



Mizuho Financial Group CSR REPORT 2007

Business Overview

The Mizuho Financial Group was formed in September 2000 when Mizuho Holdings, Inc. was established as a holding company with Dai-ichi Kangyo Bank, Fuji Bank, and the Industrial Bank of Japan as its subsidiaries. Today, Mizuho Financial Group, Inc. (MHFG) serves as the financial holding company for a corporate group that offers comprehensive financial services, including banking, securities, trust business and asset management.

On October 1, 2005, the principal functions of the group's companies — banking, securities, trusts, and asset management — were reorganized into three global groups with a view to providing faster, more precise responses to the diverse needs of customers. Mizuho Corporate Bank leads the Global Corporate Group, which provides borderless services to large companies and financial institutions. Mizuho Bank spearheads the Global Retail Group, which provides services to small and medium-sized enterprises, middle market corporations, and individual customers. And the Global Asset & Wealth Management Group offers services that focus on asset management and investment.

Company Name	Mizuho Financial Group, Inc.
Head Office	1-5-5 Otemachi, Chiyoda-ku, Tokyo, Japan 100-0004
Established	January 2003
Employees (Consolidated)	47,449 (Excluding non-regular and temporary employees)
Total assets (Consolidated)	¥149,880 billion
Capital adequacy ratio (Consolidated)	12.48%
Number of Shares Issued and Outstanding	12,852,625.49 shares
Common Stock	11,872,195.49 shares
Preferred Stock	980,430 shares

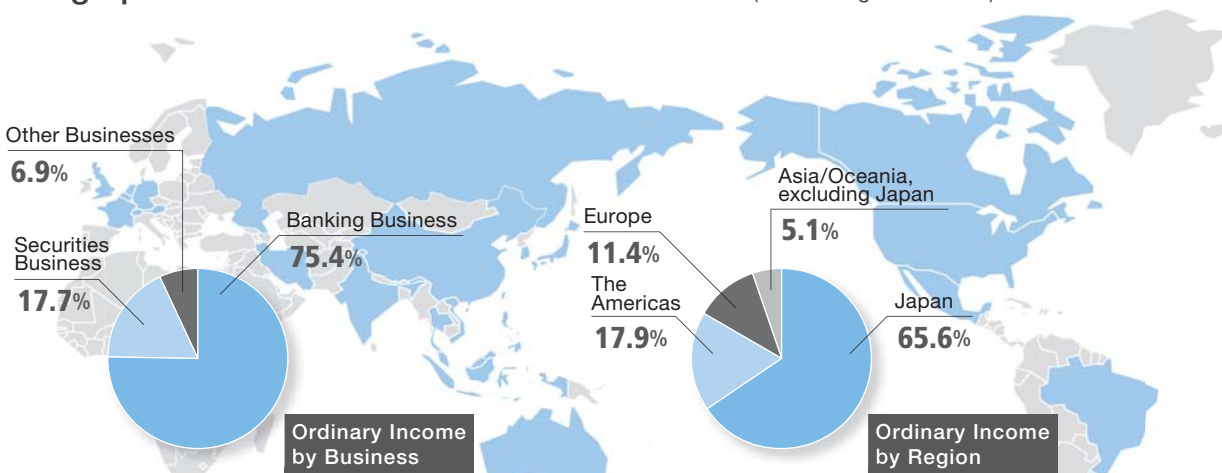
(As of March 31, 2007)

Mizuho Financial Group Operations

Holding Company	
Mizuho Financial Group, Inc. (MHFG)	The financial holding company that manages the companies belonging to the Mizuho Financial Group.
Global Corporate Group	
Mizuho Corporate Bank (MHCB)	MHCB focuses on corporate finance, primarily serving large corporations (such as those listed on the first sections of domestic stock exchanges), financial institutions and their group companies, public sector entities, and overseas corporations including subsidiaries of Japanese companies.
Mizuho Securities (MHSC)	A wholesale securities company whose customers are institutional investors, corporations, financial institutions and public corporations in Japan and overseas.
Global Retail Group	
Mizuho Bank (MHBK)	MHBK primarily serves individuals, SMEs and middle market corporations, and local governments in Japan.
Mizuho Investor Securities (MHIS)	A securities company that focuses on serving the group's customers.
UC Card	A credit card representative company in Japan.
Mizuho Capital	The group's principal venture capital company.
Shinko Securities	A comprehensive securities company specializing in the middle-market and retail securities businesses.
Global Asset & Wealth Management Group	
Mizuho Trust & Banking (MHTB)	A trust bank with strengths in both the corporate and individual markets.
Mizuho Private Wealth Management	A company that offers private banking services
Trust & Custody Services Bank (TCSB)	A highly specialized trust bank focusing on asset administration services.
Dai-ichi Kangyo Asset Management (DKA)	A group asset management company.
Fuji Investment Management (FIMCO)	A group asset management company.
DLIBJ Asset Management (DIAM)	A group asset management company.
Strategic Group Subsidiaries	
Mizuho Financial Strategies	An advisory company for financial institutions.
Mizuho Research Institute (MHRI)	A think tank.
Mizuho Information & Research Institute (MHIR)	A group IT strategy company.

On July 1, 2007, Dai-ichi Kangyo Asset Management and Fuji Investment Management merged to form Mizuho Asset Management. Subject to approval by the relevant authorities, Mizuho Securities and Shinko Securities will merge on January 1, 2008.

Geographical Distribution and Income Overview (Year ending March 2007)



Banking Business: Banking, and Trust Banking
Securities Business: Securities
Other Businesses: Asset Management, etc.

* Countries and regions are classified according to geographical factors and the mutual relevance of business activities.

* "The Americas" includes Canada, the United States, etc. "Europe" refers to the United Kingdom and the countries of continental Europe. "Asia & Oceania" includes Hong Kong, Singapore, etc.

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Described here are Mizuho's efforts to contribute to the development of future generations by applying practical knowledge and expertise from its core activities to financial education.
- 16 Building a Sustainable Society

This section examines Mizuho's efforts to contribute to the development of the sustainable society by using financial mechanisms to support social and environmentally responsible activities.

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Top Commitment

In April 2005, the Mizuho Financial Group adopted a new business strategy known as the "Channel to Discovery" Plan with a view to becoming "a financial partner that helps customers shape their future and achieve their dreams." This business strategy places CSR initiatives as the "main pillar of corporate activities intended to create and develop new corporate value," clarifies CSR priorities for medium- to long-term initiatives, and moves steadily ahead with concrete efforts in key areas.

Promoting Sound Management

— Intrinsic Business Responsibilities —

In addition to completing repayments of public funds in July 2006, we achieved a listing on the New York Stock Exchange in November 2006. We also became the first Japanese bank to acquire financial holding company (FHC) status in the United States. Although higher credit-related costs and lower net gains related to stocks resulted in a year-on-year decline in consolidated net income in fiscal 2006, our Basel I consolidated capital adequacy ratio (the BIS international capital adequacy standard) remained at a satisfactory 12.48%. As we also had a low non-performing loan (NPL) ratio, we managed to maintain a high level of financial health. We continue to implement our "Channel to Discovery" Plan and pursue sound management with a view to strengthening our earning power and financial health.

Nurturing the Next Generation

— Support for Financial Education —

In recent years, it has become extremely important for the healthy development of the children on whom the future of society depends to acquire knowledge of money (finance) from the early stages of the school education process. Based on this awareness and in the belief that we should pass on to society the know-how garnered by Mizuho through its core activities in the area of finance, we have been pushing forward with initiatives in the area of financial education as a key area of CSR. In the higher education sector, we continue to offer lectures and courses at Hitotsubashi University, Waseda University and Keio University, and have recently started new programs at the University of Tokyo,

Kyoto University and Tokyo Gakugei University. We intend to pass on advanced financial knowledge by dispatching highly experienced officers and employees with practical responsibilities at group companies as lecturers.

We are also engaged in practical activities at the elementary and secondary school levels on the basis of joint research with Tokyo Gakugei University. These include nuts-and-bolts lessons in financial education in the classroom and hosting workplace visits to provide hands-on experience. We additionally hold public lectures to put forward concrete proposals for financial education lessons, and provide schoolteachers and other educators with opportunities to express their views.

By providing support for a wide range of age groups, from the elementary and secondary levels through the higher education level, we hope to deepen understanding of the financial sector's role in the social infrastructure and to teach the mechanisms and rules of finance.

Towards a Sustainable Society

— Environmental Initiatives —

Along with global warming, we believe environmental issues such as deforestation and pollution from industrial wastes are vital problems that should be resolved on a global scale. We believe there are many areas where we can contribute to resolving these problems by making use of financial mechanisms.

For example, MHC and MHTB use financial mechanisms that utilize trust schemes to support emissions trading. MHBK has also commercialized environmentally friendly finance schemes to support companies that practice environmentally aware management. We are thus determined to contribute to the realization of a sustainable society by making maximum use of our management resources as a comprehensive financial group.

It is also important to reduce the impact of our own business activities on the environment. National efforts to overcome environmental problems will intensify next year with the start of the period during which Japan is required to meet its greenhouse gas reduction targets under the Kyoto Protocol. The Mizuho Financial Group has responded to this situation by adopting its own targets

for reducing environmental loads. We are working to reduce the environmental burden we generate by using energy conservation to lower greenhouse gas emissions and promoting purchases of items that have a small environmental impact.

Multifaceted Barrier-Free Initiatives — Through Dialog with Stakeholders —

MHBK is promoting the Heartful Project with a view to becoming a bank that is easy for anyone to use regardless of age, gender or disability. We have invited experts in barrier-free and universal design to offer their views as Heartful Advisors, and reflect them in our policies. Through this and other projects, we intend to use ongoing dialog with a wide range of stakeholders as a means of verifying the effectiveness and enhancing the quality of our CSR activities.

Towards More Harmonious Coexistence with Society

Financial institutions belong to an industry that has a strongly public nature and enormous influence on society. Fully recognizing the public nature of our status and social influence as a financial institution and the responsibilities they involve, we at the Mizuho Financial Group stand ready to implement our CSR initiatives sincerely and steadily as we aspire to more harmonious coexistence with society. We hope you will read this edition of our CSR report, and we continue to welcome candid comments and suggestions from our stakeholders.

Mizuho Financial Group, Inc.
President & CEO

J. Maeda





Introducing Mizuho's initiatives as a financial institution to pursue its social responsibilities towards sustainable development.



08	Finance and CSR
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Finance and CSR

Financial institutions belong to an industry that is very public in nature because they handle money — the economy’s lifeblood — and are endowed with financial intermediation and settlement functions. Financial institutions also have social influence, and the belief that they should make this influence useful in developing a sustainable society is spreading.

The Public Nature of Financial Institutions

The Function of Financial Institutions

Financing takes two forms: direct financing — where the provider makes funds available to the recipient directly — and indirect financing — where an institution existing between the two borrows funds from one and lends them to another. Securities companies are the main players in direct financing, while banks are the main players in indirect financing. In recent years, a new form of financing known as market-oriented indirect financing has come into being, halfway between direct and indirect financing. The functions that facilitate the flow of money between fund providers and recipients are known collectively as the “financial intermediary functions.”

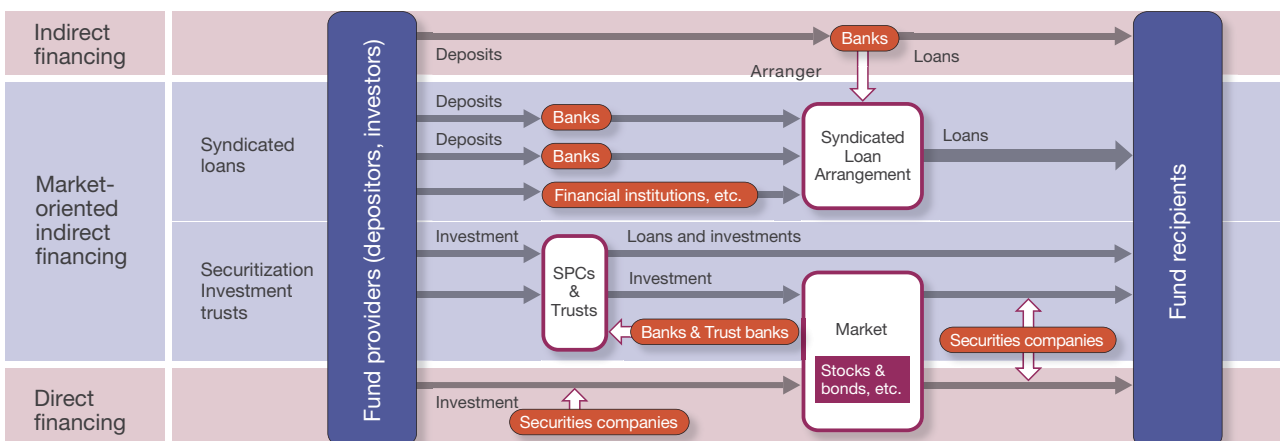
Finance also fulfils a “settlement function.” Settlement refers to the act of paying consideration for purchases of goods and services, and usually takes the form of bank transfers, credit card payments, checks or bills. Since these settlements take place via accounts at banks and other entities, they are considered to be one of the functions offered by financial institutions.

The Characteristics of Financial Institutions

Of the various financial institutions in existence, ordinary people are most familiar with banks, which provide the fund intermediation function and deposit services, and offer settlement functions. If a bank runs into business difficulties, the impact extends to corporate borrowers and other customers as well as depositors. Moreover, since transactions between banks involve enormous amounts of funds, the failure of a single bank may trigger a chain reaction in which several other banks also fail.

In order to protect depositors and maintain orderly credit conditions, therefore, bank managements are required to maintain a healthy financial base to a much greater extent than the managements of other companies. The public nature of the banks was underlined by the injection of public funds when the collapse of Japan’s economic bubble resulted in a crisis in bank management.

Financial Intermediation Function



The Influence Wielded by Financial Institutions

Since money is said to be the economy’s lifeblood, financial institutions are required to ensure that it flows smoothly to all corners of society. The financial sector’s impact on society is thus significant because individuals and companies come into contact with financial institutions in numerous aspects of their daily economic activities. In fact, recent economic developments have increased the influence wielded by financial institutions even further.

Now, there is an active and broadening global trend towards making this influence useful in ensuring the sustainable development of society. One example of this is the UNEP Finance Initiative (UNEP FI)*1. This initiative

encourages informational exchanges and cooperative activities among financial institutions aimed at ensuring sustainable development. Another initiative known as the UN Global Compact*2 is more broadly focused to include private enterprises in general, not just financial institutions. The Mizuho Financial Group has signed up for both these international initiatives.

*1 UNEP Finance Initiative (UNEP FI)

Aims to identify, promote and realize the adoption of best environmental and sustainability practice at all levels of financial institution operations.

*2 UN Global Compact

Encourages companies and civil society organizations from all over the world to support and implement ten universal principles in the areas of human rights, labor, the environment and anti-corruption.

The CSR of Financial Institutions

Mizuho’s Approach

In light of their public nature and influence, we have concluded that financial institutions are expected to shoulder three forms of CSR. First, they must follow sound management practices in order to maintain orderly credit conditions and protect depositors. Financial institutions constitute the foundations of economic society, so the stability of their management has a major impact in terms of economic development and facilitating financing.

Second, their core business lies in making responsible loans and investments to ensure sustainable development. This includes engaging in responsible lending to support

sustainable development through environmentally friendly finance, as well as social action programs that make the most of their core business activities in financial education and other programs aimed at the next generation on whom the future of society depends.

Third, they must enhance their business management abilities in order to ensure the effectiveness of these CSR activities. This means quick and accurate decision-making, and building a corporate governance framework centered on a holding company that steadily implements measures throughout the entire group. It also means focusing on dialog with stakeholders, and ensuring transparency and trust as a company. (continue to Mizuho’s CSR, p. 22)

The CSR of Financial Institutions, and Mizuho’s CSR Priorities

The CSR of Financial Institutions	Mizuho’s CSR Priorities
<p>1 Maintain orderly credit conditions and protect depositors.</p> <ul style="list-style-type: none"> ● Sound management ● Facilitate financing 	<p>Intrinsic Business Responsibilities</p>
<p>2 Finance that shapes the future.</p> <ul style="list-style-type: none"> ● Responsible investment and financing activities to ensure sustainable development ● Finely-tuned activities that contribute to society but cannot be fulfilled through their core activities 	<p>Environmental Initiatives</p> <p>Support for Financial Education</p>
<p>3 Enhance the quality of corporate management to achieve substantial progress in CSR activities.</p> <ul style="list-style-type: none"> ● Enhance governance ● Dialog with stakeholders 	<p>Enhance Corporate Governance</p> <p>Highly Responsive Communications</p>

Special
Section

Financial Education

We support the next generation, who will be responsible for society's future, through financial education utilizing the wide-ranging practical financial knowledge and know-how that we have accumulated through our core business activities. We wish to contribute to the acquisition of financial awareness and the ability to resolve the various issues that may arise in daily life.

Financial Institutions and Financial Education

Mizuho's Financial Education

The year 2005 was both the first year of financial education as we know it, and the year in which we formulated our new business strategy, the "Channel to Discovery" Plan. These two initiatives were our responses to the demands of the times. In light of the shift in asset management from savings towards investment and the increase in financial crimes, we thought it important to enable young people to deepen their understanding of the mechanisms of finance and become citizens who can stand up for themselves in an increasingly complex global society.

Against this societal background, the group supports the next generation, who will be responsible for society's future, through financial education that utilizes the wide-ranging practical knowledge and know-how about finance that we have accumulated through our core business activities.

One of these initiatives is our joint research with Tokyo

Gakugei University in areas such as elementary and secondary education. The university is one of Japan's top teacher training centers, and is working together with the Mizuho Financial Group to make maximum use of their respective know-how in this research.

We have also established programs to offer lectures and courses at the higher education level. To pass on the advanced, wide-ranging financial knowledge we have accumulated through practical financial operations in banking, securities, trusts and asset investment, we dispatch officers and employees with ample hands-on expertise from throughout the group to give lectures at universities.



Informing society about the importance of financial education



Professor,
Tokyo Gakugei University
Keiichi Kubota

Education in US Elementary Schools

In March 2007, I went to an extracurricular lesson given by Carl-Eric Benzinger, Senior Vice President of Mizuho Corporate Bank of California. His students were fifth graders at Miles Avenue Elementary, a school of some 2,000 students in southeast Los Angeles, over 90% of whom are the children of Hispanic immigrants. They speak English at school, and Spanish at home. Taking "What is productivity?" as its theme, the lesson involved dividing some 20 students into two groups to assemble ball pens. One group gained first-hand experience of mass production in the form of assembly-line operations, the other of unit production where each student assembled one ballpen at a time. This extracurricular lesson was tied into the Junior Achievement scheme, which is designed to support efforts to encourage children, especially the children of immigrants, to participate more in society. I must say, I was not only very impressed that a senior vice president of a bank would take time out of an extremely busy schedule to give such a lesson, but also with his sincere, even rigorous approach to implementing CSR.

Support for Financial Education at the Elementary and Secondary Levels — Joint Research with Tokyo Gakugei University —

Joint Research Objectives

These days, people come into contact with money (finance) at an increasingly younger age. For this reason, acquiring knowledge of money from the early stages of the school education process is extremely important for the healthy development of the children on whom the future of society depends.

In April 2006, the Mizuho Group initiated joint research with Tokyo Gakugei University, one of Japan's top teacher training centers, with a view to ensuring that financial education is carried out in an appropriate manner at school and in society.

Financial education has many facets, from helping people avoid multiple indebtedness and preventing financial crimes, to making appropriate use of financial services for planning their future lives. It also nurtures a sense of morality in one's life as a member of society in such fundamental areas as in keeping one's word (meeting one's obligations), while contributing to career education by fostering one's philosophies toward life and work.

The joint research involves developing elementary and secondary school textbooks and other teaching tools to support actual lessons, cooperating in lessons where Mizuho officers and employees serve as guest teachers, and holding public lectures for educators.

Through these initiatives, we aim to contribute to the spread and enhancement of financial education in society as a whole.

Development of Teacher Training Materials for Financial Education

We are working on the development of teacher training materials from which pupils of elementary and secondary

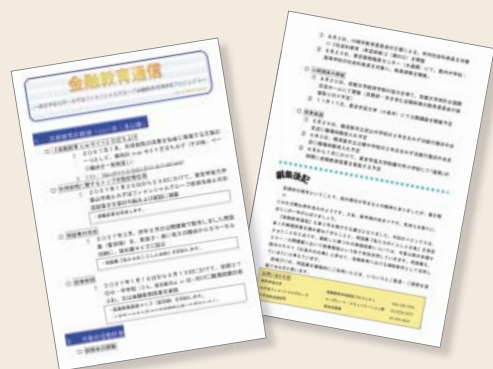
schools can easily learn about the role played by finance. To help students better understand the textbook "Working with Money" we developed last year, we have published a glossary entitled "Money and Our Lives." In order to help children with little knowledge of finance to understand the associated terminology, we used simple language and included easy-to-understand illustrations.

We also drew up guidelines based on the textbook to encourage teachers to use it in their lessons. We are now preparing a DVD that uses actual lessons given to date as explanatory materials.

Networking with Teachers

We attach great importance to networking with teachers who have been involved in actual lessons as well as those who attended the public lectures held in August 2006. Our aims are to encourage the spread of financial education and to improve its content.

In addition to publishing the "Financial Education News" periodical for participants in this networking as a means of sharing information on the results of our joint research, we invite readers to submit advice on how to move ahead with this research at any time.



The "Financial Education News" is distributed to teachers



Contents of the Textbook "Working with Money"



The "Money and Our Lives" Glossary



The public lecture held in August 2006

Financial Education in Practice

Lessons in Elementary Schools

Economic activities have become a central part of contemporary society, and people now come into contact with money (finance) at an increasingly younger age. Based on our conviction that it is essential for people to acquire an accurate basic knowledge of money (finance) from childhood, we are developing and implementing financial education programs aimed at the higher grades of elementary schools.

The important thing at this stage is to recognize that schoolteachers have objectives when they give lessons, so we work with them conscientiously on drawing up the curriculum through prior consultations. We would like here to introduce a case study, the Kida Municipal Primary School, Gifu.

Students of Kida Municipal Primary School had already acquired some knowledge and experience of the flow of money and the mechanisms of society through lessons on product development and sales under the theme "Entrepreneurial Education." Recently, the school approached the Mizuho Group with a view to helping its students obtain an accurate understanding of money. In the process of prior consultations with the school's teachers, it was suggested that Mizuho's financial education program

Lessons in Middle Schools

Middle school is a time when the opportunities students have to involve themselves with society increases rapidly. For this reason, many people consider that learning the mechanisms of finance at this vital stage in the character-building process is very important from the perspective of laying the foundations for their socialization. We at the Mizuho Group take a proactive approach to supporting financial education for middle school students. To date, lessons have been given at Tokyo Gakugei University Takehaya Middle School, Kudan Secondary School and, more recently, Inagi No. 1 Municipal Middle School.

Here, the lessons were held for third year students at Inagi No. 1 Municipal Middle School during their general studies period, with Mizuho Financial Group officers and employees serving as guest teachers. The aim was to ensure that students understand money correctly. The lessons began with an introduction to the work done by banks, the most accessible financial institutions, and how to open a bank account. They then encouraged students

be incorporated into the lessons while making the most of the existing entrepreneurial education program.

The lessons involved scenarios for selling actual products, and the students learned about the role of money from the seller's viewpoint. The content of the lessons extended to such questions as why paper, a comparatively cheap commodity, can be used to buy products, thereby promoting understanding of the value and significance of money as well as the meaning of credit and labor. Creating a curriculum linked with previous lessons was apparently successful in helping the students advance their understanding of the subject. We are very keen to involve ourselves in similar efforts to create new lessons in the future.



A lesson at Kida Municipal Primary School, Gifu

to consider the act of lending money from a bank's point of view. We believe the students gained a basic understanding not only of finance and its relevance to daily life but also of the importance of credit in society.

We are determined to continue our efforts in the area of practical lessons so that, through financial education, we can help train youngsters both to cope with the various problems that arise in daily life and acquire financial knowledge.



A lesson at Inagi No. 1 Municipal Middle School

<Case Study>

Workplace Visit by Kudan Secondary School Students**Workplace Experience**

We have reviewed the workplace experiences that we have been arranging as part of our contributions to local communities from the perspective of financial education, and are now moving ahead with a more multi-faceted program that incorporates elements of practical lessons and other enhancements.

Comprehensive Program Involving Financial Education

Third year civics lessons in the social studies course incorporate finance, and the teachers there are eager to nurture students' views on occupations through careers education and to provide accurate teaching about money. Mizuho therefore accepted Kudan Secondary School students from the school for a four-day work experience. We used various means to ensure that this workplace experience was unlike anything that had gone before. In addition to helping students learn about the importance of work by helping group employees with their work in the workplace, the four days included practical lessons using a text developed jointly with Tokyo Gakugei University.

The Workplace Visit Program

Day 1	Day 2	Day 3	Day 4
Lesson on financial education	Workplace experience	Career training	Review lessons
Textbook: "Working with Money" • How money flows • The bank's work	Visit and experience workplaces at the bank • Head office building • Head office and branch • Dealing room, etc.	Etiquette lessons • Greetings Conversations with young Mizuho employees • About work • About working	Discussions about what students have learned over the last three days

Covering some 150 third year students, the program was multifaceted, starting with preparatory lessons using financial education texts. The students then made study tours of various departments at MHBK and MHCB, where they spoke to young bank employees and received training in the kind of etiquette expected of working members of society. The program ended with review lessons.

The Benefits of Workplace Experience

Middle school students are at a receptive and sensitive phase of their lives, and we believe that the financial knowledge they received through these lessons tied in neatly with their experiences at an actual workplace and their conversations with working adults. Taken together, these elements not only taught them the importance of money but also provided them with an opportunity to think and learn about

the significance of work.



Etiquette lessons



Dialog with young Mizuho employees



Kudan Secondary School
Minako Arakawa,
Teacher

Bringing Financial Education to Life through Workplace Experience

Living in real society without money can be highly problematic, while problems involving money can unfortunately arise. I believe it is vital to learn about money and the importance of handling it carefully through banks, the financial institutions with which most people are familiar.

In addition, banks are involved in various activities, not just deposit-taking. When our students learned how tough operations can be through their workplace experience, they were quite startled. We would very much like to continue these initiatives to link up the knowledge acquired through workplace experiences with the real world.

Establishing Lectures and Courses at Universities

Individual group companies have established lectures and courses at universities in Japan and overseas for some time, but launched more concerted efforts in this area in fiscal 2006.

In light of our record in establishing lectures and courses at home and abroad to date, we now dispatch highly experienced officers and employees with operational responsibilities to give lectures that make the fullest possible use of the practical financial knowledge gained by the group through its comprehensive financial services in such areas as banking, securities, trusts and asset investment.

