

Second-Party Opinion

Mizuho Financial Group, Inc. Green Bond Framework



Evaluation Summary

Sustainalytics is of the opinion that the Mizuho Financial Group, Inc.’s (Mizuho FG or the issuer) Green Bond Framework (the Framework) is credible and impactful and aligns with the four core components of the Green Bond Principles 2018 (GBP). This assessment is based on the following:



USE OF PROCEEDS The eligible categories for the use of proceeds – Renewable Energy, Clean Transportation, Pollution Prevention and Control, and Green Buildings – are aligned with those recognized by the GBP. Sustainalytics considers that the Eligible Green Projects will lead to positive environmental impacts and advance the UN Sustainable Development Goals 3, 7, 9 and 11.



PROJECT EVALUATION / SELECTION Mizuho FG’s eligible projects are evaluated and selected based on the defined eligibility criteria under the Framework by various department members, including Mizuho Bank, Ltd.’s Real Estate Finance Department and Project Finance Department, Mizuho FG’s Global Products Coordination Department, Global Markets Coordination Department and Financial Planning Department. This process is aligned with market practice.



MANAGEMENT OF PROCEEDS Mizuho FG will track the proceeds in its wholly-owned subsidiary Mizuho Bank, Ltd.’s internal loan data system. Mizuho Bank, Ltd. will allocate an equivalent amount of the green bond net proceeds to Eligible Green Projects. Pending allocation, the net proceeds will be held in overnight or short-term financial instruments. This procedure is in line with market practice.



REPORTING Mizuho FG intends to provide allocation and environmental impact reporting annually on its website until full allocation and as necessary thereafter in the event of new developments. Allocation report will include the amount of allocated and unallocated proceeds along with brief description of the eligible projects, current funded amounts, and funding dates. In addition, Mizuho FG commits on environmental impact indicators for renewable energy and green buildings and to receive an annual review from an independent provider. Sustainalytics views Mizuho FG’s planned reporting and commitment on annual review to be aligned with market practice and further encourages Mizuho FG to report, where feasible, on additional impact indicators for the rest of the project categories in the Framework.

Evaluation date	September 18, 2020
Issuer Location	Tokyo, Japan

Report Sections

Introduction.....	2
Sustainalytics’ Opinion	3
Appendices	10

For inquiries, contact the Sustainable Finance Solutions project team:

Wakako Mizuta (Tokyo)
Project Manager
wakako.mizuta@sustainalytics.com
(+81) 3 4510 2343

Mina Jang (Amsterdam)
Project Support
mina.jang@sustainalytics.com
(+31) 20 205 02 09

Marie Toyama (Tokyo)
Project Support
marie.toyama@sustainalytics.com
(+81) 3 4510 2343

Alignment with Japan’s Green Bond Guidelines 2020

Sustainalytics is of the opinion that the Framework is in line with Green Bond Guidelines 2020 formulated by the Ministry of the Environment, Japan. The guidelines communicate what an issuer is expected to do to issue a credible green bond. Sustainalytics assessed the alignment between the Framework and the ‘should’ items outlined in Japan’s Green Bond Guidelines 2020.

Introduction

Mizuho Financial Group, Inc. is a Japanese bank holding company providing a broad range of financial services in domestic and overseas markets. As a financial services group, Mizuho FG's business domains include Banking, Securities, Trust, Asset Management and Research. While the issuing entity is Mizuho FG, Mizuho Bank, Ltd. (Mizuho BK) is the management entity responsible for lending to Eligible Green Projects.

Mizuho FG has developed the Mizuho Financial Group, Inc. Green Bond Framework under which it intends to issue green bonds and use the proceeds to finance and/or refinance, in whole or in part, existing and/or new projects that will lead to the positive environmental impact in and outside Japan. The Framework defines eligibility criteria in four areas:

1. Renewable Energy
2. Clean Transportation
3. Pollution Prevention and Control
4. Green Buildings

Mizuho FG engaged Sustainalytics to review the Framework, in March 2020 and provide a second-party opinion on the Framework's environmental credentials and its alignment with the GBP¹ and Japan's Green Bond Guidelines 2020². A summary overview of the Framework has been provided in Appendix 1.

Scope of work and limitations of Sustainalytics Second-Party Opinion

Sustainalytics' Second-Party Opinion reflects Sustainalytics independent³ opinion on the alignment of the reviewed Framework with the current market standards and the extent to which the eligible categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework's alignment with the GBP and Japan's Green Bond Guidelines 2020;
- The credibility and anticipated positive impacts of the use of proceeds;
- The alignment of the issuer's sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.5.1, which is informed by market practice and Sustainalytics' expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of Mizuho FG's management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the Framework. Mizuho FG's representatives have confirmed (1) they understand it is the sole responsibility of Mizuho FG to ensure that the information provided is complete, accurate or up to date; (2) that they have provided Sustainalytics with all relevant information and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics' opinion of the Framework and should be read in conjunction with that Framework.

Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and Mizuho FG.

Sustainalytics' Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics' Second-Party Opinion addresses the anticipated impacts of eligible projects expected to be financed with bond proceeds but does not measure the actual impact. The

¹ International Capital Market Association (ICMA), "The Green Bond Principles 2018", at: <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>

² Ministry of the Environment, "Green Bond Guidelines, 2020", at: http://www.env.go.jp/policy/guidelines_set_version_with_cover.pdf

³ When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics' hallmarks is integrity, another is transparency.

measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner.

In addition, the Second-Party Opinion opines on the intended allocation of proceeds but does not guarantee the realised allocation of the bond proceeds towards eligible activities.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument either in favour or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that Mizuho FG has made available to Sustainalytics for the purpose of this Second-Party Opinion.

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the Mizuho FG Green Bond Framework

Summary

Sustainalytics is of the opinion that the Framework is credible and impactful, and aligns with the four core components of the GBP. Sustainalytics highlights the following elements of the Framework:

