)

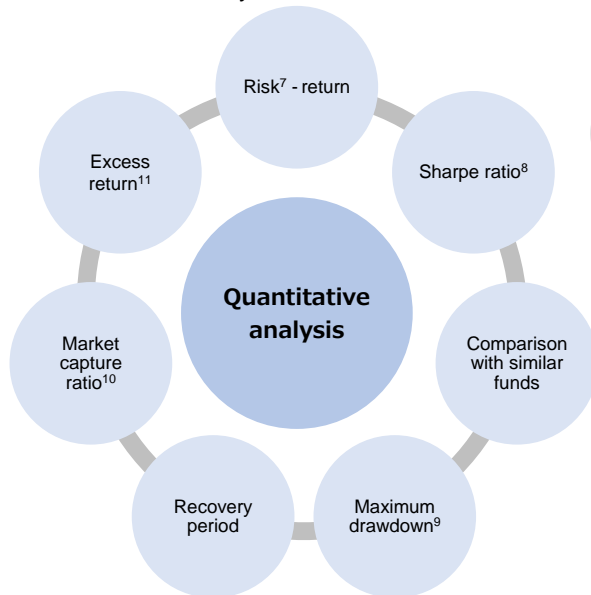
BK TB SC

### Approach to quantitative analysis

- For quantitative analysis, we mainly check the the items listed below.
- In our analysis, we focus especially on performance relative to benchmarks (or reference indexes) and similar funds, and which allows us to evaluate whether the investment trust is performing above the market average or above other funds.

#### Analyze performance

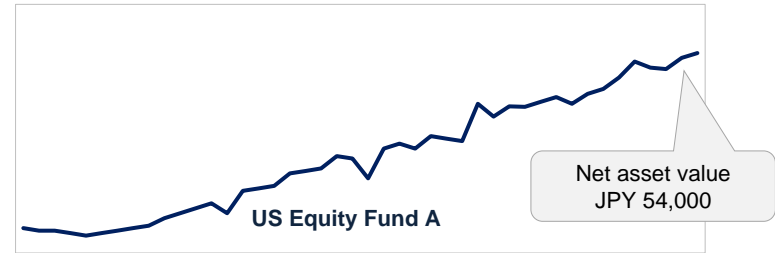
Quantitative analysis items



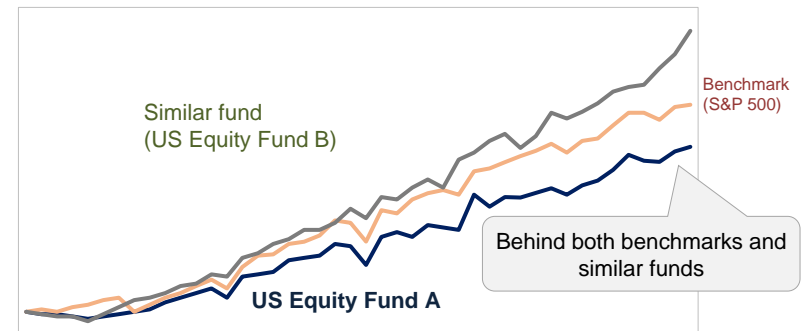
Comparison with benchmarks (or reference indexes) and similar funds is also important

Reasons for focusing on comparison with benchmarks and similar funds

When looking only at net asset value, the performance seems robust.



However, it may not compare favorably to benchmarks (or reference indexes) and similar funds.



7. Indicates the extent of return volatility.  
 8. Indicates the amount of risk taken to generate returns. Higher numbers indicate more efficient investment.  
 9. Indicates the largest percentage decline from the highest value.  
 10. Indicates the extent to which the net asset value of the fund follows the benchmark (or reference index) when the benchmark (or reference index) is rising or falling.  
 11. Indicates the extent the fund is above (or below) the benchmark (or reference index).

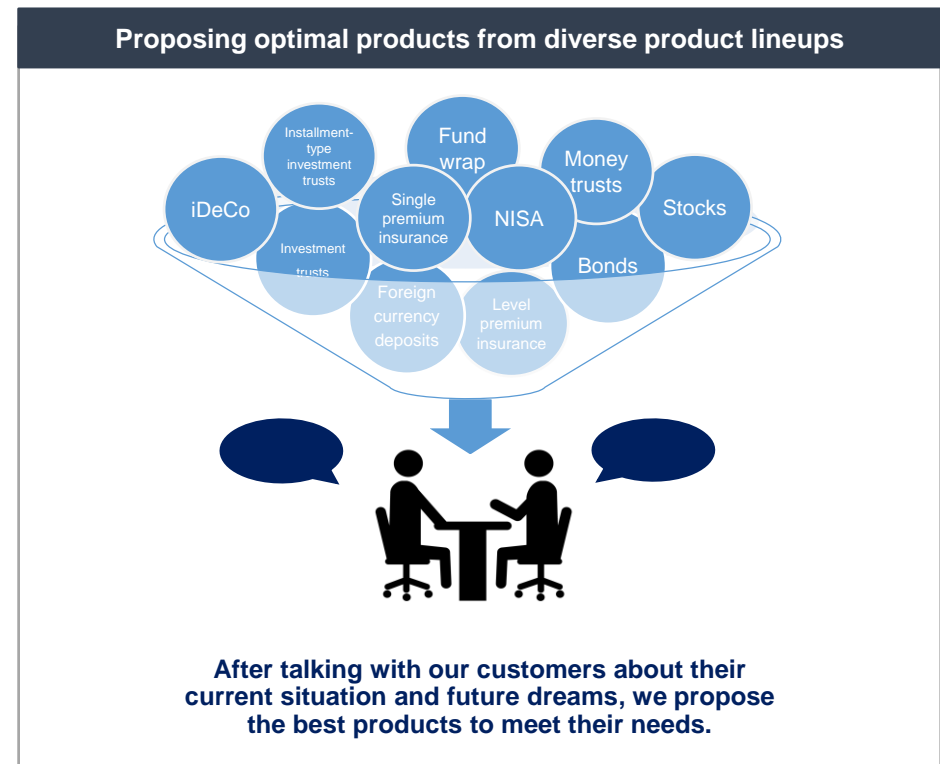
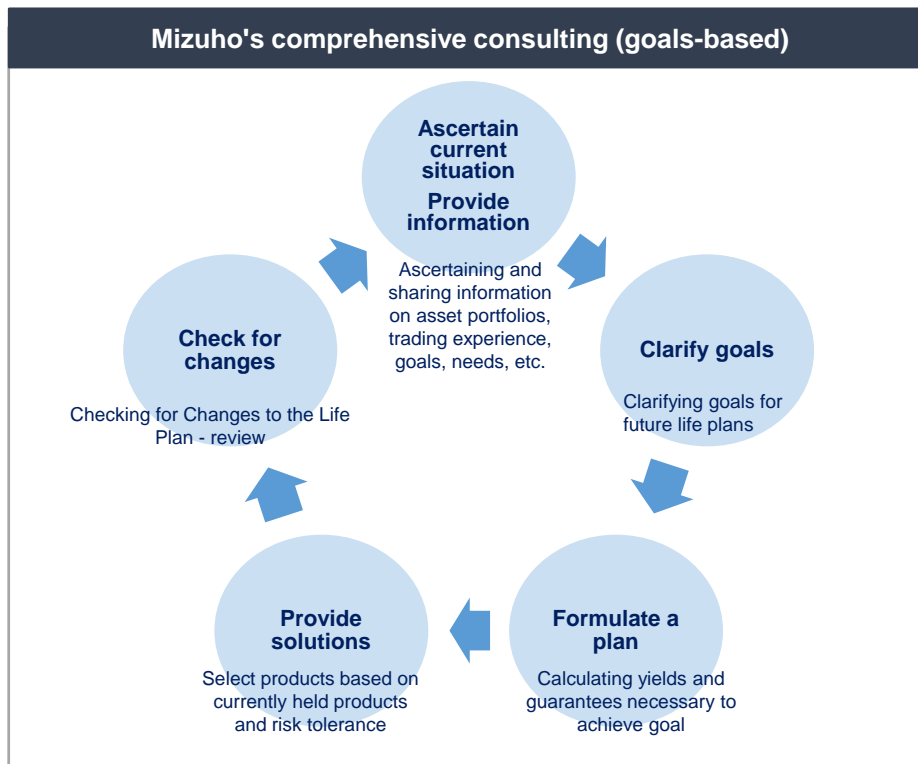
# FY2020 progress and key performance indicators (KPIs) Sales

## 4. Consulting services at Mizuho (1)

### Main initiatives in FY2020

BK TB SC

- We listen to our customers' current situations, goals, and future dreams for their asset portfolios and trading experience and, based on our extensive knowledge of finance, propose financial plans tailored to our customers' needs.
- We propose products that meet customers' needs from among multiple financial products and services, comparing them with similar products and alternative products (including comparison of service fees). When we sell multiple financial products in a package, we also consider whether the package is appropriate for the customer in making our proposal.
- When proposing complex or high-risk products, we use a check sheet to determine that we are making appropriate proposals. We also review the check items regularly.



# FY2020 progress and key performance indicators (KPIs) Sales

## 4. Consulting services at Mizuho (2)

BK TB SC

### Comprehensive asset consulting

- Mizuho strives to accurately understand customer needs and provide solutions to realize them by setting each customer's dreams, hopes, and desires as goals.
- Our relationship managers practice an “understand, anticipate, discern, create, and clarify” approach to customer needs.

Identify customer goals

Set scenarios to achieve the goals

Propose and executive investment

Review regularly and continuously

- Mizuho Bank has introduced a Life Design Navigation tool for simulating future financial plans based on customers’ information and life planning. We use the tool is used to propose solutions to customers’ challenges.
- Mizuho Securities uses a diagnostic tool for assets under management (“Pnavi”) to analyze the state of such assets and propose asset reviews.



人生100年時代のマネーナビ

ライフデザイン・ナビゲーション

BK

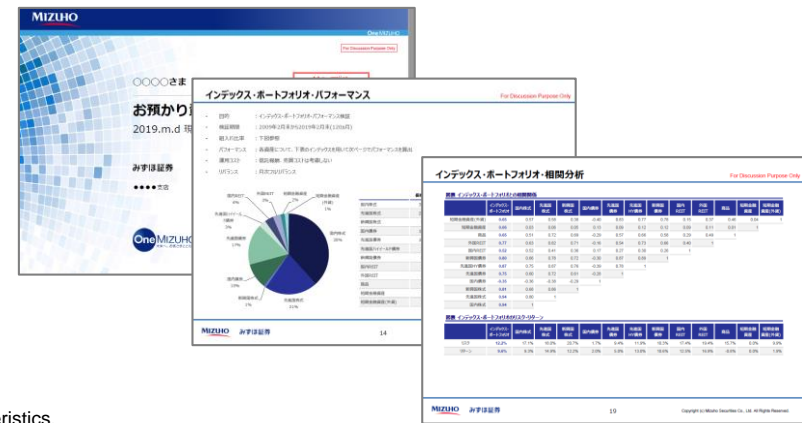


Number of proposals in FY2020: 70,000

Mizuho Securities Co., Ltd. is also considering introducing IT systems tailored to particular transaction characteristics.

### Pnavi diagnostic tool for customers’ assets under management

SC



# FY2020 progress and key performance indicators (KPIs) Sales

## 4. Consulting services at Mizuho (3)

BK

### Support for implementing life design plans: Contribution to the shift from savings to asset formation

### Opening the future of Japan

- We put forth asset formation proposals based on our customer's life design plans through a variety of channels, including branches, online, and workplaces (in cooperation with corporate clients).
- With various products, including installment-type NISAs, installment-type investment trusts, and iDeCo, we provide financial services that enable our clients' to shape their futures.

Life design brochure

The brochure features a 'Consulting Invitation' section with the text: '~(みずほ)とライフデザイン＆マネー'. Below it is the 'LIFE DESIGN' section, which includes a 'Check! It' box and a table for 'ライフイベント' (Life Events) with columns for '収入' (Income) and '支出' (Expenditure). The table lists various life stages from 30 to 90 years old, detailing housing, education, and retirement costs.

Asset formation leaflet

The leaflet is titled '資産形成の考え方' (Thoughts on Asset Formation). It includes a 'ポイント' (Points) section with three main points: 1. '資産形成の考え方' (Thoughts on Asset Formation), 2. '資産形成のメリット' (Benefits of Asset Formation), and 3. '資産形成のデメリット' (Drawbacks of Asset Formation). It also features a '資産分散' (Asset Diversification) section with a line chart showing asset growth over time, and a '時間分散' (Time Diversification) section with a line chart showing the benefits of long-term holding. The bottom section is titled 'さらなる制度を活用することで非課税メリットや所得控除を受けられます' (By utilizing further systems, you can enjoy non-taxable benefits and income tax deductions).

# FY2020 progress and key performance indicators (KPIs) Sales

## 4. Consulting services at Mizuho (4)

BK SC

### Implementing advanced asset management consulting

Leveraging Japan's assets worldwide

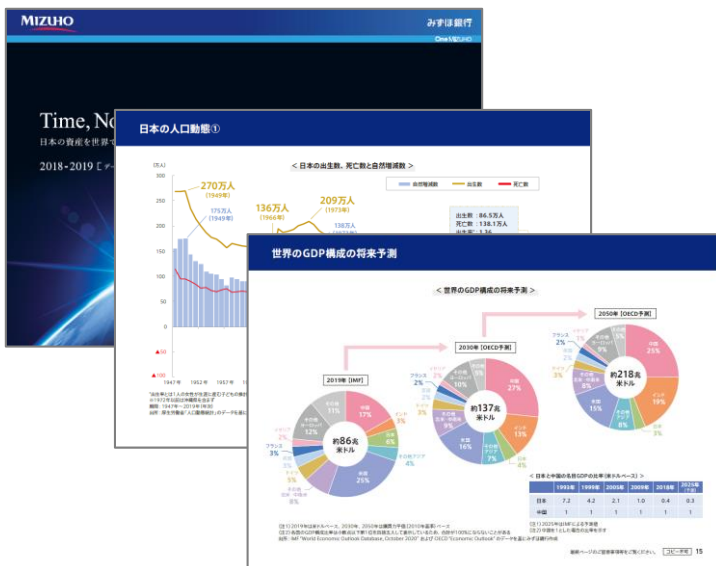
- Under our global equity strategy, we apply a long-term, diversified, and continual approach and build on our successes in managing customer assets to support our customers in achieving their investment dreams and goals.
- We respond appropriately to customer needs by providing information on the importance and effects of investment and investment decisions.

#### Global equity strategy

**A strategy to correct the imbalance in Japan's household assets, which are largely yen-denominated and in deposits, and contribute to enhancing wealth in Japan by capturing the high growth potential of the global economy**

**Concept:  
Time, not timing**

Time, not timing data collection



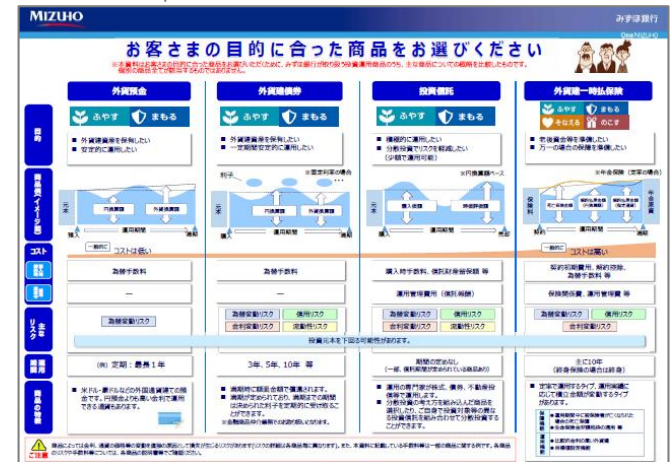
Materials displaying and analyzing a range of data from Japan and the rest of the world. Explains the effects of long-term, diversified, and continual investments.

Time, not timing leaflet



A brief summary of long-term, diversified, and continual investment. The data collection on the left is provided to customers who ask for more details.

Product comparisons



We use materials that allow us to compare the characteristics of each product category, the purpose of investment, costs, and other factors, so that customers can select products that meet their needs.

# FY2020 progress and key performance indicators (KPIs) Sales

## 4. Consulting services at Mizuho (5)

BK TB SC

### Succession consulting

Bringing Japan's assets into the future

- We respond to our clients' asset inheritance needs from a variety of angles in order to connect their precious assets and their feelings toward their families to the future.

Mizuho Bank Dear Future



Mizuho Bank uses booklets on asset inheritance to respond to a wide range of customer needs.

Mizuho Securities senior consultant website



Mizuho Securities Anshin Service material

Mizuho Securities employs senior consultants with expertise in inheritance and gifts. We also offer the Mizuho Securities Anshin Service to keep families informed about their relatives' living conditions.

Mizuho Trust & Banking product materials



Mizuho Trust & Banking provides products and services to meet the needs of customers during asset inheritance.

# FY2020 progress and key performance indicators (KPIs)

## Sales

### 4. Consulting services at Mizuho (6)

At Mizuho, we are working to enhance the services we provide to our customers by utilizing online channels and tablet devices.

#### Asset formation support tools online

##### Smart Folio

BK

- Diagnoses risk tolerance based on six questions and proposes an asset allocation model tailored to the customer at no cost.
- Smart Folio can also be used to simulate individual-type defined contribution pension plan (iDeCo) investments.



#### Funds for tomorrow

SC



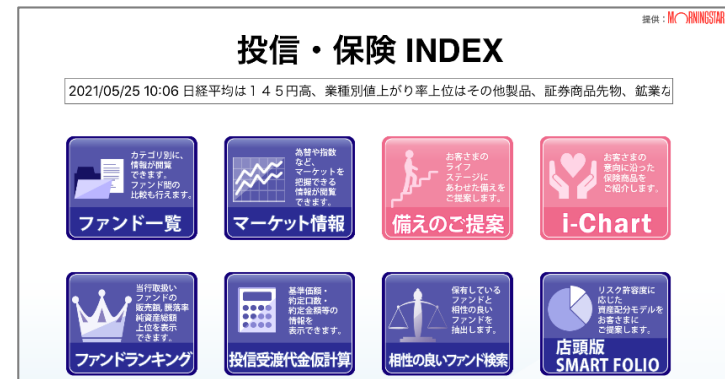
Generates a simple simulation of customers' costs and expenditures from five questions, allowing customers to understand what level of funds they will need in the future.