Cooperative Relationships with Two More Universities

In fiscal 2006, an aggregate total of 39 officers and employees with advanced, practical financial knowledge used the latest case studies as materials for practical lectures on the contemporary finance business at Hitotsubashi University Faculty of Management and Commerce, Waseda University Faculty of Political Science and Economics, and Keio University Faculty of Business and Commerce. Subsequent

surveys of students indicated that they were very happy with the lectures, but we are working on the curriculum to make the lectures and courses even better.

In fiscal 2007, we have established new courses at Tokyo University's Faculties of Law and Economics, and new lectures at the Faculty of Economics, Kyoto University. With Hitotsubashi, Waseda and Keio, this brings the total to six faculties at five universities.

In order to reinforce the curriculum following the establishment of the Finance Department at Tokyo University's Faculty of Economics, the course on "Risk Management at Financial Institutions" focuses on the latest financial practices and theory. We at the Mizuho Group endorse the intentions behind the establishment of the new Finance Department and are cooperating in supporting financial education and research by, among other things, contributing to the "Financial Research Development Fund."

Meanwhile, the University's Faculty of Law will establish a course on financial law, which will pursue legal issues while studying the practicalities of applying laws to financial operations.

At the Faculty of Economics, Kyoto University, we will establish a course in "Advanced Banking Theory." The course will look at the advanced finance offered by financial institutions and consider its significance, economic impact and future development potential. In line with actual practices, it aims to take up specific cases relating to the background of the development of market-oriented indirect financing, loan trading and asset liquidation, and cover them along practical lines.



The University of Tokyo



Kyoto University

Liberal Arts Frontier Course at the Faculty of Education, Tokyo Gakugei University (Careers and Life Planning (Financial Approach))

In the second half of fiscal 2007, the Faculty of Education at the Tokyo Gakugei University will launch a course in "Careers and Life Planning (Financial Approach)," which will adopt a different perspective to the lectures and courses established to date. Since decisions relating to future life plans tend to involve opportunity losses, students must acquire the knowledge (literacy) necessary for making decisions and develop the ability to design their own lives. This course aims to enable students to discuss methods for designing their own lives and careers from a financial perspective (the financial approach).



Tokyo Gakugei University

Hitotsubashi University: Financial Frontier Theory

We designed this curriculum to focus on deepening the students' understanding of the present and future directions of financial business. Drawing on the Mizuho Group's knowledge of advanced financial practices, we used specific practices as materials while maintaining a systematic overview of financial operations centered on banking operations.

We also held the "Second China-Japan Economics and Industry Forum" together with Hitotsubashi University and the Federation of Chinese Enterprises in Beijing,



Hitotsubashi University

September 2006 and the "Mizuho Hitotsubashi Global Seminar" for working adults in October the same year.

Waseda University: Changes in The Financial Markets and Financial Institutions

Bearing in mind the changes taking place in industrial structures and market environments, these lectures discussed the significance and effects of the varied fund procurement methods that financial institutions offer to companies as financial solutions, providing concrete examples. Based on

case studies, they also cover channel strategies and risk management, which mega banks position as vital management strategies for strengthening the structural foundations of business finance.



Waseda University

Keio University: Contemporary Corporate Finance

After examining the evolution of the financial system and changes in the industrial structure, and providing an overview of conventional corporate finance, these lectures looked at methods of raising finance.

They dealt with three categories of corporate funding: 1) funding using asset holdings; 2) funding through loans; and 3) equity finance. The course concluded with lectures providing an overview of new business models to deal with diversifying financial needs.



Keio University

Status of Donated Courses and Lectures in Fiscal 2007

		Educational Institution	Course, Main theme	How operated
Domestic	Mizuho Financial Group, Inc.	Faculty of Economics, University of Tokyo Faculty of Law, University of Tokyo	"Risk Management at Financial Institutions" Financial Law	Dispatch lecturers Cooperation in lectures
		Faculty of Economics, Kyoto University	Advanced Banking Theory	Dispatch lecturers, hold symposiums, hold public lectures
		Faculty of Commerce and Management, Hitotsubashi University	Financial Frontier	Dispatch lecturers, hold symposiums
		Faculty of Political Science and Economics, Waseda University	Changes in The Financial Markets, and Financial Institutions	Dispatch lecturers
		Faculty of Business and Commerce, Keio University	Contemporary Corporate Finance	Dispatch lecturers
	Mizuho Bank	Tokyo Gakugei University, Faculty of Education	Career Education and Life Planning	Dispatch lecturers
		School of Business Administration, Kinki University	The 21st Century Challenge Facing Financial Institutions	Dispatch lecturers
	Mizuho Securities	Faculty of Economics, Kyoto University Graduate School of Business Management, Kyoto University	Corporate finance-related	Dispatch lecturers, invitations to professors/assistant professors, hold symposiums
		Faculty of Commerce and Management, Hitotsubashi University Graduate School of Commerce and Management, Hitotsubashi University	Financial Strategy Theory / Corporate Finance Theory The Theory and Practice of M&A	Dispatch professors and lecturers, hold symposiums
		Graduate School of Global Business, Meiji University	Corporate Finance Theory (Special Theory)	Dispatch professors and lecturers, hold symposiums
		Graduate School of Public Policy, University of Tokyo	The Capital Markets and Public Policy	Dispatch professors and lecturers, hold symposiums
	Joint operations of Mizuho Securities and Shinko Securities	Open Education Center, Waseda University	Corporate Finance and Frontiers of Investment Banking Business (Introduction) / (Practice and Applications)	Dispatch lecturers, internships (MHSC)
		Faculty of Economics, Keio University	Corporate Finance Theory	Dispatch lecturers
	Mizuho Investors Securities	Nippon Bunri University	Overview of Financial and Capital Markets and Practices	Dispatch lecturers
		Osaka University of Economics and Law	Securities Investment Theory	Dispatch lecturers
Takasaki City University of Economics		IPOs and SMEs	Dispatch lecturers	
Overseas	Mizuho Securities	Fudan University (China)	Financial and Capital Markets	Dispatch lecturers, hold symposiums
		Peking University (China)	Financial and Capital Markets, Corporate Finance, Corporate Governance	Dispatch lecturers, joint lectures with Waseda University

Special
Section

Building a Sustainable Society

How can we contribute to the realization of a sustainable society through the functions of finance? We at Mizuho are determined to make a contribution using the mechanisms unique to finance so that individual and corporate customers at home and overseas can realize their present dreams and discover new possibilities in the futures that stretch out before them, while keeping in mind the issues facing society, the economy and the environment.

Contributing to a Sustainable Society through the Group's Overall Capabilities

We at Mizuho offer comprehensive financial services in such areas as banking, securities, trusts and asset investment. The Global Corporate Group responds to the needs of large and global corporations, the Global Retail Group to the needs of individuals, SMEs and middle market corporations, and the Global Asset & Wealth Management Group to customers'

needs in the business areas of trust and custody and private banking. Each group makes the most of its own qualities, while strengthening cooperation with the others and working to offer the best possible products, services and solutions for creating a sustainable society where people can live with a sense of safety and security.

Supporting Efforts to Promote the Use of Renewable Energy

As the sense of crisis over global warming intensifies, the government is promoting the use of renewable energy sources such as wind power and biomass. The so-called Renewable Portfolio Standard (RPS) Law calls for the volume of electric power generated by new energy sources to be increased to 16 billion kWh by 2014, and expectations of wind power are high.

Mizuho started funding the wind power generation projects, expected to play an important role in reducing greenhouse gas emissions, in 1999. When examining the viability of such projects, it is important to make accurate wind power forecasts and profitability judgments based on these forecasts. As we searched for appropriate methodologies

and steadily accumulated know-how, we signed four domestic deals worth a total of ¥8.4 billion in funding in fiscal 2005. Of these deals, three were for wind power generation plants that came on stream in fiscal 2006. We are currently working on developing new domestic deals with a view to providing a cumulative total of ¥80 billion in finance by fiscal 2010. Our interest goes beyond making funding available ourselves to providing appropriate financing services that match customers' needs. These extend from inviting local banks to participate in syndicated loans and offering advice to venture capital companies with relatively little business experience, to arranging finance mechanisms, including loans, and advising on managing wind power generation businesses. To date, we have arranged project finance for seven domestic deals, and acted in an advisory capacity for loans in 14 other deals.



Satomi Ranch wind power generation plant (Hitachi-Ohta City, Ibaraki Prefecture)

Domestic and Overseas Environment-related Project Finance Results for Fiscal 2006

Sector	(No. of deals)	Amount*
Wind power generation	13	¥91.0 billion
Wastes, others	4	¥9.1 billion
Total	17	¥100.1 billion

(Value of loan deals signed by MHCB)

* Foreign currency deal amounts have been converted into yen at the exchange rate prevailing at the end of March 2007.

We are also proactively involved in promoting the wind power business at a broader level that extends beyond activities in core business areas like lending. For example, we have provided the New Energy and Industrial Technology Development Organization (NEDO) with the experience and know-how we have accumulated to date in our capacity as a committee member for entrusted business or as an observer.

Carbon Accounting

From the perspective of global environmental preservation, we at Mizuho believe approaches to climatic change are an important social responsibility that financial institutions should fulfill.

MHCB's initiatives in the area of carbon accounting are one example of this. This involves identifying both the amount of CO₂ emitted by power generation businesses funded by project finance and the extent to which these projects avoid CO₂, then publishing the results of the calculations on websites and elsewhere. Globally, there is a growing move to identify and publish the amounts of greenhouse gases generated by business activities. The International Finance Corporation, for example, requires the operators of projects that are forecast to emit 100,000 tons of greenhouse gases per year to estimate emission amounts.

We are well aware that there is plenty of room for improvements. Our efforts are currently limited to power generation businesses funded by project finance. We are using our own calculation methods because there are as yet no international, unified standards for calculating the amounts of CO₂ emissions generated by borrowers that financial institutions should be monitoring. Even so, our efforts in this area are ahead of the rest of the world in providing a model, and we hope that they will be accepted as one response for dealing with the issue of climate change.

The Equator Principles

In October 2003, MHCB became the first Japanese bank to adopt the Equator Principles. In line with these principles, it now engages in project finance that takes into consideration the impact that such projects have on the natural environments and societies of development areas. Since November 2006, we have taken on the role of secretariat for a network of financial institutions that have adopted the principles. As such, we are responsible for responding to inquiries from financial institutions adopting the principles for the first time, and for managing and operating websites. We proactively participate in international conferences and in efforts to explain the importance of the principles and popularize them.

At the Financial Times Sustainable Banking Awards ceremony held in London in June 2007, MHCB was one of eleven banks to receive the Chairman's Award in recognition of the outstanding leadership it showed in actively coordinating the revision process of the Equator Principles in 2006.



Osamu Odawara (third from left), Head, Sustainable Development Department, MHCB, accepting the award in London with other bank representatives.

Implementation of the Equator Principles

Category	Commentary	FY 2005	FY 2006
A	Projects with potentially significant adverse social or environmental impacts that are diverse, irreversible or unprecedented	3	1
B	Projects with potentially limited adverse social or environmental impacts that are few in number, generally site-specific, largely reversible and readily addressed through mitigation measures	17	22
C	Projects with minimal or no social or environmental impacts	2	0

* Excluding projects in OECD member countries belonging to the high-income economies designated by the World Bank.

Wind Power Leader is a Certified Weather Forecaster

I saw my first wind power generation plant up close in 1999, when they were still rare. The vanes of the power generating propellers were about as long as a jumbo jet, and revolved at the top of a structure about as tall as a 20-storey building. It was overwhelming. I wanted to study wind power generation, but it was very difficult to get hold of specialist books, and I had to make the rounds of the Diet Library and the Japan Meteorological Agency (JMA) for information on the weather. When screening potential deals for funding, it is essential to be able to estimate wind strengths and patterns, which determine the amounts of power that can be generated. After studying meteorology intensively, I acquired my certified weather forecaster's qualification in March 2007.



Mizuho Corporate Bank, Ltd.
Structure Finance Business Division
No. 1 Business Finance Team

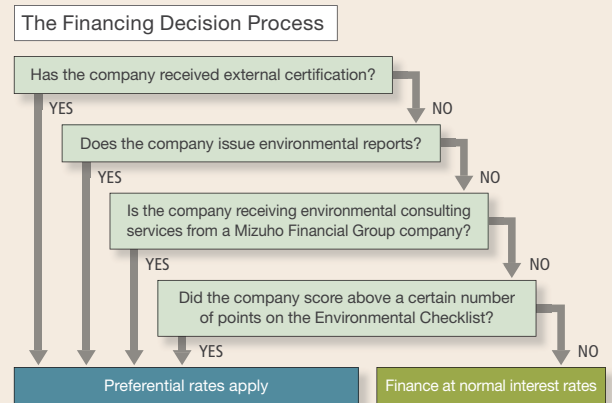
Toshihiro Sawayanagi

Environmental Finance

Supporting Environmental Initiatives through Finance Schemes

Generally speaking, SMEs and middle market corporations tend to lag behind larger enterprises in the area of environmentally aware activities. MHBK and Orient Corporation (Orico) jointly offer a finance scheme to provide financial support aimed at companies that plan to adopt environmentally friendly initiatives in the future, not just companies that are already engaged in such activities. One of the scheme's key characteristics is that it also covers companies that obtain a certain level of eligibility under MHBK's own "Environmental Checklist" as well as companies that have acquired certification under the ISO14001 international standard and similar evaluation criteria. We will be delighted if, through this scheme, we are able to contribute to the reductions of greenhouse gases in accordance with the Kyoto Protocol, whose first

commitment period starts in 2008, by encouraging as many SMEs as possible to introduce facilities that will conserve energy and resources.



PRI (Principles for Responsible Investment) and SRI (Socially Responsible Investment) Funds

In September 2006, MHTB signed the UN's "Principles for Responsible Investment" (PRI), which are designed to incorporate the environmental, social and corporate governance perspectives into the investment decision making process.

DLIBJ Asset Management Co., Ltd. (DIAM) has also adopted SRI (Socially Responsible Investment) principles, and is moving ahead with the development, establishment and management of SRI funds. SRI involves evaluating and investing in companies, not just from the viewpoint of profits and growth, but also from the viewpoint of social contributions in areas such as ethics and environmental issues.

Through such efforts, we intend to contribute to the realization of a sustainable society by promoting investment activities that take into consideration social and environmental as well as economic factors.

SRI Initiatives

DIAM develops and offers specialized SRI funds that focus on the natural environment, CSR and regional development. One such product was the "Oze Kiko" (Oze Travelogue) fund for environmental protection set up in May 2006. This involves donating part of the remuneration from investments in Japanese companies with proactive CSR programs and resource-rich countries with high credit ratings to The Oze Preservation Foundation, thus contributing to the preservation of the natural environment of the wetlands of Oze.



* Principles for Responsible Investment (PRI)
Aims to ensure that institutional investors and pension funds, etc., incorporate environmental, social, and corporate governance (ESG) issues into their decision-making processes.

Consulting, Survey and Research Services

To provide broadly based support for companies and administrative agencies working towards the realization of a sustainable society, MHRI and MHIR offer consulting, surveys and research services pertaining to various aspects of CSR and the environment.

The sectors covered range widely, from CSR and global warming to CO₂ reduction, resources and energy, chemical compounds, and air, soil and water pollution. For companies, they support the creation of medium-term planning and management systems for the environment, quantitative environmental assessments and market surveys. For government agencies, they carry out basic survey and research services for drawing up environmental policies and systems proposals.

Number of consulting, survey and research projects implemented

Breakdown	FY2004	FY2005	FY2006
Consulting, surveys and research services for government agencies	170	204	212
Consulting, surveys and research services for private companies	127	123	124
Publication of other reports, etc.	37	51	61

Consulting on Emissions Trading

In 1997, the Kyoto Protocol created a framework for emissions trading as a more flexible concept for promoting reductions of greenhouse gases. For country-specific CO₂ emissions, this mechanism was designed to allow trading of credits between countries whose emissions are below quota and those that exceed their emissions quotas.

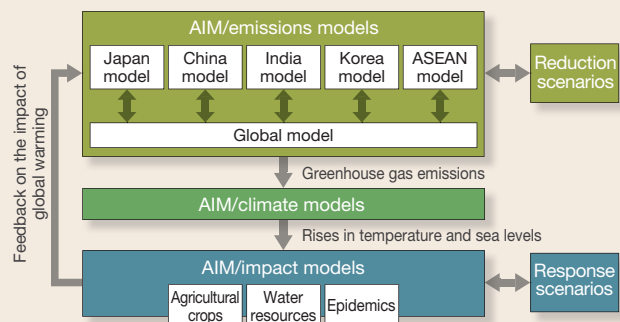
Japan was charged with reducing its average CO₂ emissions for 2008-2012 to a level 6% below its 1990 emissions, but its emissions in 2003 already exceeded the 1990 emissions by 7%. So, it will find it well-nigh impossible to achieve its target without procuring emissions credits.

MHIR started emissions trading consulting services in the 1990s. It provides full support for uncovering deals in the area of emissions trading projects and putting them on to a business footing. This ranges from advisory services and feasibility studies, to individual country and UN procedures pertaining to the registration of emissions credits. In October 2006, it arranged an emissions credit trading contract between Tokyo Electric Power and China Energy Conservation Investment Corporation to support a wind power generation project by the latter. This was the first such deal to be approved by the two governments.

Development of the AIM Model and Scenarios for a Low Carbon Society by 2050

In order to study the global warming issue and measures to deal with it, it is essential to forecast the amounts of greenhouse gases emitted as a result of wide-ranging human activities and to identify the broad impact that these greenhouse gases will have once emitted. For this reason, the National Institute for Environmental Studies and Kyoto University have led the way in developing a mathematical forecasting and assessment method known as the "Asia-Pacific Integrated Model for evaluating policy options to reduce GHG emissions and global warming impacts" (AIM). MHIR participated in the construction of the AIM model from the initial development stage. We also used this model in the "Research Project of Japan Low Carbon Society Scenarios toward 2050" to design scenarios for greatly reducing Japan's greenhouse gas emissions by 2050.

Overview of AIM



Earth Simulator

Development of the Earth Simulator began in 1997 as a national project in response to the issue of global warming. Operations began in March 2002 under the management of the Japan Agency for Marine-Earth Science and Technology (JAMSTEC).

The simulator takes the form of a research super computer that boasts one of the highest storage capacities and computing speeds in the world and uses high-vector calculation methods to assess and forecast changes in the earth's atmosphere and oceans. Many public agencies and companies are engaged in initiatives aimed at creating a sustainable society on the basis of the Earth Simulator's assessments and forecasts.

MHIR has been a participant in building and improving the Earth Simulator's calculation model since fiscal 2003, and carries out heat environment evaluations and forecasts relating to the heat island phenomenon.



This section covers Mizuho's CSR-related structures/frameworks, philosophy and plans and the details of its initiatives and their results.



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Governance & Management

Mizuho's CSR

Mizuho has heavy social responsibilities and a public mission to fulfill as Japan's leading comprehensive financial group with worldwide operations centered on banking. This section provides an overview of the group's activities in the area of corporate social responsibility.

Mizuho's CSR

The Mizuho Code of Conduct

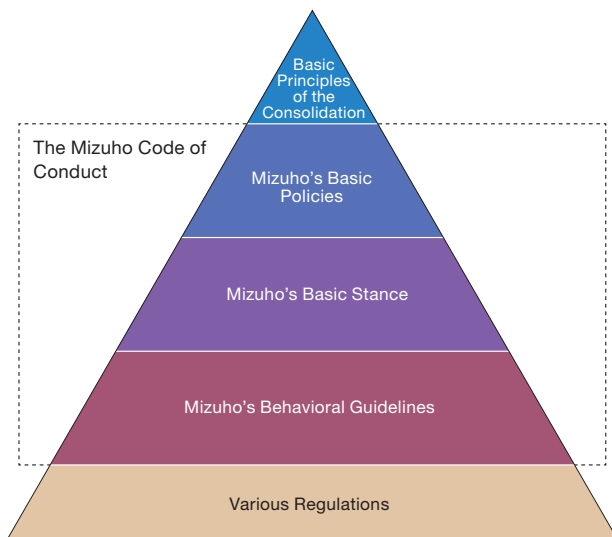
When a joint holding company was established by Dai-ichi Kangyo Bank, Fuji Bank, and the Industrial Bank of Japan in October 2000, "The Mizuho Code of Conduct" was drawn up to provide the ethical standards that must be

observed in putting the Basic Principles of Consolidation into practice. The Code lays down concrete rules that must be observed in all business and operational decisions and actions.

Mizuho's Basic Policies govern the group as a whole, Mizuho's Basic Stance delineates its approach to different types of stakeholders, and Mizuho's Behavioral Guidelines prescribe more specific guidelines concerning the conduct of group officers and employees.

Mizuho's Basic Policies	
1 Social Responsibilities and Public Mission	<ul style="list-style-type: none"> As Japan's leading comprehensive financial group, we will remain conscious of the importance of our social responsibilities and public mission at all times, and dedicate ourselves to sound management based on self-responsibility. We will encourage close communications with society, and work to ensure that our corporate activities conform to social common sense.
2 The "Customer First" Principle	<ul style="list-style-type: none"> We will place our customers first and ensure that they are provided with the best possible services at all times. We believe that earning the customer's trust is the basis for winning the trust of shareholders, the local community and all other stakeholders.
3 Complying with Laws and Regulations	<ul style="list-style-type: none"> We are committed to strict observance of all laws and regulations as we go about our corporate activities in a fair and honest manner in conformance with the norms accepted by society. We will comply with international rules, obey the laws of different regions around the world, and respect their customs and cultures.
4 Respect for Human Rights	<ul style="list-style-type: none"> In addition to ensuring that we respect everyone, including our customers, officers and employees, and value fundamental human rights in all our activities, we will work to create a corporate culture in which the spirit of respect for human rights is all-pervasive.

(Text excerpts only)



Mizuho's Basic Stance
1 Basic Stance toward Customers
2 Basic Stance toward Shareholders
3 Basic Stance toward the Community
4 Basic Stance toward Employees
5 Basic Stance toward Suppliers and Competitors
6 Basic Stance toward Political and Governmental Officials

(Heading excerpts only)

* Please refer to the Social Report (p. 34-53) for details of 1 through 4.

Mizuho's Behavioral Guidelines
1 Maintaining Order in the Workplace
2 Prohibition on Private Use of Corporate Assets
3 Appropriate Management of Information
4 Prohibition on Conflicts of Interest
5 Temperate Private Behavior

(Heading excerpts only)

Mizuho's CSR

As business activities expand in scope and markets become increasingly globalized, we at Mizuho are required to give greater consideration to pro-social, pro-environmental initiatives. We believe our CSR initiatives are essential if we are to coexist with society and ensure mutually sustainable development. Drawing on the Basic Principles of Consolidation, we have compiled the Mizuho Code of Conduct to serve as the basic philosophy underpinning our CSR activities.

We at Mizuho therefore believe it is our intrinsic business responsibility not only to offer quality, leading-edge financial products and services, but also to remain fully aware of our public mission as part of the economic and social infrastructure, facilitating the flow of money and contributing to the healthy and sustainable development of the economy and society in Japan and abroad. In addition to fulfilling the responsibilities inherent in our core business activities, we will pursue corporate activities that will fulfill our social responsibilities through initiatives associated with our core business.

Mizuho's Materiality — A Key Area of CSR —

Based on this awareness, we have announced that we will strengthen our initiatives in the area of CSR under our business strategy, the "Channel to Discovery Plan", and position CSR initiatives as the main axis of our corporate activities.

Mizuho believes that financial institutions are expected to shoulder three forms of CSR: (1) Ensure sound management practices in order to maintain orderly credit conditions and protect depositors; (2) Offer finance that shapes the future; and (3) Enhance the quality of corporate management to achieve substantial progress in CSR activities. We have taken up the challenge of the three forms of CSR activities that financial institutions are expected to shoulder and are tackling them in five priority areas.

The first of these is our "intrinsic business responsibility" to ensure sound management practices as a public institution in order to maintain orderly credit conditions and protect depositors.

The second is "environmental initiatives," which means using our characteristics as a financial institution to contribute to the resolution of environmental issues through responsible lending, and investment activities that support sustainable development.

The third is "support for financial education" to ensure that the know-how we have acquired through our core

activities is made available to society for its own use. We are committed to making the most of our core activities to contribute to the healthy nurturing of the next generation who will be responsible for society's future.

The fourth is "enhanced corporate governance," which means building a corporate governance framework that is premised on maintaining fairness and integrity in our corporate activities.

The fifth and final priority area is "highly responsive communications." This means taking up the challenge of focusing on dialog with stakeholders in order to ensure transparency and trust as a company.

Intrinsic Business Responsibilities

- Maintain trust and protect depositors.
- Contribute to the healthy and sustainable development of the global economy by working to facilitate financing, and making responsible loans and investments.
- Earn the unwavering trust of customers and society as a whole by faithfully carrying out business activities through sound and appropriate management.

Environmental Initiatives

- Recognizing that restricting and reducing impact on the global environment is a shared challenge, provide financial services in line with environmental policies to prevent global warming, etc. and reduce our own consumption of resources.

Support for Financial Education

- Support financial education for the next generation on whom society's future depends to enable them not only to acquire financial awareness but also to cope with the issues they will face in their daily lives.

Enhance Corporate Governance

- Establish a corporate governance structure capable of earning a reputation for excellence in global financial and capital markets by maintaining fairness and integrity in our corporate activities.

Highly Responsive Communications

- Realize responsive communications with stakeholders by further promoting information disclosure to ensure greater transparency in corporate activities.

Stakeholder Engagement at Mizuho

We at Mizuho are determined to promote our CSR activities still further by realizing high quality communications with our stakeholders.

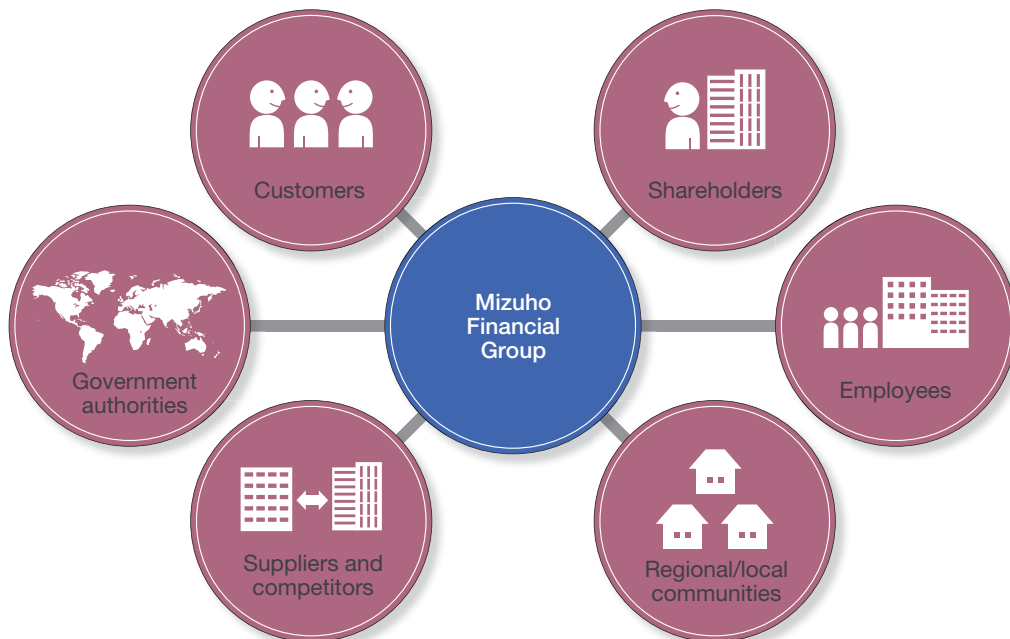
Approach to Stakeholders

Financial institutions have a public role to play, which means they not only have a major impact on society but also bear heavy responsibilities toward society. If the Mizuho Financial Group is to contribute to the sustainable development of society as a good, responsible corporate citizen, we must be aware of society's expectations towards it. For this reason, we must improve the quality of our communications through dialog with stakeholders, whose interests vary widely.