- Use of Proceeds:
 - The eligible categories for the use of proceeds, (a) Renewable Energy, (b) Clean Transportation, (c) Pollution Prevention and Control, and (d) Green Buildings, are aligned with those recognized by the GBP. For additional information, please see Section 3 for Sustainalytics' assessment of positive environmental benefits of the use of proceeds.
 - Eligible Green Projects will meet all of the conditions as follows: (i) A project meets one or more of the eligible project categories (a) to (d), (ii) for any projects under categories (a) to (c), the project must fall into Category B or Category C⁴ as defined by the Equator Principles, and (iii) project loans that have been financed by Mizuho BK within 24 months as of issue date of a relevant green bond, or will be newly financed on or after the issue date thereof.
 - Mizuho FG confirms its financing in Renewable Energy including the development, construction, and operation of renewable energy facilities which generate wind, solar, solar thermal, biomass (restricted to sustainable feedstock and/or wasted sources), geothermal energy (restricted to projects with less than 100gCO₂/kWh direct emissions), and small hydroelectric facilities with generation capacity of 25 megawatts or less or run of river hydroelectric assets without pondage. Sustainalytics positively views the following elements of the Mizuho FG's green bond framework/commitments:
 - For biomass energy facilities, Mizuho FG has confirmed to Sustainalytics that it will exclude waste from non-RSPO-certified palm oil operations, and peat, palm oil, and non-certified feedstock in non-waste biomass energy projects.
 - Mizuho FG will restrict to the geothermal energy project with less than 100gCO₂/kWh direct emissions. Sustainalytics acknowledges that there are geothermal power generations that exceed those figures and emit a maximum of 1,300 gCO₂/kWh while approximately two-thirds of geothermal power generation projects globally are less than CO₂ emissions of 100gCO₂/kWh.
 - Mizuho FG has confirmed to Sustainalytics that all the hydroelectric facilities to be financed will undergo an environment and social impact assessment.
 - Under the Clean Transportation category, Mizuho FG intends to develop, operate and upgrade public transportation facilities (non-fossil fuel based), infrastructure and technologies including expansion and improvements of rail transport, non-motorized transport (such as bicycles), multi-modal transport, and manufacturing of electric vehicles.

⁴ As per the Equator Principles, Category A projects have potentially significant adverse environmental and social risks and/or impacts that are diverse, irreversible or unprecedented. Category B projects have potential limited adverse environmental and social risks and/or impacts that are few in number, generally site specific, largely reversible and readily addressed through mitigation measures. Category C projects have minimal or no adverse environmental and social risks and/or impacts.

Mizuho Financial Group, Inc. Green Bond Framework

- Financing in Pollution Prevention and Control category includes the development, construction, and operation of pollution prevention and control facilities, such as waste recycling and waste-to-energy power plants. For waste to energy power plants, Mizuho FG has informed to Sustainalytics that the sources of energy will be household waste, commercial waste, or market waste which will not include plastics/rubber/tire-derived fuel (TDFs) to energy/fuel conversion, gas capture from operational landfills, and landfill gas capture for flaring.
 - Mizuho FG also plans its further financing in the Green Building category which covers buildings that have received or will receive during the life of the green bond at least one of the following nationally or internationally recognized green building certifications, namely LEED Platinum or Gold, BREEAM Outstanding or Excellent, CASBEE S Rank or A Rank, DGB Green Building 5 Star or 4 Star, or BELS 5 Star or 4 Star (Please see Appendix 2 for an overview and comparison of green-building certification schemes). Mizuho FG confirms that the financed green buildings are residential, public, and/or commercial buildings owned by J-REITs (Japanese Real Estate Investment Trusts), and that the net proceeds allocated to J-REITs projects will be no greater than the amount lent to J-REITs or investment exposure to eligible projects/assets (the allocation amounts to eligible green buildings owned by J-REITs may be calculated based on pro-rata share of eligible green buildings' acquisition cost).
 - Sustainalytics positively notes Mizuho FG's exclusion of any projects that are: fossil fuel-based assets, fossil fuel-based transportation/infrastructure and transportation with the main objective of transporting fossil fuel, defense and security, palm oil, wood pulp, nuclear power generation, coal-fired power generation as well as all mining and tobacco sectors.
 - Mizuho FG has specified a 24-month look-back period preceding the issue date of a relevant green bond for the refinancing of existing projects.
- Project Evaluation and Selection:
 - The project evaluation and selection procedures are conducted by various department members, including from Mizuho BK's Real Estate Finance Department and Project Finance Department, Mizuho FG's Global Products Coordination Department, Global Markets Coordination Department and Financial Planning Department. After the internal selection process, Mizuho FG's Global Markets Coordination Department and Financial Planning Department are responsible for determining the eligible projects under the criteria as defined in the Framework. Sustainalytics considers Mizuho FG's project evaluation and selection procedure as in line with market practice.
 - Management of Proceeds:
 - Mizuho FG will track the proceeds based on Mizuho BK's internal loan data system.⁵ Mizuho BK will allocate an equivalent amount of the green bond net proceeds to Eligible Green Projects. Pending allocation, the net proceeds will be held in overnight or short-term financial instruments. Mizuho FG will annually review and update the Eligible Green Projects where the net proceeds are allocated. Any allocated proceeds falling out of the criteria under the Framework shall be reallocated to other Eligible Green Projects. Sustainalytics views this management of proceeds process as in line with market practice.
 - Reporting:
 - Mizuho FG will disclose the allocation and impact of proceeds on its website in dedicated allocation report and environmental impact report on an at least annual basis until full allocation of proceeds and as necessary thereafter in the event of new developments. Allocation reporting will include the amount of allocated and unallocated proceeds along with brief description of the eligible projects, current funded amounts, and funding dates. Management's assertion of the net proceeds' allocation and temporary investment instruments for unallocated proceeds will also be included in the allocation reporting.
 - Mizuho FG also intends to report, where feasible and available, on the impact of Eligible Green Projects, until full allocation of proceeds and as necessary thereafter in the event of new developments. Mizuho FG intends to report tons of CO₂ emission equivalent avoided for

⁵ Mizuho BK is a wholly-owned subsidiary of Mizuho FG that is focusing on large scale development projects.

Mizuho Financial Group, Inc. Green Bond Framework

Renewable Energy projects and the number and certification level of green buildings for Green Building projects, respectively. All impact reporting (as and when feasible and available) will be disclosed on an aggregate basis, by eligible project category.

- Mizuho FG is committed to receiving an annual review from an independent provider after the issue of green bonds to confirm the allocation of proceeds to eligible projects to be aligned with the Framework.
- While Sustainalytics considers Mizuho FG's planned reporting as well as commitment regarding annual review to be aligned with market practice, it further encourages Mizuho FG to report, where feasible, on additional impact indicators for the rest of project categories such as clean transportation and pollution prevention and control in the Framework.

Alignment with Green Bond Principles 2018

Sustainalytics has determined that the Framework aligns to the four core components of the GBP. For detailed information please refer to Appendix 3: Green Bond/Green Bond Programme External Review Form.

Alignment with Japan's Green Bond Guidelines 2020

Sustainalytics is of the opinion that the Framework is in line with Green Bond Guidelines 2020 formulated by the Ministry of the Environment, Japan. The guidelines communicate what an issuer is expected to do to issue a credible green bond. Sustainalytics assessed the alignment between the Framework and the 'should' items outlined in Japan's Green Bond Guidelines 2020.