#### Tablet-based proposals and procedures

BK

TB

Relationship managers use tablet devices to offer proposals related to products such as investment trusts and insurance, as well as to asset succession.



By using tablets to accept applications for investment trusts, insurance, and other products, we are promoting the shift to paperless.

BK



# FY2020 progress and key performance indicators (KPIs)

## Sales

### 4. Consulting services at Mizuho (7)

#### Delivering services remotely and online

To improve customer convenience, we are working to expand the services we provide remotely and/or online.

#### Life Design Remote Service

SC



Mizuho Securities Life Design Remote Services website

Employees specializing in remote consulting provide phone- and ICT-based services to meet the following needs

- Consulting outside branch business hours, such as after work or on holidays.
- Consulting during the customer's free time and at the customer's convenience
- Consulting with a knowledgeable and experienced consultant to allay concerns about relying solely on online information.

#### Online meetings

BK



Online meeting leaflet

Online meetings to allow customers to take care of asset management consultations and procedures from their home or office

#### Investment trust account opening and installment-type investment trust application service

BK



A service that enables customers to quickly perform a range of procedures, from opening an investment trust account to making an application for an installment-type investment trust, and receive the results in as few as three days from the application date.



# FY2020 progress and key performance indicators (KPIs)

## Sales

### 5. Provision of important information



#### Main initiatives in FY2020

- Mizuho strives to provide customers with clear, non-misleading, and honest information that matches the complexity and importance of products, so that our customers can understand a variety of products, compare with the terms and conditions and other aspects of alternative products, and then select the products that meet their needs, taking into account their own investment experience.
- In fiscal 2020, we began preparing “material information sheets” to be part of our materials, and in May 2021 we published material information sheets for financial service providers, which show how each company views its products and product lineup.

#### Important information explained at the time of product proposal

##### Easy-to-understand information in pamphlets and online

##### Examples

The purpose and function of the product	Basic profits (returns) and risks	Comparison information for products made up of multiple products (including possibility of purchasing included products individually)	Target customer segment	Reason for selecting product being sold
Costs for the customer	Outline of taxes (applicability for NISA and other systems)	Redemption and cancellation conditions	Any possibilities for conflicts of interest	Service fees paid to the distributor

When proposing complex or high-risk products, we present the above items in an easy-to-understand manner using pre-contract documents, prospectuses, pamphlets, and other materials. We also use individual materials that allow easy comparisons with similar products in order to ensure customers' understanding.

#### Material information sheet (financial service providers)

**MIZUHO** みずほ銀行 One MIZUHO

一定の投資性金融商品の販売・販売仲介に係る  
重要情報シート（金融事業者編）

1. 当行の基本情報（当行はお客様に金融商品の販売（または販売仲介）を行います）

会社名	株式会社みずほ銀行
代表者	岡野 隆一郎
法人番号	1310000000000000000
銀行の概要を記したウェブサイト	https://www.mizuho-bank.co.jp/

2. 取扱商品（当行がお客様に提供可能な金融商品の種類は次のとおりです）

預金（投資性なし）	○	預金（投資性あり）	○
貸付	×	外貨貸付	×
円建て債券	○	外貨建て債券	○
公債	○	債券	○
シリアル債	×	債券	○
ETF、ETN、REIT	×	その他上場商品	×
保険（投資性なし）	○	保険（投資性あり）	○

3. 商品ラインアップの考え方（商品ラインアップの考え方は次の通りです）

4. 苦情・相談窓口

当行の苦情相談窓口（ご意見・苦情専用窓口）	0120-334-221
加入協会共通の相談窓口	0570-017109 (03-5252-3772)
証券・金融商品あつちん相談センター（7時～21時）	0120-64-5005
上記以外の相談窓口	03-3286-2648
金融庁金融サービス利用相談室	0570-016811 (03-5251-6811)

# FY2020 progress and key performance indicators (KPIs) Sales

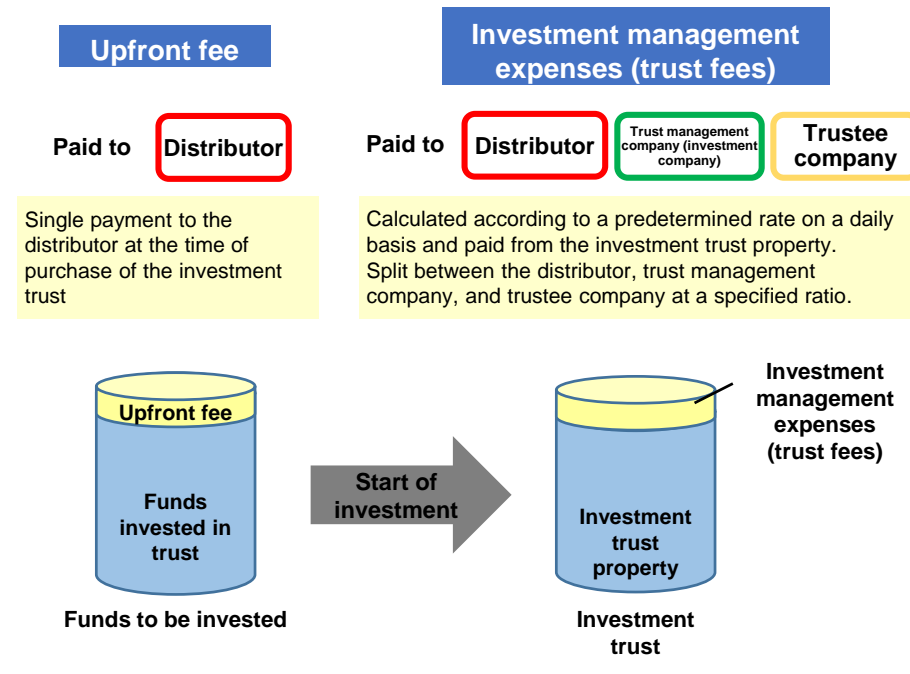
## 6. Providing information on fees

BK TB SC

### Main initiatives in FY2020

- In consideration for the services we provide, we receive various fees when customers purchase and hold investment trusts or single premium insurance policies. In addition to the fees we receive from customers for insurance products and similar, we may also separately receive fees from the providers of financial products for acting as a sales agent.
- We are working to provide information that enables customers to select products that meet their needs in relation to these fees. For example, when similar products have differing fees depending on face-to-face or remote services, selected currencies or courses, or other factors, we provide the reasons and the breakdown of fees in an easy-to-understand manner in our product brochures.
- We strive to include easy-to-understand explanations on fees for our financial products in the forms provided prior to the conclusion of contracts, in prospectuses, and in assorted pamphlets.

### Overview of investment trust fees



### Services and fees

Transaction stage	Fees		Examples of services provided <sup>14</sup>
	investment trust	Single premium insurance	
At time of purchase	Upfront fee	Agent fee <sup>13</sup>	We provide market-related information so that customers can select products that meet their needs and so that they can make appropriate decisions in asset management.
			We confirm the age of the customer, their investment experience, their financial assets, the purpose of the transaction, etc., and endeavor to propose appropriate products that meet the needs of the customer, considering the customer's point of view, after comprehensively taking into account the level of risk that the customer can accept.
Throughout holding period	Investment management expenses <sup>12</sup>	Agent fee <sup>13</sup>	◆ Based on our customers' investment experience, we provide easy-to-understand explanations of important issues such as product characteristics, risks and costs.
			◆ We handle administrative procedures related to product sales (contracts).
			◆ In light of the changes in the business environment surrounding our customers and the status of their investments, we continue to provide them with information that helps them make appropriate investment decisions.
			◆ In regard to investment trusts, we send various documents such as investment reports, pay dividends and redemptions, advise on cancellation procedures, etc.

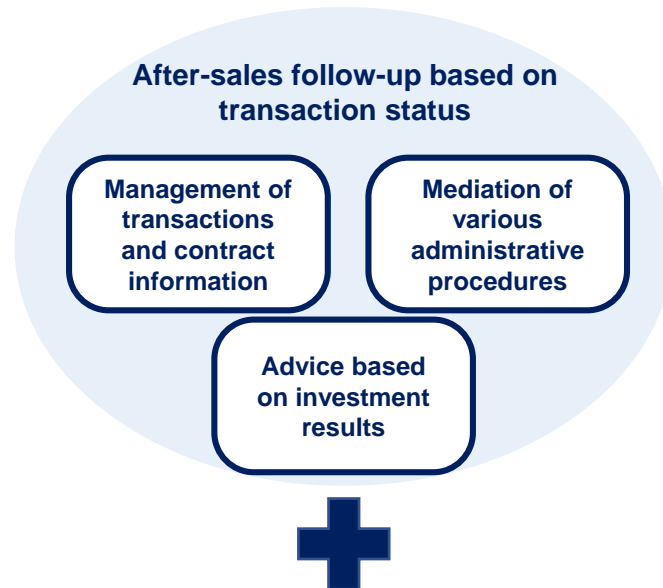
<sup>12</sup> The fees Mizuho receives from customers as a distributor. Fees paid by customers in relation to investment trusts are not limited to the above. Please see the investment trust explanation (prospectus) and pre-contract documents (including prospectus supplementary material) for details on fees and expenses.  
<sup>13</sup> For single premium insurance, the insurance fee is paid by the insurance company to the sales agent, and the amount of the agent fee does not directly affect the amount paid by the customer.  
<sup>14</sup> The above are merely examples and do not necessarily apply to all customers.

## FY2020 progress and key performance indicators (KPIs) Sales

### 7. Follow-up and monitoring

#### After-sales follow-up system tailored to customers

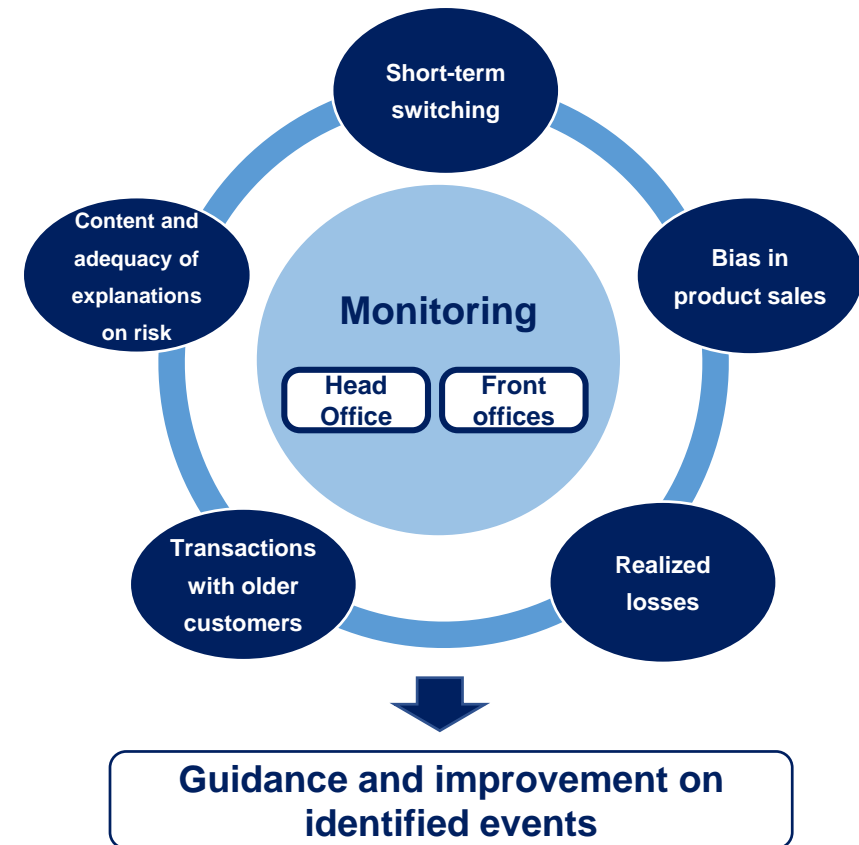
In addition to after-sales support providing information based on the status of customers' transactions, Mizuho has established and implemented rules at each company to carefully implement after-sales support in accordance with individual circumstances, such as sudden changes in rate and market trends and responses to older customers.



- We send customers easy-to-understand notifications of their current assets, market conditions, and future prospects on a regular schedule set by product and when certain events such as losses occur.
- We undertake more detailed and continuous follow-up with older customers.

#### Focused and systematic monitoring

We conduct monitoring at both Head Office and front offices, focusing on face-to-face sales, and undertake thorough guidance and improvement for identified events in order to ensure we are offering and selling financial products and services suitable for our customers.



## FY2020 progress and key performance indicators (KPIs)

### Sales

## 8. Serving older customers

BK TB SC

### Main initiatives in FY2020

- We have established a system to respond appropriately and in a timely manner to older customers by unifying the sales rules for investment management products throughout the group.
- We have established a system to verify appropriateness and implement review through the results of after-sales follow-up and regular monitoring.

	Customers age 75 or older	Customers age 85 or older
Products eligible for proposal	<ul style="list-style-type: none"> <li>■ We sell a limited selection of products.</li> </ul>	<ul style="list-style-type: none"> <li>■ As a general rule, we refrain from soliciting.</li> <li>■ We offer a limited selection of products to customers who can have their family members present.</li> </ul>
Confirmation by supervisor	<ul style="list-style-type: none"> <li>■ Supervisors meet with customers in advance and accept orders.</li> <li>■ Employees other than those who accepted the order contact the customer to confirm the contract. At Mizuho Securities, the rule on supervisors contacting customers to accept orders and confirm contracts applies to customers age 80 or older.</li> </ul>	
Accompaniment by family	<ul style="list-style-type: none"> <li>■ We require family to be present for proposals. (When family members are not present, we may call the family members to confirm.)</li> </ul>	
Other  Applies to customers under age 75	<ul style="list-style-type: none"> <li>■ Solicitation of customers who fall under any of the following categories is <b>prohibited</b>. <ul style="list-style-type: none"> <li>✓ Customers living in (1) nursing homes (assisted living facilities), (2) long-term care facilities, and (3) long-term care medical facilities</li> <li>✓ Customers who may have dementia, based on information from care providers and relatives</li> </ul> </li> <li>■ We <b>refrain</b> from soliciting customers who fall under any of the following categories. <ul style="list-style-type: none"> <li>✓ Customers receiving home nursing care, even when they are at home</li> <li>✓ Customers who are hospitalized (due to impaired judgment)</li> <li>✓ Customers who have undergone noticeable changes in behavior, such as impaired judgment due to medical treatment (side effects from medication and other factors)</li> </ul> </li> </ul>	

## FY2020 progress and key performance indicators (KPIs)

### Sales

## 9. Information and seminars (1)

BK

TB

SC

### Main initiatives in FY2020

- Mizuho provides content on our website that enables the public to learn about asset formation and asset management. We also post about and accept reservations for seminars.
- In addition, in cooperation with Zuu, we run an investment education site targeted at beginners and at those who simply want to learn more about investment, and we publish various articles under the slogan, "An easier way to learn about finance and economics".

### Main content

- Columns on finances to enable people to enjoy their lives in an age of longevity

BK



- Tips and tricks to help people envision and realize the future

BK

# 未来想像マガジン

# 未来想像TV

- Collaboration outside Mizuho  
Article for Oggi magazine on asset formation consulting utilizing Life Design Navigation

BK



Oggi, March 2021

- Wide range of financial content for beginners and those who simply want to learn more

SC



# FY2020 progress and key performance indicators (KPIs) Sales

## 9. Information and seminars (2)

### Main content

SC

#### Mizuho Securities market and investment trust information service



Providing market and investment information via Line to Mizuho Securities Net Club members

- ✓ **Market information (3 times a day)**  
Send out Tokyo Stock Exchange (open/close) and New York Stock Exchange market information at a fixed time every day
- ✓ **Investment Trust Information (up to 20 stocks)**  
Regularly provide information such as net asset values and dividends for registered funds



#### Mizuho Securities official YouTube channel



Mizuho Securities analysts deliver investment information on YouTube

# FY2020 progress and key performance indicators (KPIs) Sales

## 10. Personnel development (1)

BK TB SC

### Main initiatives in FY2020

- At Mizuho, in addition to internal training, we are working to raise awareness of fiduciary duties by having executives regularly send messages to relationship managers.
- Relationship managers' fiduciary duty performance is visualized and returned to their front offices.

### Executive messages

Example message

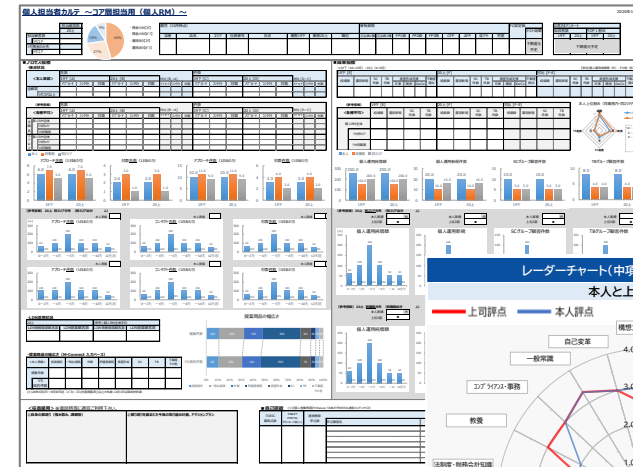
そもそも	1. 競争は「見事に勝つ」ことだけが、正しい。 スポーツでもゲームでもルール違反に勝利なし。競争は、「ルールに則して」が前提。
熱意	2. 営業社員に求めるのは、「顧客に会って対話する（コンサルティング）」熱意。 一を聞いて十を知るのが人間力（ハートセンサー）。“AI”は、百万回教えられて一を学ぶ。
つまり	3. FDは、立派な企業の必要条件ではない。 その上で、大き（利益を上げていないと十分条件は満たせない。 企業の大きな発展に必要なのは、「道徳」（流沢 栄一）/経済なき道徳は害言である（二宮 尊徳）
ところで	4. FDを追求できる業種は、何がある？ 証券経営を取り巻く環境・条件（株価/金利/為替レート等）は、全て同一、チャンスも同一。 違いを生むのは、「プロの倫理観」＝コンサルティング力と経営力。
プロ	5. “顧客の最善の利益”、“顧客本位”、“顧客にふさわしい” と “顧客の満足”、“顧客の喜び”。 目先の利益を捨てるNOと言えぬ勇気・「プロの倫理観」が試される。 ※上医/中医/下医（貝原 益軒）

**FDが我々に要求するのは、「知識＝専門性」と「心の汗＝熱意」**

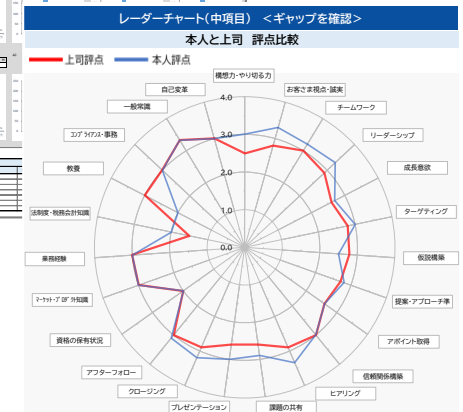


### Visualization of relationship managers' performance

Visualize relationship managers' fiduciary duty performance and regularly share with front offices to promote higher level initiatives.