To win society's true understanding and recognition,

as well as accurate assessments and feedback based thereon, we must endeavor to further improve our information disclosure and secure the transparency of our management. At the same time, we must also work to ensure well-balanced corporate management by realizing highly responsive communications as one of our priority CSR areas. Since fiscal 2006, we have also been engaging in regular stakeholder dialogs with experts, utilizing the resulting opinions and views in Mizuho's CSR activities.

We at Mizuho classify our stakeholders as follows: customers, shareholders, employees, regional/local communities, suppliers, competitors and government authorities.



Stakeholders

Customers

Our customer base is extremely broad, including depositors and borrowers, trust consignors and beneficiaries, and it ranges from individuals and enterprises to public service corporations. It is also geographically diverse, since we have customers around the world.

As well as listening to the opinions of our customers through mechanisms such as “customers’ voice cards,” call centers and customer satisfaction surveys, we use television, newspapers, our website and other media to transmit information. At the same time, we carry out two-way communication via direct dialog at branches and through our sales staff. The results of our communications are used in a variety of ways, for example, in improving products and services, and enhancing the quality of our management.

➔ P.34

Shareholders

As of the end of March 2007, the Mizuho Financial Group had 11,872,195.49 common stocks issued and outstanding. Japanese corporates held 57.27% of these stocks, foreign corporates 29.14%, and individuals 13.59%. We intend to maintain and expand our assets and improve our profitability with a view to keeping the trust and meeting the expectations of our shareholders. We rigorously maintain the accuracy and reliability of our financial, taxation and accounting practices, and we are also strengthening our independent internal audit control functions and working to build a stringent internal control system. Since our listing on the New York Stock Exchange we have followed US accounting rules when disclosing information.

➔ P.40

Employees

On a consolidated basis, there were 47,449 employees working for the group in 30 countries/regions, centered on Japan, as of March 31, 2007.

Personnel are Mizuho’s most important business resource - the unrivaled cornerstone of the group’s competitive advantage. We believe that enhancing the value of each and every employee through proactive investment in human resources will lead to the creation of permanent value for Mizuho. In line with this approach, we are working to create a free and open workplace environment that is attractive to employees because it is work-friendly and rewarding.

We also provide compliance education and training, ensure rigorous observance of labor laws, pay close attention to health and safety in the workplace, provide a hotline to address discrimination and sexual harassment, and conduct motivation surveys at the workplace, etc.

➔ P.42

Regional/Local Communities

We maintain deep ties with regional and local communities via our business activities at 772 locations (702 domestic and 70 abroad) in 30 countries/regions (as of the end of March 2007) and also through each and every employee, to the extent that in many ways these communities may be considered the backbone of Mizuho’s existence. For this reason, we believe it is extremely important to contribute to the development of local communities through business activities that harmonize our own profits with society’s interests.

In addition to normal business activities, we endeavor to interact with local communities through proactive social action programs.

➔ P.46

Suppliers and Competitors

Our transactions with suppliers arise through orders for IT systems and purchases of goods and services.

We maintain healthy and transparent relationships with suppliers, in order to ensure mutual prosperity, by treating them as business partners who provide us with the best quality and services. To maintain trust in the Mizuho brand, we ask suppliers to understand the “The Mizuho Code of Conduct.”

In line with the principles of self-responsibility on which the market economic structure is premised, we compete in a fair, transparent and free manner based on a strong sense of self-help and independence.

Government Authorities

We have multifaceted relationships with the governments of Japan and many other countries around the world. Whether it is a matter of following laws and regulations in conducting business, using public services necessary for business, lending funds for government or national projects, or borrowing funds from central banks, we endeavor to observe all national laws and maintain sound and normal relationships with domestic and foreign regulatory authorities and politicians with jurisdiction over our operations.

Corporate Governance

Mizuho endeavors to make corporate management more transparent and efficient by separating supervisory functions from the executive functions. This section contains a report on the group's management and corporate governance structure.

Group Management Framework

The group has adopted a management control system whereby the holding company, Mizuho Financial Group, Inc. (MHFG), exercises managerial control over group companies.

MHFG manages core group companies* directly and other group companies indirectly via the core group companies.

* Core group companies: Mizuho Bank, Mizuho Corporate Bank, Mizuho Securities, Mizuho Trust & Banking, Mizuho Investors Securities, Trust & Custody Services Bank, Dai-ichi Kangyo Asset Management, Fuji Investment Management, DLIBJ Asset Management, Mizuho Research Institute, Mizuho Information & Research Institute, Mizuho Financial Strategies, and Mizuho Private Wealth Management.

Dai-ichi Kangyo Asset Management Co., Ltd. and Fuji Investment Management Co., Ltd. merged on July 1, 2007 to become Mizuho Asset Management Co., Ltd.

The Corporate Governance Structure

We at Mizuho will devote our efforts to making our group management more transparent and efficient and carry out our business activities with honesty and integrity, and in conformity with social standards. To this end, we position compliance as one of the fundamental principles of sound business management to comply strictly with all laws, ordinances, rules and regulations. Our corporate governance structure is described below.

Corporate Auditors

MHFG has adopted a corporate auditor system whereby corporate auditors monitor whether operational execution by directors is legal by attending board meetings and expressing their views. Three of the five auditors are external corporate auditors.

Board of Directors

MHFG's board of directors consists of nine members who determine important matters pertaining to the management policy of MHFG and its group companies. Together with the directors and executive officers, they also oversee the manner in which directors and executive officers fulfill their duties. Three of the directors are outside directors, independent of the day-to-day management of the company. Their participation serves to strengthen the management and monitoring functions of the board of directors.

Internal Audit Group

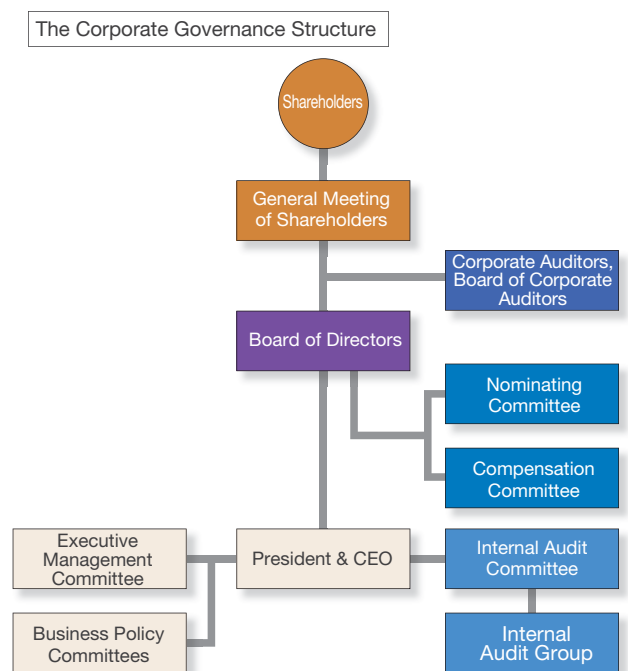
We have established the Internal Audit Committee as an internal audit function under the President & CEO. The Internal Audit Committee discusses and determines important matters concerning internal audit on the basis of the basic policy determined by the board, and reports all its decisions to the board.

To ensure that the internal audit function has even greater independence from the audited sections, we have separated it from the groups that it audits, and established it as an independent group under the control of the Internal Audit Committee.

Outside specialists (currently one lawyer and one accountant) participate in the Internal Audit Committee as special members to reinforce its expertise and objectivity.

Nominating Committee, Compensation Committee

The Nominating Committee is composed of directors, including external directors. Both it, and the Compensation Committee, were established as consultative bodies to the Board of Directors and endeavor to ensure transparency and objectivity in director-related personnel affairs and compensation.



(as of June 26, 2007)

* Please refer to our website for further information.
URL <http://www.mizuho-fg.co.jp/english/company/about/management/index.html>



Performance of Business Operations

In executing business, Mizuho attaches the greatest importance to enhancing efficiency and effectiveness, and ensuring thoroughgoing risk management and compliance. This section covers the group’s system for business execution.

Performance of Business Operations

MHFG has adopted the Executive Officer System in order to separate the managerial supervisory function from the executive function, and clarify lines of authority and responsibility. For business execution, the President & CEO of MHFG manages the entire group according to the fundamental management policies determined by the Board of Directors.

The Executive Management Committee was established as a consultative body to the president and discusses

important matters related to the execution of duties. In addition, Business Policy Committees, which include the Compliance Committee, the Information Security Management Committee and the Disclosure Committee, were established to carry out comprehensive deliberations and coordination related to a wide range of company-wide issues spanning the managerial duties of executive officers.

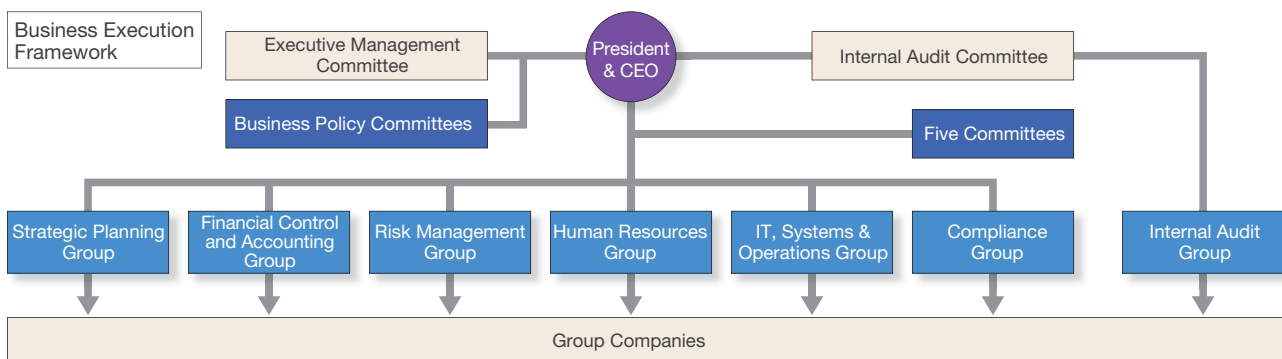
Five other committees have been established separately from the Business Policy Committees to deal with specific issues. These committees discuss, disseminate information and promote policies concerning the operations under their jurisdiction.

Business Policy Committees

- Portfolio Management Committee: Discusses, coordinates and monitors basic portfolio policies and their implementation.
- ALM & Market Risk Management Committee: Discusses, coordinates and measures performance of basic ALM policies, risk planning, fund procurement, and investment and market risk control.
- Compliance Committee: With the participation of external experts (one lawyer and one certified public accountant) as special members, discusses and coordinates legal compliance oversight, and matters related to antisocial elements and the handling of accidents.
- Information Security Management Committee: Discusses and coordinates the promotion of policies on information management, risk management pertaining to information security, compliance with the Law Concerning the Protection of Personal Information, and rules and regulations concerning information management.
- Disclosure Committee: Discusses and coordinates matters pertaining to disclosure, particularly statutory disclosure and timely disclosure, in order to maintain an approach to disclosure that wins investors’ trust, and to assure internal controls.
- CSR Committee: Discusses and coordinates matters concerning the status of CSR related initiatives, key matters to be addressed, action plans and CSR reports.

Five Committees

- Emergency Task Force: Discusses, disseminates information and promotes policies concerning measures to deal with emergency situations.
- Human Rights Awareness and Promotion Committee: Discusses, disseminates information and promotes policies concerning human rights initiatives. The objective is to create a corporate culture filled with a spirit of respect for human rights.
- Committee to Encourage Employment of People with Disabilities: Discusses, disseminates information and promotes policies concerning the employment of handicapped people and securing their role in the workplace.
- Social Contribution Committee: Discusses, disseminates information and promotes policies concerning activities that contribute to society. Conducts discussions related to original projects and support for social contributions by employees.
- Environmental Issues Committee: Discusses, disseminates information and promotes policies concerning global environmental initiatives, including reductions of the group’s own environmental impact and support for customers’ environmental responses.



* Please refer to the Annual Review for further details on the system for business execution
 URL: <http://www.mizuho-fg.co.jp/english/investors/financial/annual/index.html>

Risk Management

Further progress in financial deregulation and internationalization has led to rapid growth in the diversity and complexity of banking operations, exposing financial institutions to various kinds of risk. Managing these risks in an appropriate manner is an essential factor in increasing corporate value. This section covers the group's basic approach to risk management and its risk management structure.

Basic Approach to Risk Management and Risk Management Structure

We at Mizuho classify our risk into credit risk, market risk, liquidity risk and operational risk, and manage each type of risk according to its characteristics. In addition to managing each type of risk individually, we have established a risk management structure to identify and evaluate overall risk and, where necessary, to devise appropriate responses, both qualitatively and quantitatively, in order to keep risk within managerially tolerable limits.

We recognize that appropriate risk management and control measures are issues of key importance to management, and are taking steps to strengthen our risk management structure.

Comprehensive Risk Management Structure

MHFG's Board of Directors has laid down the Basic Policies for Risk Management, which are applicable to the entire group. These policies clearly define the kinds of risks to be managed, establish the organizational structure and provide for the human resources training necessary for appropriate levels of risk management. They also provide for audits to measure the effectiveness and suitability of the risk management structure.

While conforming to the basic policies determined by MHFG, each group company endeavors to improve its risk management, works to strengthen controls, and adopts the most appropriate risk management measures for its business and the size and profiles of its risk exposures.

MHFG receives applications and reports concerning the risk management situation at core group companies regularly or when otherwise required, and issues appropriate instructions as necessary. Each group company has also established its own risk management structure, receives reports on the status of risk at its own group companies and issues appropriate instructions to them.

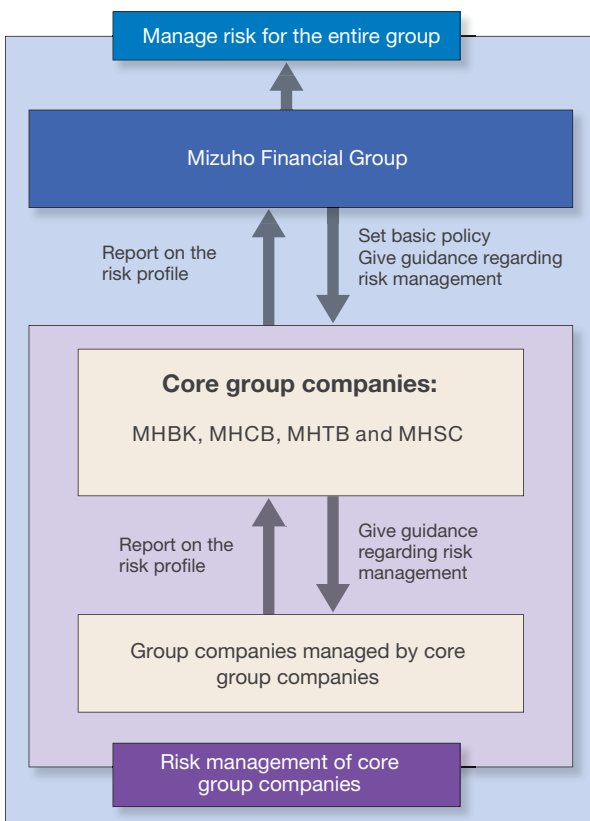
We at Mizuho endeavor to obtain as quantitative an understanding as possible of the group's overall risk exposure, and have implemented measures to ensure such risks do not exceed shareholder's equity and other measures of financial strength in accordance with the risk capital allocation framework.

Credit Risk Management

We at Mizuho define credit risk as "the group's exposure to the risk that it might incur losses because of a decline in, or total loss of, the value of assets (including off-balance-sheet assets) as a result of deterioration in a counterparty's financial position," and use the following two mutually supplementary approaches to manage it.

The first of these is to curb losses arising from the emergence of credit risk by controlling the entire process for each individual transaction, from granting the credit through to recovery, on the basis of assessments of the credit standings of the counterparties involved.

MHFG's Risk Management Structure



MHBK, MHC B and MHTB use uniform credit ratings to monitor the status of their borrowers in a timely manner, reviewing these ratings whenever there is a change in a borrower's credit status as well as on a regular basis.

The second is to manage the portfolio using statistical methods to measure the potential occurrence of credit loss in order to identify it and devise appropriate responses.

In managing our portfolios, we use three figures to identify and control losses arising from them. "Expected Loss" is the average amount of loss forecast. "Credit VAR" is the maximum possible loss within a certain confidence interval and "Unexpected Loss" is the difference between the two. As part of this process, we work to ensure that risk is diversified and that credit is not concentrated excessively in certain companies, corporate groupings or sectors.

Market Risk Management

We at Mizuho define market risk as "the risk that the group could incur losses because of fluctuations in interest rates, stock prices and foreign exchange rates," and measure and control it in an appropriate manner.

From the perspective of quantitative controls in particular, limits have also been set in the form of ceilings for VAR and losses.

The risk management divisions of MHFG and core group companies monitor adherence to the above-mentioned limits by identifying market risk using appropriate methods to measure risk volumes according to the nature and characteristics of their risk exposures, as well as their profit and loss situations. They also submit regular reports to their management.

Liquidity Risk Management

We at Mizuho define liquidity risk as "the risk of losses arising when the group faces funding difficulties because a deterioration in its financial position makes it difficult to raise the necessary funds, or when it is forced to procure funds at much higher interest rates than usual."

Liquidity risk is controlled by setting management indices such as limits on funds raised in the market.

Operational risk management

We at Mizuho define operational risk as "the risk that the group may incur losses as a result of inadequate or failed internal processes, personnel and systems, or external events."

In our view, operational risk encompasses a wide range of risks, including IT risk, operations risk, legal risk, human resources risk, tangible asset risk, regulatory risk, and reputational risk. We identify and manage risk in an appropriate manner, stipulating basic risk management policies concerning risk management structures and methods for each type of risk.

Approach to Basel II

Regulations on international standards pertaining to the health of banks have been applied since 1992, and they have been revised in order to match actual risk situations, following the evolution of risk management methods. The new regime is known as Basel II (the new BIS capital adequacy guidelines or the New Basel Capital Accord), and came into force in Japan from March 2007. Basel II comprises three elements. Pillar 1 stipulates the minimum capital requirements that banks should hold against their risk exposures. Pillar 2 covers the supervisory review process that supervising authorities should follow when assessing risk that cannot be adequately measured using the minimum required capital adequacy guidelines. And Pillar 3 holds that improved public disclosure should enhance market discipline.

We moved ahead with preparations in line with the purport of these regulations, completing the prescribed procedures for obtaining the necessary approvals for each type of risk quantification method from the authorities in March 2007.

Compliance

Mizuho is working to achieve global standards in compliance. This section reports on our approach to compliance, and on the operating structure and activities we use to ensure it.

Approach to Compliance

We at Mizuho are acutely conscious at all times of our social responsibilities and public mission as Japan's leading comprehensive financial services group. We therefore work to ensure that we observe all laws and regulations, and pursue corporate activities in a fair and honest manner that conforms to the norms accepted by society. Positioning thoroughgoing compliance as one of the fundamental principles of sound business management, each group company pursues compliance and establishes its own compliance structure in line with the basic policies indicated by MHFG.

Compliance Structure and Activities

The Presidents & CEOs of MHFG, MHCB and MHBK oversee compliance at their respective companies and chair discussions regarding important compliance-related matters at meetings of their respective Compliance Committees (Chairman: President).

The three companies also have their own individual compliance divisions headed by chief compliance officers for compliance planning and implementation.

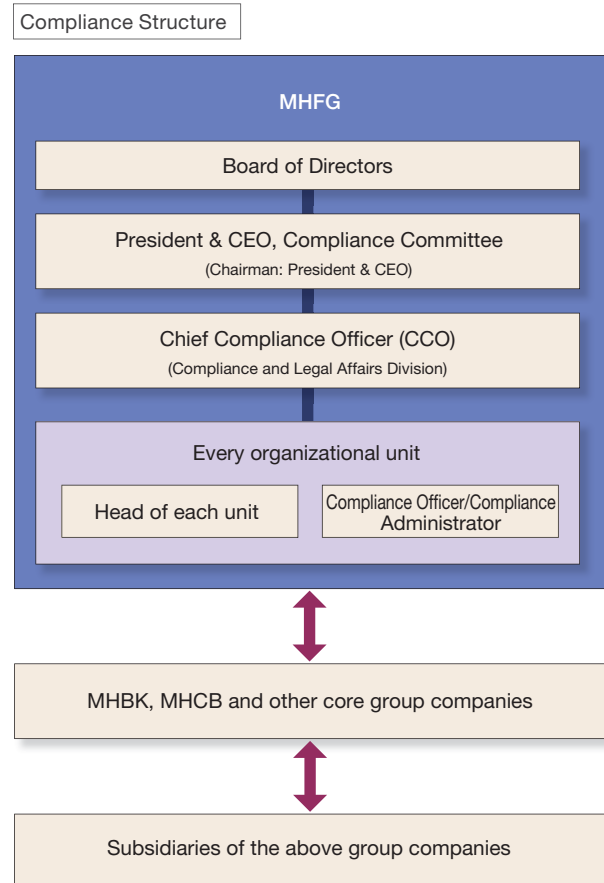
The head of each organizational unit of each group company is responsible for guidance and implementation in connection with compliance, while the compliance officer or compliance administrator at each unit monitors compliance.

MHFG uses reports, etc. to ascertain the status of compliance management at the core group companies and adopts appropriate responses where necessary. The core group companies themselves monitor and manage compliance at their own subsidiaries.

Specific methods for checking the status of compliance management to ensure thoroughgoing compliance include primary self-checks conducted by each division and secondary checks carried out by the internal audit section.

Compliance levels are also among the criteria included in the personnel assessments called "360-degree"

performance evaluations, and are carried out not only by the supervisor, but also by subordinates and colleagues from other departments who have close working relationships with the person being evaluated.



Compliance Manual

In order to offer concrete compliance guidelines, We at Mizuho have prepared a comprehensive compliance manual that provides an easy to understand introduction to the laws, ordinances and rules that must be observed and the compliance activities that must be practiced according to the nature of the business operations of individual group companies.

Education and Training

We carry out on-the-job training using case studies on concrete themes in regular group training sessions sponsored by the Human Resources Division, or in training sessions carried out by each organizational unit under instructions from compliance control divisions.

Compliance Programs

Each group company formulates a compliance program every fiscal year as a concrete action plan to put in place various systems, training sessions and checks associated with compliance. Implementation levels are followed up every six months, and the status and results are reported to the Board of Directors.

Compliance Hotline

We at Mizuho have established compliance hotlines directly to compliance control divisions at each group company as lifelines to enable employees to submit reports on compliance problems for which appropriate steps cannot be taken under the standard compliance reporting system. We have also established an interface with a law firm to ensure confidentiality and protect the privacy of the person involved in the consultation. MHFG has also established the Internal Control and Audit Hotline to receive reports from inside and outside the company concerning internal controls and audits of accounts and financial reports.

Mizuho actively observes compliance, however, in August 2006, we unfortunately received a warning from the Fair Trade Commission because of suspicions that indications of the applicable interest rates used in leaflets for the Long-term Fixed-rate Housing Loan Campaign and the Special Rate Housing Loan Campaign throughout March 2006 misled general consumers.

We would like to express our deepest apologies for the trouble these cases have caused our customers and all other concerned parties. We are striving to make future indications even more clearly understandable.

Maintain Normal Healthy Political and Administrative Relationships

Relationships with Public Officials, etc.

The group has adopted a basic stance of maintaining healthy, transparent relationships with political and administrative entities and personnel, and avoiding acts that encourage mutual dependence or collusion. To sustain this basic stance, it operates a strict compliance mechanism based on the above-mentioned compliance structure and activities. The compliance manual also provides clear explanations of this basic stance and the compliance mechanism, and promotes dissemination of knowledge about them through compliance training, etc.

For example, strict performance standards have been laid down to ensure that entertainment and exchanges of gifts with public officials, etc. (including politicians) do not promote expectations of special favors or encourage suspicions of bribery and corruption in relationships with politicians and administrators. Compliance officers at each unit and compliance control division are also obliged to implement a priori checks.

Relationships with Foreign Public Officials

With regard to relationships with public officials of foreign countries, employees are obliged to check for conformity with the Unfair Competition Prevention Law, the criminal codes of host countries, and host country domestic laws based on the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

Involvement in Political Activities

The group has adopted a policy whereby it takes a cautious approach to donations to political activities in order to avoid illegal political donations or payoffs.

Mizuho's Economic Performance

For a company to continue to exist, it must strengthen its financial position by securing profits on an ongoing basis. It must also be fully aware of its relationships with its stakeholders in order to engage in business activities that aspire to sustainable development. This section examines and reports on our financial condition and earnings from the perspective of our economic relationships with our stakeholders.

Economic Reporting in this CSR Report

In addition to providing an overview of MHFG's financial condition and earnings, this report attempts to identify figures pertaining to the profit situation from the perspective of its economic relationships with stakeholders.

Profits and Losses

In fiscal 2006 MHFG's Consolidated Gross Profits increased by ¥114.9 billion, compared with fiscal 2005, to ¥2,117.3 billion. In particular, the customer segments of MHBK, MHC B and MHTB increased their interest income and saw steady growth in fee income. Profits in the market divisions also increased because the three banks disposed of a total of ¥138.5 billion in unrealized losses in fiscal 2005. In contrast, profits fell at MHSC and MHIS, primarily because of lower earnings in their equity divisions.

Consolidated Net Business Profits* increased by ¥69.0 billion to ¥991.6 billion despite the fact that General and Administrative Expenses (Excluding Non-Recurring Expenses) increased due to investments of "strategic expenses."

Consolidated Net Income declined by ¥28.9 billion to ¥620.9 billion. Although deteriorating non-bank performance was primarily responsible for an increase in Credit-related Costs, and Net Gains/Losses Related to Stocks and Other Securities deteriorated, the Group posted ¥125.9 billion in reimbursement gains on Retirement Benefit Trusts.