GBP and Japan's Green Bond Guidelines 2020	Alignment with GBP and with Japan's Green Bond Guidelines 2020	Sustainalytics' comments on alignment with Japan's Green Bond Guidelines 2020 ⁶
1. Use of Proceeds	Yes	Eligible project categories (Renewable Energy, Clean Transportation, Pollution Prevention and Control, and Green Buildings) in the Framework are outlined with clear details and are recognized by Japan's Green Bond Guidelines 2020 as providing clear environmental benefits. Mizuho FG also identifies social and environmental risks (any potential negative impact) associated with the eligible projects, and explains how they manage the risk through the application of the Equator Principles. Furthermore, in case of refinancing long-dated assets through the issuance of multiple green bonds, Mizuho FG will disclose the age and remaining useful life of the assets to an independent party prior to the issuance and when the independent party provides an annual review after issuance, in order to confirm the continuous environmental benefits of the long-dated assets.
2. Process for Project Evaluation and Selection	Yes	The Framework presents the information, required by Japan's Green Bond Guidelines 2020, on 1) "Environmental sustainability objectives" (In this report: "Environmental

⁶ For detailed comments on alignment with ICMA GBP, please see Appendix 3.

		Objectives”), 2) “Criteria” for evaluating and selecting specific green projects (in this report: “Eligibility Criteria” and “Application of Eligibility Criteria in Project Selection”), and 3) “Process” to evaluate and select eligible green projects (In this report: “Process to Mitigate Environmental and Social Risks” and “Application of Eligibility Criteria and Exclusionary Criteria in Project Selection”).
3. Management of Proceeds	Yes	The Framework clarifies that Mizuho FG manages proceeds by 1) keeping the list of all Eligible Green Project loans based on Mizuho BK’s internal loan data system, 2) recording the amount of the allocated and unallocated proceeds to match to the total proceeds allocated by the green bond, and 3) making sure that the proceeds are tracked and managed as long as the tranche of the green bonds remains outstanding, which are all followed by Japan’s Green Bond Guidelines 2020. Additionally, the Framework explains that Mizuho FG intends to allocate green bond proceeds to eligible projects as soon as practicably possible, and will hold the unallocated proceeds in short-term financial instruments until full allocation.
4. Reporting	Yes	Mizuho FG commits to disclose list of projects that have been allocated to, brief description of projects, amount allocated and unallocated, and environmental benefits annually until full allocation, and when necessary in the event of new developments, which are required by Japan’s Green Bond Guidelines 2020. As for environmental benefits, Mizuho FG intends to report on tons of CO ₂ emission equivalent avoided for Renewable Energy projects, and the number and certification level of green buildings for Green Building projects.

Section 2: Sustainability Performance of the Mizuho FG

Contribution of Framework to Mizuho FG’s sustainability strategy

Mizuho FG sets out an Environmental Policy to implement environmental initiatives into the whole group.⁷ The policy articulate that Mizuho FG “will develop and offer financial products and services that encourage society to promote environmental considerations”.⁸ Based on these, Mizuho FG has set its key sustainability areas, which include climate change, in its 5-Year Business Plan starting from FY2019 and has set out the following commitments.⁹

⁷ Mizuho Financial Group, “Environmental Policy”, at: https://www.mizuho-fg.com/csr/environment/policy/environmental_policy.html

⁸ Mizuho Financial Group, “Environmental Policy”, at: https://www.mizuho-fg.com/csr/environment/policy/environmental_policy.html

⁹ Mizuho Financial Group, Integrated Report 2019, (2019), at: https://www.mizuho-fg.com/investors/financial/annual/data1903/pdf/data1903_all.pdf

- In line with its key sustainability areas, Mizuho FG has set a long-term sustainable finance target of JPY 25 trillion (approx. USD 235 billion), including JPY 12 trillion (approx. USD 113 billion) in environmental finance, from fiscal 2019 to fiscal 2030, in order to increase support for businesses contributing to environmental protection and the achievement of the SDGs.¹⁰
- With respect to climate change, while supporting the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), Mizuho FG has committed to monitoring and disclosing 1) Green finance and sustainable finance amounts, 2) Scope 1 (direct) and Scope 2 (indirect) CO₂ emissions and energy usage, and 3) Scope 3 environmental impact of new large-scale power projects (CO₂ emissions) and environmental conservation (CO₂ emission reductions).¹¹
- Mizuho FG and Mizuho Group have been involved in financing projects which generate renewable energy in Japan and other countries, including solar power, geothermal, and wind power generation, as well as the support of environmental and energy-related policy.¹²

Based on the above, Sustainalytics is of the opinion that use of proceeds under the Framework is aligned with Mizuho FG's sustainability targets and policies. Furthermore, Sustainalytics considers that the Framework contributes to advancing Mizuho FG's initiatives in line with its Environmental Policy and key sustainability areas.

Well positioned to address common environmental and social risks associated with the projects

While the eligible categories are aligned with those recognized by the GBP, Sustainalytics also acknowledges that the eligible projects, in particular, the large-scale infrastructure projects may be associated with potential negative environmental and social risks. While as a financial institution, Mizuho FG has limited involvement in development of the projects that will be financed by loans, some key risks related to the projects include biodiversity loss, noise, soil contamination, water pollution, as well as worker health and safety and community relations related to those infrastructure projects. Sustainalytics believes that Mizuho FG can mitigate such risks through the following policies and processes:

- Mizuho FG has confirmed in the Framework that Mizuho BK's Sustainable Development Office reviews and conducts the required due diligence with alignments to the Equator Principles (EP). The EP are commonly accepted as a credible standard and widely used by financial institutions worldwide, including several multilateral development banks and export credit agencies. Lending as per the EP thus contributes to Mizuho BK's robust environmental and social risk mitigation approach.
- Mizuho FG's Environmental and Social Management Policy for Financing and Investment Activity¹³ sets out an exclusionary criteria and considerations for financing business activities that Mizuho FG considers to be exposed to severe environmental and social risks. The policy prohibits financing to projects that adversely impact Wetlands of International Importance (Ramsar Sites) or UNESCO World Heritage sites, or that involve child or forced labor. Furthermore, the policy requires additional due diligence to be conducted, when financing projects with negative impact on indigenous communities or leading to involuntary resettlement, to ensure that the client's risk reduction and avoidance measures are sufficient.

Based on the above, Sustainalytics is of the opinion that Mizuho FG has adequate internal management system and is well positioned to mitigate environmental and social risks associated with the defined eligible projects.

¹⁰ Mizuho Financial Group, "Strengthening our sustainability initiatives", at: https://www.mizuho-fg.com/release/20200415release_eng.html

¹¹ Mizuho Financial Group, TCFD Report, (2020), at: https://www.mizuho-fg.com/csr/mizuhocsr/report/pdf/tcfd_report.pdf

¹² Mizuho Financial Group, Integrated Report 2019, (2019), at: https://www.mizuho-fg.com/investors/financial/annual/data1903/pdf/data1903_all.pdf

¹³ Mizuho Financial Group, "Overview of our Environmental and Social Management Policy for Financing and Investment Activity", at: <https://www.mizuho-fg.com/csr/business/investment/pdf/environment.pdf>

Section 3: Impact of Use of Proceeds

All four use of proceeds categories are aligned with those recognized by the GBP. Sustainalytics has focused on three below where the impact is specifically relevant in the local context.