Examples of data



# FY2020 progress and key performance indicators (KPIs) Sales

## 10. Personnel development (2)

### Main initiatives in FY2020

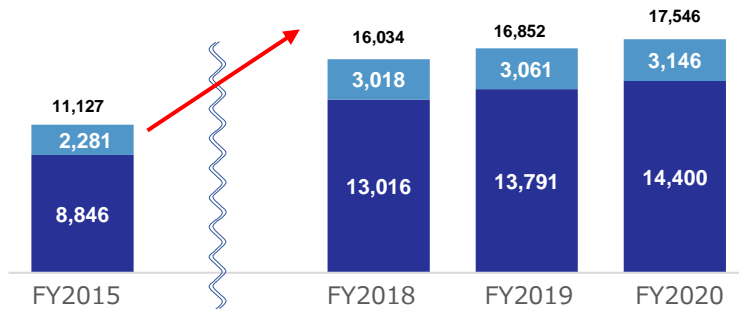
- At Mizuho, we perform our fiduciary duties through appropriate consulting with clients. We certify relationship managers who have received high support as Client First Meisters (CFM) and recognize them on our website. In fiscal 2020, we selected 4 from BK, 3 from TB, and 4 from SC. (SC began using this system in fiscal 2020.)
- We have positioned professional qualifications as a requirement for consulting business and are promoting their obtainment.
- We are encouraging our relationship managers to improve their abilities by providing a system that allows employees to constantly upgrade their skills and acquire new knowledge through extensive training.



Recipients are posted on our website.



Number of personnel with professional qualifications



Light: Financial Planning Test Rank 1 (FP1) equivalent: FP1, Certified Financial Planner, securities analyst, senior private banker, etc.

Dark: FP2 equivalent: FP2, Affiliated Financial Planner, primary private banker, etc.



Badge for Financial Planning Test Rank 1 holders



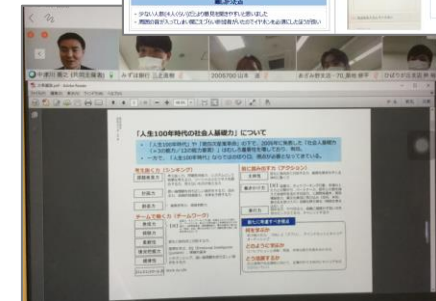
CFM badge

By distributing special badges, we are able to visualize the efforts of each relationship manager.

### Full training system



- Training programs that contribute to the improvement of individual expertise, focusing on priority areas
- In line with changes in work and lifestyle behavior, courses are held in a way that allows employees to take them at any time or place, even when working from home.



104 courses

3,817 participants



FY2020 progress and key performance indicators (KPIs)  
Sales

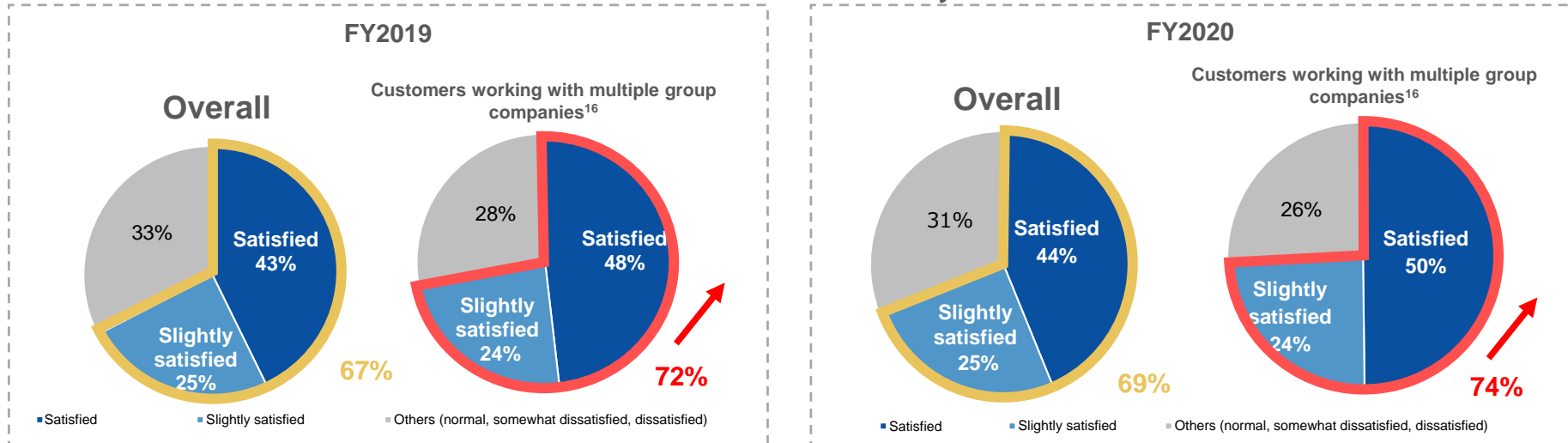
# 11. Customer evaluations

BK TB SC

## Main initiatives in FY2020

- In addition to various customer satisfaction surveys that we have been conducting for some time, we are also continuously conducting customer satisfaction surveys on our implementation of fiduciary duties in order to assess customer satisfaction in asset management related operations.
- We also ask about the degree of satisfaction with individual items such as "accurate advice according to life planning and financial objectives," "easy-to-understand explanations about the structure of asset management products, risks, and fees," and "customer service from the customer's perspective at all times." The survey results are used to further improve the level of various products, services, and proposal methods.
- We also employ a research company to conduct a survey on our ability to provide services relative to other banks.
- We will continue to make full use of the group's comprehensive strengths to provide comprehensive asset consulting services through the provision of various types of information and after-sales follow-up, and strive to improve customer satisfaction through initiatives to improve products and services utilizing customer opinions.

Customer satisfaction surveys<sup>15</sup>



We have received a higher level of satisfaction from customers who do business with multiple group companies.

<sup>15</sup> Sum of results of customer satisfaction surveys conducted at BK, TB and SC (BK and TB indicate overall satisfaction with person in charge, and SC indicates overall satisfaction with the company).  
<sup>16</sup> Satisfaction of customers whom BK has introduced to TB or SC.

FY2020 progress and key performance indicators (KPIs)  
Sales

12. External assessments (1)

FG BK TB SC

We have been highly appraised by external investment research companies with regard to our fiduciary duties.

R&I Customer-Oriented Investment Trust Sales Company Evaluation

FG BK TB SC

- In FY2020, as a result of our fiduciary duty initiatives, Mizuho Financial Group, Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities earned an industry-first S+ score in Rating & Investment Information (R&I)'s Customer-Oriented Investment Trust Sales Company Evaluation. This was the highest score among the companies evaluated.<sup>17</sup>



Poster



Customer satisfaction overall ranking

TB

- Mizuho Trust & Banking was chosen No. 1 in the overall customer satisfaction ranking in the 17th Nikkei Financial Institutions Ranking.<sup>18</sup>
- In terms of product categories, ability to provide solutions/make proposals and reliability received particularly high ratings.
- As a result, we have been ranked in the top three for four consecutive years (1st in 2017, 1st in 2018, 3rd in 2019, 1st in 2020).

The 17th Nikkei financial institutions Ranking (Nikkei Veritas 2021.3.7)



17. The R&I Customer-Oriented Investment Trust Sales Company Evaluation ("this evaluation") represents R&I's opinion on the "customer-oriented business operations" initiatives of sales companies engaged in the investment trust sales business, and is not a statement of fact. The information used by R&I in conducting this evaluation is deemed to be reliable by R&I at its discretion, but R&I does not independently verify the accuracy of such information. In addition, R&I and others do not guarantee the accuracy and completeness of the information, and do not recommend the purchase, sale or holding of specific products or guarantee future performance. All intellectual property rights such as copyrights related to this evaluation and all other rights belong to R&I and are prohibited from reproduction or reprinting without permission. The evaluation of Mizuho Financial Group combines the evaluations of Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities.

18. Published in Nikkei Veritas on March 7, 2021

# FY2020 progress and key performance indicators (KPIs) Sales

## 12. External assessments (2)

- Mizuho Securities has received the CRM Best Practice Award (for the fourth consecutive year), the three star HDI Contact Rating (for the fifth consecutive year), and the three star HDI Web Support Rating (for the fourth consecutive year). We have also obtained renewed certification for the COPC Customer Experience Standard CSP Certification<sup>19</sup> (four consecutive years).
- Mizuho Bank has received the three star HDI Contact Rating (for the second consecutive year) and the three-star HDI Web Support Rating (for the fourth consecutive year).

### Performance on customer-centric management

### Improving customer service quality: call center

**CRM** SC

- ✓ Received the CRM Best Practice Award four years in a row

FY2017

**Model for realizing active management from the customer's perspective**
- 2018 CRM Best Practice Award

FY2018

**Advanced sales model**
- 2019 CRM Best Practice Award

FY2019

**Customer change and response model**
- 2020 CRM Best Practice Award

FY2020

**Advanced model for face-to-face sales using data**

- The CRM consult Association<sup>20</sup> receives the "Companies, government offices, and organizations that have built relationships with customers from the perspectives of strategy, operations, and organization and are achieving results with the aim of realizing customer-centered management" award for the fourth consecutive year.

**HDI** BK SC

- ✓ Received the highest rating of three stars
- Received the highest rating of three stars on the Contact Rating and Web Support Rating categories of the 2020 rating benchmarks by HDI-Japan.

**COPC** SC

- ✓ Acquisition of COPC Customer Experience Standard certification for four consecutive years
- COPC CX Standard CSP Certification, an international quality assurance standard for call centers.

**Contact center awards** SC

- ✓ Best Operations Award

コンタクトセンター  
アワード 2020

Center of Excellence
- Awarded the highest rating for database routing at the Contact Center Awards 2020, the first time we participated in the event.

19. COPC Standard: A global standard quality assurance standard adopted by more than 1,600 companies in 75 countries worldwide. This standard is provided only to organizations that have achieved an extremely high level of customer satisfaction and a systematic operation to achieve this in customer contact operations such as contact centers. This certification is issued by COPC of the United States for organizations that have been able to achieve and maintain a high level of performance based on indicators such as the speed and accuracy of service provision to customers and the efficiency of business operations.

20. CRM Association: An open, non-profit membership organization that took over the activities of the CRM Council, which was established in April 2000. The organization was established on October 1, 2009, and since then has conducted research and pursued the true ideal of "customer-centric management" in Japan (Customer Centric Relationship Management (CCRM with the cooperation of users, vendors, and academics).

## FY2020 progress and key performance indicators (KPIs)

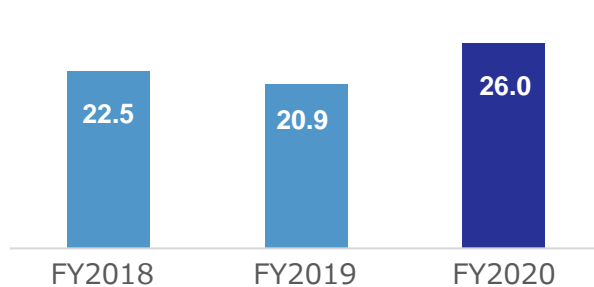
### Sales

## 13. Balance of investment products

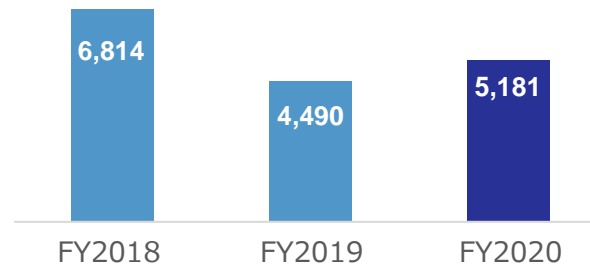
BK
TB
SC

- The balance of investment products recovered from the market fluctuation caused by the outbreak of COVID-19 in fiscal 2019, on a readily determinable market value basis rising from the end of the previous fiscal year to JPY 26 trillion.
- The increase in assets under management from new customers to BK was ¥518.1 billion, steadily contributing to a shift from savings to investment and asset formation.
- The number of customers using Mizuho's investment products and/or using Mizuho's asset formation focused products (BK & SC) is steadily increasing as a result of our efforts to expand services through provision of information, online seminars, and face-to-face channels.
- The balance of equity investment trusts that we propose as products in line with our long-term, diversified, and continual approach is steadily increasing.

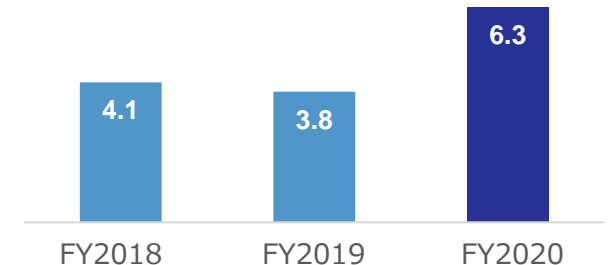
Assets under management (JPY trillion)



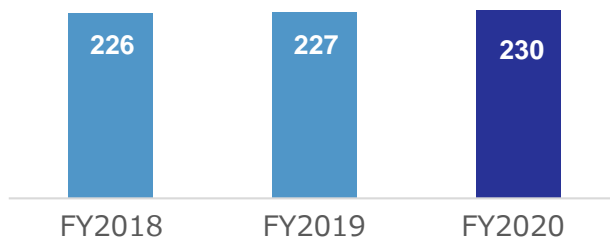
Increase in assets under management from new customers to BK (JPY billion)



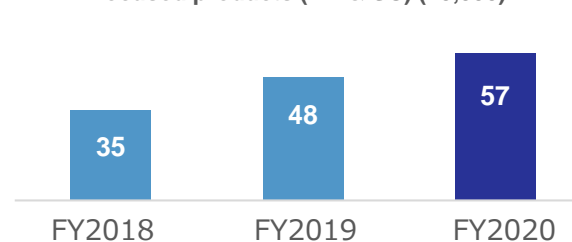
Equity investment trust balance<sup>22</sup> (JPY trillion)



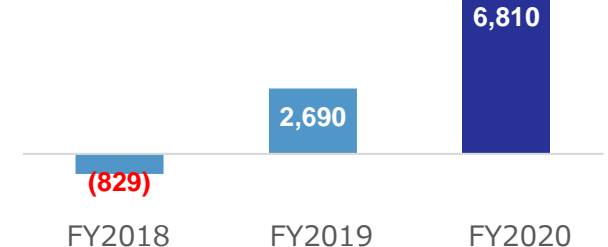
Number of customers using Mizuho's investment products<sup>21</sup> (10,000)



Number of customers using Mizuho's asset formation focused products (BK & SC) (10,000)



Net increase for equity investment trusts<sup>22</sup> (JPY billion)



21. Excluding small money reserve funds (MRFs) from Mizuho Securities.

22. Excluding fund wrap only investment trusts.

# FY2020 progress and key performance indicators (KPIs)

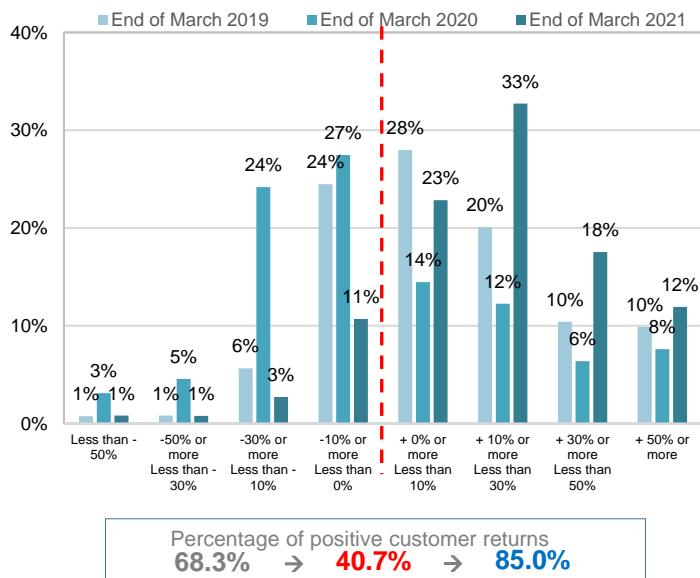
## Sales

### 14. Status of customer assets

BK TB SC

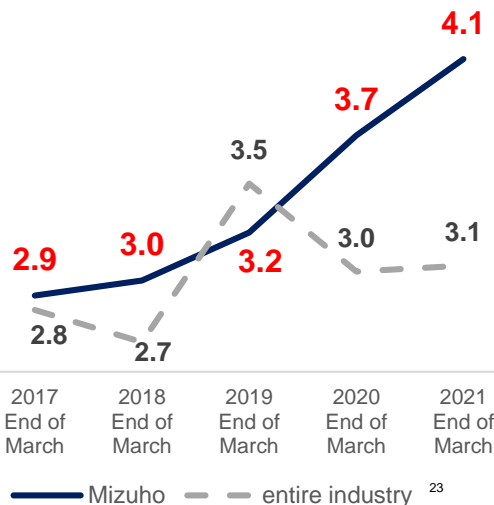
- In order to ensure that clients with investment products receive stable returns over the medium to long term, Mizuho makes proposals that contribute to long-term, diversified, and continual investment.
- From this fiscal year, we began publicizing the ratio of customers receiving different percentage ranges of returns, including realized returns, and the average holding period for investment trusts.
- In regard to the ratio of customers receiving different percentage ranges of returns, including realized returns, disclosing the status of returns, including realized returns, in this way allows us to more precisely state the status of customers' returns on investment.
- The average holding period for investment trusts indicates the status of asset management practices that contribute to long-term, diversified, and continual investment.
- This section also presents the balance and gains and losses of global equity funds under our global equity strategy.