* Consolidated Net Business Profits = Consolidated Gross Profits - General and Administrative Expenses (Excluding Non-Recurring Expenses) + Equity Method Gains/Losses, etc. after Consolidation Adjustments

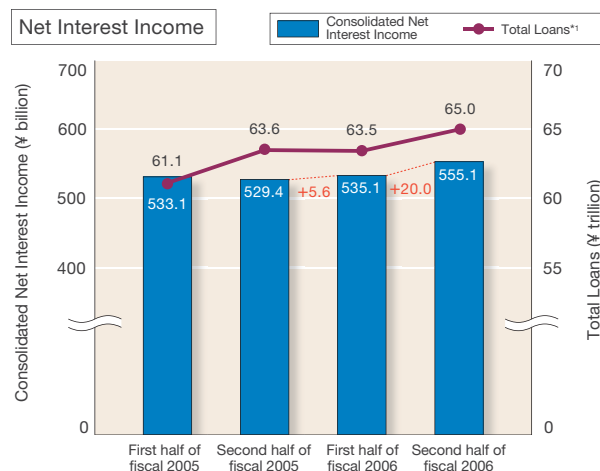
Steady Strengthening of Group's Overall Earning Power

● Interest Income

Consolidated Net Interest Income increased by ¥20 billion in the second half of fiscal 2006, compared with the first half.

The average loan balance rose on the back of higher overseas loans and a steady increase in personal loans in the domestic market, with the result that the aggregate

figure for the three banks*¹ increased by ¥1.5 trillion compared with the first half of fiscal 2006. The Loan and Deposit Rate Margin (excluding Expenses)*² for domestic operations improved by 0.06%.



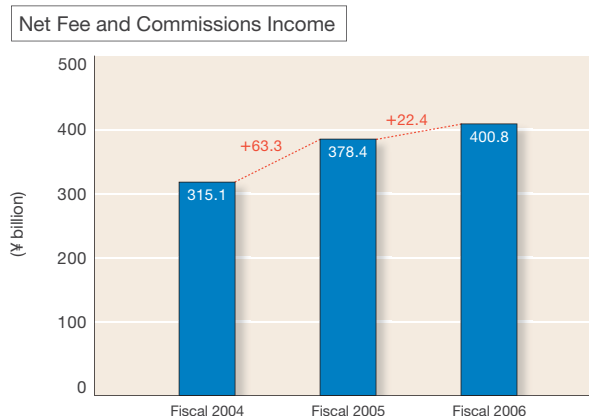
*¹ Total Loans refers to the average balance during the term based on the aggregate for the three banks MHBK, MHC B and MHTB (banking accounts). Excludes loans to MHFG.

*² Aggregate for MHBK and MHC B domestic operations. Excludes loans to MHFG, the Deposit Insurance Corporation of Japan and the government.

● Non-interest Income

Aggregated profits for the three banks* on service transactions etc., in fiscal 2006 increased by ¥22.4 billion, compared with fiscal 2005, to ¥400.8 billion.

Although solutions-related commissions fell in the corporate segments, foreign exchange-related profits, fee income in the overseas segments, and the trust asset



* Aggregated total for MHBK, MHC B and MHTB

administration divisions posted steady growth.

In the personal sector, investment trust and pension insurance-related commissions continued to increase.

Pursuing Disciplined Capital Policies

● Issues of Preferred Subscription Certificates

In January 2007, MHFG issued ¥400 billion in preferred subscription certificates through an overseas SPC (special-purpose company) as part of its policy to strengthen its Tier 1 capital. The aim was to contribute to strengthening its capital base to give greater flexibility and maneuverability in its future capital policies.

● Treasury Stock Acquisitions

In May 2007, MHFG established a cap of ¥150 billion for its acquisitions of treasury stocks (common stocks).

The same month, it acquired Mizuho Financial Strategy's entire holdings of MHFG stocks (261,040.83 stocks worth ¥221.1 billion) and cancelled them.

High-level Financial Health

MHFG maintains a high level of financial health. At the end of March 2007 its consolidated Basel II Capital Adequacy Ratio (BIS Capital Ratio) stood at a satisfactory 12.48%, while its non-performing loan (NPL) ratio (3-bank aggregate^{*2}) was low.

Fiscal 2006 year-end results	
Basel II Capital Adequacy Ratio (Consolidated) ^{*1}	12.48%
Tier 1 ratio	6.96%
Claims Disclosed under the Financial Reconstruction Law ("FRL") ^{*2}	¥1,246.7 billion
NPL ratio (Net NPL ratio ^{*3})	1.65% (0.67%)

*1 New ratio adopted from the end of fiscal 2006.

*2 Aggregated total for MHBK, MHCB and MHTB

*3 Net NPL ratio = (Disclosed Claims under the FRL - Reserve for Possible Losses on Loans) ÷ (Total Credit Exposure - Reserve for Possible Losses on Loans) X 100

Profit Situation and Economic Relationships with Stakeholders

FY2006 Consolidated Statement of Income (extracts of major items)		(100 million yen)
Ordinary Income		40,996
	Credit costs for trust accounts	—
Ordinary Expenses		-33,514
	General and Administrative Expenses	-10,916
	Personnel Expenses	-4,546
	Non-personnel Expenses	-5,817
	Taxes	-552
	Expenses Related to Portfolio Problems (including Provision for General Reserve for Possible Losses on Loans)	-1,426
	Other	-21,172
Ordinary Profits		7,481
Net Extraordinary Gains		2,267
	Reversal of Provision for Reserves for Possible Losses on Loans, etc.	1,024
Income before Income Taxes and Minority Interests		9,748
Income Tax Expenses—Current		-432
Income Tax Expenses—Deferred		-2,236
Minority Interests in Net Income		-869
Net Income		6,209
Credit-related Costs		-401
Increase/decrease in Retained Earnings		-578
	Cash Dividend	-798

* Credit-related Costs=Expenses Related to Portfolio Problems (including Provision for General Reserve for Possible Losses on Loans) + Reversal of Provision for Reserves for Possible Losses on Loans + Credit Costs for Trust Accounts

Economic Relationships with Stakeholders (Pro Forma Calculation)		(100 million yen)
Sales to customers		40,996
Buying-in of stock from customers (cost price)		21,172
Buying-in of stock from customers (Expenses related to Portfolio Problems)		401
Shareholders		1,668
Regional and local communities		Please refer to Social Report
Officers and employees		4,546
Suppliers (buying-in of goods)		5,817
Government		984

Methods Used for Pro Forma Calculations of "Economic Relationships with Stakeholders"

- **Sales to customers:** Ordinary Income
- **Buying-in of stock from customers (cost price):** Ordinary Expenses minus General and Administrative Expenses and Expenses Related to Portfolio Problems (including Provision for General Reserve for Possible Losses on Loans).
- **Buying-in of stock from customers (Expenses related to Portfolio Problems):** Credit-related Costs.
- **Shareholders:** Total for Cash Dividend and Minority Interest in Net Income
- **Regional and local community:** Please refer to "Breakdown of Social Contribution Spending by Area" in the Social Report.
- **Officers and Employees:** Personnel Expenses within General and Administration Expenses
- **Suppliers:** Non-personnel Expenses within General and Administration Expenses
- **Government:** Total of Miscellaneous Taxes within General and Administration Expenses and Income Taxes - Current

* Please refer to Other Financial Information (Financial Statements, Annual Review, etc.) for more detailed financial information
URL: <http://www.mizuho.fg.co.jp/english/investors/financial/>

Customer Relations

Mizuho Financial Group aims to be number one in customer satisfaction. This section reports on our efforts to earn the satisfaction and trust of our customers.

Basic Stance Toward Customers

- We will constantly strive to satisfy customers, earn their trust, and build long-term relationships.
- We will know our customers well and deal with them in good faith.
- We will provide customers with ample information and offer them top-class comprehensive financial services.
- We will manage the assets of our customers with due and diligent care.
- We will work to educate ourselves in order to acquire exceptional discernment and specialized knowledge and skills that benefit customers.

Aiming to be Number One in Customer Satisfaction

Endeavoring to root ourselves in the corporate culture of a service provider that always puts the customer above all else, we at Mizuho work to ensure all employees constantly seek to provide the best possible services to customers. When a customer comes to us with a complaint or criticism, we are committed to solving the problem by listening sincerely and responding promptly and appropriately. We actually consider such customer grievances to be a resource that can be put to use by management to investigate and analyze the reasons why problems occur and to clarify their nature. Feedback from customers helps us prevent the recurrence of similar problems, and in product development and service improvements. We use it in this way to improve the management quality of the group as a whole.

Mechanisms for Collecting Customer Feedback

● Customer Feedback Cards

Mizuho Bank, Mizuho Corporate Bank, Mizuho Trust & Banking and Mizuho Investors Securities use customer feedback cards to collect a wide-range of comments and opinions from customers (Mizuho Bank collected around 170,000 of the cards from customers in fiscal 2006).



Customer feedback card (Mizuho Bank)

● Call Centers

Call centers have been set up at the group's banks, securities companies and trust and banking companies involved in retail operations. The call centers respond to inquiries that come in from customers via phone. Their requests and opinions are then compiled by departments in charge of customer service. (Mizuho Bank received some 3,900,000 inquiries over the phone in fiscal 2006.)

● Customer Satisfaction Surveys

In addition to customer feedback cards and call centers, we at Mizuho administer customer satisfaction surveys to gauge the degree to which customers are satisfied with their interactions with us. The surveys are in support of our aim to become number one in customer satisfaction, and we use the results to improve and strengthen products and services.

Initiatives in Response to Customer Feedback

Customer feedback is reported to each group company's management through the departments responsible for customer services. This information is used by the departments concerned to improve customer services. The Mizuho Financial Group's CS Research Institute also gathers and analyzes customer feedback for use in the improvement of management quality across the entire group.

Solicitation Policy for Financial Products (as of the End of May, 2007)

Mizuho Financial Group is committed to properly marketing its financial products to customers under the following common group policy.

- 1 Offer financial products that are appropriate for the level of knowledge, experience, and asset condition of clients.
- 2 Provide explanations that enable clients to fully understand the nature and risks inherent in financial products and thus enable them to make their own judgments regarding transactions.
- 3 Never mislead clients by making strong statements containing judgmental content or offering inaccurate information.
- 4 Never solicit clients at times or in places that are inconvenient for clients.
- 5 Work to expand training systems and put internal rules in place that promote appropriate sales activities in accordance with this policy.

Reducing Waiting Times

Waiting times are a very common theme in customer feedback received by the Mizuho Bank and as a result the reduction of waiting is one of its top priorities. A variety of measures have been implemented. For example, general reception and information personnel have been stationed at concierge desks in branch lobbies to provide efficient guidance via customer reception systems and customers are asked to fill in forms before joining lines to speed up counter service.

A service introduced in April 2006, allows customers to visit a website to obtain information about estimated waiting times at counters and ATMs in nine branches in Tokyo.

支店名	ATM	窓口	ATM	窓口
丸の内	15	10	15	10
有楽町	15	10	15	10
丸の内線	15	10	15	10
丸の内線	15	10	15	10
丸の内線	15	10	15	10
丸の内線	15	10	15	10
丸の内線	15	10	15	10
丸の内線	15	10	15	10
丸の内線	15	10	15	10
丸の内線	15	10	15	10

A Mizuho Bank website showing information about waiting times in branches

Creating Branch Environments in which Customers Feel Welcome

To make individual customers feel more welcome and to facilitate requests for assistance, the Mizuho Bank is developing branch environments in which the needs of individual customers are prioritized. Known as “Mizuho PersonalSquare” branches, these offer various features to create a more amenable environment, including the installation of large-screen monitors to provide information and the provision of magazines based on customer preferences.



The Mizuho Personal Square logo

Improving Customer Convenience

● Extended Operating Hours for ATM Corners

Starting in November 2006, the operating hours for the 700 Mizuho Bank ATM corners throughout Japan have been progressively extended from 8:00-21:00 to 7:00-24:00. In addition, the Mizuho Bank has introduced evening and weekend housing loan seminars at branches throughout Japan. These allow applications to be processed even on holidays.

New Services—Products for Individual Customers

● Mizuho Mileage Club

The Mizuho Bank provides many convenient services based on customer needs. For example, customers who register with the Mizuho Mileage Club can use ATMs free of charge provided that their transactions meet certain criteria. The Mizuho Bank also runs campaigns during which members receive “mileage points” in appreciation of their continuing custom. Other features include gifts of bonus points to customers with long-term housing loans.



Mizuho Mileage Club card

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New Services—Products for Corporate Customers

● Initiatives to Meet Financing Needs

The Mizuho Bank continues to develop products that match customer needs. It has established Superwide, a ¥1 trillion strategic lending fund that allows it to respond actively to the financing needs of medium-sized and smaller businesses. It has also expanded the Partner Series of unsecured loan products designed to meet the wide-ranging needs of

businesses of all sizes. There is also the Disaster Finance system, which provides credit lines to meet the anticipated financing needs of businesses affected by earthquakes and other disasters, and the Environment-Friendly Corporation Lending system that provides concessional interest rates to support environmental initiatives by customers.

The Mizuho Bank can also offer receivables liquidation schemes as the basis for balance sheet control. Other examples of this active commitment to the development and supply of innovative loan products, that are not excessively reliant on real estate security or personal guarantees, include asset-based lending secured by trade receivables, inventories and other income-based business assets. The Mizuho Bank is also responding to new business needs with products that include schemes based on the use of intellectual property.

● Initiatives for Smaller Corporate Customers

The Mizuho Bank has centralized all financial services for smaller corporate customers under a specialized financial subsidiary, Mizuho Business Finance Center, which is actively developing its loan business. Mizuho Business Finance Center has over 600 employees and a core group of veteran staff with extensive financial knowledge and experience. It responds dynamically to the financing needs of smaller corporate customers by providing services that include loans guaranteed by credit guarantee corporations.

In cooperation with the Mizuho Research Institute, Mizuho Business Finance Center has established the Mizuho Business Channel service, through which customers can access useful business-related information.

● Wide-Area CBOs

Wide-area collateralized bond obligations (CBOs) are schemes that allow medium-sized and smaller enterprises to raise funds from capital markets by combining private bond placements by numerous companies into a single issue. In fiscal 2006, the Mizuho Bank acted as a central financial institution for wide-area CBOs arranged in cooperation with nine local governments: the Tokyo Metropolitan Government, Osaka Prefecture, Chiba Prefecture, Kawasaki City, Yokohama City, Shizuoka City, Sakai City and Kobe City.

Convenience and Peace of Mind for Our Customers

We at Mizuho are actively strengthening security measures for cash card and Internet banking transactions to ensure that customers can use these services conveniently and safely.

Enhanced Security for Cash Card Transactions

● Introduction of Finger Vein Biometric Authentication*

The Mizuho Bank began to issue IC cards based on finger vein biometric authentication technology in August 2006. In October 2006, it commenced registration of biometric authentication. It has installed approximately 2,000 ATMs with biometric authentication capabilities in its ATM corners and Mizuho Bank customers can also use Japan Post biometric-capable ATMs installed in post offices. Other financial institutions are adopting biometric authentication and since May 2007 it has been possible to use ATMs installed by these institutions as well. This has further enhanced customer convenience.

Customers using biometric authentication can apply through ATMs to have their daily ATM transaction limits increased to ¥5 million for cash withdrawals and ¥9 million for transfers. This new technology combines security and convenience for customers who need to make large transactions.

In October 2006, the Mizuho Corporate Bank also introduced finger vein biometric authentication technology. Once they have registered biometric authentication data for their staff members, customers can make transactions at biometric-capable ATMs installed by the Mizuho Bank.

In April 2007, Mizuho Trust & Banking introduced finger vein biometric authentication and converted all of its ATMs to biometric authentication.

* Finger vein biometric authentication: This method is used in conjunction with personal identification numbers to verify the customer's identity by means of the unique finger vein patterns. This system is more secure than traditional authentication methods based solely on personal identification numbers, since forgery and impersonation are extremely difficult.



Registering Biometric Authentication Data at a Counter



Using a Biometric-Capable ATM

Accelerating Shift from Cash Cards to IC Cards

The Mizuho Bank has issued over 4.8 million IC cash cards, including Mizuho Mileage Club Cards. Following the introduction of IC cards supporting biometric authentication, the Mizuho Bank has dramatically expanded its range of IC cash cards and is implementing measures to encourage more customers to take advantage of the enhanced security provided by this technology.

Mizuho Trust & Banking and the Mizuho Corporate Bank are also issuing IC cash cards as part of a shift to this technology by the entire Mizuho Financial Group.

● Compensating Individual Customers for Losses Resulting from Card Counterfeiting or Theft

Under the Depositor Protection Law^{*1}, The Mizuho Bank and Mizuho Trust & Banking compensate individuals for losses suffered as a result of card counterfeiting or theft. The Mizuho Bank has established the Card Security Support Center (0120-868-715^{*2}) as a dedicated call center for customers affected by this problem. Mizuho Trust & Banking can obtain assistance through the Security Planning Office.

^{*1} The full name of this law is the Law Concerning Protection, etc., from Fraudulent Withdrawals, etc., by Mechanical Means Using Counterfeited Cards, etc., and Stolen Cards, etc.

^{*2} Office hours: 9:00-17:00, Monday to Friday (excluding bank holidays)

Informing Customers about Financial Crime

The Mizuho Bank actively warns its customers about financial crime. Information on its website includes a Security Guide containing plain-language explanations about financial crimes affecting cash cards and Internet banking and about methods for preventing these problems. Other initiatives include the publication of a pamphlet about cash cards.



Internet Banking Security Guide



Cash Card Security Guide

Enhancing Security for Internet Banking

The Mizuho Bank is actively enhancing the security of its Mizuho Direct Internet banking services. Improvements include the introduction of an on-screen keyboard^{*}, and an increase in the maximum number of digits in login passwords to 6-32 alphanumeric characters.

Security enhancement of Internet banking services for corporate customers is also a priority. The Mizuho Financial Group aims to combine security reinforcement with the enhancement of customer convenience.

^{*} An on-screen keyboard allows the user to input passwords by means of mouse clicks.

Ensuring Information Security

Given that Mizuho Financial Group provides a comprehensive array of financial services, using customer information and other information assets appropriately is a source of our competitiveness. We also consider the appropriate protection of information assets to be an important societal responsibility. Each group company therefore has a department in charge of information security and is involved in bolstering security measures related to information management.

All divisions of Mizuho Financial Group, Inc. acquired ISO/IEC27001 and JISQ27001 certification for information security management. Our goal was to ensure the effectiveness of our approach to information security through third-party verification. Mizuho Bank, Mizuho Corporate Bank, Mizuho Trust & Banking, Mizuho Investors Securities, Trust & Custody Services Bank, Mizuho Research Institute, Mizuho Information & Research Institute, and Mizuho Private Wealth Management have also been certified in specific business areas.

We are working to strengthen information management further by expanding the scope of certification and other means.

Protecting Personal Information

With regard to protecting the personal information of our customers, along with complying with Japan's Personal Data Protection Law and other related laws and ordinances, privacy policies have been established at group companies that layout our policies related to protecting personal information and our approach to the handling of it. The privacy policies are published on the companies' websites.

Fully recognizing the importance of our customers' personal information, Mizuho Financial Group manages it stringently and makes every effort to ensure its security.

Barrier-Free Initiatives

Public demand is mounting for improvement in the accessibility of facilities used by large numbers of people, in light of the ongoing aging of Japanese society and increasing opportunities for people with disabilities to participate in society. We believe that because we have a public mission it is essential that we strive to be a bank that is highly accessible to the elderly and all other customer segments of the population.

Background to the Heartful Project

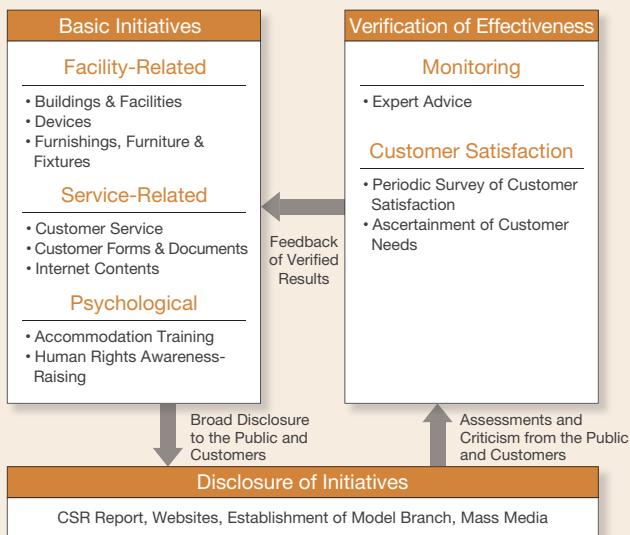
Japanese society is rapidly aging and it is estimated that in 2014 one out of four Japanese citizens will be at least 65 years old. At the same time, there has been a strong push to make the active participation of people with disabilities in society and the economy a reality. Against this backdrop, the New Barrier-Free Law*¹ was enacted, and there has come to be mounting societal demand for improving the accessibility*² of facilities used by large numbers of people. In light of these developments, since November 2005, Mizuho Bank has been promoting multifaceted barrier-free initiatives in the form of the Heartful Project. Our goal in these activities is to be a bank that is easy for anyone to use regardless of age, gender or disability.

*1 The New Barrier-Free Law on Buildings Accessible and Usable by the Elderly and Physically Handicapped

*2 The extent of easy usage

The Heartful Project — Overview

The aim of the basic initiatives of the Heartful Project is the elimination of a wide range of barriers through hardware



measures relating to facilities, including branches, equipment and service-related improvements, such as the provision of plain-language information in product brochures, websites and other materials. Psychological aspects of the project include education targeted toward improvements in the ways in which employees deal with customers.

Experts in barrier-free and universal design are acting as advisers for the Heartful Project. The Mizuho Research Institute, which has extensive experience of contract research and other activities in these areas, is also assisting.

Barrier-Free Advisors

Experts recruited to act as advisers for the Heartful Project regularly submit advice and opinions on specific facility-related, service-related and psychological aspects of the project through the Barrier-Free Advisor Conference.



Kunika Obinata

Torino Paralympic Gold Medalist
Serves on the steering committee of the Japan Paralympic Committee



Satoshi Kose

Professor, Faculty of Design, Shizuoka University of Art and Culture
Received "First Ron Mace Designing for the 21st Century Award" at the International Conference for Universal Design.



Yoshihiko Kawauchi

Licensed Architect, First Class
Received "First Ron Mace Designing for the 21st Century Award" at the International Conference for Universal Design



Gihei Takahashi

Professor, Department of Human Life Design, Toyo University, specializing in barrier-free and universal design in architecture and town planning.

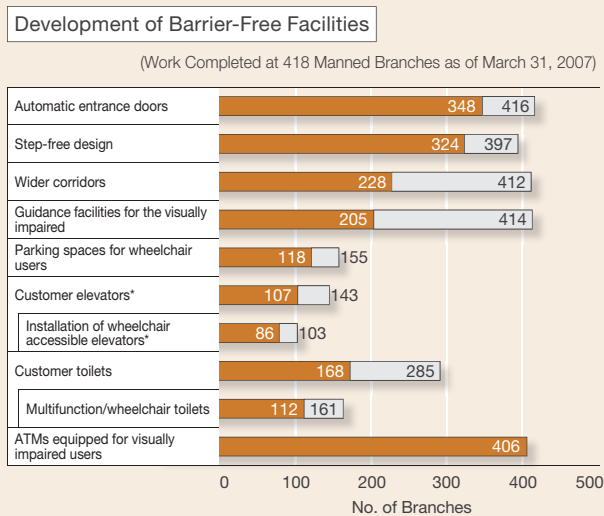
Progress on Specific Initiatives

Facility-related Initiatives

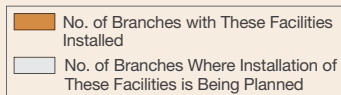
We have established barrier-free standards based on the "Barrier-Free Building Ordinance"* of the Tokyo Metropolitan Government. Efforts to reduce branch-related

and facility-related barriers under these standards include the installation of automatic entrance doors, the elimination of steps, changes to the widths of corridors, the installation of Braille blocks, the provision of parking spaces for wheelchair users, the installation of customer toilets and elevators, and the installation of ATMs that can be used by visually impaired customers.

* Barrier-Free Building Ordinance: This ordinance calls for the development of buildings that are readily accessible to everyone, including the aged and people with disabilities.



* The total does not include branches where these facilities are not required, such as single-story branches.



A multifunction customer toilet at the Musashi-Kosugi Branch

Service-related Initiatives

“Mimi Mark” (Ear Mark) signs are displayed in all branches to inform customers that provision has been made for communication needs, such as the availability of white boards for written communications. Whiteboards are available in all branches.



A “Mimi Mark” on a branch counter indicates that assistance is available for the hearing-impaired, including a whiteboard for written communication

Product brochures for customers are also being improved. For example, the Mizuho Mileage Club brochure

is now available in A4 size in addition to the traditional mail order size.

Websites and Internet banking systems are also being updated to improve accessibility and usability for a wider range of customers.

Kind-hearted Initiatives

The “Mizuho Heartful Manual,” which includes information about specific methods for dealing with customers, has been distributed to all branch employees. There are also branch training programs based on manuals and videos. These resources are used to improve services for elderly customers and customers with disabilities. In addition, lobby concierges*¹ and lobby staff*² are trained in specific customer assistance skills, such as wheelchair operation. By March 2007, 80% of the approximately 2,300 eligible workers had completed this training. The Mizuho Bank also assists concierge desk staff to gain the Care-Fitter Level 2 Qualification*³. As of March 2007, approximately 80 people had qualified under this system.

*1 Lobby concierge: A lobby concierge provides guidance and general assistance to customers in arriving in the branch lobby.

*2 Lobby staff: These workers provide guidance and other services to customers in the branch lobby.

*3 Care-Fitter Level 2: This private sector care qualification is granted by the Nippon Care-Fit Service Association, a non-profit organization.

Establishing Model Branches

In March 2007, the Roppongi Branch, Yokohama Ekimae Branch and Ofuna Branch were designated as model branches for the Heartful Project. These three model branches will be used to trial measures based on the Heartful Project and various other initiatives designed to improve customer experience in branches.

Commendation from the Governor of Tokyo

In December 2006, the Mizuho Bank became the first financial institution to receive a commendation from the Governor of Tokyo in recognition of its contribution to welfare services. The award was given in recognition of initiatives based on the Heartful Project. The Mizuho Bank will continue its wide-ranging efforts to eliminate barriers.



The commendation is presented at the 55th Tokyo Conference on Welfare

Shareholder and Investor Relations

The Mizuho Financial Group is committed to an open form of management that emphasizes proactive communication with shareholders and investors. This section reports on our efforts to meet the expectations and earn the trust of shareholders and investors.

Basic Stance Toward All Our Shareholders

- In order to earn the trust of all our shareholders, we will endeavor to preserve and enhance the group's assets.
- We will strengthen our internal control systems through appropriate accounting, effective internal auditing and other measures.
- We will proactively disclose information and improve managerial transparency to ensure our business operations are accurately conveyed to all our shareholders.