Importance of renewable energy in Japan

The energy self-sufficiency ratio of Japan is low especially compared to OECD countries¹⁴, and the country imports about 90% of its energy¹⁵. Following the Great East Japan Earthquake and the subsequent Fukushima Daiichi Nuclear Plant accident, Japan revised its energy strategy and committed to reduced reliance on the nuclear power generation and accelerated introduction of renewable energies. In the Long-term Energy Supply and Demand Outlook¹⁶ issued in 2015, the target of renewable energy including wind, solar, geothermal, biomass and hydro was introduced at 22-24% by 2030 – a significant increase from 10% before the earthquake. Additionally, within the Intended Nationally Determined Contributions (INDC), Japan has committed to reduce greenhouse gas (GHG) emission by 26% by 2030 against 2013 baseline, and aims to achieve this target by increasing the share of renewable energies to the aforementioned ratio.¹⁷ Given this context, it is clear that there is a growing need to finance the construction and operation of renewable energy facilities in Japan. As well, given the Paris Agreement’s long-term goals, and the need for a global transition to a low-carbon economy, there is also a clear need for promoting the development of renewable energy projects globally.

Importance of clean transportation and green buildings for GHG reduction in Japan

Japan’s total GHG emissions were 1,240 million tons of carbon dioxide equivalents (Mt CO₂ eq.) in FY2018.¹⁸ For the energy-related CO₂ emissions, the buildings sector (Commercial and other, and Residential) accounted for 34.1% while the transportation sector accounted for 19.9% in FY2018.¹⁹ With this background, the government of Japan set the target of net zero-energy consumption for new public buildings by 2020 and for all new buildings in Japan by 2030.²⁰ Furthermore, the government has imposed an automobile green tax since 2001 to encourage using clean-energy vehicles. By financing the buildings meeting the top two levels of third-party green building certifications (LEED, BREEAM, CASBEE, DBJ Green Building Certification, BELS), Mizuho FG’s investment can lead to positive environmental impacts through improving energy efficiency, air quality, and water management. Mizuho FG also intends to invest into projects for developing, operating and upgrading public transportation facilities, infrastructure and technologies including rail transport, non-motorised transport (e.g. bicycles) and manufacturing of electric vehicles. Given the high share of GHG emissions from buildings and transportation in Japan, Sustainalytics considers that Mizuho FG’s investment under the Framework can contribute to overall carbon footprint reduction in the country.

Given the importance of renewable energy, clean transportation and building energy efficiency, Sustainalytics is of the opinion that Mizuho FG’s use of proceeds especially in these categories is impactful and contributes to reduce environmental burden while meeting Japan’s GHG emission targets.

¹⁴ Japan’s Energy, Ministry of Economy, Trade and Industry Agency for Natural Resources and Energy, Japan http://www.enecho.meti.go.jp/en/category/brochures/pdf/japan_energy_2018.pdf

¹⁵ Nuclear Power in Japan, World Nuclear Association <http://www.world-nuclear.org/information-library/country-profiles/countries-g-n/japan-nuclear-power.aspx>

¹⁶ Ministry of Economy, Trade and Industry, “Long-term Energy Supply and Demand Outlook”(2015), at: http://www.meti.go.jp/english/press/2015/pdf/0716_01a.pdf

¹⁷ Ministry of Foreign Affairs of Japan, “Intended Nationally Determined Contributions: GHG Emissions Reduction Target in FY2030”, at: https://www.mofa.go.jp/ic/ch/page1we_000104.html

¹⁸ Ministry of the Environment, “Japan’s National Greenhouse Gas Emissions in Fiscal Year 2018, (Final Figures) ”, at: <https://www.env.go.jp/press/files/en/829.pdf>

¹⁹ Ministry of the Environment, “Japan’s National Greenhouse Gas Emissions in Fiscal Year 2018, (Final Figures) ” at: <https://www.env.go.jp/press/files/en/829.pdf>

²⁰ Ministry of Economy, Trade and Industry (2014), “Basic Energy Plan”, at: https://www.enecho.meti.go.jp/en/category/others/basic_plan/pdf/4th_strategic_energy_plan.pdf

Mizuho Financial Group, Inc. Green Bond Framework

Alignment with/contribution to SDGs

The Sustainable Development Goals (SDGs) were set in September 2015 and form an agenda for achieving sustainable development by the year 2030. Mizuho FG's green bond advances the following SDG goals and targets:

Use of Proceeds Category	SDG	SDG target
Renewable Energy	7. Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix
Clean Transportation	11. Sustainable Cities and Communities	11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons
Pollution prevention and control	3. Ensure healthy lives and promote well-being for all at all ages	3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination
Green Buildings	9. Industry, Innovation and Infrastructure	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities

Conclusion

Mizuho FG has developed the Green Bond Framework under which it intends to issue green bonds and use the proceeds to finance and/or refinance projects in four eligible categories - Renewable Energy, Clean Transportation, Pollution Prevention and Control, and Green Buildings. The eligible categories are aligned with those recognized by the GBP and Sustainalytics considers that the projects funded by the green bond proceeds will provide positive environmental impact, while contributing to the advancement of the UN Sustainable Development Goals 3, 7, 9 and 11.

The Framework outlines a process by which proceeds will be tracked, allocated, and managed, and commitments have been made for reporting on the allocation and impact of the use of proceeds. Furthermore, Sustainalytics considers the Framework to be aligned with the overall sustainability targets and policies of Mizuho FG, and is of the opinion that Mizuho FG has sufficient measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects.

Based on the above, Sustainalytics is confident that Mizuho FG is well-positioned to issue green bonds and that the Framework is robust, transparent, and in alignment with the four core components of the GBP.

Appendices

Appendix 1: Framework Overview

For the purpose of issuing green bonds, Mizuho FG has developed the following framework which addresses the four key core components of the GBP: use of proceeds, project evaluation and selection process, management of proceeds, and reporting, in August 2020. The framework belongs to Mizuho FG.

1. Use of proceeds

An amount equal to the net proceeds of Green Bonds will be used to finance and/or refinance existing and/or new Eligible Green Projects, in whole or in part, as defined by Mizuho FG's internal investment criteria.

Eligibility Criteria

Eligible Green Project will meet ALL of the conditions below.