Ratio of customers receiving different percentage ranges of returns, including realized returns, for investment trusts



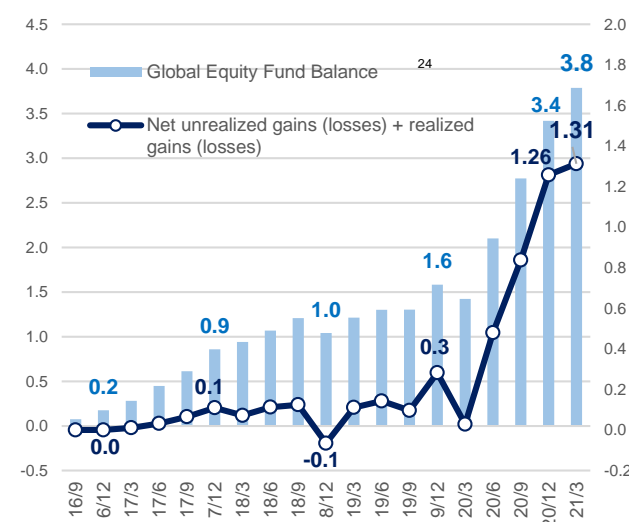
- At the end of March 2020, negative returns had expanded due to market fluctuations caused by the COVID-19 pandemic, but at the end of March 2021, returns had again become significantly positive.

Average holding period for investment trusts



- Our commitment to asset management proposals that contribute to long-term, diversified, and continual investment has led to our customers holding their investment trusts for longer.

Global equity fund balance (JPY trillion)



- As a result of our global equity strategy, the balance of these funds has been steadily increasing, contributing to our customers' success.

23. Industry averages compiled from data published by The Investment Trusts Association, Japan.

24. Balance of 15 funds selected by Mizuho based on our global equity strategy.

# 1. More sophisticated asset management (1)

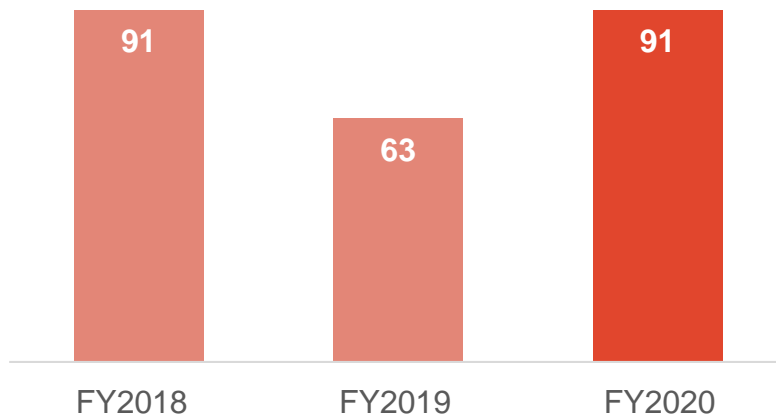
One

## Main initiatives in FY2020

### Strengthen asset management capabilities

- Asset Management One Co monitors the number of funds listed with a rating of 4 stars or higher in the Fundmark<sup>25</sup>, an investment trust performance report provided by Nomura Research Institute, as a KPI as part of our efforts to strengthen our asset management capabilities.
- Due to the high level of asset management capabilities we demonstrated during the COVID-19 pandemic, the number of funds rated at 4 or higher increased from the previous year in all categories.
- By strengthening our strengths in such areas as overseas equities and balanced funds, we aim to provide clients with more funds with good performance.

Number of funds with a rating of 4 stars or higher



Number of funds with a rating of 4 stars or higher  
by investment asset

	FY2018	FY2019	FY2020
Japanese equities	19	21	24
Japanese bonds	0	0	2
Global equities	10	10	13
Global bonds	36	16	20
Others	26	16	32
<b>Total</b>	<b>91</b>	<b>63</b>	<b>91</b>

25.

Fundmark is an investment trust performance evaluation report provided by Nomura Research Institute, Ltd. Based on its own research, Nomura Research Institute, Ltd. classifies investment trusts (Fundmark classification: approx. 300 classifications) according to their investment policies and actual investment conditions. Within the same classification, investment trust performance is assessed in a bilateral way, and a five-point ranking is announced using a ranking and star rating.

URL: <https://www.nri.com/jp/knowledge/report/ist/> (Japanese only)

Fundmark is an analysis of historical data and does not guarantee future performance. The purpose of Fundmark is to provide information that will serve as a reference for investment decisions and asset management, and not to solicit investments. Any part of Fundmark, its copyright, intellectual property, or any other rights belong to Nomura Research Institute, Ltd. or its licensor, and reproduction, quotation, reprint, or transfer, etc. for any purpose, whether electronic or mechanical, is prohibited without permission.

Compiled by Mizuho Financial Group based on materials provided by Nomura Research Institute.

FY2020 progress and key performance indicators (KPIs)  
Asset management / product development

# 1. More sophisticated asset management (2)

One

## Main initiatives in FY2020

As part of our responsible investment initiatives, we at Mizuho believe that giving appropriate consideration to ESG and other factors, as well as encouraging the sustainability of the companies in which we invest and the improvement of corporate value, will positively contribute to the expansion of client investment returns in the medium to long term and lead to the sustainable development of society.

### ■ Enhancement of engagement activities

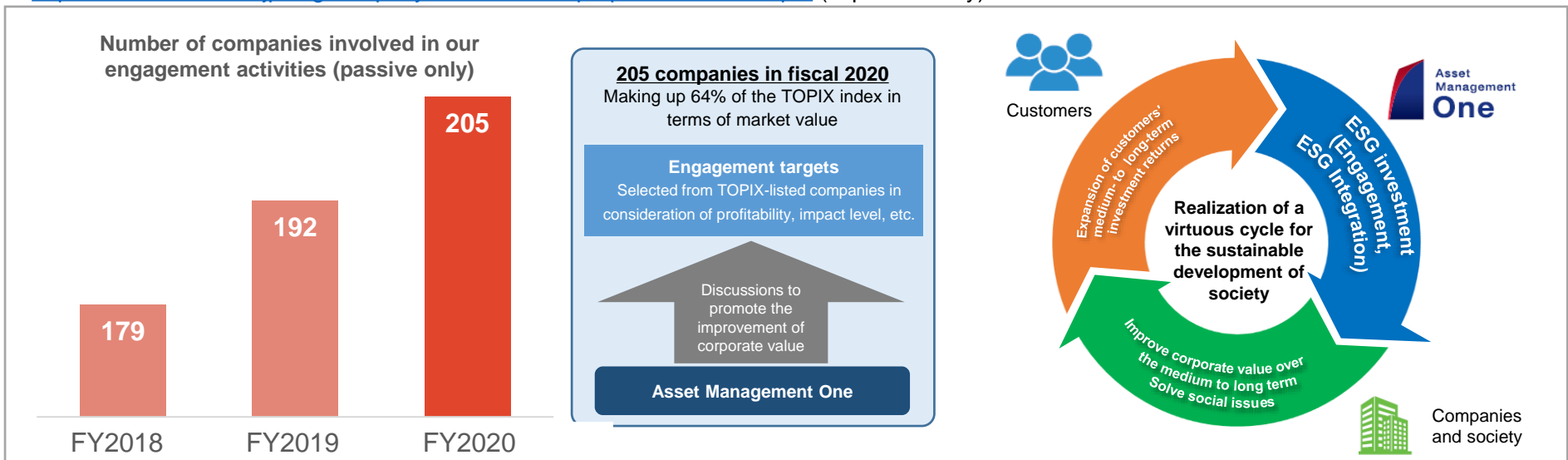
- Asset Management One engages in effective engagement with investee companies with the aim of improving corporate value and raising the overall market level over the medium to long term. In engagement associated with passive fund management in particular, we are effectiveness by setting unique ESG challenges, preparing detailed materials, and carefully managing milestones, in order to facilitate the improvement of corporate value over the medium- to long-term.

### ■ Leveraging ESG (ESG integration)

- Asset Management One assesses companies' ESG initiatives from the perspective of improving corporate value in various asset classes and investment strategies, and we use these assessments in our investment decisions.

Reference: 2020/2021 Asset Management One Stewardship Report

<http://www.am-one.co.jp/img/company/34/stewardshipreports2020-2021.pdf> (Japanese only)



## 2. Development and improvement of investment products

One

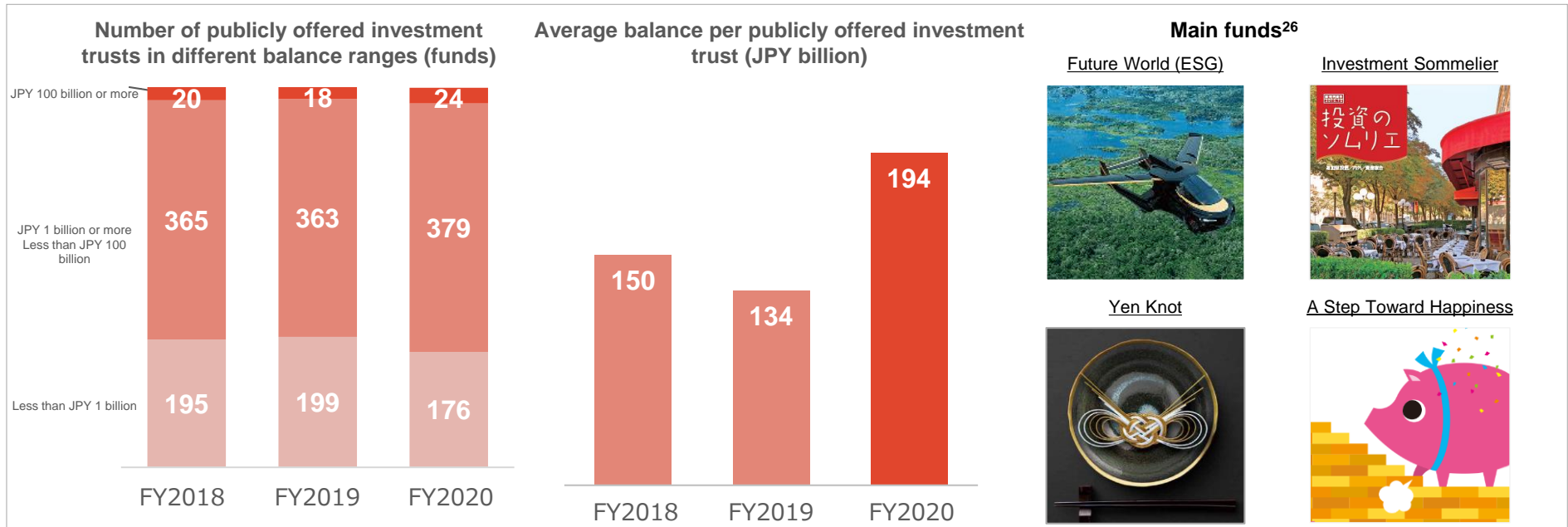
### Main initiatives in FY2020

#### ■ Product governance

- In general, an inability to maintain an appropriate fund size may lead to a decline in investment efficiency. Asset Management One is implementing product governance to build an optimal product lineup that will enable us to deliver the best products to our customers.
- We are working to improve products that do not provide the expected performance. When prompt improvement is not feasible, we consider possibilities for redemption in cooperation with distributors and trustee companies.
- Also, for similar index products which have differing total trust fees, Asset Management One is applying a customer-centric viewpoint and has begun consulting with distributors and trustee companies about reviewing said fees.

#### ■ Product development to meet diverse customer needs

- We will work with our distributors to develop and provide products that meet the needs of our customers for asset formation and long-term investment.



26. This material is provided for informational purposes only and is not intended to solicit investment from investors.



FY2020 progress and key performance indicators (KPIs)

Asset management / product development

# 3. Provision of easy-to-understand information on management and other fees

One SC

## Main initiatives in FY2020

### ■ Disclosure of management and other fees

- Asset Management One discloses the details of fees and other in prospectuses and investment reports.
- In addition, in order to provide useful information for clients' investment decisions, we publish our approach to determining trust fees for publicly offered investment trusts on our website.

URL: <http://www.am-one.co.jp/company/trustfees/> (Japanese only)

- Mizuho Securities, which deals in fund wraps, provides information on the type of fees required of customers in pamphlets and online, divided into asset management, consulting, and wrap account management.
- The chart also explains when customers are required to pay fund wrap fees during the contract period.

### Explanatory material regarding fees

One

Prospectus

Major factors contributing to changes in fees

**ファンドの費用・税金**

投資者が直接的に負担する費用

購入時手数料  
購入時に、3.3%（税込3.0%）を課税して、販売会社が別に定める手数料を差引して負担となります。  
購入時手数料は、適用の投資条件が適用されれば投資費用、ならびに購入に関する手数料と併せて発生費用の構成として、投資費用に含まれます。

信託財産保護料  
ありません。

投資者が信託財産で間接的に負担する費用

ファンドのその他の投資費用に占めて年率1.54%（税込1.40%）  
信託報酬（運用報酬）と信託管理料（信託管理料）  
※運用報酬（運用）は、毎日、上ファンドの基準価額に反映され、毎月期末または信託財産の売却時に支払われます。  
※信託管理料（信託管理料）は、毎月支払われます。

運用管理費用（信託報酬）

販売会社 年率0.65% 信託財産の運用、信託財産等各種書類の作成、基準価額の算出等の費用  
販売会社 年率0.70% 購入後の情報提供、交付書等各種書類の発行、口座内でのファンドの取扱い等の対応  
販売会社 年率0.55% 運用中の情報提供、委託先からの運用状況の報告等の費用  
※販売会社の信託報酬は、ファンドの投資報酬率（リターン）から0.125%（0.125%）を引かれます。  
※その他の費用等は、定期的に発生されるものや発生条件等により異なるものがあるため、事前資料・上開資料等が記載されています。

その他の費用・手数料

その他の費用・手数料として、信託財産の保有期間中、以下の費用等を信託財産から徴収いたします。  
※信託財産の運用に際して発生する信託管理手数料  
※信託財産の売却に際して発生する費用  
※信託財産の運用に際して発生する信託管理手数料  
※信託財産の運用に際して発生する信託管理手数料  
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※信託財産の運用に際して発生する信託管理手数料

No.	要素	具体的内容	低い ← 運用報酬率の傾向 → 高い
1	投資対象国・地域		国内 ← 海外先進国 → 海外新興国
2	投資対象資産の種類		国債 ← 社債 → 株式 (REIT含む)
3	運用の難易度 → 投資情報の入手 → 必要な分析力 → 売買の難易度、など		少ない ← 多い
4	運用手法 (+1)		インデックス運用 ← アクティブ運用 (絶対収益型運用)
5	資産配分		固定的 ← 機動的
6	情報入手の難度		容易 ← 困難
7	運用事務負担 → 事務コスト、など		基準価額の算出 ← 商品による格差は小さい

\*1 インデックス運用：市場平均を表す指数（日経平均など）と同等程度の運用収益を目指す運用手法  
アクティブ運用：市場平均を表す指数を上回る運用収益を目指す運用手法  
絶対収益型運用：市場平均に関わらず投資資産の運用収益を目指す運用手法

\* 上記は一般的な変動要因を示したものであり、必ずしも当てはまらない場合があります。

Asset Management One  
Excerpt from approach to determining trust fees for publicly offered investment trusts

### Fund wrap: Explanatory material regarding expenses

SC

Expenses (fees)

**ご購入いただく費用（手数料）について**

お客様にご負担いただく費用（手数料）は、投資一任契約に際しては、信託財産に投資対象ファンドに関する運用管理費用（信託報酬）等が加算されます（それぞれが費用（手数料）は、運用コースによって異なります）。

**ご購入いただく費用（手数料）のイメージ**

ご購入いただく費用（手数料）のイメージ

投資一任契約に関する報酬（運用的にご購入いただく費用）

Mizuho Fund Wrapの投資一任契約に際してご購入いただく費用（手数料）は、運用コースにより、運用対象の信託報酬に加算し、最大で年率0.1%（税込0.09%）を発生いたします。

※運用対象の信託報酬に投資一任契約の信託報酬を加算し、計算期間に係る信託報酬を合計して信託報酬の総額に（課税）して運用財産の中のご負担、となります。

※ご購入のタイミングによって信託報酬の総額が異なります。

運用対象の信託報酬の内訳	運用コース				
	Stable (IS-C)	Stable Growth (IS-C+)	Moderate Growth (IS-C++)	Growth (IS-C+++)	Aggressive Growth (IS-C++++)
1年未満の運用期間	0.68%	0.68%	0.77%	0.86%	0.96%
1年未満の運用期間以下の場合	0.65%	0.65%	0.74%	0.83%	0.93%
3年以上の運用期間	0.55%	0.55%	0.66%	0.77%	0.77%

※ご購入のタイミングによって信託報酬の総額が異なります。

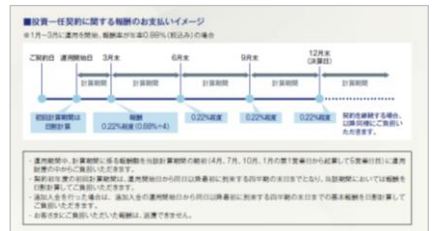
投資対象ファンドに関する信託報酬（運用的にご購入いただく費用）

Mizuho Fund Wrapの投資対象ファンドに係る信託報酬は、信託財産の運用管理費用（信託報酬）に含めさせていただきます。

Mizuho Fund Wrapの投資対象ファンドに係る信託報酬は、信託財産の運用管理費用（信託報酬）に含めさせていただきます。投資対象ファンドの信託報酬は、運用管理費用（信託報酬）に含めさせていただきます。投資対象ファンドの信託報酬は、運用管理費用（信託報酬）に含めさせていただきます。

※ご購入のタイミングによって信託報酬の総額が異なります。

Timing of fee payments



FY2020 progress and key performance indicators (KPIs)  
Asset management / product development

# 4. Provision of information and services

One

## Main initiatives in FY2020

- Providing information and services from customer-centric perspective
  - Asset Management One holds asset management seminars to provide information and services tailored to the perspectives of individual customers. In fiscal 2020, we provided information mainly through online seminars.
  - We are also working to enhance the provision of materials and information that are easy to understand and that reflect the customer's perspective. For example, in our ESG products, we have been providing easy-to-understand information by issuing an ad hoc report that includes ESG evaluation points as comments on the top 10 companies and by improving monthly reports to clarify process differences from existing products.
- Displaying expected customer attributes
  - From the viewpoint of customer protection, Asset Management One has established a system to confirm the expected attributes of customers when establishing a new fund. The purpose and characteristics of the fund and the assumed risks (e.g. investment risks) are described in the prospectus.