Communication with Shareholders

An Open General Meeting of Shareholders

We hold our annual general meeting of shareholders at the end of June each year on a date that avoids the most popular dates on which other companies' meetings are held. Our fourth general meeting of shareholders was held in Hall A of the Tokyo International Forum on June 26, 2007, and attended by 2,131 shareholders. We gave a presentation on our business using various visual aids. The presentation was followed by a lively question and answer session between shareholders and top management. The letter sent out to convene the meeting featured greater detail and was sent out at an early date. It was also posted on our website in both Japanese and English at the same time it was sent out.

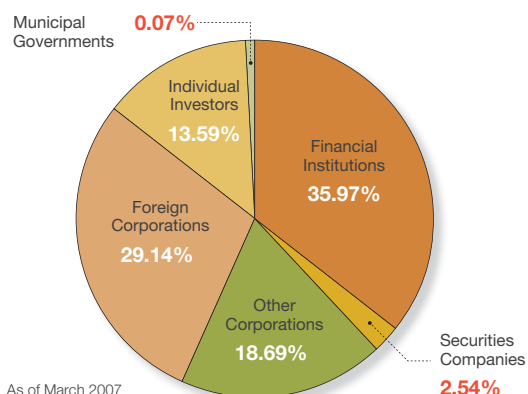
Shareholders not able to attend the meeting are able to cast their vote in writing or via the Internet. Also, our participation in the voting platform administered by Investor Communications Japan makes it easy for institutional investors inside and outside of Japan to exercise their shareholder rights. Further, we disclose the proceedings of the meeting to the mass media and post the presentation on our operations and a message from the president on our website for about three months following each meeting.

Report to Our Shareholders

We at Mizuho distribute a report entitled "Report to Our Shareholders" following general meetings of shareholders and interim earnings presentations in order to inform shareholders of our business operations, financial performance and other management information. The report uses full color graphs, tables, photos and other visual features to make it easy to read and understand. We also include a questionnaire card for shareholders to provide their opinions and requests regarding the contents of the report.

The "Report to Our Shareholders" is available on our website.

Shareholders (Common Stock)



Questionnaire Card and "Report to Our Shareholders"



Mizuho's Investor Relations

One of the most important managerial agendas of the group is to continue to work to disclose fair, timely and appropriate information so that shareholders and investors are able to accurately grasp and assess the present status of the group. Our Disclosure Policy provides our basic philosophy on disclosing information on the group and a framework for disclosure management. The policy is published in our annual review and on our website.

In addition to the abovementioned policy, we conduct investor relations in good faith while keeping in mind the importance of two-way communication. We strive to earn the trust of the market and gain a fair evaluation by ensuring the group's management strategies and financial position are accurately understood.

Active Involvement of Top Management in Investor Relations

In addition to regular briefings for investors in Japan by top management, when conducting investor relations activities overseas, we hold group meetings and conduct other initiatives in each region. Additionally, we hold presentations on business strategy in our separate areas of business, and participate in investor seminars held by securities companies in Japan and overseas. We endeavor to take advantage of every opportunity to deepen understanding of the group among shareholders and investors inside and outside of Japan.



Investor briefing for the fiscal 2006 interim term held for Japanese institutional investors and analysts

Utilizing Various Media for Disclosure

In addition to publishing materials from investor briefings and details on presentations mentioned above on the Mizuho Financial Group website, we also post a variety of other materials including earnings statements and other financial information, press releases, annual reports, and information on CSR activities. Moreover, we hold conferences in Japanese and English using the Internet following earnings announcements. We also create pamphlets and

other publications that provide information on the group and send out press releases via email. These efforts reflect our commitment to effectively utilizing channels for disclosure in line with the diverse needs of shareholders and investors.

The Website of Mizuho Financial Group, Inc.



Financial Information

<http://www.mizuho-fg.co.jp/english/investors/financial/index.html>

IR Information

<http://www.mizuho-fg.co.jp/english/investors/ir/index.html>

Stock Information

<http://www.mizuho-fg.co.jp/english/investors/stock/index.html>

Meeting the Requirements of SRI Funds

With concern over the social responsibilities of corporations mounting and with corporate governance and socially responsible investment related funds increasing, along with further enhancing our CSR initiatives, we at Mizuho are also working to ensure that those initiatives are accurately understood by actively responding to questionnaires and inquiries from such funds and SRI-related research firms.

Improving Transparency

In November 2006, the Mizuho Financial Group listed its American Depositary Receipts (ADRs) on the New York Stock Exchange (NYSE). The purpose of this move was to ensure transparency in corporate governance and strengthen shareholder and investor confidence.

The Mizuho Financial Group has stationed investor relations staff in New York since the listing. We have also established structures to support information disclosure based on the U.S. accounting standard, which is regarded as one of the international standards for global corporations. In addition, we are developing disclosure systems and internal control systems based on the Sarbanes-Oxley Act, which is the most stringent accounting law in the world.

Social Report

Employee Relations

The Mizuho Financial Group believes that raising the value of each and every employee will translate into development for the group as a whole. This section reports on our approach to employees as well as our programs and initiatives for helping them thrive.

Basic Stance Toward Employees

- We will help employees live healthy, fulfilling lives and ensure their workplace environments are comfortable, safe and conducive to work.
- We will create workplaces where people working together respect one another and are not subject to discrimination or harassment of any kind.

Vision for Human Resources

The most important business resource of the Mizuho Financial Group is our people, and it is precisely our people who are the font of our unrivaled competitive advantage. We believe that raising the value of each and every person through aggressive investment in human resources will lead to the development of the group as a whole. Our vision for human resources is to improve responsibility, opportunity and employability, what we call ROE Qualities, and create appealing, fulfilling workplaces, in order to bring about enduring value.



Harnessing Group Synergies in Human Resources

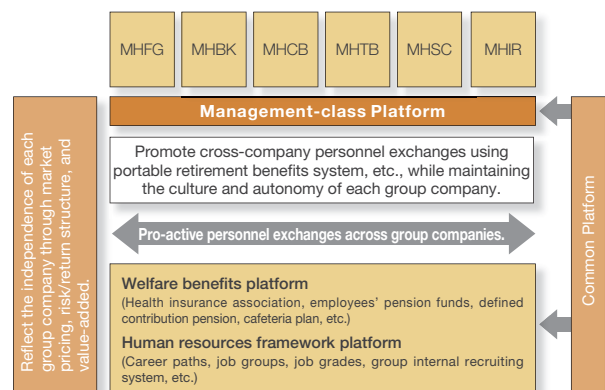
Employees are employed by each group company, which aims to be an association of specialists that leverages individuality and prioritizes speed. At the same time, employees are transferred between companies to bring about synergies and ensure that human resources are deployed so that the right people are in the right positions. In order to make sure there is continuation in the basic pay and benefit packages of employees who are transferred, group companies share a common platform for a portion of their personnel systems and personnel policies are basically consistent among the companies.

Employee Classifications

Employees are classified into administrative employees (professional, managerial, specialist), general staff, professional contract employees, and non-regular employees, etc., depending on each person's specialization and skills as well as their approach to their lifestyle and career. The classifications have differing job descriptions, duties and compensation structures.

- **Professional Track:** This track allows employees to utilize advanced, specialized knowledge and skills, creativity, planning ability and other skills while working continuously in a specialized business area. The annual salary system for this track is largely based on individual contracts that emphasize performance.
- **Managerial Track:** This track allows employees to utilize advanced, specialized knowledge and skills, creativity, planning ability and other skills while working in a variety of business areas.
- **Specialist Track:** This track enables employees to utilize specialized skills and practical ability based on extensive experience and knowledge in a specific area.

Common Platform for Human Resources



Performance-Based Systems

In order to adequately reward employees for their contributions, we have introduced a merit-based evaluation system and conduct fair assessments based on job descriptions and performance. The results of the evaluations are incorporated into bonus and salary revisions for each term as well as retirement benefits and other perks. Medium- to long-term contributions and performance are also considered. The system therefore serves to sustain or raise the motivation of employees.

Training Employees and Strengthening Specialization

Education, Training and Self-Study

We regard our education and training system as a means of actualizing ROE Qualities and therefore put effort into developing educational systems for each group company and commonly for the group as a whole.

Training at individual group companies involves highly specialized education in line with each company's particular business model. The companies also actively keep their training programs open to one another.

Common training for the group as a whole centers on Mizuho University, where outside resources are utilized to provide advanced, interdisciplinary educational programs. The curriculum at the school is designed in the mold of an actual university and includes the Mizuho Advanced Management Program, Mizuho Program for Management Development, Mizuho College, Mizuho Knowledge Forum, External Assignment Program and Overseas Education Program.

Utilizing Professional Staff

Personnel who continue to work in a specialized area of business and possess advanced, specialized knowledge and skills or sophisticated creative and planning abilities are classified as following the professional career track or as professional contract employees. The annual salary system for professional staff is largely based on individual contracts aimed at maximizing performance.

Professional staff are actively hired from outside the organization, though they also include transfers of existing employees.

Utilizing and Motivating Personnel

We have established a framework for respecting the individual desires of employees that is designed to improve their motivation, bring about career growth and lead to results.

- Rookie Job Request Program:** When new hires are transferred for the first time, we strongly consider the jobs that they have indicated they want to do when deciding on their next assignment. The application process includes guidance counseling and other measures to help them make an informed decision.
- Branch Manager Recruitment Program:** We initiated a recruitment program for branch managers in January 2003 in order to develop younger employees faster, and fast-track their promotion. The program recruits employees in their thirties for branch manager positions at Mizuho Bank. Fifty-four younger and mid-level employees had completed the program as of May 2007, and they are being successively promoted to the position of branch manager.
- Job Recruiting Program:** We run a job recruiting program for employees who want to advance their career and acquired a higher level of specialization. Recruiting takes place for many jobs across group companies, so employees do not have to stay at their current company, but can take on the challenge of a job of their choosing.

Employee Data

Men Women

	March 2005			March 2006			March 2007		
	Number	Average Age	Average Length of Service	Number	Average Age	Average Length of Service	Number	Average Age	Average Length of Service
Professional Track	389	39.3	10.0	430	39.7	10.4	458	40.5	11.1
	47	36.7	6.4	50	37.8	7.0	55	38.0	6.8
Managerial Track	19,106	40.0	17.1	18,935	40.2	17.2	18,971	40.2	17.0
	967	33.4	10.3	1,149	33.6	10.4	1,620	32.7	9.2
Specialist Track	217	37.2	17.1	211	37.8	17.7	196	38.8	18.7
	10,048	34.3	13.4	9,624	34.9	13.8	9,922	34.7	13.4
General Staff	266	50.4	13.4	252	51.1	14.2	224	51.5	15.2
	—	—	—	—	—	—	—	—	—
Professional Contract Employees	368	37.4	1.3	513	37.6	1.5	585	37.9	1.6
	183	32.0	1.4	240	33.5	1.6	332	33.9	1.6
Non-regular employees	409	53.9	4.6	505	50.9	3.7	513	52.0	3.7
	1,760	48.2	6.5	1,795	48.3	6.3	1,586	47.3	5.3
Overseas	3,912	—	—	4,343	—	—	5,129	—	—

*1 Data collected for Mizuho Bank, Mizuho Corporate Bank, Mizuho Securities, Mizuho Trust & Banking, and Mizuho Financial Group, Inc.

*2 Numbers of overseas employees account for locally hired employees at the branches, representative offices and local affiliates of Mizuho Corporate Bank, Mizuho Securities and Mizuho Trust & Banking.

Enhancing Employment Conditions

We create appealing, fulfilling workplace environments while paying considerable attention to safety and health issues so that motivated employees are able to demonstrate their abilities to the fullest extent possible.

Safety and Health Initiatives

We strive to improve the safety and health of employees by administering various health exams, helping employees manage their health under the direction of industrial physicians and other specialists, and establishing the Health Committee. Such initiatives are in accordance with laws and ordinances concerning occupational safety and health. In addition, since 2004 we have made mental health a major pillar of our program for helping employees maintain or improve their overall health. Training sessions are held for employees and managers, workplace stress levels are monitored, and consultation opportunities are made available.

Work-Related Accidents (No.)			
	Fiscal 2004	Fiscal 2005	Fiscal 2006
Work-related accidents (Resulted in leave)	118 (29)	105 (15)	101 (16)
Commuting-related accidents (Resulted in leave)	63 (23)	68 (18)	74 (23)
Total (Resulted in leave)	181 (52)	173 (33)	175 (39)

* Data compiled for Mizuho Bank, Mizuho Corporate Bank, Mizuho Securities, Mizuho Trust & Banking, and Mizuho Financial Group, Inc. Data for Mizuho Information & Research Institute was added beginning May 2005.

* No accidents resulted in death.

Maintaining a Healthy Relationship Between Management and Employees

Mizuho builds mutually respecting relationships with employees, works to maintain or improve working conditions to boost our economic standing, and contributes to the national economy through healthy corporate development.

In accordance with labor law, group companies engage in required labor negotiations with parties representing a majority of employees at each business location (either a union or employee representative). We have also established good relationships with our employees in part by explaining important matters pertaining to management policies and organizational restructuring. Also, a portion of the members of the Health Committee, the Labor-Management Committee, and other bodies are appointed based on recommendations and nominations by individuals representing a majority of employees.

● **Management Conference:** Place for discussing management policies and performance and for resolving disputes or potential disputes when they arise.

● **Central Labor Conference:** Place for discussing matters pertaining to employee working conditions, including working hours and benefits.

● **Workplace Conference:** Place for discussing working conditions, benefits, maintaining discipline, improving efficiency, and workplace-related grievances at the business location level.

Respecting Human Rights and Practicing Diversity

Emphasis on Human Rights Training

Group companies strive to raise awareness of human rights issues, starting with the problem of discrimination, in order to foster a corporate culture that instinctively respects human rights. Employees at all our workplaces undergo mandatory human rights training*1 annually, while special training is also held for executives, branch managers and staff members involved in promoting human rights awareness. Our rank-specific training programs*2 also incorporate a unit on human rights awareness into their curricula. Moreover, group employees, including those at affiliates, receive a pamphlet on human rights issues in order to elevate awareness throughout the group.

*1 Attended by approximately 41,000 group employees.

*2 The programs include training for new branch managers, new senior/assistant managers, new employees, and new mid-career hires.

Eliminating Discrimination and Prejudice

Employees are thoroughly educated regarding HIV and AIDS in order to completely eliminate discrimination and prejudice. We try to deepen their understanding of the issues involved by publishing an educational column on HIV and AIDS in our company newsletter and posting it on our intranet. Training is also held for new employees.

We otherwise endeavor to create workplaces that are free of all other forms of discrimination and harassment, including discrimination by nationality, gender and creed.

Hiring People with Disabilities

The Mizuho Financial Group promotes the hiring of people with disabilities on an ongoing basis to keep a constant employment ratio above the statutory level. As of June 2007, our employee ratio for people with disabilities was 1.97%*, which exceeds the legal requirement.

* The ratio is for the total of six group companies: Mizuho Bank, Mizuho Corporate Bank, Mizuho Securities, Mizuho Trust & Banking, Mizuho Financial Group, Inc., and Business Challenged, a special subsidiary.

Employment Ratio for People with Disabilities			
	June 2005	June 2006	June 2007
Employment Ratio	1.93%	1.99%	1.97%

Overseas Initiatives

Mizuho's overseas activities extend to 70 locations in 29 countries/regions around the world. Locally hired national staff provide support for our activities in each of these regions. Our basic stance toward employees and vision for human resources apply to all Mizuho employees regardless of whether they are located in Japan or abroad. The hiring of employees overseas, though, is modified to take into account the business characteristics of each region and local practices. Each office independently hires highly

specialized personnel.

Education and training are also generally conducted independently by each location to develop human resources in line with specific company needs, but at Mizuho Corporate Bank, middle managers who play central roles at overseas locations are invited to Japan where they undergo a training program to provide them the comprehensive knowledge and frameworks needed for branch management. The program consists of meetings with relevant executives and department managers as well as working sessions with colleagues of business divisions, and is designed to integrate domestic and overseas operations.

Creating Workplaces that Leverage Diversity

Mizuho Financial Group has a performance-based personnel system to fully bring out the abilities of employees. Employee performance and contribution level are incorporated into bonuses to a considerable degree and ample benefit packages are provided to support employees in all aspects of their lives. In particular, we have worked to enhance our childcare leave programs in light of the importance having and raising children has in the lives of employees and to accommodate the societal need for support in fostering the next generation. At the same time we are in the process of developing programs to help promote the actualization of women's abilities, which constitutes a "Positive Action" to ensure men and women receive equal opportunity and equal treatment as required by the Equal Employment Opportunity Law. In conjunction with these initiatives, we have clarified our basic policy on developing appealing, fulfilling workplaces that utilize diversity and provide opportunities for motivated women employees to fully demonstrate their abilities, knowledge and skills. The policy consists of the "Four R's." Going forward, we plan to develop a variety of measures based on this policy.



Child-care facilities in an office



	Basic Policy	Specific Initiatives / Achievements
Recruit	<ul style="list-style-type: none"> ● Actively utilize necessary personnel ● Make women at least 20% of new graduate hires for our managerial career track. 	<p>Employment Ratio: We have already achieved the 20% target by holding seminars for women college students, and having female managers introduce the active role of women in the group and our "Positive Actions."</p>
Raise	<ul style="list-style-type: none"> ● Make more certain that evaluations are fair and just. ● Raise the ratio of women in managerial positions by a factor of 1.5 by the end of fiscal 2008, compared to fiscal 2004. ● Provide support for skill and knowledge acquisition through expanded training programs. 	<p>Promotion of Women Managers: We will apply our Expert Program to specific female employees expected to be promoted to managerial ranks or higher, and consider ways to help further their careers. Women employees on the managerial track will be developed individually as candidates for management positions.</p>
Retain	<ul style="list-style-type: none"> ● Develop working conditions that motivate employees. ● Provide support for balancing work and family life. ● Bolster frameworks to minimize the difficulties posed by childbirth and child-raising in particular. 	<p>Development of Working Environments: 1) We will enhance child raising and nursing care related programs, and ensure the programs are fully implemented in order to support employees involved in child-raising or nursing care to balance their work and family lives. 2) We established a "general employer action plan" in accordance with the Law for Measures to Support the Development of the Next Generation, and in 2007, we received accreditation from the Head of the Tokyo Labor Bureau. (See the Accreditation Mark in the top-right).</p> <ol style="list-style-type: none"> 1 Extension of childcare leave (until the child is two) 2 Reduction of, or exemption from, overtime work; enhancement of program for working shorter hours (Until the child is a third year student at elementary school) 3 Extension of spousal maternity leave (five days per year) 4 Enhancement of nursing care leave (five days per child per year) <p>Balancing Work and Family Life: 1) Supply and demand for daycare facilities in the Tokyo area is extremely tight, so we have provided daycare centers at our Tokyo business locations from fiscal 2007. 2) We have established BabyLife, a web-based community site that serves as a forum to clarify procedures for receiving workplace-related documents, offer opportunities for employees on leave to freely share their thoughts with one another, and provide various types of information from the group.</p>
Relate	<ul style="list-style-type: none"> ● Promote proactive dialogue inside and outside the group ● Promote a change in consciousness for the organization as a whole 	<p>Promoting Dialogue: In considering policies, we will strive to understand the issues involved through, for example, forming committees of working mothers at group companies as well as project teams of women employees who are active at their workplaces. We administer a cross-company questionnaire targeted at employees that had taken childcare leave, as one of our efforts to ensure the frank opinions of employees are reflected in our policies.</p> <p>Changing Consciousness: In addition to enhancing our programs, we will conduct training for managers to ensure the programs are effective on a practical level, and we will focus on changing the consciousness of employees and managers by creating and distributing guidebooks, and other means.</p>

Community Relations

As a good corporate citizen, the Mizuho Financial Group is committed to contributing to the local communities that constitute its foundation. This section reports on our approach to corporate citizenship and provides specific examples of our activities in this area.

Basic Stance Toward the Community

- We will fulfill the roles expected of a good corporate citizen in partnership with local communities.
- We will actively engage in activities that contribute to society.

Basic Approach to Social Contribution

Our basic stance on social contribution is to be a good corporate citizen in partnership with local communities. To achieve this, there must be close communication with the public and activities must be in keeping with social norms and expectations. The Mizuho Financial Group regards information disclosure as an essential part of its efforts to earn the understanding of society, and this is one of the areas in which the Group works actively to contribute to society and fulfill its social responsibilities.

Operating Standards for Social Contribution Programs

The Mizuho Financial Group has adopted the Operating Standards for Social Contributions and Environmental Issues as guidelines for its continuing social contribution activities. These standards are divided into seven program areas, such as youth development and social welfare. We strive to assess the results of our activities objectively, based on a wide

range of perspectives, including the level of contribution to the advancement of local communities, social significance recognized by the public, and creativity and progressiveness in relation to social issues. While continuity is a basic part of our policy in this area, the standards are periodically reviewed to reflect changes in prevailing conditions.

Some types of social contribution are based primarily on economic support, such as donations, while others require voluntary activities. The Mizuho Financial Group carefully monitors the implementation of its activities in both categories and is working to maximize the effectiveness of its contributions.

Operating Standards for Social Contributions and Environmental Issues

1 Program Areas

- ① Youth development
- ② Social welfare
- ③ Support for the arts, culture and academics
- ④ International exchange
- ⑤ Environmental preservation
- ⑥ Financial literacy
- ⑦ Humanitarian activities

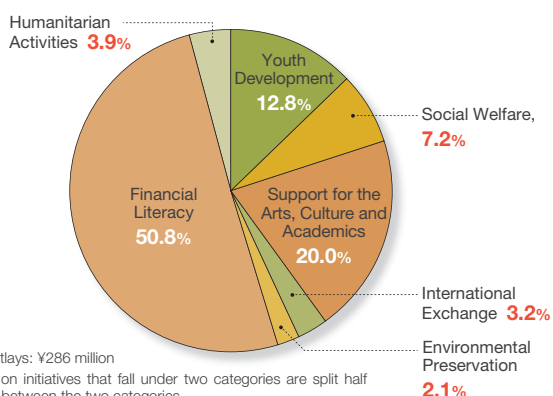
2 Program Assessment Standards

- ① Community contribution
Whether the program contributes to the development of the local community.
- ② Regional acceptance
Whether the program substantially benefits society and whether it gains the widespread acceptance of the public.
- ③ Originality
Whether the program is original and progressive with respect to social issues.

3 Program Format

- ① Independently planned programs
- ② Support for the group's philanthropic foundations
- ③ Donations
- ④ Support for volunteer activities engaged in by officers and employees

FY2006 Corporate Citizenship Outlays (Mizuho Financial Group, Inc.)



* Total Outlays: ¥286 million

* Outlays on initiatives that fall under two categories are split half and half between the two categories.

Youth Development

Yellow Badge Traffic Safety Campaign

Every Japanese child starts elementary school with a brand new schoolbag and a yellow road safety badge. The Yellow Badge Campaign was launched in 1965 with the aim of reducing traffic accidents involving children and the 2007 campaign was the 43rd. The first campaign was launched after a newspaper published a letter written by a mother to then prime minister Eisaku Sato, following the death of her child in a traffic accident. The letter asked for action to eliminate traffic accidents. Initially children were provided with yellow armbands, but in 1968 these were replaced with yellow badges. In addition to the badges, the children also receive traffic accident insurance coverage. Every year, the Japan Traffic Safety Association administers a traffic safety slogan contest. The best slogan in the children's section of this contest is selected for the Prime Minister's Award and is featured on the badge for that year.

Initially distribution of the badges was limited to a few regions. However, with the cooperation of police departments and educational institutions, badges are now distributed to every first-grader in Japan. Every year, between February and April, Yellow Badge presentation ceremonies are held in the branches, offices and other facilities of the co-sponsoring companies, which include Mizuho Financial Group, Inc. Road safety education programs run with the assistance of the Metropolitan Police Department follow the presentation ceremonies in Tokyo. To date over 53 million



First-graders wearing Yellow Badges participate in a road safety class in Tokyo



A Yellow Badge presentation ceremony (Tokyo)

badges have been distributed and a growing number of families now have two generations of badge-wearers.

The campaign is conducted jointly by Mizuho Financial Group, Inc., Sompo Japan Insurance Inc., Meiji Yasuda Life Insurance Company and The Dai-ichi Mutual Life Insurance Company.

Social Welfare

The Mizuho Charity Fund

The Mizuho Charity Fund was launched in August 2002, as a vehicle for social contribution activities by executives and employees of Mizuho Financial Group companies. Participants make donations from their monthly salaries to support various community causes.

Funds collected through this system are used to support welfare projects and similar initiatives through social contribution foundations. Donations are also made to help victims of major disasters both in Japan and overseas. Funds are also used to make grants to support voluntary programs in which our employees are participating.

In July 2006, donations from the Mizuho Financial Group executives and employees and a contribution from the Mizuho Charity Fund were used to assist victims of a major earthquake in central Java, Indonesia. The total amount provided was approximately ¥10 million.



The aftermath of a major earthquake that struck central Java, Indonesia, in July 2006

Support for the Arts and Culture

Coming-of-Age Day Concert

The Mizuho Financial Group has sponsored concerts on every Coming-of-Age Day since 1990. These concerts have the dual purpose of supporting young artists and encouraging young people to enjoy classical music. Young artists reaching the age of 20 in the year of each concert are given opportunities to perform, and 50 couples (100 new adults) are invited to attend. The theme for 2007 was "Flowers." Twenty-year-old performers presented a program that included violin recitals, a Noh performance, and a musical story based on Madame Butterfly.



A performance of the Noh drama Shakkyo during the 18th Coming-of-Age Day Concert

La Folle Journée au Japon

This music festival is held in Tokyo's Marunouchi and Yurakucho districts. The Mizuho Financial Group has been a local sponsor for the event since 2005.

La Folle Journée au Japon is the Japanese version of a classical music festival that originated in the port city of Nantes in northwest France. In addition to performances in the concert hall, there are also free performances in the street, in building entrances and in other locations. The theme for 2007 was "Ethnic Days." Approximately 2,200 professional and amateur performers from around the world participated in the event, which attracted audiences in excess of 1,060,000 people.



A concert during the "La Folle Journée au Japon" program
Photograph: Yasuo Kubo

World Police Band Concert

The aim of the World Police Band Concerts is to promote friendship between the police and the public through performances by police bands from throughout the world. The Mizuho Financial Group has been a co-sponsor of this program since 2004. The 2006 concert, the 11th in the series, was held in Hong Kong. There were performances by six police bands from five countries, including a band representing Japan's National Police Agency. The spectacular concert coincided with the 55th anniversary of the establishment of the Hong Kong Police Band and was regarded as the most important commemorative event in the Hong Kong Special Administrative Region.



The 11th World Police Band Concert in Hong Kong

Environmental Preservation

Environmental Art Contest

The Mizuho Financial Group co-sponsors the All-Japan Elementary and Junior High School Students' Environmental Art Contest, which is organized by the All-Japan Elementary and Junior High School Environmental Education Research Group. (The other sponsors are Meiji Yasuda Life Insurance Company and Marubeni Corporation.)

These contests are held to provide an opportunity for elementary and junior high school students throughout Japan to think about the importance of nature and the qualities that make a community a good place to live. There were 4,655 entries and the judges selected 40 of these for a variety of awards.