- i) A project meets one or more of the Project Categories (a) to (d) below.
 - (a) Renewable Energy
The development, construction and operation of renewable energy facilities which generate wind, solar, solar thermal, biomass energy (restricted to sustainable feedstock and/or waste sources), geothermal energy (restricted to the projects that have direct emissions of less than 100gCO₂/kWh), and small hydro facilities with generation capacity of 25 megawatts or less or run of river hydropower assets without pondage.
 - (b) Clean Transportation
Projects to develop, operate and upgrade public transportation facilities (non-fossil fuel based) infrastructure and technologies including expansion and improvements of rail transport, non-motorized transport (such as bicycles), multi-modal transport, and manufacturing of electric vehicles.
 - (c) Pollution Prevention and Control
The development, construction and operation of pollution prevention and control facilities, such as waste recycling and waste-to-energy power plants. The sources of energy will be household waste, commercial waste, or market waste which will not include plastics/rubber/tire-derived fuel (TDFs) to energy/fuel conversion, gas capture from operational landfills, and landfill gas capture for flaring.
 - (d) Green Buildings
Buildings which have received or will receive during the life of the Green Bond at least one of the following classifications. Net proceeds of the Green Bond may be allocated towards new and existing loans from Mizuho BK to eligible green buildings with certifications as defined below, including the ones owned by J-REITs (Japanese Real Estate Investment Trusts). The allocation amounts to eligible green buildings owned by J-REITs may be calculated based on pro-rata share of eligible green buildings' acquisition cost.
 - o LEED (Leadership in Energy and Environmental Design): LEED Platinum or Gold
 - o BREEAM (Building Research Establishment Environmental Assessment Method): BREEAM Outstanding or Excellent
 - o CASBEE (Comprehensive Assessment System for Built Environment Efficiency): CASBEE S Rank or A Rank
 - o DBJ Green Building Certification: DBJ Green Building 5 Star or 4 Star
 - o BELS (Building-Housing Energy-efficiency Labelling System): BELS 5 Star or 4 Star

Mizuho Financial Group, Inc. Green Bond Framework

ii) For any Project Categories (a) to (c) above, a project is categorized as Category B or Category C projects in accordance with the Equator Principles²¹, and

iii) A loan for a project has been financed by Mizuho BK within 24 months preceding the issue date of a relevant Green Bond, or will be newly financed on or after the issue date thereof.

For long-dated green assets that are refinanced by proceeds of multiple Green Bonds, Mizuho FG will disclose the age and remaining useful life of the assets to an independent party prior to the initial issuance of the Green Bonds from this Framework and update the information when such independent party provides an annual review as described below. The information provided will be supported by a review from such independent party to confirm the continuous environmental benefits of the long-dated assets.

For clarification purposes, the following are excluded from the Framework: fossil fuel based assets, fossil fuel based transportation/infrastructure and transportation with the main objective of transporting fossil fuel, defense and security, palm oil, wood pulp, nuclear power generation, coal-fired power generation as well as all mining and tobacco sectors.

2. Process for project evaluation and selection

2.1 Application of Eligibility and Exclusionary Criteria in Project Selection

Eligible Green Projects are identified and selected via a process that involves participants from various functional areas including Mizuho BK's Real Estate Finance Department and Project Finance Department, Mizuho FG's Global Products Coordination Department, Global Markets Coordination Department and Financial Planning Department. As for the selection process of Eligible Green Projects, based on the list of project finances and REIT finances offered by Mizuho BK, Mizuho FG's Global Products Coordination Department drafts the list of Eligible Green Projects. Candidate projects, that are suited to any of Project Categories (a) to (d) above, and those that meet condition iii) above will be proposed. Finally, Mizuho FG's Global Markets Coordination Department and Financial Planning Department will select Eligible Green Projects from the candidate projects list and, in case of such projects categorized as (a) to (c), confirm that these projects fall into Category B or Category C based on the Equator Principles.

2.2 Environmental Objectives

Mizuho FG has included responding to climate change as a key pillar of its business strategy and will take the following actions in order to proactively fulfill its role as a financial services group in the effort to achieve a low-carbon society by 2050.

- Mizuho FG will engage in proactive, constructive dialogue in response to its clients' individual concerns and needs, and in support of their efforts to introduce climate change countermeasures and transition to a low-carbon society in both the medium and long term.
- Mizuho FG will proactively develop and offer financial products and services designed to support clients' efforts to introduce climate change countermeasures and transition to a low-carbon society.
- Mizuho FG understands the importance of climate-related financial disclosures and it will utilize the framework under the Recommendations of the TCFD in order to leverage growth opportunities and strengthen risk management as well as disclose information in a transparent manner regarding its progress.

2.3 Process to Mitigate Environmental and Social Risks

For all project finance related business, Mizuho BK's Project Finance Department or other relevant departments evaluate financial viability of projects in accordance with internal credit evaluation process. For any Project Categories (a) to (c) above, the Sustainable Development Office of Mizuho BK's Project Finance Department (Sustainable Development Office) reviews and conducts the required due diligence in light of the Equator Principles, and categorizes projects as Category A, B or C based on its internal environmental and social risk assessment process. Such categorization is based on the environmental and social categorization process of the International Finance Corporation. As a part of this process, Mizuho BK evaluates a project for minimal, limited or significant potential adverse environmental and social impact.

²¹ According to the Equator Principles, Category A projects are defined as projects with potential significant adverse environmental and social risks and/or impacts that are diverse, irreversible or unprecedented. Category B projects have potential limited adverse environmental and social risks and/or impacts that are few in number, generally site specific, largely reversible and readily addressed through mitigation measures. Category C projects have minimal or no adverse environmental and social risks and/or impacts. Net proceeds of the Green Bond can be allocated to existing and new Category B or Category C projects which will fall into one or more of the Project Categories (a) to (c) above.

Mizuho Financial Group, Inc. Green Bond Framework

For each project where limited or significant risk is identified, Mizuho BK's internal process requires the Sustainable Development Office to work in partnership with its clients to assess and manage these environmental and social risks and impacts.

For Project Category (d), a project is certified to a certain level by "LEED", "BREEAM", "CASBEE", "DBJ Green Building Certification", "BELS".

3. Management of Proceeds

An amount equal to the net proceeds from the sale of a specific issue of Green Bond will be loaned to Mizuho BK and allocated by Mizuho BK to the financing and/or refinancing of existing and/or new Eligible Green Projects. So long as that tranche of Green Bond remains outstanding, Mizuho FG will keep the list of all Eligible Green Project loans based on Mizuho BK's internal loan data system and its output, and such records of that list will show an amount equal to the net proceeds from the issuance of such bond as allocated to the assets that meet Mizuho FG's internal investment criteria for Eligible Green Projects. Pending the allocation of the net proceeds of such bond to finance Eligible Green Projects, the net proceeds will be invested in overnight or otherwise short-term financial instruments and will be allocated to Eligible Green Projects as soon as practicably possible.

Payment of principal of and interest on the Green Bond will be made from Mizuho FG's general funds and will not be directly linked to the performance of any Eligible Green Projects.

Mizuho FG will review and update the Eligible Green Projects to which the net proceeds of the Green Bond are allocated on an annual basis. Any proceeds allocated to projects that have been sold, prepaid, amortized or otherwise become ineligible shall be reallocated to other Eligible Green Projects.