### Number of attendees at seminars for individual customers

Fiscal Year	Number of Attendees
FY2018	41,407
FY2019	28,275
FY2020	8,055

### Examples of seminars for individual customers

Online

We introduced products with strong downside resistance in response to the growing importance investors were placing on stability against the backdrop of the decline in stock prices brought about by the impact of COVID-19.

### Examples of initiatives concerning information materials

Easy-to-understand material

Awarded 2020 UCDA Award<sup>27</sup> for ease of understanding in materials

Expansion of information provision

Include ESG evaluation points for the top 10 companies in the ad hoc report

27. This award system is operated by the Universal Communication Design Association (UCDA), a general incorporated association, and is designed to recognize outstanding communication designs through objective evaluation by third parties using standards developed based on the collective knowledge of industry, academia, and consumers of various information media provided by companies (organizations) and governments to consumers.

FY2020 progress and key performance indicators (KPIs)  
Asset management / product development

# 5. Governance framework

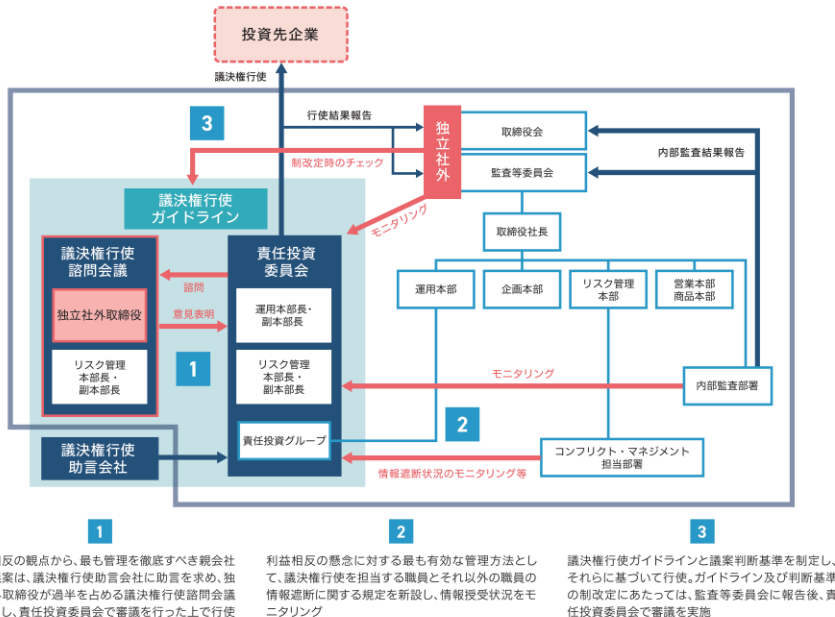
One

## Main initiatives in FY2020

### ■ Establishment of governance system and fulfillment of functions

- Asset Management One strives to ensure and maintain appropriate management independence from group companies through the governance functions of the Board of Directors, Audit & Supervisory Committee, Executive Management Committee, and other business policy committees.
- We have also established a system to appropriately determine and manage the exercise of voting rights in investee companies where there is a risk of conflict of interest with a parent company.
- In order to develop products that meet the needs of our customers, we will maintain and improve highly transparent new product development processes by building an investment system that puts the interests of our customers first and by strengthening internal controls.

### Conflict of interest management regarding exercise of voting rights



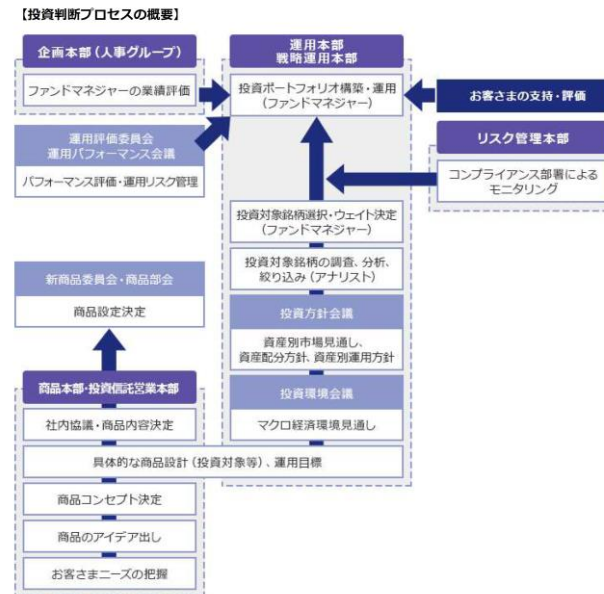
**1** 利益相反の観点から、最も管理を徹底すべき親会社等の議案は、議決権行使助言会社に助言を求め、独立社外取締役が過半を占める議決権行使諮問会議に諮問し、責任投資委員会で審議を行った上で行使

**2** 利益相反の懸念に対する最も有効な管理方法として、議決権行使を担当する職員とそれ以外の職員の情報遮断に関する規定を新設し、情報授受状況をモニタリング

**3** 議決権行使ガイドラインと議案判断基準を制定し、それらに基づいて行使。ガイドライン及び判断基準の制改定にあたっては、監査等委員会に報告後、責任投資委員会で審議を実施

Asset Management One exercise of voting rights  
<http://www.am-one.co.jp/english/information/voting/>

### Ensuring independence in the investment decision process



Securing independence in the Asset Management One investment decision process  
<http://www.am-one.co.jp/amoai/english/process/>

## 6. Third-party evaluation

One

### Main initiatives in FY2020

- Positive evaluation by third parties
  - We received 53 fund awards, mainly for Japanese equity funds and balanced funds. In the R&I Fund Awards 2021, we became the management company with the highest number of awards and with awards in the highest number of divisions. In the Refinitiv Lipper Fund Awards 2021, we received a total of 21 best fund awards and also received the award for the company with the most award-winning funds.
  - In a survey of customer satisfaction in investment trust companies, we ranked second in the overall evaluation and have continuously received high evaluations.
  - Going forward, we will continue to provide products and services that contribute to our customers' asset formation and improve performance.



28. Number of fund awards received. Sources: Refinitiv Lipper, R&I, Morningstar.

29. R&I Fund Award 2021. [https://www.r-i.co.jp/investment/fund\\_award/index.html](https://www.r-i.co.jp/investment/fund_award/index.html) (Japanese only)

30. Refinitiv Lipper Fund Awards Japan 2021. <https://www.refinitiv.com/ja/media-center/press-releases/2021/lipper-fund-awards-japan-2021> (Japanese only)

31. Investment Trust Company Satisfaction Ranking: Compiled by Mizuho Financial Group from Rating & Investment Information. (R&I) "Fund Information" Nos. 282, 314, and 339.

## 7. Assets under management

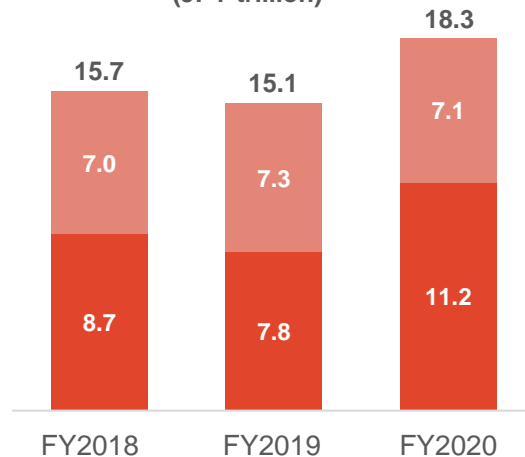
One TB

### Main initiatives in FY2020

#### ■ Assets under management at each company

- The balance of investment trusts at Asset Management One is JPY 11.2 trillion for publicly offered investment trusts, and JPY 7.1 trillion for privately placed investment trusts, mainly invested in global equity and balanced funds.
- For long-term asset formation products, we are also working to provide products through defined contribution (DC), installment-type NISA, and other fund systems, and our balance of assets under management is steadily increasing.
- The balance of pension trust assets at Mizuho Trust & Banking is JPY 5.2 trillion.  
Through comprehensive consulting on pension plans and asset management, we are continuously accepting new transactions and additional trusts from clients, and our balance of pension trust assets is increasing.

Balance of funds in publicly offered and privately placed investment trusts (JPY trillion)



■ Privately placed investment trusts  
■ Publicly offered investment trusts

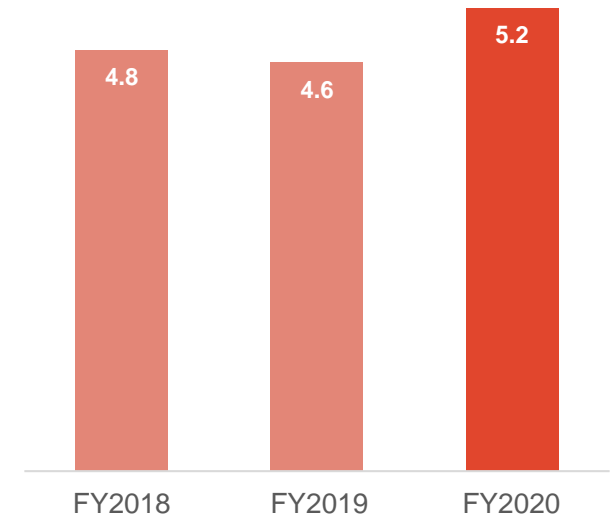
Related indicators (JPY billion)

One

	FY2018	FY2019	FY2020
Balance of DC specialized funds	5,966	6,046	9,060
Balance of installment-type NISA funds	599	854	1,984

Balance of pension trust assets (JPY trillion)

TB



## FY2020 progress and key performance indicators (KPIs) Asset administration

# 1. Strengthening framework for offering asset administration services

TB

### Main initiatives in FY2020

#### ■ Strengthening framework for offering asset administration services

Mizuho Trust & Banking is working to strengthen our framework for offering asset administration services by developing asset administration specialists and sales personnel expertise through education and training for bank employees and external seminars.

#### ■ Improving service quality and developing new services

In cooperation with the Custody Bank of Japan, our outsourcing partner, we strengthened our system for providing collateral management services related to margin requirements for derivative transactions, and we digitized various procedural documents in response to the growing need for more efficient and paperless operations at asset management companies.

#### ■ Providing easy-to-understand information on asset management fees

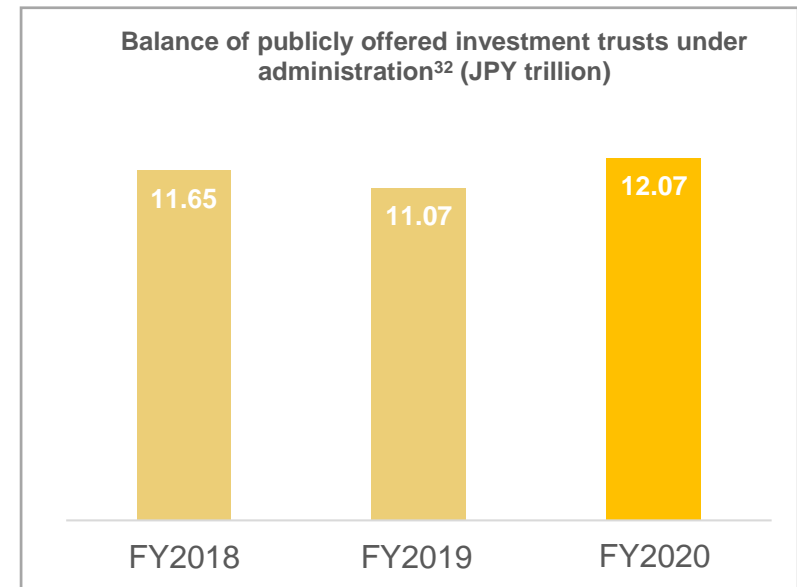
Fees are disclosed through prospectuses and investment reports prepared by the management company.

#### ■ Information services

We continue to provide information that supports asset management, including information on regulatory trends and markets worldwide.

#### ■ Balance of publicly offered investment trusts under administration

As of March 31, 2021, the balance of publicly offered investment trusts under administration was approximately JPY 12 trillion.



32. Balance of publicly offered investment trust principal for each fiscal year.

## FY2020 progress and key performance indicators (KPIs) Group management policies

# 1. Evaluating performance

FG BK TB SC

### Main initiatives in FY2020

#### ■ Evaluating performance

- Our system is designed on the concept of being customer-focused and doing what must be done in order to “think, act, and deliver”. It emphasizes fiduciary duties by incorporating customer evaluations and other measures.
- In order to prevent actions that go against fiduciary duties, such as promoting sales activities that disregard the interests of customers by placing too much priority on business performance within the company, we have established a system in which we take strict measures when such actions are discovered during business performance evaluations.

### Business performance evaluation system (priority items)

BK Award		TB Award		SC Award	
Quantitative items (50%)	<ul style="list-style-type: none"> <li>• Number of new investment customers</li> <li>• Net increase in retail investment</li> <li>• Acquisition of new group customers</li> <li>• Number of asset formation products acquired</li> <li>• Operating profits</li> </ul>	Quantitative items (70%)	<ul style="list-style-type: none"> <li>• Net increase in retail investment</li> <li>• Provision of succession consulting functions</li> <li>• Conversion to multi-tiered, group customers</li> <li>• Gross profits</li> </ul>	Quantitative items (50%)	<ul style="list-style-type: none"> <li>• Asset introduction</li> <li>• Net increase in equity investment trusts and fund wraps</li> <li>• Acquisition of new customers</li> <li>• Acquisition of new group customers</li> <li>• Revenue</li> </ul>
Qualitative items (50%)	The officer overseeing the area to which the branch belongs evaluates the progress of fiduciary duty initiatives.	Qualitative items (30%)	Efforts to improve customer satisfaction, including in fiduciary duties, are qualitatively assessed by the general manager of the department.	Qualitative items (50%)	<ul style="list-style-type: none"> <li>• Customer satisfaction</li> <li>• Compliance</li> <li>• Productivity improvement</li> <li>• Personnel development</li> </ul>

## FY2020 progress and key performance indicators (KPIs) Group management policies

# 2. Reasonability of remuneration and conflict of interest monitoring

FG BK TB SC One

### Main initiatives in FY2020

#### ■ Reasonability of remuneration and relevant fees

- Each group company not only sets remuneration and fee levels that are commensurate with its expenses incurred as a business entity, but also **develops rules for setting reasonable remuneration and fee levels that are consistent with the contents of the goods and services provided to customers**. We also implement measures such as verifying the appropriateness of service prices based on differences in the investment targets and other features of products and confirming the rationality of differences in remuneration and fee levels for each product.
- Our holding company confirms that each group company operates in accordance with the rules and regulations.

#### ■ Monitoring conflicts of interest

- In order to ensure that customers' interests are not unjustly impaired in transactions, our group identifies and categorizes the following transactions as transactions that involve the potential for conflict of interest in asset management services:

- **When our group sells an investment trust provided by a management company within the group**
- **When our group receives an fee from the provider of the investment trust in association with the sale of the investment trust**

- In FY2020 as well, we endeavored to appropriately manage conflicts of interest by **accurately ascertaining the possibility of conflicts of interest through periodic inspections** in relation to the aforementioned transactions and **taking appropriate measures in accordance with the circumstances by the following methods**.

- **Ensuring appropriate independence of our group management companies** in the selection of products for sale
- **Establishing product selection process, rational fee setting process, and appropriate business performance evaluation system** to truly meet customer needs

- In addition, our group verifies the effectiveness and appropriateness of conflict of interest management and **makes continuous efforts for improvement based on the results of such verification**. We disclose the types of transactions subject to management and the management methods so that our customers can understand them. Our holding company publishes the **Policy for the Management of Conflicts of Interest** on its website, and each group company does the same. <https://www.mizuhogroup.com/bank/coi>
- We will continue to provide easy-to-understand information on the specific details of conflicts of interest.



## FY2020 progress and key performance indicators (KPIs) Group management policies

### 3. Enhancing corporate culture (1)

FG BK TB SC One

#### Main initiatives in FY2020

- Enhancing corporate culture
  - At Mizuho, we are implementing internal training and communicating messages from executive officers in order to foster a corporate culture in which all employees share an awareness of fiduciary duty compliance and practice it faithfully.
  - We also conduct regular internal questionnaires to verify and evaluate awareness of fiduciary duty compliance.

#### Main efforts to enhance corporate culture

##### 1) Understanding and thorough implementation of fiduciary duties

- We conduct in-house training and send messages from executive officers.
- We publicize positive examples to our employees to maintain fiduciary duties through appropriate consulting with customers.

##### 2) Evaluation of fiduciary duty practices

- We institute frameworks emphasizing evaluation from customers, for example by making customer responses on customer satisfaction surveys an evaluation item for each workplace and employee (see page 38).
- In particular, we certify and evaluate financial consultants who put fiduciary duties into practice through appropriate consulting for customers and receive strong support from customers as “client first meisters” (see page 23).

##### 3) Verification and evaluation of awareness of fiduciary duties

- We periodically conduct in-house questionnaires among employees to verify and evaluate awareness of fiduciary duty compliance.