2006 saw the 10th contest, and to mark this important milestone, we presented the Eco-Products 2006 exhibition in our corporate booth. The event provided visitors with an excellent opportunity to learn about how environmental problems are perceived by elementary and junior high school students.



This painting by Yuta Shimizu won the Encouragement Award from the Minister of Education, Culture, Sports, Science (elementary school section)



Eri Tayama won the Encouragement Award from the Minister of Education, Culture, Sports, Science (junior high school section) with this painting

Relationship with Local Communities

Community Participation

Held in alternative years in Tokyo's Kanda district, the Kanda Festival is a legacy from the Edo Period (1603-1867), when it was known as the Tenka Festival or Goyo Festival. Mizuho Financial Group staff from the Kanda Branch, Kanda Corporate Department, Yokoyama-cho Branch and Kobuna-cho Branch of the Mizuho Bank participate as volunteer members of the local community groups that play a central role in the implementation and management of these events.

Following an approach from the Kanda-Suda-cho Neighborhood Association, many employees from the Kanda Branch, Kanda Corporate Department participate every year as O-Mikoshi (portable shrine) bearers. In 2007, over 65 employees dressed in *happi* coats to carry the shrine in procession through the streets, to the accompaniment of chanting by local residents.

Employees from the Yokoyama-cho Branch took part in the Yokoyama-cho Grand Festival organized by the Yokoyama-cho Neighborhood Association. The event is held in conjunction with the Kanda Festival, a Shinto festival based at the Kanda Myojin Shrine. In 2007, 61 branch employees and family members took part. In addition to carrying a portable shrine, these volunteers also assisted with libations and traffic control in the local area.

The Kobuna-cho Branch assists by transporting procession participants to and from the event. This year, staff also participated with neighborhood association officials in the imperial carriage procession.



Employees from the Kanda Branch and Kanda Corporate Department carry a portable shrine



Yokoyama-cho Branch employees act as shrine bearers



Kobuna-cho Branch employees march in the imperial carriage procession

To be an integral part of a local community, an organization needs to develop links with local residents through various activities. We will continue to strengthen our ties with local communities through activities such as these.

Lobby Exhibitions

Some branches use their lobby space as a venue for lobby exhibitions featuring photographs, paintings and other works by local people.



A lobby exhibition in the Obihiro Branch

This activity was introduced in response to requests from local communities. Today these events are an established and popular part of community life.

When the Mizuho Bank's Obihiro Branch was refurbished in 1981, spaces were provided on the lobby walls to hang paintings and other works of art. Today the lobby is used for monthly exhibitions of photographs and paintings by local people, and displays photographs commemorating the local Tokachi region.

The Okayama Branch of the Mizuho Bank also exhibits art works, including paintings by members of local art groups



Art on display in the lobby of the Okayama Branch

and photographs by local amateur photographers. Customers comment that they always look forward to seeing these works.

Promotion of Small and Medium Enterprises

The Mizuho Financial Group recognizes the importance of small and medium enterprises (SMEs) as the driving force for Japan's economic development. We have continually provided support for SMEs since the establishment of the SME Center in 1966. We assist the Center with its empirical research activities, and with its efforts to discover excellent companies throughout Japan through its verification projects.

Activities of Mizuho Philanthropic Foundations

Social Contribution through Philanthropic Foundations

As a good corporate citizen, the Mizuho Financial Group aims to contribute to society by implementing a wide range of initiatives through its philanthropic foundations in partnership with local communities. Our five philanthropic foundations in Japan all have unique characteristics that are reflected in their support and grant-making activities in the fields of education and welfare.

We are also involved in social contribution activities in other countries, including the establishment of philanthropic foundations in North America and Asia.

Social Contribution Activities in the Field of Education

● Support for Education in Remote Regions

Children living in remote and isolated regions, such as mountainous areas and islands, enjoy rich natural environments, and because schools in these regions have small numbers of students, they are also able to build close relationships within their school communities. However, they have limited opportunities to interact with children of the same age. The Mizuho Education Welfare Foundation helps to create opportunities for children in remote regions to form



Tamano Municipal Junior High School in Soma City, Fukushima Prefecture received a donation of sports equipment from the Mizuho Education Welfare Foundation

friendships with children in the same school years, including those living in urban areas. As part of its support for education in remote regions, the Foundation also donates sports equipment and children's books and provides grants for other activities, including original, free research focusing on regional and environmental characteristics.

● Educational Assistance for People with Disabilities

Most Braille books are intended for general readers and the availability of specialized works is limited. The Mizuho Education Welfare Foundation provides grants for the translation of printed text into Braille. Some of the students assisted by the Foundation have entered elementary school teaching and other promising careers.

The Mizuho Education Welfare Foundation also provides special needs research grants to private special needs schools.

● Support for the Promotion of International Exchange

The Mizuho International Foundation and the Mizuho Foundation for the Promotion of the Sciences both provide scholarships for foreign students in Japan as a way of contributing to the development of international exchange and the training of international exchange personnel. In fiscal 2006, the Mizuho International Foundation also began to provide scholarships to Japanese students studying in Asia. Future plans include a symposium for overseas study alumni.



A poster inviting Japanese students to apply for Mizuho International Foundation scholarships for study in Asia

Mizuho Philanthropic Foundations in Japan

Mizuho Education Welfare Foundation

- Grants for voluntary organizations providing welfare services for the aged and general research relating to welfare for the aged
- Donations of compact electric delivery vehicles to groups delivering meals to the aged
- Donations of sports equipment and children's books to elementary and junior high schools in remote areas, such as mountainous regions, fishing communities and islands
- Grants for friendship learning activities for children in elementary and junior high schools in remote areas
- Special needs education grants and grants to special needs schools

Mizuho Welfare Foundation

- Grants to welfare institutions for people with disabilities, grants to research groups, etc.
- Donations of electric wheelchairs to institutions and groups for people with disabilities, and individuals with disabilities
- Grants to visually-impaired university students to cover the cost of translating textbooks into Braille
- Donation of lift-equipped buses and minibuses to institutions for people with disabilities

Mizuho International Foundation

- Scholarships, guidance and grants for foreign students in Japan
- Scholarships for Japanese students in Asia
- Support for university international exchange seminars hosted by Japanese universities

Mizuho Foundation for the Promotion of the Sciences

- Grants for engineering research
- Essay contests in the fields of law and economics
- Scholarships for foreign students in Japan

Mizuho Scholarship Foundation

- Scholarship loans for university students, etc.

● Support for Academic Research

The Mizuho Foundation for the Promotion of the Sciences supports high-quality research in the fields of engineering, law, and economics through activities inspired by the desire to provide encouragement and support for young people, who hold Japan's future in their hands. Each year it runs essay competitions for students and working people on themes relating to the law and economics. Winners receive study grants.

● Support for University Students, etc.

The Mizuho Scholarship Foundation provides scholarship loans for university students and others who would otherwise be unable to continue their studies for economic reasons. Every two months students in Tokyo attend individual interviews to report their progress and receive advice on various matters.

Welfare-Related Social Contribution Activities

● Welfare Grants for People with Disabilities

The Mizuho Welfare Foundation donates electric wheelchairs and buses with lifts to institutions for people with disabilities. It also provides grants for innovative projects and research that will lead to improvements in welfare. Examples include grants for the purchase of tractors to allow individuals with disabilities to achieve independence by growing vegetables for sale. The Foundation also offers advice and other assistance on operational aspects of support for independent living for people with disabilities.



A tractor purchased with a grant from the Mizuho Welfare Foundation

● Grants for Welfare Activities for the Aged

The Mizuho Welfare Foundation provides grants to voluntary groups and other organizations involved in welfare activities for the aged. It also uses grants to support research activities relating to aged welfare in general.

● Grants to Meal Delivery Service Groups

The Mizuho Education Welfare Foundation donates environment-friendly compact electric vehicles ("Mizuho Cars") to voluntary groups providing meal delivery services to the aged. Meal delivery services are also a friendly way to check the well-being of the elderly and are expected to become increasingly common in the future.

Social Contribution Activities Overseas

● The Mizuho USA Foundation

The Mizuho USA Foundation was established in January 2003 as the Mizuho Financial Group's core organization for social contribution activities in the United States. Its mission is to provide grants for community support and revitalization in urban areas. Grants are given to non-profit organizations working to support residents in low-income areas through various projects, including job training, the provision of housing, and community development. In fiscal 2006, the organization made grants totaling approximately \$680,000. Most of these grants were to non-profit organizations working in New York, Los Angeles and San Jose.

In September 2006, Mizuho Corporate Bank (USA) received a \$500,000 incentive payment from the Community Development Financial Institutions Fund of the U.S. Department of the Treasury in recognition of its lending activities in low-income communities. The entire amount was donated to the Mizuho USA Foundation, which will use the money to expand its social contribution activities.

● Mizuho Incentive Funds

As part of its social contribution activities in China, the Mizuho Corporate Bank reached an agreement with the High School Affiliated to Renmin University of China in October 2006 concerning the establishment of a Mizuho Incentive Fund for that school. In February and March of 2007, it reached agreements with junior high schools attached to Peking University and Tsinghua University concerning the establishment of similar funds. The decision to establish these funds reflects the Bank's awareness of the importance of support for basic education in China, which has made human resource development a core element in its national development strategy. Scholarships will be provided to students and teachers at the three schools over a 10-year period, starting in 2007. This is the first time that a foreign company has created scholarship systems for high schools in China.

Other Overseas Mizuho Foundations and Funds

Country/Region	Foundation/Fund	Activities
Hong Kong	Mizuho & Wing Hang Bank Scholarship and Charity Funds	Provides education grants to non-profit organizations in Hong Kong and scholarships to university students in Hong Kong
Taiwan	Mizuho Aishin Charity Fund	Primarily provides support in the areas of education, medicine and social welfare
China	University of International Business and Economics (Mizuho Foundation)	Provides support for the education of young students who plan to work in China's financial industry in the future
Thailand	Mizuho Asia Fund	A charitable trust that supports healthy youth development, sports and initiatives to eliminate drug use in ASEAN countries

Good Corporate Citizenship—Social Contribution through Voluntary Activities

We at the Mizuho Financial Group believe that good corporate citizenship requires contribution to local communities based on harmonious coexistence. This belief is reflected in an active involvement in a wide range of voluntary activities.

Activities in Japan

Group-Level Initiatives

Mizuho Financial Group employees are eager to participate in voluntary activities as a group. One way in which we have fulfilled this wish is through our participation in the “Tokyo Greenship Action” campaign. The aim of this Tokyo Metropolitan Government initiative is to protect natural areas in Tokyo through cooperative efforts with non-profit organizations and business corporations.

In the current year we implemented a conservation program in an area of natural woodland near Akiruno City. The main activities were weed removal and undergrowth clearance. Though the participants experienced some difficulties because of their lack of experience with sickles, everyone enjoyed the opportunity for hard physical labor in a natural outdoor setting, completely different from the office environment. Thirty employees from various Mizuho Financial Group companies took part. An important side-benefit of the work was the development of friendships among people who would not normally become acquainted with each other.



Clearing undergrowth

Branch-Level Initiatives

Examples of initiatives undertaken by branches include the support provided by the Mizuho Bank’s Hamamatsu Branch for a project to help people with disabilities achieve independence by selling curry. The Total Care Center, a non-profit organization, had purchased a mobile curry shop with a grant from the Mizuho Welfare Foundation, but they were unable to find a location to sell their products. The manager of the Hamamatsu Branch learned about this

problem from a representative of the organization at the grant presentation ceremony. He approached several local corporate clients that were likely to support the aims of the project and asked them to provide sites, including parking spaces. Two companies agreed and the organization began to sell curry successfully. This initiative has helped people with disabilities to achieve independence.



Total Care Center members sell curry

The Mizuho Bank’s Yamagata Branch participated in the fifth Art and Culture Festival for People with Disabilities, an event staged by Yamagata Prefecture and other organizations. This event is staged to help people with disabilities engage with society and achieve independence by exhibiting their artistic creations and presenting musical performances. Another goal is to raise public awareness and understanding of people with disabilities. The staff of the Yamagata Branch supported these aims and 12 employees contributed to the community by participating as voluntary workers. At the request of the Yamagata Branch employees, the Mizuho Charity Fund provided economic support for the event in the form of a donation. The Mizuho Financial Group aims to participate in a wide range of social contribution activities again at the next event.



At the fifth Art and Culture Festival for People with Disabilities in Yamagata

Initiatives by Individual Employees



Masato Watanabe began to plant and care for cherry trees as a community contribution activity that he could share with his retired father. This year he used his voluntary activity leave to run a tree-planting festival with local people, including kindergarten children. Watanabe and his fellow volunteers are now eagerly waiting for the first blossoms to appear on the cherry trees that they planted on local river banks.



Masato Mizuno fulfilled his dream of participating in voluntary activities when he took part in a project to clean and sort used musical instruments, which were then sent to Cambodia. "Voluntary activities provide a valuable opportunity to learn about things that we wouldn't normally experience," says Mizuno. "It's important to remain involved, and I intend to use the systems provided by my employer. I will look for activities that are interesting and which are beneficial for me as well those we help."



Osamu Kiso spent three days as a volunteer worker at a day service center for the elderly. Mizuho has a "customer-first" philosophy and as part of that commitment we are working to create barrier-free environments. Kiso said that spending time with the elderly gave him a renewed awareness of the importance of making banking services accessible to everyone.

Overseas Activities

Activities in the Americas

In September 2006, the Mizuho Financial Group staged the Mizuho U.S. Volunteer Day in the United States. Throughout the month of September, Mizuho Financial Group employees participated in voluntary activities in various regions. A total of 150 people from branches in New York, Chicago, Atlanta, Houston, Los Angeles and San Jose took part in the program. The different branches organized a wide range of activities, including painting work at shelters for the homeless and immigrants, and housing construction work and food distribution in low-income areas. All of the projects helped employees to gain a better understanding of needs in their local communities.



Mizuho U.S. Volunteer Day workers help with painting work

Activities in Europe

Mizuho Financial Group branches in Europe also undertake a wide range of voluntary activities. For example, the London Branch of the Mizuho Corporate Bank participated in the "Jeans for Genes" campaign in October 2006. The aim of this initiative was to raise funds for research into treatments for serious genetic disorders and to demonstrate support for this work by wearing jeans. London Branch staff were allowed to wear jeans to work during the campaign and donations totaling £880.90 were collected.

In June 2007, 13 volunteers from Mizuho Corporate Bank (Germany) took part in a charity marathon. Employees also participated in 2006 and plan to compete in future races. Entry fees are used to support various voluntary activities.

Activities in Asia

In February 2007, the Hong Kong Branch of Mizuho Corporate Bank received a social contribution award from Hong Kong Council of Social Service. The award was in recognition of the participation of numerous employees in initiatives organized by Hong Kong Branch, including visits to rest homes and donations to charitable organizations. There are plans to extend these activities to other branches.

Environmental Policies and Organization

Recognizing that maintaining and preserving the natural environment is the basis of sustainable social and economic development, we have set forth basic environmental policies in The Mizuho Code of Conduct for group companies to follow in their ongoing activities.

Mizuho's Basic Policies

- We are aware that it is our social responsibility to take into account environmental issues as we try to maintain a balance between economic development and environmental preservation.
- In compliance with laws and ordinances relating to the environment, we will engage in energy and resource conservation efforts that include separating and collecting garbage by type, and using recycled materials.
- In addition to supporting environmental protection organizations and our customers' programs for dealing with environmental issues, we offer financial products and services that contribute to environmental preservation.

Thinking on Environmental Problems

Protection of the global environment has become an issue of crucial importance for the survival of Earth's diverse life forms, including the human race. This task will require efforts by the entire world.

The Mizuho Financial Group sees the maintenance and protection of the natural environment as the foundation for sustainable social and economic development. That is why we have established a basic policy on the environment within the Mizuho Code of Conduct. In addition to initiatives based on our business activities, which center on the supply of financial products and services, we also place great importance on efforts to minimize the environmental footprint of our business activities. The entire Mizuho Financial Group is united in our determination to contribute to the solution of environmental problems.

Group-Level CSR Promotion Structure

Mizuho Financial Group, Inc., the holding company for the Mizuho Financial Group, has established the CSR Promotion Office within its Corporate Communications Division to facilitate CSR activities across the entire corporate group. The CSR Promotion Office gathers information, develops plans, provides advice to other departments and divisions, and provides CSR training, including environmental education, to employees. It also handles internal and external

communications relating to CSR initiatives. CSR units have also been established within key group companies. We will continue to build closer collaboration within the Mizuho Financial Group, while using specialized knowledge and communication channels relating to environmental problems to provide our customers with high-added-value services.

Initiatives Relating to Core Business Activities

The Mizuho Financial Group aims to contribute to the solution of environmental problems through its financial products and services.

In accordance with the Equator Principles, the Mizuho Corporate Bank has environmental assessments carried out by experts before signing agreements to provide project finance for projects that are deemed unlikely to cause a significant environmental impact. If these assessments identify areas in which remedial action is required, an action plan is formulated, and clauses are added to financing agreements, requiring the performance of these actions. Monitoring continues after the completion of financing, and compliance with the action plan requirements is periodically checked.

Mizuho Trust & Banking conducts environmental risk assessments as part of its real estate-related services. For example, when acting as intermediary in a real estate deal, it uses a property intermediation checklist to identify environmental risk factors, such as the presence of soil contamination or asbestos. All properties handled are subject to analyses based on this checklist.

The Mizuho Financial Group also aims to support

Mizuho's Targets for the Reduction of Environmental Loads

Reduction of greenhouse gas emission (FY2012)

- 20% reduction of greenhouse gas emissions at ten key business sites compared with FY2002 levels

Paper recycling ratio, green purchasing ratio (paper and stationery) (FY2010)

- Recycling ratio of at least 95% at 10 key business sites
- Mizuho Financial Group green purchasing ratio (paper and stationery) of at least 85%

environmental initiatives by its customers. The Mizuho Bank offers a special lending facility for small and medium companies that are showing consideration for the environment in their activities. DLIBJ Asset Management Co., Ltd. (DIAM) uses its product planning capabilities to develop and supply a variety of socially and environmentally responsible investment products.

We will continue to provide active support for environmental protection initiatives through our financial products and services.

Initiatives Targeting Our Business Activities

Since the Kyoto Protocol came into effect, companies have been working to reduce the environmental footprints of their own business activities. This has become an important priority in the context of efforts to create a low-carbon recycling-based society.

The main environmental loads created by the Mizuho Financial Group in its financing activities appear to consist of direct loads resulting from the use of energy, including electric power, and the disposal of waste paper and other materials, and indirect loads relating to the purchase of goods and services. The entire banking industry is working to reduce environmental loads through initiatives based on specific targets. For example, the Japanese Bankers Association last year published numerical targets for the reduction of greenhouse gas emissions, the reuse of paper, and the purchase of recycled paper.

In response to this situation, we at Mizuho have decided to target further reductions in our environmental footprint. In August 2007 we set targets for the reduction of greenhouse gas emissions, the paper recycling ratio, and the green purchasing ratio (paper and stationery).

The entire Mizuho Financial Group will continue its efforts to conserve energy and resources and contribute to the creation of a low-carbon recycling-based society.

Environmental Communication

Eco-Product Fairs

As in the previous year, the Mizuho Financial Group

was again an exhibitor in Japan's biggest environmental exhibition. Eco-Products 2006 was held in December 2006. Numerous visitors viewed our booth during the show. Around 2,000 people completed our questionnaire survey, a significant increase over the 2005 total.

Our exhibits at Eco-Products 2006 were designed to show how financial institutions can contribute to the solution of environmental problems through financial products and services. Staff gained a renewed awareness of the importance of communication as they explained the display panels and responded to comments and suggestions based on various perspectives.



The Mizuho Financial Group booth also included a display of environment-related art from an art exhibition co-sponsored by Mizuho.

Symposiums and Seminars

The Mizuho Corporate Bank currently serves as the secretariat bank for the Equator Principles. It is working to build understanding about the Principles by actively participating in a variety of symposiums. Mizuho Corporate Bank staff have given presentations on a wide range of subjects in various forums, including a press conference held in London to announce changes to the Equator Principles, and a conference hosted by the Stanford University Institute for Global Industry-Academia Collaboration.



A lecture at Stanford University

Seminars are also used to give customers ideas for environmental initiatives. In September 2006, seven group companies, including the Mizuho Corporate Bank, the Mizuho Bank, and the Mizuho Information & Research Institute, hosted the Mizuho Environmental Seminar in Nagoya. This highly successful seminar, which focused mainly on the environmental efforts of customers and suppliers, attracted



At a Mizuho Environmental Seminar

many participants. The Mizuho Financial Group will continue to maintain an active involvement in seminars and symposiums relating to environmental problems.

Environmental Report

Initiatives Based on Business Activities

We believe that the Mizuho Financial Group affects the environment primarily through its office-based activities, such as through the use of electric power and paper. Group companies are working to minimize their environmental footprint.

Initiatives toward the Creation of a Low-Carbon Society

Adopting Greenhouse Gas Reduction Targets Based on Global Warming Prevention Plans

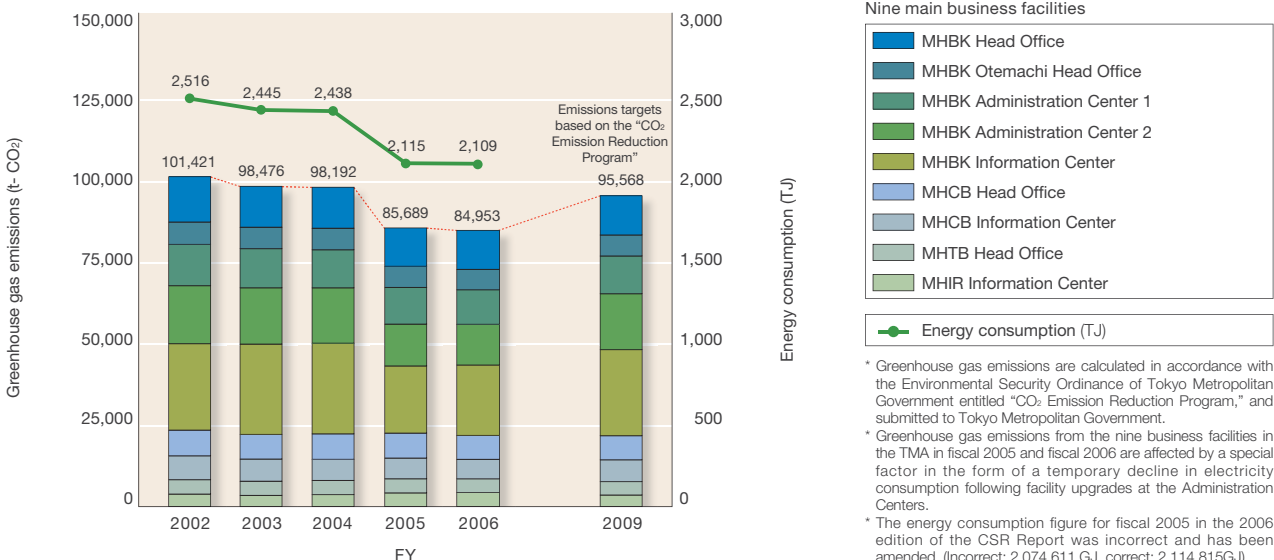
The Mizuho Financial Group's nine principal business premises in Tokyo are covered by a CO₂ emission reduction program contained in the Tokyo Metropolitan Government's Environmental Security Ordinance. Under this system, business premises responsible for greenhouse gas emissions in excess of specific levels are required to submit and publish global warming prevention plans. They are also required to prepare plans containing voluntary targets for the reduction of greenhouse gas emissions between fiscal 2005 and fiscal 2009. The Tokyo Metropolitan Government assesses these plans according to target reduction ratios and other aspects and assigns ratings under a five-rank system (AA, A+, A, B, C). Of the global warming prevention plans submitted by the nine Mizuho Financial Group premises, four were rated as "AA," four as "A+" and one as "A."

Most of the greenhouse gas emissions of the Mizuho Financial Group result from consumption of electric power.

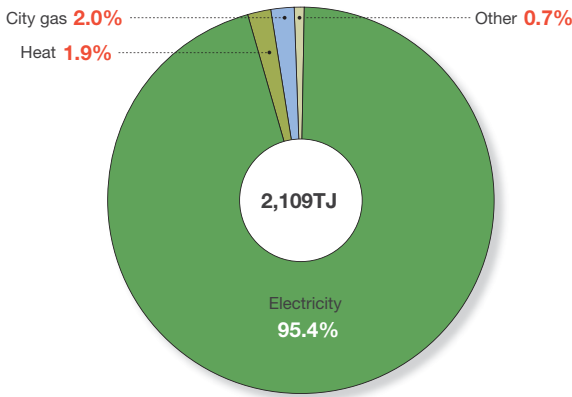
Energy-saving initiatives are therefore extremely significant. Energy-efficient equipment, including air conditioning systems and lighting are being installed and older equipment is being replaced with more efficient systems in the nine Mizuho Financial Group business premises in Tokyo. We are also working to ensure that systems are operated and managed appropriately. Other goals include the reduction of water consumption, and energy conservation through efforts to reduce electric power usage, such as by turning off lights whenever they are not required. The Mizuho Bank, which uses five of the nine business premises covered by the system, holds regular meetings to examine the progress of energy saving efforts and global warming countermeasures, and to discuss future approaches. Sustained efforts in these areas are reflected in a steady reduction in total greenhouse gas emissions.

We intend to take these initiatives further. Our greenhouse gas emission target for FY2012 covers 10 major facilities, including not only our nine business sites, but also Mizuho Administration Center 3. Our goal is to work toward measures to reduce emissions by 20% compared with FY2002 levels. Through these initiatives, we are determined to contribute to the creation of a low-carbon society.

Trends in Energy Consumption and Greenhouse Gas Emissions at Nine Key Business Facilities



Breakdown of Greenhouse Gas Emissions at Nine Key Business Facilities in Fiscal 2006 by Energy Type



Reducing Electric Power Use

As members of the Japanese Bankers Association, the Mizuho Bank, Mizuho Corporate Bank and Mizuho Trust & Banking are actively working to achieve the numerical targets announced by the Association in November 2006 for global warming prevention measures and other environmental efforts.

For several years the Mizuho Financial Group has been targeting reductions in its electric power consumption, which is the main source of its greenhouse gas emissions. These efforts will continue as part of the initiative by the Japanese Bankers Association. We aim to achieve further reductions in our electric power consumption by replacing air conditioning and lighting systems with energy-efficient equipment, by managing room temperatures according to recommendations from the Ministry of the Environment, and by switching off lights whenever they are not required.