4. Reporting

4.1 Allocation reporting

During the term of any Green Bonds, Mizuho FG will provide and keep readily available, on a designated website, information on the allocation of the net proceeds of those bonds, to be updated at least annually until full allocation and as necessary thereafter in the event of new developments. This information will include:

- i) the allocation of the net proceeds of those bonds to Eligible Green Projects, brief description of the Eligible Green Projects funded, current funded amounts, and funding dates, and
- ii) assertions by management that the net proceeds of those bonds are invested either in qualifying Eligible Green Projects or in overnight or other short-term financial instruments.

4.2 Impact reporting

Mizuho FG intends to report, on a best efforts basis, on the impact of Eligible Green Projects, to be updated at least annually until full allocation and as necessary thereafter in the event of new developments. In the case of Renewable Energy projects and Green Buildings projects, Mizuho FG intends to report tons of CO₂ emission equivalent avoided for Renewable Energy projects, and the number and certification level of green buildings for Green Buildings projects, respectively. All impact reporting (as and when feasible and available) will be disclosed on an aggregate basis, by eligible Project Category.

5. Annual Review

Independent party will provide an annual review on the allocation of the use of proceeds as well as impact reporting to verify that allocation and reporting is aligned with the Framework.

Appendix 2: Overview and Comparison of Real Estate Certification Schemes

	LEED ²²	BREEAM ²³	CASBEE Certification ²⁴	DBJ Green Building Certification ²⁵	BELS ²⁶
Background	Leadership in Energy and Environmental Design (LEED) is a US Certification System for residential and commercial buildings used worldwide. LEED was developed by the non-profit U.S. Green Building Council (USGBC) and covers the design, construction, maintenance and operation of buildings.	BREEAM (Building Research Establishment Environmental Assessment Method) was first published by the Building Research Establishment (BRE) in 1990. Based in the UK. Used for new, refurbished and extension of existing buildings.	The Comprehensive Assessment System for Built Environment Efficiency (CASBEE) Certification is a green building certification scheme in Japan, which a third party certifies the environmental performance of buildings. The certification scheme includes, based on types of buildings: CASBEE for Buildings, CASBEE for Real Estate, and CASBEE for Housing.	The Development Bank of Japan (DBJ) Green Building Certification Programme was launched by Development Bank of Japan in 2011 and is operated together with Japan Real Estate Institute (JREI). The programme is recognized as one of regional standards. The certification is available for office buildings, logistics, residential & retail facilities.	The Building-Housing Energy-efficiency Labelling System (BELS) is an energy performance label, issued under guidelines established by Japan's Ministry of Land, Infrastructure, Transport, and Tourism. The BELS certification scheme evaluates primary energy consumption in order to measure performance of energy conservation.
Certification levels	Certified Silver Gold Platinum	Pass Good Very Good Excellent Outstanding	C (Poor) B- (Slightly Poor) B+ (Good) A (Very Good) S (Excellent) * 4-grade evaluation for CASBEE for Real Estate excluding C rank	1 Star 2 Stars 3 Stars 4 Stars 5 Stars	1 Star 2 Stars 3 Stars 4 Stars 5 Stars
Areas of Assessment: Environmental Project Management	Integrative process, which requires, from the beginning of the design process, the identification and creation of synergies between the various project stakeholders regarding the construction choices and the technical systems.	Management (Man) addresses various aspects: project management, deployment, minimal environmental disturbance worksite and stakeholder engagement.	CASBEE assesses two main factors: inside and outside the building site, which translate into Q (Built Environment Quality) and, L (Built Environment Load), respectively. * The above are not applied to CASBEE for Real Estate	Evaluation of DBJ Green Building Certification includes construction specifications, environmental features as well as social factors:	None

²² U.S. Green Building Council, "Green building leadership is LEED", at: <https://new.usgbc.org/leed>.

²³ Building Research Establishment, "BREEM", at: <https://www.breeam.com/>

²⁴ Institute for Building Environment and Energy Conservation, "CASBEE certification scheme (Japanese only)", at: <http://www.ibec.or.jp/CASBEE/certification/certification.html>.

²⁵ Development Bank of Japan, Japan Real Estate Institute (JREI), "DBJ Green Building", at: <http://igb.jp/en/index.html>.

²⁶ Association for Housing Performance Evaluation & Labeling, "Building-Housing Energy-efficiency Labelling System Building Energy-efficiency Performance Labeling System (Japanese only)", at: <https://www.hyoukakyukai.or.jp/bels/bels.html>.

Mizuho Financial Group, Inc. Green Bond Framework

<p>Areas of Assessment: Environmental Performance of the Building</p>	<ul style="list-style-type: none"> • Energy and atmosphere • Sustainable Sites • Location and Transportation • Materials and resources • Water efficiency • Indoor environmental quality • Innovation in Design • Regional Priority 	<ul style="list-style-type: none"> • Energy • Land Use and Ecology • Pollution • Transport • Materials • Water • Waste • Health and Wellbeing • Innovation 	<ul style="list-style-type: none"> • Energy Efficiency • Resource efficiency • Local environment • Indoor environment <p>* Areas for assessment of CASBEE for Real Estate are energy/GHG, water, resource, biodiversity, indoor environment</p>	<ul style="list-style-type: none"> • Energy & Resources (Energy conservation, resource conservation, etc.) • Amenity (Convenience and comfort) • Resilience (Environmental risks, legal compliance, etc.) • Community & Diversity (Consideration for the surrounding environment and biodiversity, etc.) • Partnership (information disclosure, etc.) 	<ul style="list-style-type: none"> • Energy efficiency
<p>Requirements</p>	<p>Prerequisites (independent of level of certification) + Credits with associated points</p> <p>These points are then added together to obtain the LEED level of certification</p> <p>There are several different rating systems within LEED. Each rating system is designed to apply to a specific sector (e.g. New Construction, Major Renovation, Core and Shell Development, Schools-/Retail-/Healthcare New Construction and Major Renovations, Existing Buildings: Operation and Maintenance).</p>	<p>Prerequisites depending on the levels of certification + Credits with associated points</p> <p>This number of points is then weighted by item²⁷ and gives a BREEAM level of certification, which is based on the overall score obtained (expressed as a percentage). Majority of BREEAM issues are flexible, meaning that the client can choose which to comply with to build their BREEAM performance score.</p> <p>BREAAM has two stages/ audit reports: a 'BREEAM Design Stage' and a 'Post Construction Stage', with</p>	<p>Score-based performance level.</p> <p>CASBEE uses the BEE (Built Environment Efficiency) as its assessment indicator, which is calculated from Q (Built Environment Quality) as the numerator and L (Built Environment Load) as the denominator. Q and L are obtained through the classification and rearrangement of the four areas of assessment.</p> <p>Buildings may receive ranks ranging from C (poor) to S (excellent), in order of increasing BEE value.</p> <p>For authorization, a building must</p>	<p>Score-based performance level</p> <p>The assessment has a full score of 300 points and consists of 85 questions, 73 of which are regular questions and 12 of which are questions on innovative initiatives.</p> <p>JREI will conduct on the ground review of building performance on the indicators above, and a committee set in JREI will decide the result of certification rank.</p>	<p>Score-based performance level.</p> <p>The BELS score is based on the Building Energy Index, obtained by comparing the energy consumption of a building to the standard primary energy consumption of the building type in official guidelines.</p> <p>A two-star rating is equivalent to meeting existing energy conservation standards, with higher star ratings implying greater savings.</p> <p>The score is calculated by an accredited third party.</p>