# FY2020 progress and key performance indicators (KPIs) Group management policies

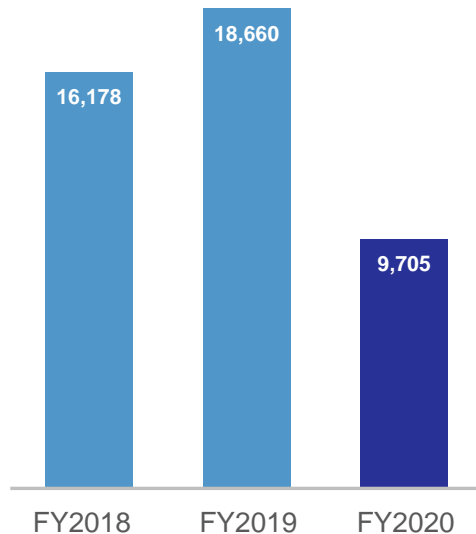
## 3. Enhancing corporate culture (2)

FG BK TB SC One

### Main initiatives in FY2020

- Responding to social needs to improve financial literacy through financial education support
  - In order to support the shift from savings to investment and asset formation from the perspective of improving financial literacy, we have set KPIs for the number of participants in financial education courses and are further strengthening our initiatives.
  - Utilizing our fundamental knowledge and experience as a financial services group, since 2005 we have been supporting financial education in primary, secondary, and higher education, as well as in training for local governments, corporate employees, and the general public.
  - In fiscal 2020, due to the impact of the COVID-19 pandemic, the number of financial education participants decreased to 9,705. In response to the changing environment, we made efforts to promptly set up online classes and to expand online educational tools.

Number of participants enrolled in financial education courses



### Online classes



Real-time interactive classes

Participant questions are answered immediately. We are also working to improve communication.

### On demand courses



Learning resources example: Audio is added to the slide to make it a video.

### Cooperation in publishing books for public libraries

**First Finance Course**  
Four volumes  
 (1) Learn about money  
 (2) Use money  
 (3) Save money  
 (4) Make money  
 Publication: Bunken Shuppan (Keirinkan), Shinko Shuppansha



### Development of digital teaching materials

In secondary education, the Ministry of Economy, Trade and Industry is promoting the development of digital teaching materials (STEAM library). As part of this project, we are developing teaching materials together with Waseda University. This is the first such effort by a financial institution.

<https://www.steam-library.go.jp/content/9>  
(Japanese only)



# FY2021 action plan

## Sales

### Building appropriate product lines in response to customers' needs

- We will establish a product provision structure by bringing together and fully utilizing the resources and functions of Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities.
- Based on a medium- to long-term investment perspective which includes building assets to prepare for the future in an era of lengthening lifespans, we will improve the process employed to introduce, improve, and discontinue products so as to maintain a high-quality product lineup that meets customers' diverse needs.
- We will provide optimal products to our customers by strengthening our group-wide product selection system.

### Offering investment products via our customer consulting services

- We will build a system for enhancing the sophistication of our comprehensive asset consulting by thoroughly listening to customers' investment goals and asset and liability status, conducting various analyses, and accurately ascertaining the degree of risk acceptable to customers.
- We will enhance the provision of honest information that is clear and does not cause misunderstanding so that customers can select products that meet their needs.
- In order to provide high value-added services to customers, we will further enhance our product proposal and explanation methods by utilizing system tools that support the achievement of goals and by further standardizing the product provision process.
- We will continue to explore and actively utilize the latest technologies in order to upgrade our consulting methods to meet the diverse asset management needs of our customers and their purchasing channels, such as over the counter and online.
- We will endeavor to provide easy-to-understand information regarding commissions and to operate and improve monitoring of consulting processes.

### Attentive follow-up services to help customers achieve their goals

- By regularly checking the status of customers' assets and other assets and enhancing after-sales service related to portfolio diagnosis based on each customer's investment goals, we will dispel customers' concerns and promote and enhance appropriate provision of information and advice, as well as respond in a courteous manner tailored to each customer.
- In order to further enhance the reliability of our business operations, we will promote system support, including the upgrading of administrative procedures and the computerization of forms.
- In order to implement more detailed follow-up, we will strengthen the follow-up system for the status of customer assets through online assistance and call centers.

### Laying foundations to help customers invest with confidence and steadily build their assets

- In order to support customers' investment decisions, we will provide information, seminars, and other opportunities for our customers to improve their financial and investment knowledge and gather market information.
- In order to provide appropriate and accurate consulting services to meet the diverse asset management needs of our customers, we will reinforce the education of our sales staff, continually foster their awareness of asset management needs, and advance business performance-based evaluations.
- We will strengthen our efforts to further enhance customer satisfaction through the collection, analysis, and utilization of customer feedback.

# FY2021 action plan

## Asset management / product development

### Advanced operations

- We will strategically develop personnel who are dedicated to asset management and who will lead the next generation in order to promote the improvement of investment decision-making and analytical expertise and continually provide services with high added value to customers.
- In order to provide optimal solutions for customers' asset management needs, we will implement initiatives that contribute to the enhancement of asset management.
- Through medium- to long-term engagement and the exercise of voting rights, we will enhance ESG initiatives and stewardship activities so as to contribute to improvement in the corporate value of the companies in our investment portfolio and to the growth of the overall stock market.

### Continuous efforts to improve product quality and develop products that meet customer needs

- We will work to continuously improve product quality and product development through appropriate risk management and monitoring of products and selective allocation of asset management resources to products that meet the high-level needs of customers, including long-term holding needs.
- We will clarify product characteristics and potential customer attributes and provide products suitable for our customers in collaboration with our distributors.
- We will continue initiatives to reflect customer feedback into our product development and in the explanatory materials for customers.
- We will work to provide easy-to-understand information about the relationship between the fees paid by customers and the services we provide.

### Providing information and enhancing services with the customer's best interest in mind

- To meet the diversifying needs of institutional investors as the market environment changes, we will provide timely and easy-to-understand financial market information and detailed consulting services.
- We will enhance information dissemination and investment education opportunities through seminars and events for customers. We will also strive to provide easy-to-understand materials and information that reflect the customer's perspective.
- We will expand market-related information, product information, and content for improving financial and investment knowledge, utilizing online tools.
- We will provide financial services that respond to diversifying lifestyles.

### Strengthening corporate governance

- We will ensure and maintain appropriate management independence between the holding company and the group's distributors through the governance structure functions within business policy committees such as the Board of Directors, Audit & Supervisory Committee, and Responsible Investment Committee.
- We will establish an operating system that puts the customer's interests first and strengthen internal controls.
- We will maintain and improve highly transparent new product development processes to develop products that meet the needs of our customers.

# FY2021 action plan

## Asset administration

### Strengthening asset administration services

- In order to appropriately respond to changes in regulations and frameworks, as well as new investment methods and targets, we will continue to develop systematic administrative and IT system infrastructures.
- We will strategically develop next-generation expertise and "asset management experts" with advanced IT skills.

### Initiatives to improve service quality and develop new services

- We will respond swiftly to new methods of asset management and new investment options to proactively support our clients' new initiatives from an asset administration perspective.
- We will increase interaction with clients so that their feedback, such as their asset administration needs and their evaluations of our services, are reflected in our business management strategies.

### Enhancing the provision of information in support of customers' investment activities

- We are working to enhance our provision of a variety of information services to customers, such as for regulations, individual jurisdiction market systems, and investment products.

# FY2021 action plan

## Group management policies

### Corporate governance

- We will maintain corporate governance systems to ensure the appropriate levels of management independence between the holding company and the group's asset management companies, as well as between the group's distributors and asset management companies.
- The holding company and group companies will provide regular internal reports on the status of compliance with the action plan.

### Evaluating performance

- We will establish a performance evaluation system at the holding company and each group company to gauge how well we are fulfilling our fiduciary duties based on customer-focused business management.

### Reasonability of remuneration and relevant fees

- We will set rules and regulations for reasonable levels of remuneration, fees, and commissions, according to the nature of the products and services provided by group companies to customers.

### Monitoring conflicts of interest

- We will verify the effectiveness and suitability of our systems for monitoring conflicts of interest and will continually work to implement improvements based on our findings.

### Enhancing corporate culture

- We will utilize incentive frameworks at group companies and internal communication initiatives to foster a corporate culture that encourages all employees to be aware of and fulfill their fiduciary duties.
- We will proactively use our knowledge and expertise as a financial services consulting group to support financial education and contribute to better financial literacy.

# KPI summary

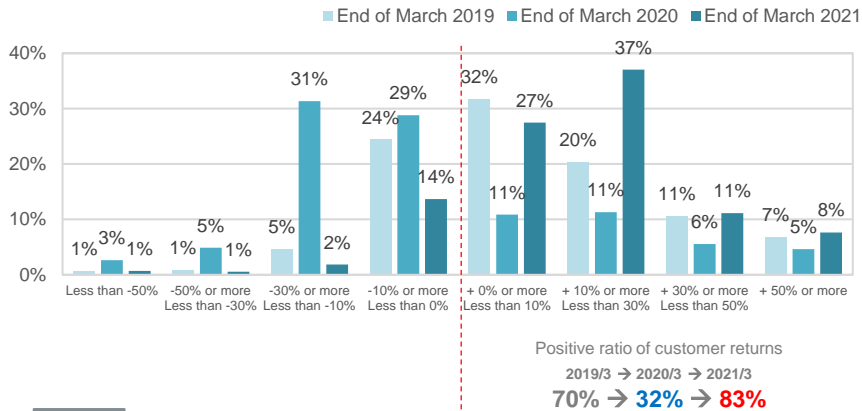
	Fulfilling our fiduciary duties			Positive and trustworthy public image			Results		
	KPI	March 31, 2020	March 31, 2021	KPI	March 31, 2020	March 31, 2021	KPI	March 31, 2020	March 31, 2021
Sales	Number of personnel with professional qualifications	16,852 persons	<b>17,546 persons</b>	Customer satisfaction surveys	Satisfied/ Somewhat satisfied 67%	<b>Satisfied/ Somewhat satisfied 69%</b>	Balance of assets under management	JPY 20.9 trillion	<b>JPY 26 trillion</b>
		Number of customers using our investment products	2.27 million people				<b>2.3 million people</b>		
		Ratio of customers receiving different percentage ranges of returns, including realized returns, for publicly offered investment trusts	40.7%				<b>85.0%</b>		
		Average holding period for investment trusts	3.7 years				<b>4.1 years</b>		
Asset management product development	Number of funds with a rating of 4 stars or higher	63 funds	<b>91 funds</b>	Number of funds which have received awards	45 funds	<b>53 funds</b>	Balance of funds in publicly offered and privately placed investment trusts	JPY 15.1 trillion	<b>JPY 18.3 trillion</b>
		Number of companies involved in our engagement activities	192 companies				<b>205 companies</b>		
			Number of publicly offered investment trusts in different balance ranges				Less than JPY 1 billion	199 funds	<b>176 funds</b>
	JPY 10 to 100 billion	363 funds		<b>379 funds</b>					
	JPY 100 billion or more	18 funds	<b>24 funds</b>						
	Average balance per publicly offered investment trust	JPY 13.4 billion	<b>JPY 19.4 billion</b>	Survey of satisfaction among investment trust companies	2nd place	<b>2nd place</b>	Balance of funds invested in installment-type NISA	JPY 85.4 billion	<b>JPY 198.4 billion</b>
	Total number of seminar attendees	28,275 persons	<b>8,055 persons</b>				Balance of pension trust assets	JPY 4.6 trillion	<b>JPY 5.2 trillion</b>
Asset administration						Balance of publicly offered investment trusts under administration	JPY 11.1 trillion	<b>JPY 12.1 trillion</b>	
Group management policies	Number of participants enrolled in financial education courses	18,660 persons	<b>9,705 persons</b>						

# Common KPIs (1)

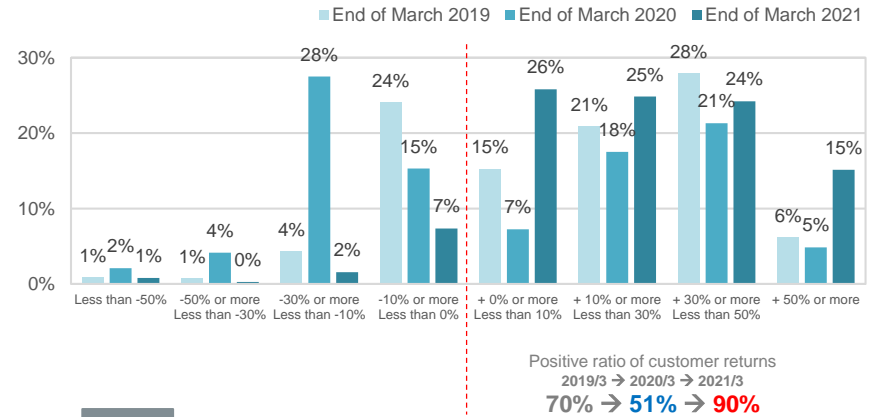
## Ratio of customers receiving different percentage ranges of returns for investment trust funds/fund wraps<sup>33</sup>

As of the end of March 2021, the positive Ratio of customers receiving different percentage ranges of returns for investment trust funds/fund wraps recovered from the market deterioration resulting from the COVID-19 pandemic and increased from the previous fiscal year.

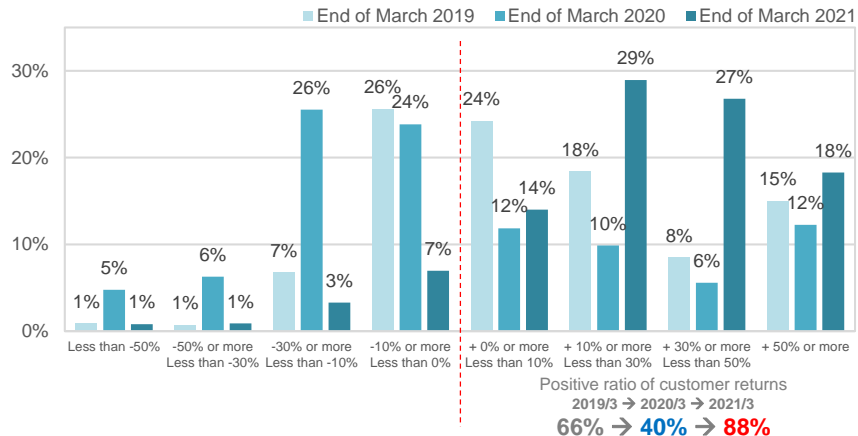
### BK Investment trusts



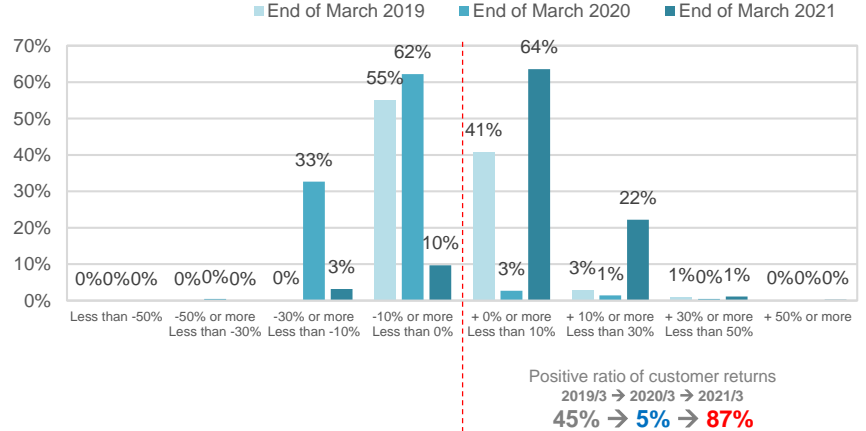
### TB Investment trusts



### SC Investment trusts



### SC Fund wraps



33. Distribution of profit/loss ratios calculated by dividing the total return on the investment trust based on the total return notification system by the appraised value at base date. Includes cumulative investment gains/losses since the time of purchase for investment trusts and fund wraps held by individual clients as of the end of March 2019, March 2020, and March 2021. (BK/TB since December 1998, SC investment trusts since April 2007, and fund wraps since June 2008) Excludes ETFs, listed REITs, bond investment trusts, and investment trusts purchased through defined contribution pension plans. Because the above figures are rounded to the first decimal place, the total value may not equal 100%.

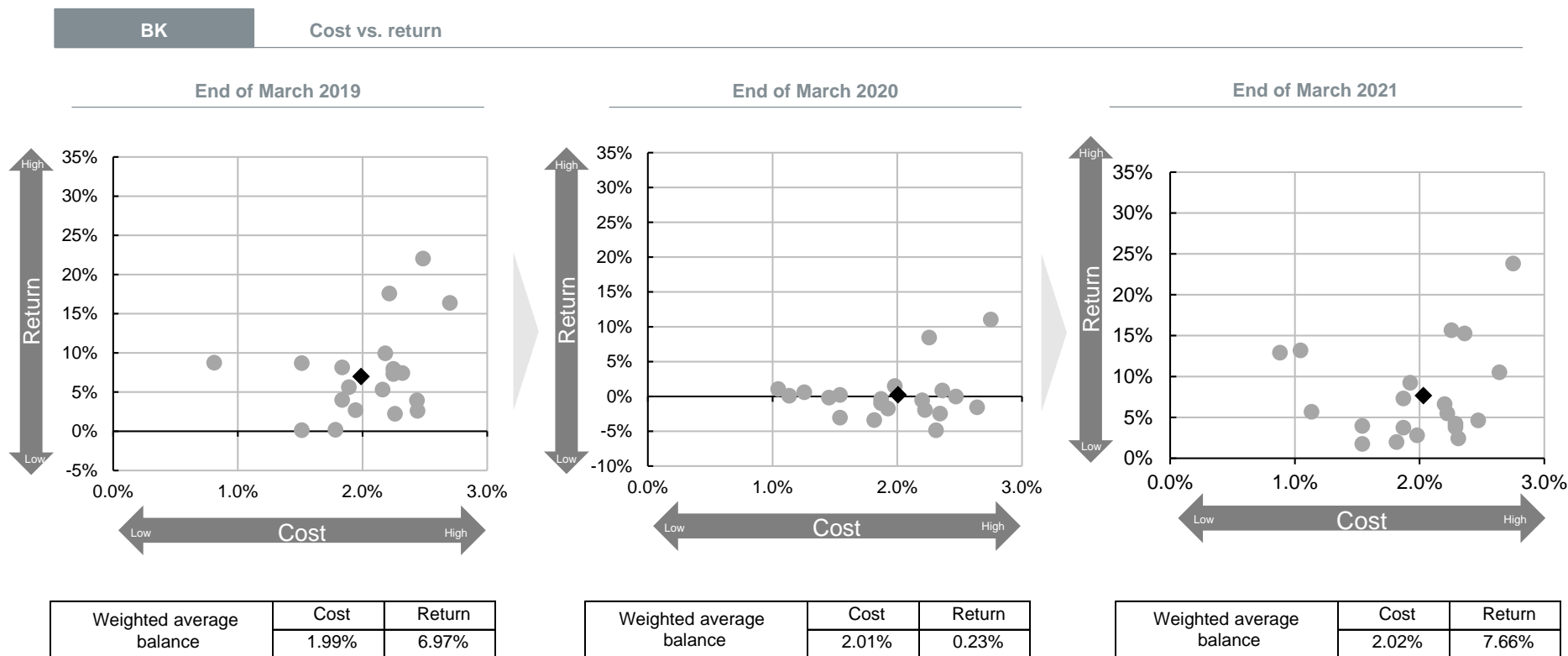
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## Common KPIs (2)

### Cost vs. return of the best-selling investment products in terms of the balance of investment trust assets under management<sup>34</sup>

Mizuho Bank recorded an increase in the average value for both year-on-year costs and returns for its top 20 investment trusts in terms of balance.