Introduction of Low-emission Vehicles

The Mizuho Financial Group is switching to the use of low-emission vehicles. The Mizuho Bank, Mizuho Corporate Bank, Mizuho Trust & Banking and Mizuho Investors Securities use a total of 1,166 vehicles in the Tokyo Metropolitan Area (as of March 2007). Of these, 740 are vehicles classified by the Tokyo Metropolitan Government as low-emission vehicles (vehicles graded as exceptional, superior or excellent on the basis of exhaust gas emission levels). Emissions from vehicles used by these companies in the Tokyo Metropolitan Area are equivalent to 237 kg of NOx and 603 tons of CO₂ per year. In addition to a progressive transition to low-pollution vehicles, we also aim to reduce the number of vehicles used by improving the efficiency of transportation operations. At the same time, drivers are being encouraged to use eco-driving techniques, including the stopping of engines while idling.

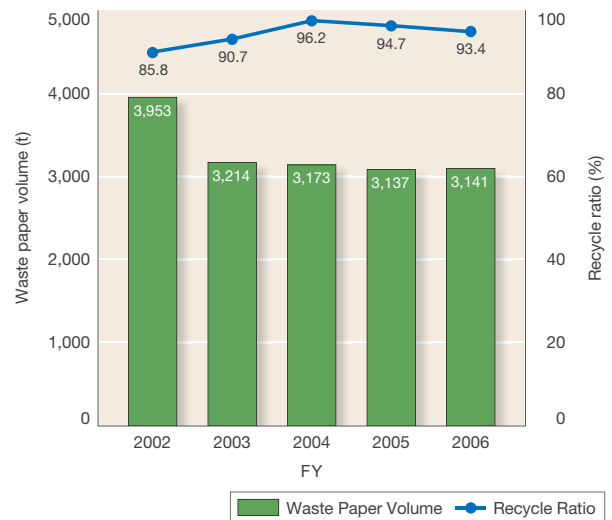
Initiatives toward the Creation of a Recycling-Based Society

Reducing and Recycling Paper

In addition to our efforts to reduce the volume of waste paper, we at Mizuho actively recycle waste paper. Confidential documents are carefully managed at the recycling stage to prevent information leakage. These efforts have resulted in recycling ratios in excess of 90% for waste paper at major business sites. We will continue these recycling efforts. Our goal is to increase the recycling ratio for waste paper at our 10 main facilities in Tokyo to at least 95% by 2010.

Magazines and journals discarded by the Mizuho Financial Group are partially recycled into toilet paper. In 2006 the Mizuho Financial Group used approximately 40 tons of toilet paper made from recycled paper.

Paper Waste Volumes and Recycle Ratios at Nine Major Business Sites



Promoting Green Purchasing

Japan's Law Concerning the Promotion of Procurement of Eco-Friendly Goods and Services by the State and Other Entities (known as the "Green Purchasing Law") has been in effect since April 2001. This law makes green purchasing mandatory for the central government and calls for efforts by local governments, businesses and individuals. As part of its energy and resource conservation efforts, the Mizuho Financial Group has formulated Administrative Guidelines for the Environmentally Responsible Purchasing of Supplies, etc., and set a green purchasing ratio target (paper and stationery) of at least 85% by FY2010. We are also switching to environment-friendly stationery, consumables

and other products, especially Eco-mark products and products that meet the green procurement standards. We are also increasing the percentage of environment-friendly paper products, including recycled paper, that we use.

● Paper

The Mizuho Financial Group is primarily involved in financial services, including banking and securities. For this reason, the resource most used by the Group is paper. In fiscal 2006, the Mizuho Financial Group purchased a total of 4,668 tons of paper, which is equivalent to approximately 1,110 million sheets of A4 copier paper*. Environment-friendly paper, such as recycled paper, paper made from wood from planted and certified forests, or non-wood paper, accounts for 81% of total paper purchased (by weight).

Efforts to reduce paper consumption include duplex copying, the use of paperless office technology, such as electronic document storage, projectors and scanners, and reduced production of conference handouts and internal documents. The Mizuho Bank, Mizuho Corporate Bank and Mizuho Trust & Banking have already implemented general reviews of ways in which documents returned to their head offices are used, leading to the use of electronic documents. In this way, the Mizuho Bank has saved the equivalent of over 20 million sheets of B4 paper annually. There has been a renewed emphasis on the importance of paper resources in recent years. The Mizuho Financial Group will work to achieve further reductions in its use of copier paper, while also promoting the procurement and use of environment-friendly paper products.

* This calculation is based on a weight of 4.2g per sheet of copier paper.

● Stationery

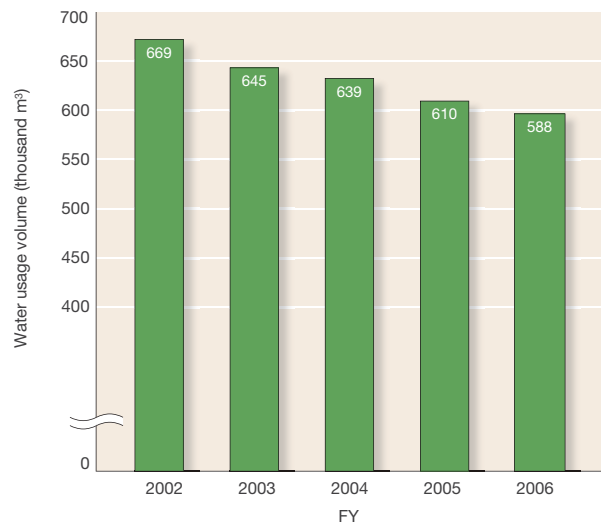
The Mizuho Bank and Mizuho Corporate Bank are working to increase their green purchasing ratios. They are reviewing the lists used by their head offices for bulk purchasing of stationery and consumables to ascertain current levels of green purchasing. Since August 2006, the two banks have also introduced a common network system for the requisition of stationery and consumables. By eliminating need for requisition forms and reviewing their requisition methods, which were previously different for each product type, the banks aim to reduce paper use and rationalize their operations. While expanding their green procurement activities, they are also conserving resources by developing a waste-free procurement process.

Reducing Water Use

The Mizuho Financial Group is working to ensure efficient use of water resources by progressively installing a variety of water-saving facilities to reduce the volume of water used. By using recycled wastewater* from washrooms to flush toilets in its head office, the Mizuho Bank was able to reduce water usage by approximately 50,000 tons, or 25%, in fiscal 2006. At the Mizuho Bank's administrative center, rainwater is used to fill cooling towers, and waste water from cooling towers is used to flush toilets. The Mizuho Corporate Bank is reducing the amount of water used to flush toilets by installing water-saving systems in female toilets. We will continue our efforts to use water resources efficiently, including the installation of these systems at other business sites.

* Recycled wastewater: This is used water that has been re-treated to allow its use for other purposes, such as toilet flushing. In Japan it is called chusui (middle water) because of its positioning mid-way between tap water and sewage.

Water Usage at Nine Key Business Facilities



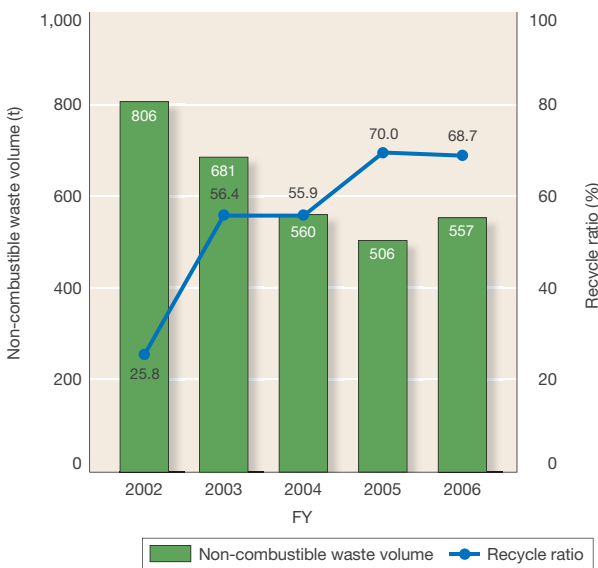
Reuse

The Mizuho Financial Group mostly uses uniforms manufactured from natural fibers and materials made from recycled PET bottles. After use, uniforms are collected and managed under an integrated system. Between fiscal 2003 and fiscal 2006, 53% of uniforms collected were reused.

Reduction and Recycling of Non-Combustible Waste

Non-combustible waste, such as cans, glass bottles and PET bottles, are carefully sorted for recycling. We are also working to reduce waste volumes. Waste cooking oil from cafeterias at the Mizuho Bank's main facilities has been recycled into soap, fertilizer, paint or ink.

Non-combustible Waste Volumes and Recycle Ratios at Nine Major Business Sites



Reducing the Use of Chemical Substances

The Mizuho Financial Group complies with regulatory requirements for the management and disposal of industrial waste, including the use of industrial waste manifests as stipulated in the Waste Disposal Law. We will continue to exercise great care in the management and disposal of waste, while also working to reduce the amount of waste.

Appropriate Management of Ozone-Depleting Substances

The Mizuho Financial Group uses CFCs and HCFCs, which are ozone-depleting substances, as refrigerants for air conditioners and refrigeration equipment. It also uses halon as a fire suppressant in fire extinguishers. However, there were no emissions of ozone-depleting substances in fiscal 2006. We are progressively replacing these substances with alternative products with smaller environmental footprints whenever the opportunity arises, such as when equipment is updated.

The group appropriately manages and stores equipment containing PCBs in accordance with the Law Concerning Special Measures against PCB Waste. Local governments are notified concerning the storage conditions for these items.

Storage of Ozone-depleting Substances at Nine Major Business Sites

ozone-depleting substances	Total (tons)
CFC11	3.4
Halon	23.1
HCFC-22(R-22)	1.0

(As of March 31, 2007)

Choosing Eco-Products

The Mizuho Bank takes great care to ensure that products distributed to customers at its counters are not only convenient and easy to use, but also kind to the environment. Examples include memo pads and paper pens made from recycled paper, and non-wood paper tissues. The Mizuho Bank has also started to use paper bags made using resources from FSC certified forests.

Mizuho IC cash cards are now made from PET-G, which is regarded as an environment-friendly material. It is based on non-halogen plastics, which emit no harmful gases when incinerated and broken down into water and carbon dioxide. These characteristics reduce the environmental footprint of the cards at the disposal stage.



Non-wood (bagasse) tissue paper



A Mizuho IC cash card made from PET-G



The Second Stakeholder Dialog CSR Initiatives by the Mizuho Financial Group

The key CSR priorities for the Mizuho Financial Group are financial education, the environment, and governance systems to support efforts in these areas. We invited experts in each of these fields to share their views with us at a seminar held on March 19, 2007.

Dialog in the Past Year

Moderator: I'd like to begin with a brief review of progress on the main issues about which views were expressed in dialog over the past year. One of these issues was contribution to the reduction of environmental loads through financial services. As part of our efforts in this area, we introduced carbon accounting in fiscal 2006. Under this system, we monitor and publish carbon emissions from new power generation schemes for which we have provided project finance. Another issue was the facilitation of employee participation in CSR activities. Many of our employees are involved in financial education and are participating in the implementation of programs in this area. We have also responded to employees' needs to participate in voluntary activities by relaxing the conditions under which employees can obtain leave for this purpose. Employment communication initiatives include the introduction of an award system for social contribution activities, and the production of a CSR training video. Efforts are still in progress in some of the other areas about which you expressed views.

Fujii: I have been very impressed by your efforts to reduce environmental loads through your core financing activities. I hope that in the future you will introduce similar systems for corporate finance as well as project finance. When looking

at companies today, we need to assess not only the financial risk but also environmental aspects. Not only investment analysts but also marketing personnel need the ability to assess environmental measures and other factors.

Ito: Many companies set new agendas each year for this type of dialog. I am pleased that you have decided instead to look at progress on issues raised in last year's discussion. Without this type of review, there can be no cumulative benefit from dialog or activities. As someone who took part in last year's meeting, I am very happy that you have responded positively and made steady progress based on a clear division of the issues raised by participants into areas in which immediate action was possible, and aspects requiring efforts over a medium- or long-term time frame.

Future Expectations toward Financial Education

Moderator: Mizuho has positioned financial education as a core element in its CSR activities. We are collaborating with Tokyo Gakugei University on financial education research. This work is providing the basis for other initiatives, including financial education programs in elementary schools and junior high schools, and the endowment of university lecture programs and chairs. What are your views on these financial education initiatives?

Principal Initiatives in Response to Issues Raised at Last Year's Dialog Meeting

		Initiatives for 2006	Medium- to Long-term Initiatives	
Issues raised at last year's dialog meeting	Products and services	● Implementation of carbon accounting		
		● Appointment as secretariat bank for financial institutions adopting the Equator Principles		
		● Support for Yokohama wind power generation project	○ Underwriting and marketing of publicly subscribed community participation bonds	
		● Establishment of new SRI Fund (Shinko Investment Trust Management Co., Ltd.)	○ Global warming prevention stock fund	
	Human resources, etc.	● Use of award system	○ Presentation of Mizuho Financial Group Awards	● Training of personnel with expert knowledge of the environment and environmental business
		● Enhancement of CSR training	○ Video training for all Mizuho employees ○ Training for new employees	
● Participation in international initiatives		○ United Nations Environment Programme Financial Initiative (UNEP FI) ○ Principles for Responsible Investment (PRI) ○ United Nations Global Compact		

Watanabe: In Europe and North America, there is an education reform movement focusing on the need for career education as a way of teaching people how to succeed in a working environment. Over the past three decades, this movement has generated a variety of programs, including financial education programs. Japan has simply imported the programs in isolation from the background and concepts that produced them. For this reason, financial education in Japan has not been entirely successful. However, financial education is an important educational theme that affects us all and has a profound bearing on how we live our lives. I have very high hopes for collaborative research on this theme by the financial experts of the Mizuho Financial Group and the education experts of Tokyo Gakugei University. If possible, I hope that this work will lead to the development of programs that teachers can apply to day-to-day school education, rather than just 45-minute classes for children and students.

Ohashi: Last August we held public seminars for teachers. These offered ideas about approaches to financial education and elicited a wide range of views from teachers. This year we aim to reflect those views in enhanced program content, and we will also increase the number of seminars.

Iwatani: Financial education provided in schools currently consists of elementary school classes about familiar economic activities, and classes about economic activities, especially consumption-related aspects of life, that form

part of civics classes in junior high schools. Finance and distribution are covered in the junior high school classes. The amount of time allocated to these areas is extremely small. I believe that interaction with real society is an extremely important aspect of the future lives of children. I have studied the financial education program and video produced by Mizuho. The program uses many teaching aids and offers an extremely entertaining introduction to this field of study. I also found the linkage between these materials and the mechanisms of banking very easy to understand. The government is currently reviewing the "Courses of Study," which are the official guidelines for school teaching in Japan. The Central Council for Education working groups responsible for primary and secondary education curricular have identified the need for proper education on finance and economics. I expect that the new "Courses of Study" will place a greater emphasis on financial education, and it is likely that the work carried out by Mizuho in the field of financial education will be applied to various aspects of these programs.

Watanabe: I'd like to raise a different but related issue. The majority of teachers working in school education today lack the basic skills that would be needed to survive in a corporate environment. I believe that we could revitalize education by helping teachers to acquire the abilities and skills that they lack, such as presentation methods, and the ability to run meetings in a short time.

Participants in the Dialog with Stakeholders



Kunio Ito
Professor, Graduate School Of Commerce And Management, Hitotsubashi University

Specialist in corporate system theory, corporate behavior analysis theory, and accounting. Sub-chairman, The Japan Academic Society for Ventures and Entrepreneurs; President, The Japan Academic Society of Investor Relations; Council Member, Japanese Association for Research in Disclosure; also member of the Fair Trade Commission, the Holding Company Study Committee and many other public offices.



Yoshihiro Fujii
Professor, Graduate School of Global Environmental Studies, Sophia University

After being assigned by the Nihon Keizai Shimbun to the reporters' clubs of the Environment Agency (now Ministry of the Environment), the Bank of Japan, and the Ministry of Finance, serves as the newspaper's London correspondent. Participated in the Reuter Foundation Program in 1993, Senior Staff Writer, Nihon Keizai Shimbun from the same year. Took up present position in 2006.



Mieko Watanabe
Visiting Associate Professor, Tsukuba University Chairperson

Mieko Watanabe undertook postgraduate studies in counseling psychology at Pennsylvania State University. Formerly on a faculty of the Tsukuba University Graduate School of Comprehensive Human Sciences, she currently works as a visiting associate professor at Tsukuba University. She is also chairperson of the Japan Career Design Society and a leading authority in the field of career counseling research.



Toshiyuki Iwatani
Principal, Koyo Junior High School, Suginami-ku, Tokyo

Toshiyuki Iwatani started his career as a junior high school social studies teacher. He became an assistant principal in 1994 and a principal in 1998. Since 2006 he has been the principal of Koyo Junior High School in Suginami-ku, Tokyo, which has been designated as a community-managed school. Since 2005 Toshiyuki Iwatani has also been president of the National Junior High School Social Education Council.



Hyo Kanbayashi
President, Protiviti Japan Co., Ltd.

After a period working overseas for Arthur Anderson, Hiyo Kanbayashi was appointed as a senior partner of Asahi & Co., an audit corporation (since merged with KPMG Azsa & Co.). After working as that company's coordinating partner for risk consulting services in Japan, he took up his present position in 2003. Hiyo Kanbayashi is also secretary of the Ministry of Economy, Trade and Industry's Committee on Corporate Behavior, Disclosure and Assessment.

Participants from Mizuho



Yoshiaki Ohashi
Executive Officer, General Manager of Corporate Communications, Mizuho Financial Group, Inc. (as of the time of the meeting)

Helping to Prevent Global Warming through Financial Services

Moderator: The other core focus of our CSR activities is the environment. What are views on our overall initiatives as financial institutions?

Fujii: Financial institutions assess companies from various perspectives before providing loans and investment. I believe that in the future they'll also need to assess how much CO₂ their customers emit. By encouraging the companies to which they provide investment and loans to behave in environmentally responsible ways, financial institutions can help to reduce society's CO₂ emissions. For example, the development of the CDM market is seen as an important tool for the achievement of targets under the Kyoto Protocol. This is a core area of activity for financial

institutions, which can look forward to expanded business opportunities as their client companies become more environmentally aware.

Ito: Manufacturers apply upstream management principles to their procurement activities. I hope that financial institutions will apply similar concepts to their money-lending activities. For example, a motor vehicle manufacturer will decide whether or not to buy parts from a particular manufacturer after inspecting that company's factory to ascertain its attitude to environmental issues. For a financial institution, upstream management means that a certain level of environmental commitment becomes one of the requirements for access to finance. Manufacturers are currently working hard to meet tough environmental standards, and breakthroughs are imminent. I urge financial institution to consider their role in this major trend.

The Importance of Shared Values

Moderator: The improvement of governance is a key focus of the Mizuho Financial Group's CSR activities. As part of this process, we recently listed our shares on the New York Stock Exchange. What are your views on this?

Kanbayashi: Listing on the New York Stock Exchange is a clear signal that a company is strengthening its governance and risk management according to global standards. Risk management standards are evolving from stop-gap tools into a source of competitiveness. Listing on the New York Stock Exchange is an intermediate stage in the sense that companies are required to disclose and comply with internal control rules. The development of systems to support accountability for business risk is likely to become a management strategy in the future. By listing on the New York Stock Exchange, a company takes an important first step toward the fulfillment of these requirements as a global corporation. I hope that Mizuho will continue to take the lead in this area by carefully considering its role as a corporate citizen while also remaining aware of the essential nature of risk management.

Moderator: The main role of a holding company is to manage group companies. Do you have any ideas that will help with this task?

Kanbayashi: A holding company also needs to create common benchmarks by providing clear management policies. The biggest issue to emerge from the corporate mergers and M&A activity over the past few years has been corporate culture. A culture evolves over many years as companies establish and implement their corporate philosophies, and it is unlikely that two companies will be able to align their directions immediately after a merger. To achieve shared goals, it is vital to have shared benchmarks.

Ito: Unless a corporate group has a shared philosophy and values, it becomes nothing more than a collection of capital relationships. That's why it is vital to begin by establishing and consolidating a clearly defined role for the holding company. If a group company causes a scandal, the holding company also shares the responsibility. So in my view it's healthy when a holding company is seen by its subsidiaries as somewhat meddlesome and demanding. It takes relentless effort to ensure that common rules and values can take root within a corporate group.

Ohashi: We are constantly aware of this. The role of a holding company is to impart knowledge gained by one group company to the other group companies. Scandals should never happen, but when they do, this aspect becomes even more important.

Expectations toward Mizuho

Moderator: You've shared your views on a wide range of topics. Do you have any other expectations toward the Mizuho Financial Group?

Ito: I hope that you will focus a little more on industry-academia collaboration and perhaps consider the establishment of internship systems for university students. With normal internship systems, students are employed in the day-to-day business activities of a company. You could expand this to include CSR activities. For example, students could participate in your environmental protection activities or accompany Mizuho staff when they visit schools and help them teach the children. It would be good to show university students that companies are not simply about business, and that they have greater depth and breadth.

You could also provide consulting support for welfare schemes. Perhaps this would fall into area of the Heartful Project. Many welfare organizations produce and sell foodstuffs and other products, but despite their efforts they find it difficult to run these ventures profitably. Providing advice on how to achieve a positive cash flow would be another way to contribute to society through your core financing activities.

Fujii: The key to the consolidation of CSR activities within a corporate organization is the provision of working environments in which the employees of that organization will feel motivated and see their activities as significant. Personnel assessment plays a vital role here. People become frustrated if they receive no recognition for their devotion to CSR activities. I hope that you will consider the introduction of a personnel appraisal system for CSR activities, including social contribution. In my opinion, such a system would help to create a corporate culture in which people would feel motivated and eager to provide financial services.

Kanbayashi: In my experience, companies that place a high value on voluntary activities are the companies in which employees feel strongly motivated toward their work. I have been very impressed to hear about your various initiatives through this discussion. I hope that you will continue to build a corporate culture in which proper value is placed on participation in community activities.

GRI Context Index

The GRI Sustainability Reporting Guidelines

The GRI Sustainability Reporting Guidelines (GRI Guidelines) are a framework used to disclose the economic, environmental and social performance of an organization when compiling sustainability reports. The main purposes of the GRI Guidelines are to facilitate the presentation of policies and specific information in reports, to provide a framework for the accurate and balanced disclosure of economic, environmental and social performance, to enhance the comparability of reports while allowing for differences in organizational types and regional factors, to provide benchmarks for assessing an organization's initiatives, and to facilitate communication with stakeholders.

- The GRI Guidelines are formulated and published by the Global Reporting Initiative, an international NGO jointly established in 1997 by the Coalition for Environmentally Responsible Economies (CERES), which is a non-profit organization based in the United States, and the United Nations Environmental Programme.

By conforming to the GRI Guidelines, the Mizuho Financial Group aims to monitor its progress in the area of information disclosure, and to produce information that can be compared with reports issued by other companies.

- In the table, “—” indicates that the item in question does not apply to the Mizuho Financial Group. Gray areas identify items for which no information has been included in the report. The word “Other” indicates that the information has been disclosed in other media.

- The graph at the end of the tables is provided for reference. It shows the progress of information disclosure compared with the previous year.

<Reference guidelines>

- Sustainability Reporting Guidelines 2006 (GRI Guidelines 2006)

- Sustainability Reporting Guidelines 2002 (GRI Guidelines 2002)

- Financial Services Sector Supplement

- The 2002 GRI Guidelines were revised as GRI Guidelines 2006 in October 2006.



This report is classed as Application Level B+, as defined in the 2006 GRI Sustainability Reporting Guidelines.

Report Application Level		C	C+	B	B+	A	A+
Standard Disclosures	G3 Profile Disclosures	Report on: 1.1 2.1-2.10 3.1-3.8,3.10-3.12 4.1-4.4,4.14-4.15	Report Externally Assured	Report on all criteria listed for Level C plus: 1.2 3.9,3.13 4.5-4.13,4.16-4.17	Report Externally Assured	Same as requirement for Level B	
	G3 Management Approach Disclosures	Not Required		Management Approach Disclosures for each Indicator Category		Report Externally Assured	Management Approach Disclosures for each Indicator Category
	G3 Performance Indicators & Sector Supplement Performance Indicators	Report on a minimum of 10 Performance Indicators, including at least one from each of: Economic, Social and Environmental.		Report on a minimum of 20 Performance Indicators, at least one from each of Economic, Environmental, Human Rights, Labor, Society, and Product Responsibility.			Report on each core G3 Sector Supplement* Indicator with due regard to the Materiality Principal by either, a) reporting on the Indicator or b) explaining the reason for its omission.