²⁷ BREEAM weighting: Management 12%, Health and wellbeing 15%, Energy 19%, Transport 8%, Water 6%, Materials 12.5%, Waste 7.5%, Land Use and ecology 10%, Pollution 10% and Innovation 10%. One point scored in the Energy item is therefore worth twice as much in the overall score as one point scored in the Pollution item

		different assessment criteria.	receive a report from the CASBEE Certification system, which is afterwards assessed by the local government. * CASBEE for Real Estate does not use BEE, additional point system. Certification will not be given, if required item are not met.		
Performance display	<p>Platinum 80+ points earned 28</p>			<p>30</p>	<p>46 31</p>
Qualitative considerations	Widely recognised internationally, and strong assurance of overall quality.	Worldwide recognition and application.	CASBEE is continuously developed based on industry-government-academia collaboration under the support of Ministry of Land, Infrastructure, Transport and Tourism. In Japan, many local governments have made CASBEE assessment results mandatory for building permits.	In addition to LEED and CASBEE, DBJ Green Buildings Certification Programme is considered as one of the green building standards in Japan. According to its website, as of March 2019, 695 properties in Japan are certified by the programme. ³²	BELS is aligned with official government standards. The scheme assesses only energy performance, without any broader consideration of holistic environmental factors.

²⁸ U.S. Green Building Council, "Green building leadership is LEED", at: <https://new.usgbc.org/leed>

²⁹ Institute for Building Environment and Energy Conservation, "Method of Evaluation and Built Environment Efficiency (BEE)", at: http://www.ibec.or.jp/CASBEE/CASBEE_outline/method.html.

³⁰ Development Bank of Japan, "DBJ Green Building", at: http://www.dbj.jp/en/pdf/service/finance/g_building/gb_presentation.pdf.

³¹ Institute for Building Environment and Energy Conservation, "Display example of BELS (Japanese only)", at: https://www.hyoukakyokai.or.jp/bels/pdf/170401bels_07.pdf.

³² Development Bank of Japan, Japan Real Estate Institute (JREI), "DBJ Green Building", at: <http://igb.jp/en/index.html>.

Appendix 3: Green Bond / Green Bond Programme - External Review Form

Section 1. Basic Information

Issuer name:	Mizuho Financial Group, Inc.
Green Bond ISIN or Issuer Green Bond Framework Name, if applicable: <i>[specify as appropriate]</i>	Mizuho Financial Group, Inc. Green Bond Framework
Review provider's name:	Sustainalytics
Completion date of this form:	September 18, 2020
Publication date of review publication:	

Section 2. Review overview

SCOPE OF REVIEW

The following may be used or adapted, where appropriate, to summarise the scope of the review.

The review assessed the following elements and confirmed their alignment with the GBPs:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Use of Proceeds | <input checked="" type="checkbox"/> Process for Project Evaluation and Selection |
| <input checked="" type="checkbox"/> Management of Proceeds | <input checked="" type="checkbox"/> Reporting |

ROLE(S) OF REVIEW PROVIDER

- | | |
|---|--|
| <input checked="" type="checkbox"/> Consultancy (incl. 2 nd opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification | <input type="checkbox"/> Rating |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

Note: In case of multiple reviews / different providers, please provide separate forms for each review.

EXECUTIVE SUMMARY OF REVIEW and/or LINK TO FULL REVIEW (*if applicable*)

Please refer to Evaluation Summary above.

Section 3. Detailed review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

1. USE OF PROCEEDS

Overall comment on section (*if applicable*):

The eligible categories for the use of proceeds – Renewable Energy, Clean Transportation, Pollution Prevention and Control, and Green Buildings – are aligned with those recognized by the Green Bond Principles. Sustainalytics considers that the Eligible Green Projects will lead to positive environmental impacts and advance the UN Sustainable Development Goals 3, 7, 9 and 11.

Use of proceeds categories as per GBP:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Renewable energy | <input type="checkbox"/> Energy efficiency |
| <input checked="" type="checkbox"/> Pollution prevention and control | <input type="checkbox"/> Environmentally sustainable management of living natural resources and land use |
| <input type="checkbox"/> Terrestrial and aquatic biodiversity conservation | <input checked="" type="checkbox"/> Clean transportation |
| <input type="checkbox"/> Sustainable water and wastewater management | <input type="checkbox"/> Climate change adaptation |
| <input type="checkbox"/> Eco-efficient and/or circular economy adapted products, production technologies and processes | <input checked="" type="checkbox"/> Green buildings |
| <input type="checkbox"/> Unknown at issuance but currently expected to conform with GBP categories, or other eligible areas not yet stated in GBPs | <input type="checkbox"/> Other (<i>please specify</i>): |

If applicable please specify the environmental taxonomy, if other than GBPs:

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section (*if applicable*):

Mizuho FG's eligible projects are evaluated and selected based on the defined eligibility criteria under the Framework by various department members, including from Mizuho BK's Real Estate Finance Department and Project Finance Department, Mizuho FG's Global Products Coordination Department, Global Markets Coordination Department and Financial Planning Department. This process is aligned with market practice.

Evaluation and selection

- | | |
|--|--|
| <input checked="" type="checkbox"/> Credentials on the issuer's environmental sustainability objectives | <input checked="" type="checkbox"/> Documented process to determine that projects fit within defined categories |
| <input checked="" type="checkbox"/> Defined and transparent criteria for projects eligible for Green Bond proceeds | <input type="checkbox"/> Documented process to identify and manage potential ESG risks associated with the project |

Mizuho Financial Group, Inc. Green Bond Framework

- Summary criteria for project evaluation and selection publicly available Other (*please specify*):

Information on Responsibilities and Accountability

- Evaluation / Selection criteria subject to external advice or verification In-house assessment
- Other (*please specify*):

3. MANAGEMENT OF PROCEEDS

Overall comment on section (*if applicable*):

Mizuho FG will track the proceeds in its wholly-owned subsidiary Mizuho BK's internal loan data system. Mizuho BK will allocate an equivalent amount of the green bond net proceeds to Eligible Green Projects. Pending allocation, the net proceeds will be held in overnight or short-term financial instruments. This procedure is in line with market practice.