34. Target fund: Top 20 funds in terms of outstanding BK balance (OTC sales, intermediary transactions, referral transactions) among investment trusts that have been established for five years or more.

(◆: Indicates weighted average of the 20 funds.)

Excludes DC funds, fund wrap funds, ETFs, listed REITs, bond investment trusts, and foreign currency-denominated investment trusts.

Period: Past five years, retroactive to the respective base date (end of March each year). Return and risk is annualized. Calculated based on monthly data of dividend reinvestment net asset value.

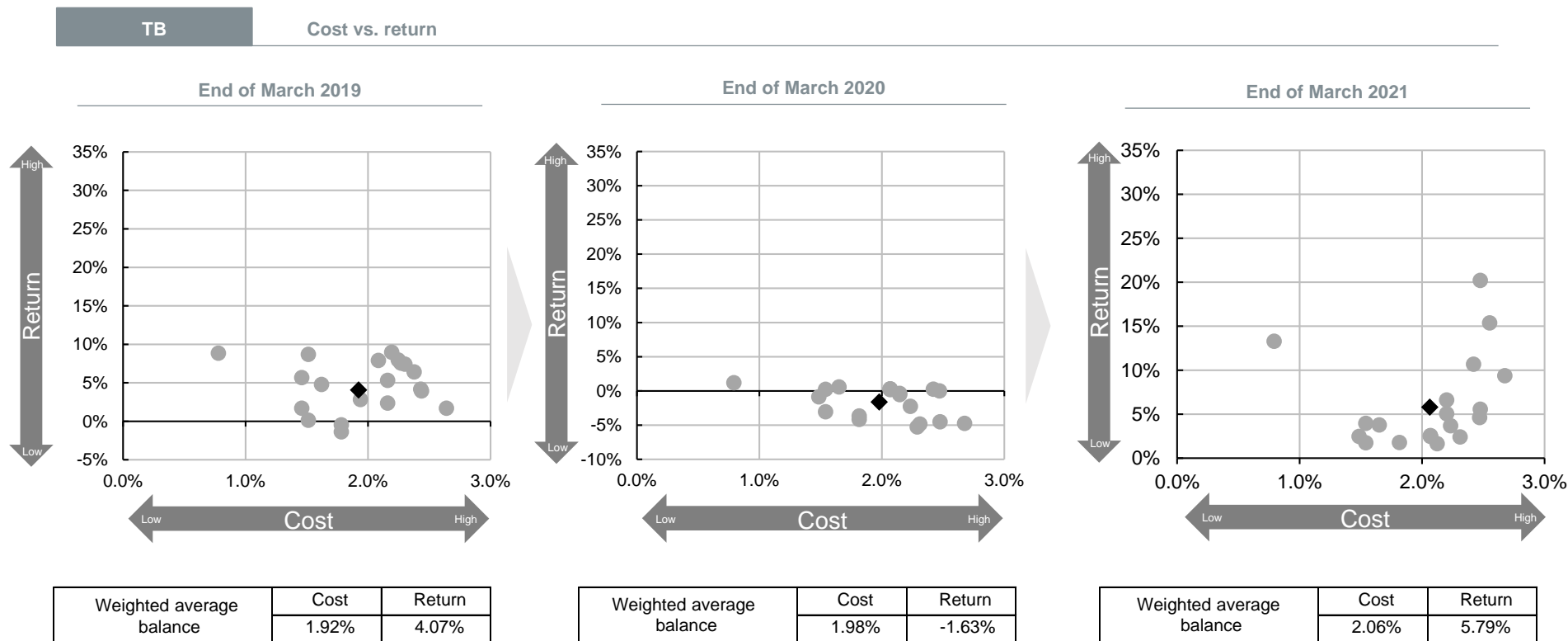
Costs are (commission on sale ÷ 5) + trust fees (annual rate). Commission at the time of sale is the maximum value in BK, and trust fee (annual rate) is the upper limit of the effective trust fees rate stated in prospectus.

The above does not indicate or guarantee future return or risk of BK-managed investment trusts.

## Common KPIs (2)

### Cost vs. return of the best-selling investment products in terms of the balance of investment trust assets under management<sup>35</sup>

Mizuho Trust & Banking recorded an increase in the average value for both year-on-year costs and returns for its top 20 investment trusts in terms of balance.



35. Target fund: Top 20 funds in terms of outstanding TB balance (OTC sales, intermediary transactions, referral transactions) among investment trusts that have been established for five years or more.

(◆: Indicates weighted average of the 20 funds.)

Excludes DC funds, fund wrap funds, ETFs, listed REITs, bond investment trusts, and foreign currency-denominated investment trusts.

Period: Past five years, retroactive to the respective base date (end of March each year). Return and risk is annualized. Calculated based on monthly data of dividend reinvestment net asset value.

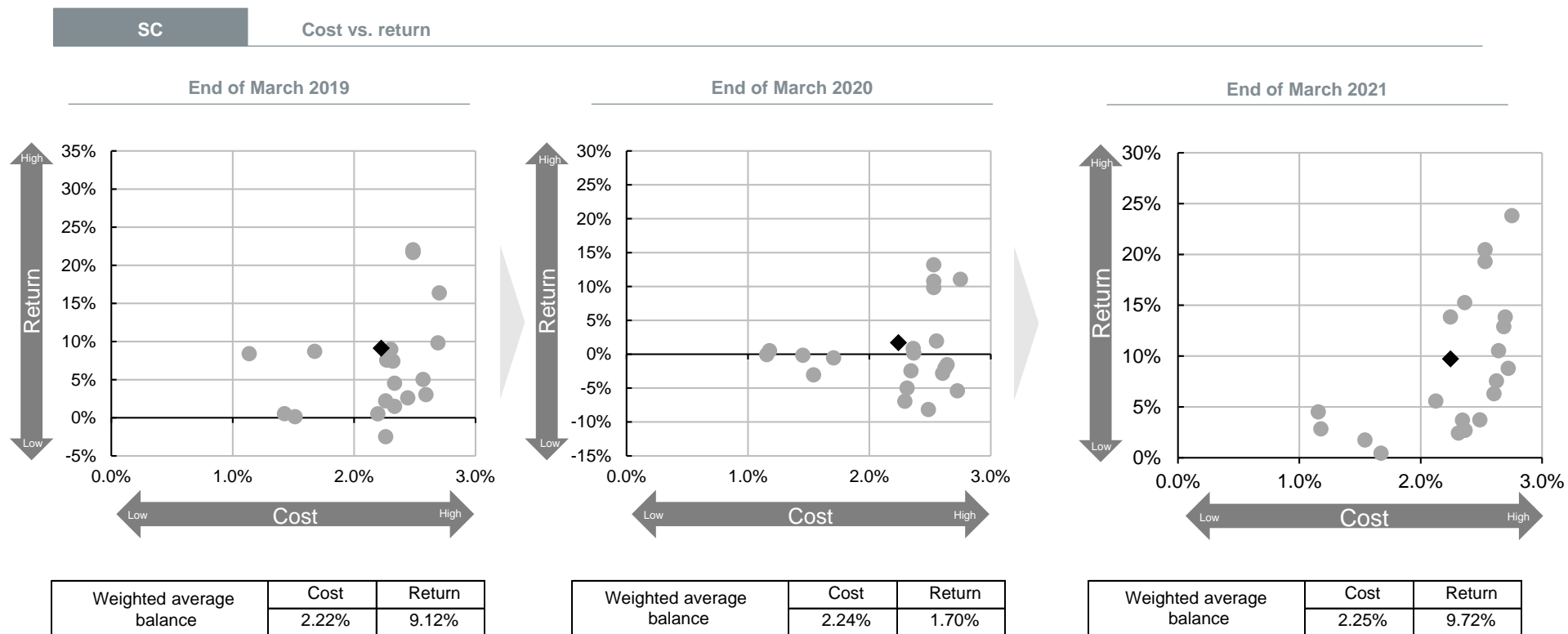
Costs are (commission on sale ÷ 5) + trust fees (annual rate). Commission at the time of sale is the maximum value in TB, and the trust fee (annual rate) is the upper limit of the effective trust fee rate stated in prospectus.

The above does not indicate or guarantee future return or risk of TB-managed investment trusts.

## Common KPIs (2)

### Cost vs. return of the best-selling investment products in terms of the balance of investment trust assets under management<sup>36</sup>

Mizuho Securities recorded an increase in the average value for both year-on-year costs and returns for its top 20 investment trusts in terms of balance.



36. Target fund: Top 20 funds in terms of outstanding SC balance (OTC sales, intermediary transactions, referral transactions) among investment trusts that have been established for five years or more.

(◆: Indicates weighted average of the 20 funds.)

Excludes DC funds, fund wrap funds, ETFs, listed REITs, bond investment trusts, and foreign currency-denominated investment trusts.

Period: Past five years, retroactive to the respective base date (end of March each year). Return and risk is annualized. Calculated based on monthly data of dividend reinvestment net asset value.

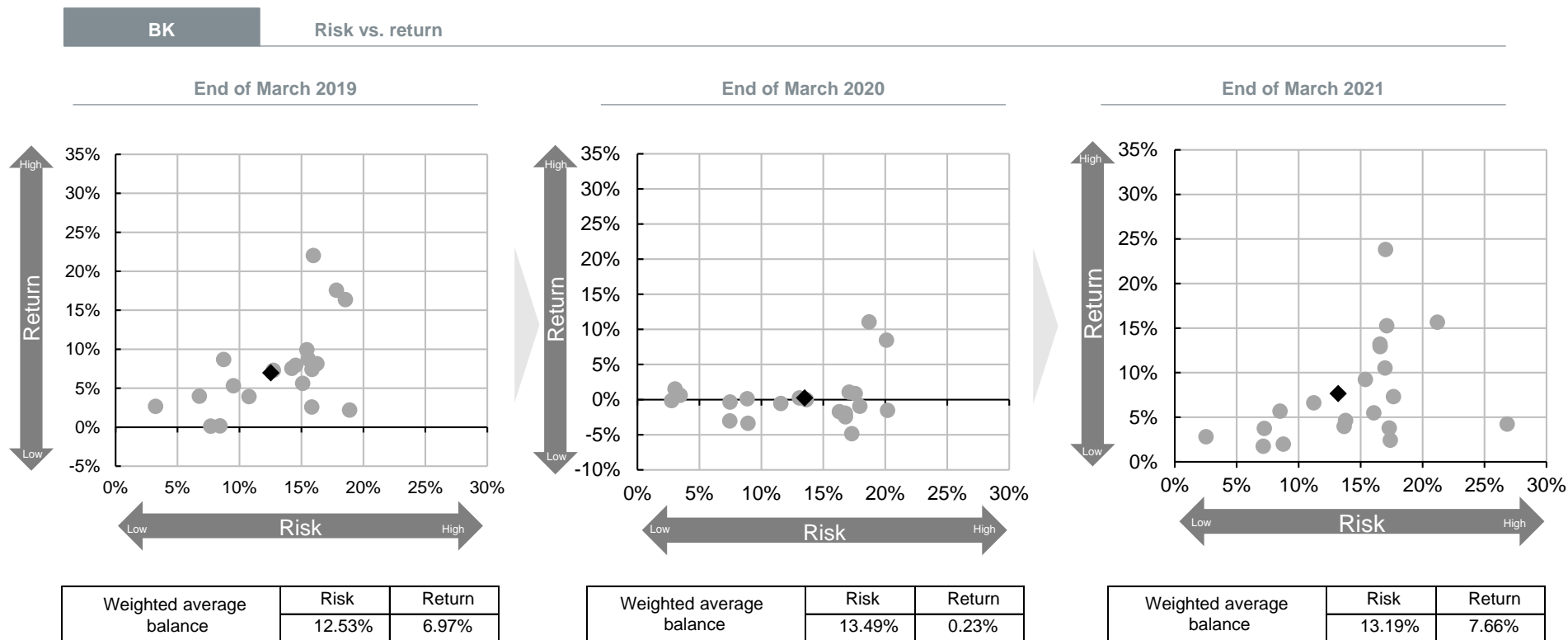
Costs are (commission on sale ÷ 5) + trust fees (annual rate). Commission at the time of sale is the maximum value at SC, and the trust fees (annual rate) is the upper limit of the effective trust fee rate stated in prospectus.

The above does not indicate or guarantee future return or risk of SC-managed investment trusts.

# Common KPIs (3)

## Risk vs. return of the best-selling investment products in terms of the balance of investment trust assets under management<sup>37</sup>

At Mizuho Bank, the average value declined for risk and increased for returns compared to the previous fiscal year for the top 20 investment trusts in terms of balance.



37. Target fund: Top 20 funds in terms of outstanding BK balance (OTC sales, intermediary transactions, referral transactions) among investment trusts that have been established for five years or more.

(◆: Indicates weighted average of the 20 funds.)

Excludes DC funds, fund wrap funds, ETFs, listed REITs, bond investment trusts, and foreign currency-denominated investment trusts.

Period: Past five years, retroactive to the respective base date (end of March each year). Return and risk is annualized. Calculated based on monthly data of dividend reinvestment net asset value.

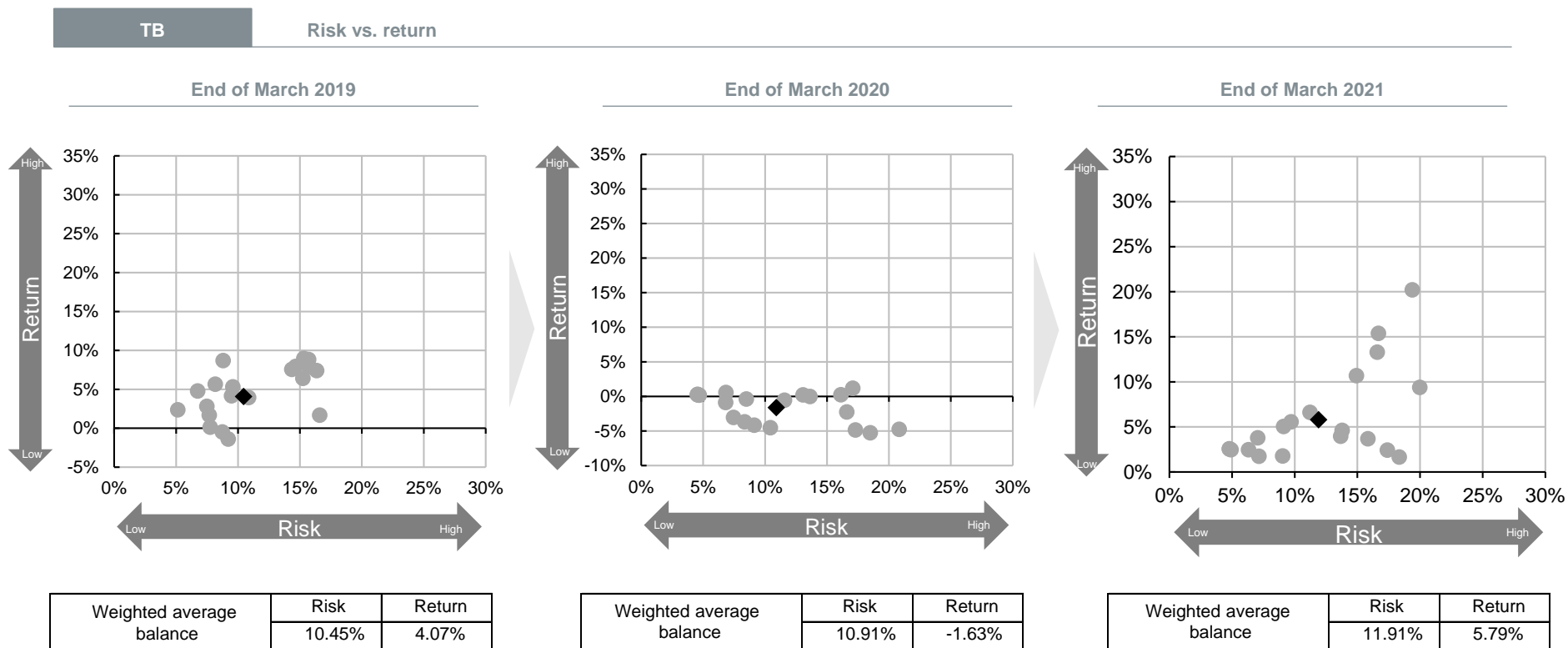
Costs are (commission on sale ÷ 5) + trust fees (annual rate). Commission at the time of sale is the maximum value at BK, and the trust fee (annual rate) is the upper limit of the effective trust fees rate stated in prospectus.

The above does not indicate or guarantee future return or risk of BK-managed investment trusts.