Tracking of proceeds:

- Green Bond proceeds segregated or tracked by the issuer in an appropriate manner
- Disclosure of intended types of temporary investment instruments for unallocated proceeds
- Other (*please specify*):

Additional disclosure:

- Allocations to future investments only Allocations to both existing and future investments
- Allocation to individual disbursements Allocation to a portfolio of disbursements
- Disclosure of portfolio balance of unallocated proceeds Other (*please specify*):

4. REPORTING

Overall comment on section (*if applicable*):

Mizuho FG intends to provide allocation and environmental impact reporting annually on its website until full allocation of proceeds and as necessary thereafter in the event of new developments. Allocation report will include the amount of allocated and unallocated proceeds along with brief description of the eligible projects, current funded amounts, and funding dates. In addition, Mizuho FG commits on environmental impact indicators for renewable energy and green buildings and to receive an annual review from an independent provider. Sustainalytics views Mizuho FG's planned reporting and commitment on annual review to be aligned with market practice and further encourages Mizuho FG to report, where feasible, on additional impact indicators for the rest of the project categories in the Framework.

Mizuho Financial Group, Inc. Green Bond Framework

Use of proceeds reporting:

- Project-by-project
 On a project portfolio basis
- Linkage to individual bond(s)
 Other (please specify):

Information reported:

- Allocated amounts
 Green Bond financed share of total investment
- Other (please specify): Brief description of the Eligible Green Projects funded and funding dates

Frequency:

- Annual
 Semi-annual
- Other (please specify): In the event of new developments

Impact reporting:

- Project-by-project
 On a project portfolio basis
- Linkage to individual bond(s)
 Other (please specify):

Information reported (expected or ex-post):

- GHG Emissions / Savings
 Energy Savings
- Decrease in water use
 Other ESG indicators (please specify): the number and certification level of green buildings

Frequency:

- Annual
 Semi-annual
- Other (please specify): In the event of new developments

Means of Disclosure

- Information published in financial report
 Information published in sustainability report
- Information published in ad hoc documents
 Other (please specify): Mizuho FG's website
- Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review):

Where appropriate, please specify name and date of publication in the useful links section.

USEFUL LINKS (e.g. to review provider methodology or credentials, to issuer's documentation, etc.)

SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE

Type(s) of Review provided:

- | | |
|--|--|
| <input type="checkbox"/> Consultancy (incl. 2 nd opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification / Audit | <input type="checkbox"/> Rating |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

Review provider(s):

Date of publication:

ABOUT ROLE(S) OF INDEPENDENT REVIEW PROVIDERS AS DEFINED BY THE GBP

- i. **Second Party Opinion:** An institution with environmental expertise, that is independent from the issuer may issue a Second Party Opinion. The institution should be independent from the issuer's adviser for its Green Bond framework, or appropriate procedures, such as information barriers, will have been implemented within the institution to ensure the independence of the Second Party Opinion. It normally entails an assessment of the alignment with the Green Bond Principles. In particular, it can include an assessment of the issuer's overarching objectives, strategy, policy and/or processes relating to environmental sustainability, and an evaluation of the environmental features of the type of projects intended for the Use of Proceeds.
- ii. **Verification:** An issuer can obtain independent verification against a designated set of criteria, typically pertaining to business processes and/or environmental criteria. Verification may focus on alignment with internal or external standards or claims made by the issuer. Also, evaluation of the environmentally sustainable features of underlying assets may be termed verification and may reference external criteria. Assurance or attestation regarding an issuer's internal tracking method for use of proceeds, allocation of funds from Green Bond proceeds, statement of environmental impact or alignment of reporting with the GBP, may also be termed verification.
- iii. **Certification:** An issuer can have its Green Bond or associated Green Bond framework or Use of Proceeds certified against a recognised external green standard or label. A standard or label defines specific criteria, and alignment with such criteria is normally tested by qualified, accredited third parties, which may verify consistency with the certification criteria.
- iv. **Green Bond Scoring/Rating:** An issuer can have its Green Bond, associated Green Bond framework or a key feature such as Use of Proceeds evaluated or assessed by qualified third parties, such as specialised research providers or rating agencies, according to an established scoring/rating methodology. The output may include a focus on environmental performance data, the process relative to the GBP, or another benchmark, such as a 2-degree climate change scenario. Such scoring/rating is distinct from credit ratings, which may nonetheless reflect material environmental risks.

Disclaimer

© Sustainalytics 2020. All rights reserved.

The information, methodologies and opinions contained or reflected herein are proprietary of Sustainalytics and/or its third party suppliers (Third Party Data), and may be made available to third parties only in the form and format disclosed by Sustainalytics, or provided that appropriate citation and acknowledgement is ensured. They are provided for informational purposes only and (1) do not constitute an endorsement of any product or project; (2) do not constitute investment advice, financial advice or a prospectus; (3) cannot be interpreted as an offer or indication to buy or sell securities, to select a project or make any kind of business transactions; (4) do not represent an assessment of the issuer's economic performance, financial obligations nor of its creditworthiness; and/or (5) have not and cannot be incorporated into any offering disclosure.

These are based on information made available by the issuer and therefore are not warranted as to their merchantability, completeness, accuracy, up-to-dateness or fitness for a particular purpose. The information and data are provided "as is" and reflect Sustainalytics' opinion at the date of their elaboration and publication. Sustainalytics accepts no liability for damage arising from the use of the information, data or opinions contained herein, in any manner whatsoever, except where explicitly required by law. Any reference to third party names or Third Party Data is for appropriate acknowledgement of their ownership and does not constitute a sponsorship or endorsement by such owner. A list of our third-party data providers and their respective terms of use is available on our website. For more information, visit <http://www.sustainalytics.com/legal-disclaimers>.

The issuer is fully responsible for certifying and ensuring the compliance with its commitments, for their implementation and monitoring.

In case of discrepancies between the English language and translated versions, the English language version shall prevail.

About Sustainalytics, a Morningstar Company

Sustainalytics, a Morningstar Company, is a leading ESG research, ratings and data firm that supports investors around the world with the development and implementation of responsible investment strategies. The firm works with hundreds of the world’s leading asset managers and pension funds who incorporate ESG and corporate governance information and assessments into their investment processes. The world’s foremost issuers, from multinational corporations to financial institutions to governments, also rely on Sustainalytics for credible second-party opinions on green, social and sustainable bond frameworks. In 2020, Climate Bonds Initiative named Sustainalytics the “Largest Approved Verifier for Certified Climate Bonds” for the third consecutive year. The firm was also recognized by Environmental Finance as the “Largest External Reviewer” in 2020 for the second consecutive year. For more information, visit www.sustainalytics.com.



Named
2015: Best SRI or Green Bond Research or Rating Firm
2017, 2018, 2019: Most Impressive Second Opinion Provider