# Common KPIs (3)

## Risk vs. return of the best-selling investment products in terms of the balance of investment trust assets under management<sup>38</sup>

At Mizuho Trust & Banking, the average value increased for both risk and return compared to the previous fiscal year for the top 20 investment trusts in terms of balance.



38. Target funds: Top 20 funds in terms of outstanding TB balance (OTC sales, intermediary transactions, referral transactions ) among investment trusts that have been established for five years or more. (◆: Indicates weighted average of the 20 funds.)

Excludes DC funds, fund wrap funds, ETFs, listed REITs, bond investment trusts, and foreign currency-denominated investment trusts.

Period: Past five years, retroactive to the respective base date (end of March each year). Return and risk is annualized. Calculated based on monthly data of dividend reinvestment net asset value.

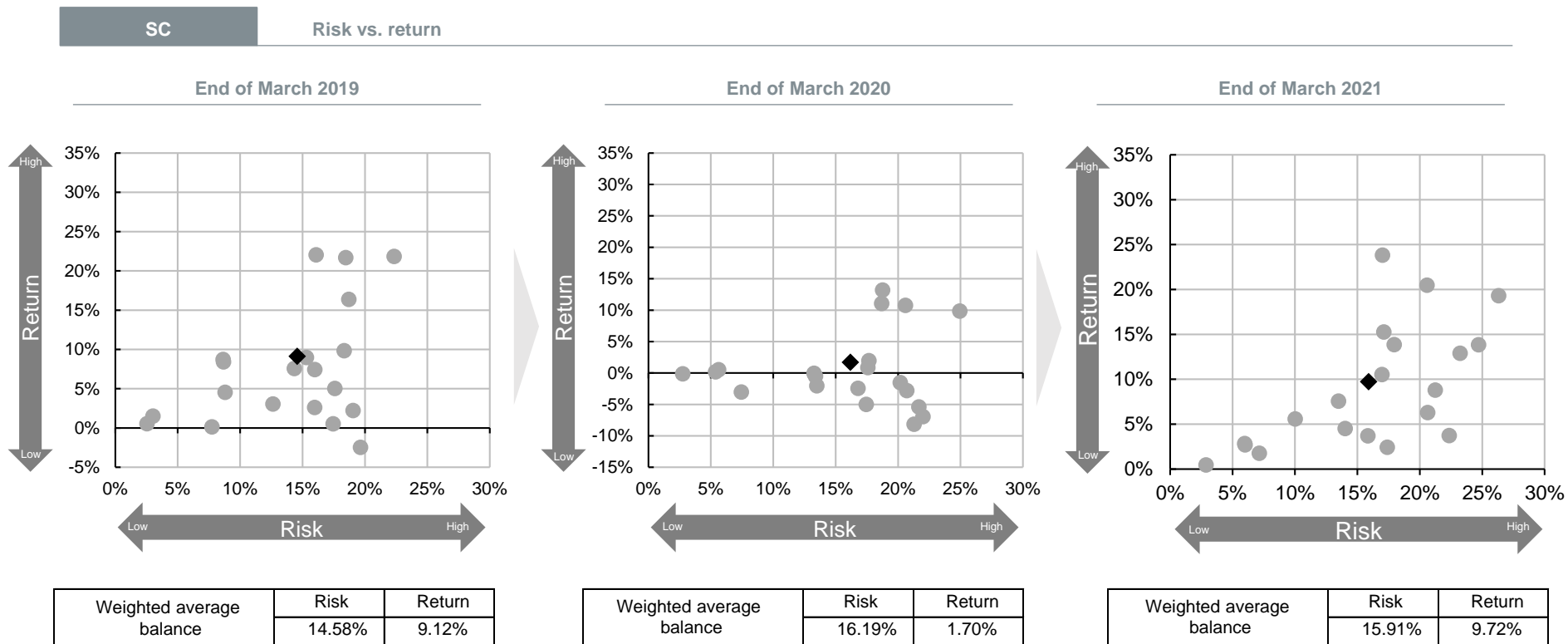
Costs are (commission on sale ÷ 5) + trust fees (annual rate). Commission at the time of sale is the maximum value at TB, and the trust fee (annual rate) is the upper limit of the effective trust fee rate stated in prospectus.

The above does not indicate or guarantee future return or risk of TB-managed investment trusts.

# Common KPIs (3)

## Risk vs. return of the best-selling investment products in terms of the balance of investment trust assets under management<sup>39</sup>

At Mizuho Securities, the average value declined for risk and increased for returns compared to the previous fiscal year for the top 20 investment trusts in terms of balance.



39. Target funds: Top 20 funds in terms of outstanding SC balance (OTC sales, intermediary transactions, referral transactions) among investment trusts that have been established for five years or more. (◆: Indicates weighted average of the 20 funds.)

Excludes DC funds, fund wrap funds, ETFs, listed REITs, bond investment trusts, and foreign currency-denominated investment trusts.

Period: Past five years, retroactive to the respective base date (end of March each year). Return and risk is annualized. Calculated based on monthly data of dividend reinvestment net asset value.

Costs are (commission on sale ÷ 5) + trust fees (annual rate). Commission at the time of sale is the maximum value at SC, and the trust fee (annual rate) is the upper limit of the effective trust fee rate stated in prospectus.

The above does not indicate or guarantee future returns or risks of SC-managed investment trusts.

# Common KPIs (4)

## Details of the top 20 investment funds in terms of balance

BK

Details of the top 20 investment funds in terms of balance

End of March 2020

	Fund name	Cost	Return	Risk
1	Mizuho Australian Dollar Bond Fund	1.82%	-3.37%	8.91%
2	Pictet Global Income Equity Fund (monthly dividend type)	2.47%	0.00%	13.62%
3	netWIN Goldman Sachs Internet Strategy Fund Course B (without currency hedging)	2.75%	11.06%	18.68%
4	LaSalle Global REIT Fund (monthly dividend type)	2.31%	-4.84%	17.29%
5	MHAM Equity Index Fund 225	1.05%	1.08%	17.08%
6	Mizuho J-REIT Fund	1.54%	0.24%	13.06%
7	Mizuho US High Yield Open Course B (without currency hedging)	2.20%	-0.54%	11.56%
8	Daiwa US-REIT Open (monthly settlement) Course B (no currency hedging)	2.22%	-1.93%	16.77%
9	Investment Sommelier	1.98%	1.52%	3.02%
10	DIAM High Rating Income Open (monthly settlement course)	1.54%	-3.03%	7.44%
11	MHAM Japan Growth Equity Open	2.26%	8.48%	20.09%
12	Mizuho High Dividend Japan Equity Open	1.87%	-0.93%	17.94%
13	Capital Global Equity	2.36%	0.87%	17.57%
14	Medical Science Fund	2.64%	-1.53%	20.17%
15	World 8 Asset Fund Distribution Course	1.87%	-0.34%	7.46%
16	Tokio Marine Nippon World Bond Fund (currency hedged)	1.45%	-0.14%	2.75%
17	BlackRock Index Investment Strategy Fund	1.13%	0.13%	8.85%
18	Shinko US-REIT Open	2.34%	-2.44%	16.78%
19	DIAM Undervalued Japanese Equity Fund	1.93%	-1.70%	16.29%
20	Tokio Marine Yen Asset Balance Fund (annual settlement type)	1.25%	0.62%	3.44%
	Average	2.01%	0.23%	13.49%

End of March 2021

	Fund name	Cost	Return	Risk
1	investment sommelier	1.98%	2.82%	2.52%
2	netWIN Goldman Sachs Internet Strategy Fund Course B (without currency hedging)	2.75%	23.83%	17.00%
3	Mizuho Australian Dollar Bond Fund	1.82%	1.99%	8.76%
4	Pictet Global Income Equity Fund (monthly dividend type)	2.47%	4.63%	13.78%
5	LaSalle Global REIT Fund (monthly dividend type)	2.31%	2.43%	17.39%
6	Mizuho J-REIT Fund	1.54%	3.97%	13.66%
7	MHAM Equity Index Fund 225	0.83%	13.21%	16.57%
8	Mizuho US High Yield Open Course B (without currency hedging)	2.20%	6.62%	11.21%
9	Daiwa US-REIT Open (monthly settlement) Course B (no currency hedging)	2.22%	5.50%	16.06%
10	Capital Global Equity	2.36%	15.27%	17.11%
11	Mizuho High Dividend Japan Equity Open	1.87%	7.32%	17.65%
12	DAIM High Ratings Income Open (monthly settlement course)	1.54%	1.76%	7.14%
13	MHAM Japan Growth Equity Open	2.26%	15.67%	21.19%
14	World 8 Asset Fund Distribution Course	1.87%	3.75%	7.23%
15	DIAM cheap Japanese stock fund	1.93%	9.25%	15.38%
16	DIAM World Leading Income Open	2.29%	3.79%	17.31%
17	Medical Science Fund	2.64%	10.53%	16.96%
18	Nikkei 225 No Road Open	0.88%	12.93%	16.58%
19	BlackRock Index Investment Strategy Fund	1.13%	5.70%	8.49%
20	DIAM Australia REIT Open	2.29%	4.23%	26.82%
	Average	2.02%	7.66%	13.19%

# Common KPIs (4)

## Details of the top 20 investment funds in terms of balance

TB

Details of the top 20 investment funds in terms of balance

End of March 2020

	Fund name	Cost	Return	Risk
1	Goldman Sachs Monthly Dividend Bond Fund	1.49%	-0.86%	6.81%
2	Pictet Global Income Equity Fund (monthly dividend type)	2.47%	0.00%	13.62%
3	Mizuho US High Yield Open Course B (without currency hedging)	2.15%	-0.54%	11.56%
4	DIAM High Rating Income Open (monthly settlement course)	1.54%	-3.03%	7.44%
5	LaSalle Global REIT Fund (monthly dividend type)	2.31%	-4.84%	17.29%
6	Eastspring U.S. High Yield corporate bonds Open	2.48%	-4.50%	10.42%
7	High-grade Oceania Bond Open (monthly dividend)	1.82%	-4.15%	9.11%
8	Stock Index Fund 225	0.79%	1.20%	17.07%
9	Shinko US-REIT Open	2.23%	-2.24%	16.59%
10	Shinko Pimco Strategic Income Fund (February issue)	2.07%	0.29%	4.54%
11	Shinko Pimco Strategic Income Fund (December issue)	2.07%	0.29%	4.54%
12	Goldman Sachs US REIT Fund Course B (Monthly distribution type, without currency hedge)	2.29%	-5.25%	18.48%
13	Pictet Emerging Country Income Equity Fund (monthly settlement type)	2.68%	-4.74%	20.82%
14	Mizuho US High Yield Open Course A (currency hedged)	2.15%	-0.36%	8.48%
15	Shinko Pimco Strategic Income Fund March	2.07%	0.20%	4.68%
16	Shinko Pimco Strategic Income Fund (January issue)	2.07%	0.26%	4.54%
17	Mizuho J-REIT Fund	1.54%	0.24%	13.06%
18	MHAM Trinity Open (monthly settlement type)	1.65%	0.59%	6.83%
19	Daiwa High-Rated Canadian Bond Open (monthly dividend type)	1.82%	-3.66%	8.34%
20	Goldman Sachs Japan Equity Fund (auto reinvest)	2.42%	0.25%	16.11%
	Average	1.98%	-1.63%	10.91%

End of March 2021

	Fund name	Cost	Return	Risk
1	Pictet Global Income Equity Fund (monthly dividend type)	2.47%	4.63%	13.78%
2	Goldman Sachs Monthly Dividend Bond Fund	1.49%	2.48%	6.30%
3	DAIM High Ratings Income Open (monthly settlement course)	1.54%	1.76%	7.14%
4	Global Security Equity Fund (3-month settlement type)	2.55%	15.39%	16.67%
5	Mizuho US High Yield Open Course B (without currency hedging)	2.20%	6.62%	11.21%
6	LaSalle Global REIT Fund (monthly dividend type)	2.31%	2.43%	17.39%
7	Eastspring U.S. High Yield corporate bonds Open	2.48%	5.57%	9.70%
8	High-grade Oceania Bond Open (monthly dividend)	1.82%	1.79%	9.03%
9	Robot Technology Equity Fund	2.48%	20.22%	19.38%
10	Stock Index Fund 225	0.79%	13.31%	16.58%
11	Shinko US-REIT Open	2.23%	3.70%	15.83%
12	Goldman Sachs US REIT Fund Course B (monthly distribution type, without currency hedge)	2.12%	1.66%	18.33%
13	Shinko Pimco Strategic Income Fund (February issue)	2.07%	2.58%	4.77%
14	Pictet Emerging Country Income Equity Fund (monthly settlement course)	2.68%	9.39%	19.97%
15	Mizuho J-REIT Fund	1.54%	3.97%	13.66%
16	Shinko Pimco Strategic Income Fund (December issue)	2.07%	2.56%	4.78%
17	Mizuho US High Yield Open Course A (without currency hedging)	2.20%	5.06%	9.10%
18	Goldman Sachs Japan Equity Fund (auto reinvest)	2.42%	10.70%	14.92%
19	MHAM Trinity Open Fund (Monthly Settlement Type)	1.65%	3.79%	7.04%
20	Shinko Pimco Strategic Income Fund March	2.07%	2.48%	4.91%
	Average	2.06%	5.79%	11.91%



# Common KPIs (4)

## Details of the top 20 investment funds in terms of balance

SC

Details of the top 20 investment funds in terms of balance

End of March 2020

	Fund name	Cost	Return	Risk
1	netWIN Goldman Sachs Internet Strategy Fund Course B (without currency hedging)	2.75%	11.06%	18.68%
2	Shinko US-REIT Open	2.34%	-2.44%	16.78%
3	Shinko J-REIT Open	1.16%	-0.04%	13.26%
4	Capital Global Equity Fund	2.36%	0.87%	17.57%
5	Nissay Australia High Dividend Equity Fund (monthly settlement type)	2.49%	-8.15%	21.28%
6	New Growth Equity Fund	2.53%	13.20%	18.75%
7	Global Allocation Fund Monthly Closing Course (without currency hedging) (target payout type)	2.62%	-2.03%	13.49%
8	Tokio Marine Nippon World Bond Fund (currency hedged)	1.45%	-0.14%	2.75%
9	Developed Countries Investment Grade Bond Fund (currency hedged)	1.18%	0.53%	5.62%
10	World High Dividend Equity Select (Target Payout Type) (monthly settlement course without currency hedging)	2.60%	-2.80%	20.69%
11	small-cap fund	2.53%	9.86%	24.94%
12	LaSalle Global REIT Fund (monthly dividend type)	2.31%	-4.99%	17.45%
13	Medical Science Fund	2.64%	-1.53%	20.17%
14	MHAM Emerging Growth Equity Open	2.53%	10.77%	20.58%
15	Hybrid Securities Fund Yen Course	2.37%	0.18%	5.37%
16	DIAM High Rating Income Open (monthly settlement course)	1.54%	-3.03%	7.44%
17	JS Carefully Selected Growth Equity Concentrated Investment Fund Course B (without currency hedging)	2.55%	1.97%	17.66%
18	DIAM Strategic J-REIT Fund	1.71%	-0.52%	13.38%
19	DWS Europe High Yield Bond Fund (currency selection type) Turkish Lira Course (monthly dividend type)	2.29%	-6.94%	21.99%
20	Shinko Pure India Equity Fund	2.73%	-5.39%	21.66%
	Average	2.24%	1.70%	16.19%

End of March 2021

	Fund name	Cost	Return	Risk
1	Shinko US-REIT Open	2.34%	3.70%	15.83%
2	netWIN Goldman Sachs Internet Strategy Fund Course B (without currency hedging)	2.75%	23.83%	17.00%
3	Shinko J-REIT Open	1.16%	4.51%	14.02%
4	Capital Global Equity Fund	2.36%	15.27%	17.11%
5	Nissay Australia High Dividend Equity Fund (monthly settlement type)	2.49%	3.73%	22.34%
6	Global Allocation Fund Monthly Closing without Currency Hedging Course (target payout type)	2.62%	7.57%	13.48%
7	Developed Countries Investment Grade Bond Fund (currency hedged)	1.18%	2.84%	5.96%
8	PineBridge Capital Securities Fund (currency hedged)	2.12%	5.59%	10.01%
9	Tokio Marine Nippon World Bond Fund (currency hedged)	1.67%	0.45%	2.87%
10	New Growth Equity Fund	2.53%	20.48%	20.57%
11	World High Dividend Equity Select (target payout type) (monthly closing course without currency hedging)	2.60%	6.30%	20.62%
12	Mirai Reform Japan Equity Fund	2.24%	13.86%	17.94%
13	LaSalle Global REIT Fund (monthly dividend type)	2.31%	2.43%	17.39%
14	Fisher US Micro Equity Fund	2.70%	13.85%	24.70%
15	small-cap fund	2.53%	19.31%	26.31%
16	Shinko Pure India Equity Fund	2.72%	8.80%	21.23%
17	DIAM High Rating Income Open (monthly settlement course)	1.54%	1.76%	7.14%
18	Medical Science Fund	2.64%	10.53%	16.96%
19	US Small Value Equity Fund Course B (without currency hedging)	2.68%	12.90%	23.22%
20	Hybrid Securities Fund Yen Course	2.37%	2.70%	6.00%
	Average	2.25%	9.72%	15.91%

# Common KPIs summary

		BK investment trusts			TB investment trusts			SC investment trusts			SC fund wraps		
		End of March 2019	End of March 2020	End of March 2021	End of March 2019	End of March 2020	End of March 2021	End of March 2019	End of March 2020	End of March 2021	End of March 2019	End of March 2020	End of March 2021
		<b>Ratio of customers receiving different percentage ranges of returns</b>	Percentage of total receiving positive returns	70%	32%	83%	70%	51%	90%	66%	40%	88%	45%
<b>Cost vs. return of the best-selling investment products in terms of the balance of investment trust assets under management (weighted average balance)</b>	Cost	1.99%	2.01%	2.02%	1.92%	1.98%	2.06%	2.22%	2.24%	2.25%			
	Return	6.97%	0.23%	7.66%	4.07%	-1.63%	5.79%	9.12%	1.70%	9.72%			
	Risk	12.53%	13.49%	13.19%	10.45%	10.91%	11.91%	14.58%	16.19%	15.91%			