* Sector supplement in final version

GRI Guidelines 2006

Item	Indicator	Page
1 Strategy and Analysis		
1.1	Statement from the most senior decisionmaker of the organization (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy.	4-5
1.2	Description of key impacts, risks, and opportunities.	8-19
2 Organizational Profile		
2.1	Name of the organization.	2
2.2	Primary brands, products, and/or services.	2
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	2, 26-27
2.4	Location of organization's headquarters.	2
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	2, 25, 45
2.6	Nature of ownership and legal form.	2
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	2
2.8	Scale of the reporting organization, including: • Number of employees; • Net sales (for private sector organizations) or net revenues (for public sector organizations); • Total capitalization broken down in terms of debt and equity (for private sector organizations); and • Quantity of products or services provided.	2, 32-33

Item	Indicator	Page
2.9	Significant changes during the reporting period regarding size, structure, or ownership including: • The location of, or changes in operations, including facility openings, closings, and expansions; and • Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations).	2
2.10	Awards received in the reporting period.	17, 39, 53
3 Report Parameters		
Report Profile		
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	72
3.2	Date of most recent previous report (if any).	72
3.3	Reporting cycle (annual, biennial, etc.).	72
3.4	Contact point for questions regarding the report or its contents.	73
Report Scope and Boundary		
3.5	Process for defining report content, including: • Determining materiality; • Prioritizing topics within the report; and • Identifying stakeholders the organization expects to use the report.	72
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	72
3.7	State any specific limitations on the scope or boundary of the report.	43, 44, 46, 56-59

Item	Indicator	Page
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	72
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.	33, 56
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/ acquisitions, change of base years/periods, nature of business, measurement methods).	56
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	72
GRI content index		
3.12	Table identifying the location of the Standard Disclosures in the report.	64-67
Assurance		
3.13	Policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance provided. Also explain the relationship between the reporting organization and the assurance provider(s).	69
4 Governance, Commitments, and Engagement		
Governance		
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	26-27
4.2	Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organization's management and the reasons for this arrangement).	26-27
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	26
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	26, 40, 44
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	26
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	26
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.	26
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	22-23, 34, 40, 42, 46, 54
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	27
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	22, 40-41
Commitments to External Initiatives		
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	17, 54
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	9, 17-18
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: <ul style="list-style-type: none"> • Has positions in governance bodies; • Participates in projects or committees; • Provides substantive funding beyond routine membership dues; or • Views membership as strategic. 	17, 55
Stakeholder Engagement		
4.14	List of stakeholder groups engaged by the organization.	24-25
4.15	Basis for identification and selection of stakeholders with whom to engage.	24-25
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	24-25, 34-35, 38, 40-41, 44

Item	Indicator	Page	
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	60-63	
5 Management Approach and Performance Indicators			
Economic			
Disclosure on Management Approach		8-9, 22-23, 32-33	
aspect: Economic Performance			
EC1	CORE	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	33-34, 46
EC2	CORE	Financial implications and other risks and opportunities for the organization's activities due to climate change.	16-19
EC3	CORE	Coverage of the organization's defined benefit plan obligations.	
EC4	CORE	Significant financial assistance received from government.	
aspect: Market Presence			
EC5	ADD	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	
EC6	CORE	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	
EC7	CORE	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.	
aspect: Indirect Economic Impacts			
EC8	CORE	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	10-15
EC9	ADD	Understanding and describing significant indirect economic impacts, including the extent of impacts.	
Environmental			
Disclosure on Management Approach		16, 54-55	
aspect: Materials			
EN1	CORE	Materials used by weight or volume.	58
EN2	CORE	Percentage of materials used that are recycled input materials.	57
aspect: Energy			
EN3	CORE	Direct energy consumption by primary energy source.	56-57
EN4	CORE	Indirect energy consumption by primary source.	56-57
EN5	ADD	Energy saved due to conservation and efficiency improvements.	
EN6	ADD	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	16-19
EN7	ADD	Initiatives to reduce indirect energy consumption and reductions achieved. Initiatives to reduce indirect energy consumption and reductions achieved.	
aspect: Water			
EN8	CORE	Total water withdrawal by source.	58
EN9	ADD	Water sources significantly affected by withdrawal of water.	
EN10	ADD	Percentage and total volume of water recycled and reused.	58
aspect: Biodiversity			
EN11	CORE	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	
EN12	CORE	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	
EN13	ADD	Habitats protected or restored.	
EN14	ADD	Strategies, current actions, and future plans for managing impacts on biodiversity.	17, 54
EN15	ADD	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	
aspect: Emissions, Effluents, and Waste			
EN16	CORE	Total direct and indirect greenhouse gas emissions by weight.	56
EN17	CORE	Other relevant indirect greenhouse gas emissions by weight.	
EN18	ADD	Initiatives to reduce greenhouse gas emissions and reductions achieved.	56

Item		Indicator	Page
EN19	CORE	Emissions of ozone-depleting substances by weight.	59
EN20	CORE	NO, SO, and other significant air emissions by type and weight.	57
EN21	CORE	Total water discharge by quality and destination.	
EN22	CORE	Total weight of waste by type and disposal method.	57,59
EN23	CORE	Total number and volume of significant spills.	
EN24	ADD	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	
EN25	ADD	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	
aspect: Products and Services			
EN26	CORE	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	17-18, 54-55
EN27	CORE	Percentage of products sold and their packaging materials that are reclaimed by category.	
aspect: Compliance			
EN28	CORE	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.	
aspect: Transport			
EN29	ADD	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	57
aspect: Overall			
EN30	ADD	Total environmental protection expenditures and investments by type.	

Labor Practices and Decent Work

		Disclosure on Management Approach	22, 27, 30-31, 42-45
aspect: Employment			
LA1	CORE	Total workforce by employment type, employment contract, and region.	42-43
LA2	CORE	Total number and rate of employee turnover by age group, gender, and region.	
LA3	ADD	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	45
aspect: Labor/Management Relations			
LA4	CORE	Percentage of employees covered by collective bargaining agreements.	
LA5	CORE	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.	
aspect: Occupational Health and Safety			
LA6	ADD	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	
LA7	CORE	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	44
LA8	CORE	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	44
LA9	CORE	Health and safety topics covered in formal agreements with trade unions.	44
aspect: Training and Education			
LA10	CORE	Average hours of training per year per employee by employee category.	
LA11	ADD	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	
LA12	ADD	Percentage of employees receiving regular performance and career development reviews.	
aspect: Diversity and Equal Opportunity			
LA13	CORE	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	
LA14	CORE	Ratio of basic salary of men to women by employee category.	

Human Rights

		Disclosure on Management Approach	22, 27, 30-31, 44
aspect: Investment and Procurement Practices			
HR1	CORE	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	17

Item		Indicator	Page
HR2	CORE	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	
HR3	ADD	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	43-44
aspect: Non-Discrimination			
HR4	CORE	Total number of incidents of discrimination and actions taken.	
aspect: Freedom of Association and Collective Bargaining			
HR5	CORE	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	44
aspect: Child Labor			
HR6	CORE	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	
aspect: Forced and Compulsory Labor			
HR7	CORE	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures taken to contribute to the elimination of forced or compulsory labor.	
aspect: Security Practices			
HR8	ADD	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	44
aspect: Indigenous Rights			
HR9	ADD	Total number of incidents of violations involving rights of indigenous people and actions taken.	

Society

		Disclosure on Management Approach	24-25, 27, 46-53
aspect: Community			
SO1	CORE	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	16-17
aspect: Corruption			
SO2	CORE	Percentage and total number of business units analyzed for risks related to corruption.	
SO3	CORE	Percentage of employees trained in organization's anti-corruption policies and procedures.	
SO4	CORE	Actions taken in response to incidents of corruption.	
aspect: Public Policy			
SO5	CORE	Public policy positions and participation in public policy development and lobbying.	19, 31
SO6	ADD	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	
aspect: Anti-Competitive Behavior			
SO7	ADD	Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes.	
aspect: Compliance			
SO8	CORE	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations.	

Product Responsibility

		Disclosure on Management Approach	27, 30-31, 35
aspect: Customer Health and Safety			
PR1	CORE	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	35-39
PR2	ADD	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	
aspect: Product and Service Labeling			
PR3	CORE	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	34-35
PR4	ADD	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	
PR5	ADD	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	25, 34-35, 38-39

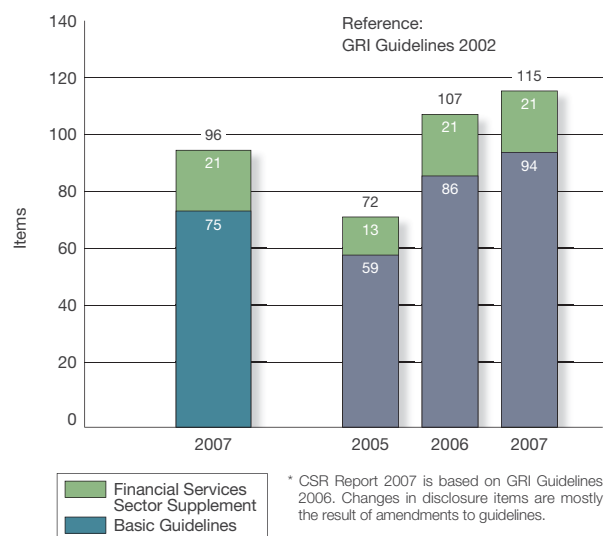
Item	Indicator	Page
aspect: Marketing Communications		
PR6	CORE Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	35
PR7	ADD Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	
aspect: Customer Privacy		
PR8	ADD Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	
aspect: Compliance		
PR9	CORE Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services.	

Financial Services Sector Supplement

Item	Indicator	Page	Remarks
Social Performance Indicators (Sector Supplement)			
CSR Management			
CSR1	CSR Policy on social factors.	9, 22-23	
CSR2	CSR organization.	27, 54	
CSR3	Number and duration of CSR audits.		
CSR4	Management of sensitive issues.		
CSR5	Number of non-compliance incidents.		
CSR6	Stakeholder dialog.	24-25, 60-63	
Internal Social Performance			
INT1	Internal CSR policy (CSR issues covered in human resource policies).	25, 42-45	
INT2	Staff turnover and job creation.		
INT3	Results of employee satisfaction surveys.		
INT4	Senior management remuneration.	Other	Annual Review
INT5	Bonuses fostering sustainable success.	43	
INT6	Female-male salary ratio, including bonuses, at each —hierarchy level.		
INT7	Employee profile by hierarchy level, country, gender, ethnicity, disability.	43, 44	
Performance to Society			
SOC1	Charitable contributions (cash support, staff time, gifts in-kind, management costs).	46-53	
SOC2	Distribution of economic value added to stakeholders.	33	
Suppliers			
SUP1	Policy and procedures for selection of social performance indicators for major suppliers (employment conditions, working conditions, health and safety conditions).		
SUP2	Supplier satisfaction (prompt payment, prices, treatment).		
Social Performance Indicators: Segment Performance			
RB1	Retail banking policy (socially relevant elements).	16-18	
RB2	Retail banking: lending profile (industrial sectors, company size, etc.).	Other	Annual Review
RB3	Retail banking: lending with high social benefit (amount and percentage).		
IB1	Investment banking: investment policy (socially relevant elements).	18	
IB2	Investment banking: lending profile: global transaction mix.		
IB3	Investment banking: transactions with high social benefit (amount and percentage).	18	
AM1	Asset management policy (socially relevant elements).		
AM2	Asset management: assets under management with high social benefit (amount and percentage).	18	
AM3	Shareholder activities oriented toward social responsible investment (SRI).	18	

Item	Indicator	Page	Remarks
INS1	Insurance: Underwriting policy (socially relevant elements).	—	We are not involved in insurance.
INS2	Insurance: lending profile (individuals: age, gender, ethnicity split, businesses: size, geographical location split).	—	We are not involved in insurance.
INS3	Insurance: customer complaints (number and content).	—	We are not involved in insurance.
INS4	Insurance: insurance with high social benefit (amount and percentage).	—	We are not involved in insurance.
Environmental Performance Indicators			
F1	Description of environmental policies applied to core business lines.	54	
F2	Description of process(es) for assessing and screening environmental risks in core business lines.	17-18	
F3	State the threshold(s) at which environmental risk assessment procedures are applied to each core business line.	17	
F4	Description of processes for monitoring clients' implementation of and compliance with environmental aspects raised in risk assessment process(es).	18,54	
F5	Description of process(es) for improving staff competency in addressing environmental risks and opportunities.		
F6	Number and frequency of audits that include the examination of environmental risk systems and procedures related to core business lines.		
F7	Description of interactions with clients/investee companies/business partners regarding environmental risks and opportunities.		
F8	Percentage and number of companies held in the institution's portfolio with which the reporting organization has engaged on environmental issues.		
F9	Percentage of assets subjected to positive, negative and best-in-class environmental screening.	18	
F10	Description of voting policy on environmental issues for shares over which the reporting organization holds the right to vote shares or advise on voting.		
F11	Percentage of assets under management where the reporting organization holds the right to vote shares or advise on voting.		
F12	Total monetary value of specific environmental products and services broken down according to the core business lines.	18	
F13	Value of portfolio for each core business line broken down by specific region and by sector.		

Number of Disclosure Items Based on GRI Guidelines 2006



Third-Party Opinion



Professor
Graduate School of Commerce and Management
Hitotsubashi University

Kunio Ito

As long as a corporate organization remains active in society, it will always have a public role and influence. This is especially true of financial institutions. They affect a wide spectrum of stakeholders, and their financial functions extend to every facet of society.

Leading management thinker Peter Drucker warned companies about the importance of their social responsibilities four decades ago in his renowned work, *The Age of Discontinuity*, in which he listed three core principles. First, an organization will have a positive or negative influence on society and should work to minimize the negative influence (the principle of impact prediction). Second, an organization should anticipate its influence and take steps to prevent undesirable by-products (the principle of impact prevention). Third, an organization should see social needs, including the need to counteract negative impacts, as opportunities for itself (the business opportunity principle). Companies have a basic ethical responsibility to transform their business performance by meeting the needs and demands of society. The rightness of this principle has been eloquently expressed in the efforts of the automobile industry to improve safety and reduce pollution.

When we look at contemporary society from the perspective of Drucker's three principles, we cannot help but feel amazed at his prescience. Financial institutions have an extremely important part to play in the realization of these principles. I recommend that you examine Mizuho's CSR activities and read this report in light of Drucker's principles. A financial institution can fulfill the principles not only through its own activities, but also through its influence on the activities of those to whom it lends money.

One of ways in which Mizuho is complying with the first principle is through its introduction of carbon accounting. After providing project finance for power generation schemes, it monitors and publishes the CO₂ emissions resulting from these projects.

Mizuho complies with the second principle by using favorable interest rates to support not only companies that currently engaged in environmentally responsible activities, but also companies that are planning such initiatives, under a system introduced in December 2005.

The government is encouraging power generation based on renewable energy resources, such as wind power and biomass. Mizuho has responded by providing finance for wind power projects. This corresponds to Drucker's third principle. I was profoundly impressed to hear that individual employees have prepared for the development of lending business in this area by studying meteorology and becoming qualified meteorologists.

Mizuho's CSR activities have expanded steadily over the years. However, a comparison between these activities and the powerful and wide-ranging influence of financial institutions indicates that there is still much room for improvement. For example, the Heartful Project is an excellent initiative, but it should be expanded. Many welfare facilities are struggling to achieve economic independence. As a financial institution, Mizuho could help them by providing management know-how and advice.

Drucker also said that society has the right to expect the leaders of organizations to anticipate problems and find solutions. The leaders of organizations are responsible not only for the core activities of those organizations, but also for the quality of human life.

Independent Review Report



Independent Review Report on "Mizuho Financial Group CSR Report 2007"

To the Board of Directors of Mizuho Financial Group, Inc.,

1. Purpose and Scope of our Review

We have reviewed "Mizuho Financial Group CSR Report 2007" (the "Report") of Mizuho Financial Group, Inc. (the "Company") for the year ended March 31, 2007. Our engagement was designed to report to the Company, based on the results of our review, whether:

- the social and environmental performance indicators for the period from April 1, 2006 to March 31, 2007 included in the Report are collected, compiled and reported, in all material respects, rationally and in conformance with the Company's policies and standards;
- the economic performance indicators for the period from April 1, 2006 to March 31, 2007 included in the Report are consistent with the financial indicators disclosed by the Company;
- the Company's self-declaration with respect to the GRI Application Level conforms to the Application Level Criteria set out by the Global Reporting Initiative.

The Report, including the identification of material issues, is the responsibility of the Company's management. Our responsibility is to independently report the results of our procedures performed.

2. Procedures Performed

We have performed the following review procedures:

- Interviewed the Company's responsible personnel as to the Company's policies for compilation of the Report.
- With respect to the social and environmental performance indicators,
 - assessed the Company's standards used for collecting, compiling and reporting the indicators;
 - interviewed the Company's responsible personnel as regards the way of collecting the indicators and the process flow of calculating them, and reviewed the systems and processes used to generate the values of the indicators;
 - compared the indicators on a sample basis with the supporting evidences to test the conformity in collection, compilation and reporting of the indicators to the Company's policies and standards, and recomputed the indicators.
- Examined the consistency of the economic performance indicators with the financial indicators disclosed by the Company.
- Evaluated the overall statement in which the performance indicators are expressed.

3. Results of the Procedures Performed

Based on our review, nothing has come to our attention that causes us to believe that:

- the social and environmental performance indicators in the Report are not collected, compiled and reported, in all material respects, rationally and in conformance with the Company's policies and procedures;
- the economic performance indicators in the Report are not consistent with the financial indicators disclosed by the Company; and
- the Company's self-declaration with respect to the GRI Application Level does not conform to the Application Level Criteria.

KPMG Azsa Sustainability Co., Ltd.

KPMG AZSA Sustainability Co., Ltd.
Tokyo, Japan
June 22, 2007

CSR Report 2007 — Terminology

Stakeholder

Page 9

A stakeholder is any party who is directly or indirectly involved in the activities of a company. The stakeholders of the Mizuho Financial Group are classified into customers, shareholders, local communities, employees, suppliers, competitors, and the government.

Career education

Page 11

Career education is intended to build perceptions of work and careers in individuals. It is recognized that there is a need to promote an organized, structured approach to this type of education at each stage of development, through school education systems.

Equity finance

Page 15

This is the procurement of funds in ways that result in share issues. Equity finance is accompanied by increases in equity. Examples include publicly subscribed share issues at market prices, and issues of convertible bonds and warrant bonds.

Renewable energy

Page 16

This is energy that can be renewed within a relatively short period after use without the depletion of resources. Renewable energy produces less greenhouse emissions per unit of energy compared with energy derived from fossil fuels. The main types of renewable energy are solar energy, wind power, geothermal power and hydroelectric power.

Renewables Portfolio Standard (RPS) Law

Page 16

Also known as the Special Measures Law Concerning the Use of New Forms of Energy, etc., by Electric Power Companies (Law No. 62, June 7, 2002), this law is intended to contribute to environmental protection by providing for special measures relating to the use of new forms of energy in the electric power industry.

Syndicated loan

Page 16

This is financing method whereby multiple financial institutions form a syndicate to provide the funds needed by a borrower under a single agreement covered by the same terms. The representative financial institution arranges and coordinates the loan, recruits participating financial institutions, sets terms, handles negotiations, and prepares agreements.

Project finance

Page 17

This type of finance does not depend on the credit rating of the company or the value of collateral, such as real estate. The key factors are management know-how and technology. The only source of funds for repayments is income generated by the project itself.

Equator Principles

Page 17

These are common principles used by private sector financial institutions to confirm that the impacts on local communities and the natural environment have been considered, when providing project finance for projects with total costs of US\$10 million or more.

Feasibility study

Page 19

This is a preliminary survey and study carried out to determine whether a project can be implemented.

Corporate governance

Page 26

This is a generic term for decision-making, executive and supervisory functions relating to corporate management. Since the late 1990s, companies have made various changes, including reductions in the number of directors, the introduction of executive officer systems, the strengthening of auditor functions, the establishment of "company with committee" structures, and the reinforcement of internal control systems. There have also been several amendments to laws to allow these changes.

Executive officer

Page 27

This is a management position, such as head of a specific department or division, that bestows authority and responsibility for the implementation of decisions made by the board of directors. Many companies have adopted executive officer systems as internal structures designed to separate supervisory and executive responsibilities.

Asset and liability management (ALM)

Page 27

This is a generic term for methods used in the management of assets and liabilities, including the management of market and liquidity risks, such as interest and exchange rate fluctuations.

Credit rating

Page 28

This is a standard for lending decisions based on quantitative and qualitative analyses and assessments of the risk that a debtor will be unable to fulfill contractual obligations with regard to principal and interest payments.

Portfolio

Page 29

This is combination of different elements with differing asset characteristics. The aim is to reduce asset risk by statistically analyzing the risks associated with individual financial products and combining multiple financial products with differing characteristics.

Reputational risk

Page 29

This is a general term for risks that can affect a company's reputation. As the importance of information grows, there is a possibility that unforeseen situations and events may generate rumors and speculation with the potential to damage a company's reputation. This can have an adverse impact on business, including a loss of customers, and may also cause the share price to fall.

Internet conference

Page 41

This is a two-way, real-time presentation using telephone and Internet conferencing systems.

Sarbanes-Oxley (SOX) Act

Page 41

This U.S. law was passed in July 2002. Its main purpose is to protect investors by improving the accuracy and reliability of company accounting. The SOX Act contains numerous provisions. One of the most important is a regulation requiring companies to publish internal control reports.

Clean Development Mechanism (CDM)

Page 62

Under this system, developed countries provide technology and financial support for projects to reduce greenhouse gas emissions in developing countries, and acquire credits for the resulting reductions.

Internship

Page 63

This is a system that allows a student to gain work experience relating to his or her future career by working in a company or other organization for a specific period as a trainee.

Cash flow

Page 63

This is flow of money that remains available after external payments have been deducted from income gained primarily through business activities.

Editorial Policy

This report examines the activities of the Mizuho Financial Group in the area of corporate social responsibility (CSR). Its purpose is to advance the Group's CSR activities by describing its CSR philosophy, policies and plans and the result of its initiatives, and by communicating with stakeholders.

In compiling this report, we referred to the Sustainability Reporting Guidelines 2006 and Financial Services Sector Supplement of the Global Reporting Initiative (GRI). We also took other information, including the views of stakeholders, into account and endeavored to give priority to content that was deemed to be of particular importance to stakeholders. The content is the result of deliberations by the CSR Committee and final decisions by the President.

The accuracy of performance indicators in this report and the self-declared application level under the GRI guidelines has undergone independent review by KPMG AZSA Sustainability Co., Ltd.

For detailed financial information, including initiatives to improve risk management and asset quality, please refer to the Annual Review.

* The Global Reporting Initiative (GRI) is an international organization established in 1997 to formulate global guidelines for sustainability reports published by companies and other organizations.

Scope of Report

Unless otherwise stated, this report refers to the Mizuho Financial Group and the 14 Mizuho companies listed below. There have been no significant changes in the scope of the report since the previous year.

Definitions of Selected Terms

"The Mizuho Financial Group," "Mizuho" and "the group"
Mizuho Financial Group, Inc. and its 13 principal group companies in Japan (Mizuho Bank, Mizuho Corporate Bank, Mizuho Securities, Mizuho Trust & Banking, Mizuho Investors Securities, Trust & Custody Services Bank, Dai-ichi Kangyo Asset Management, Fuji Investment Management, DLIBJ Asset Management, Mizuho Research Institute, Mizuho Information & Research Institute, Mizuho Financial Strategies, and Mizuho Private Wealth Management)

Mizuho Financial Group, Inc.

Refers to Mizuho Financial Group, Inc. on a non-consolidated basis.

Employees

A collective designation for all employees working for the Mizuho Financial Group in Japan and overseas, excluding non-regular and temporary employees.

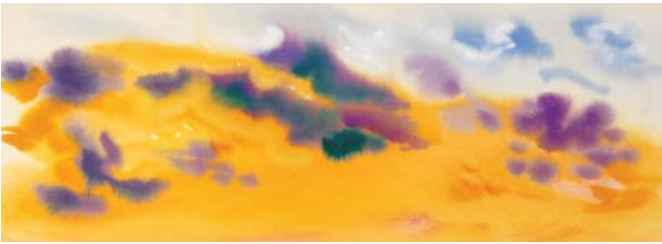
Period Covered

This report covers the period from April 1, 2006 to March 31, 2007. However, it also includes information on significant events since April 2007.

Publication Information

Date of publication: November 2007

Next scheduled publication date: October 2008 (Previous publication date: December 2006, frequency: annual)



Cover

Title: *Toun* (Eastern Clouds)
Artist: Michiharu Saotome

The deep blue of the night sky gradually lightens as dazzling light begins to fill the horizon. Drifting clouds are brightly lit by the morning glow, and the new day is greeted by clean air and the songs of waking birds. The start of a new day is a time filled with energy and hope. The Mizuho logo depicts the sun just starting to rise above the horizon. This image symbolizes the way that we hope to be seen by our customers—as a financial partner that can help customers to build brighter futures.

Comments and inquiries regarding this report should be directed to:
CSR Promotion Office
Corporate Communications
Mizuho Financial Group, Inc.
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<http://www.mizuho-fg.co.jp/english/>
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Environmental Considerations in Printing

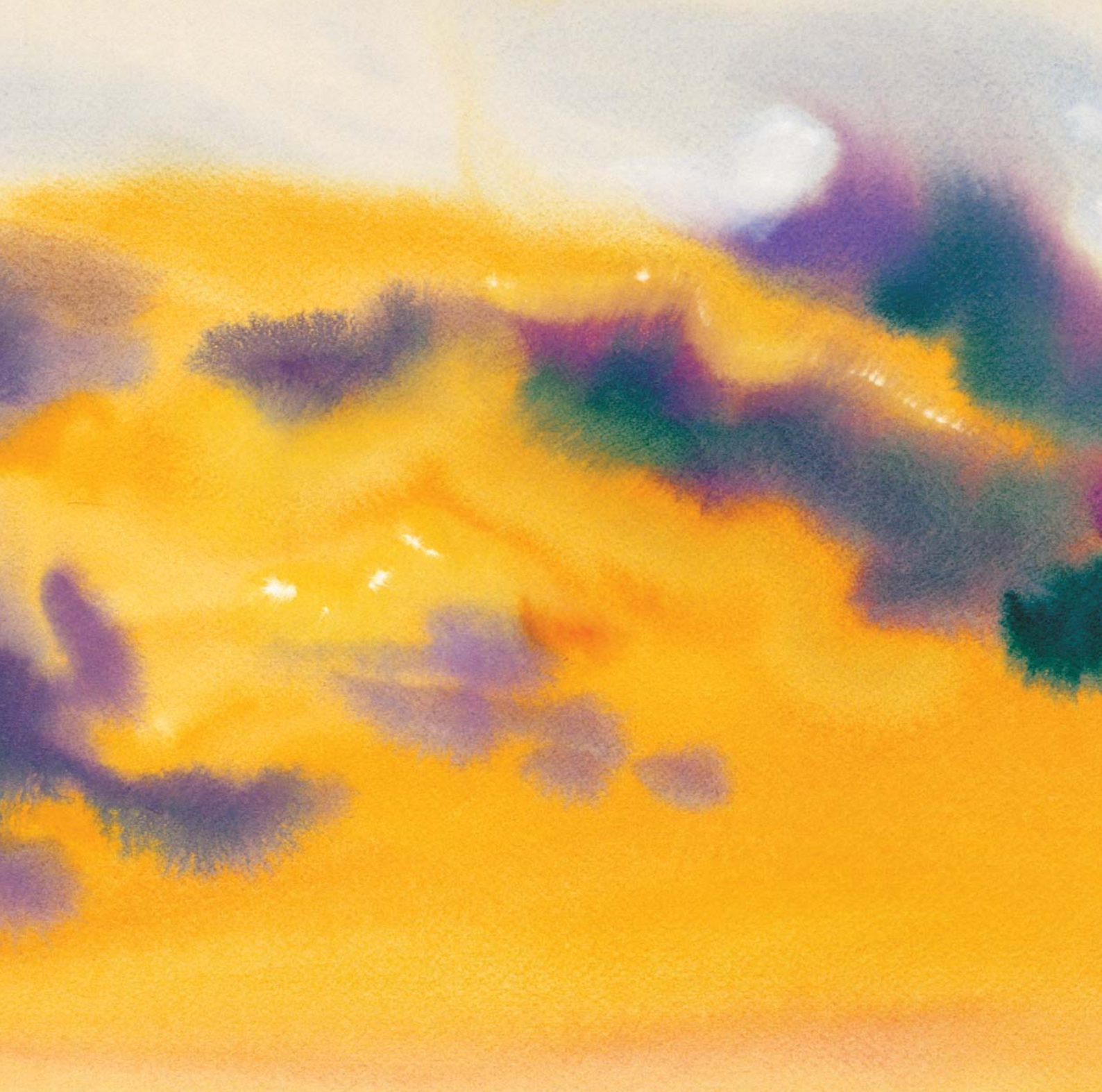
The following environmental considerations were incorporated into the printing of this report.

- We employed direct plate-making using the computer-to-plate method, which does not require film.
- In an effort to curb air pollution, we used ink derived from soybean oil, which contains no volatile organic compounds.
- We also used paper certified by the Forest Stewardship Council, which means the paper was made from trees grown in forests properly managed in accordance with strict standards that take into account all aspects of the environment, the economy and society.
- By using 3.9 GreenStyle-registered paper in this report, we are able to reduce CO₂ emissions by an estimated 0.67 tons annually.



みんなで止めよう温暖化
チーム・マイナス6% www.team-6.jp

Team-6 is a national project in Japan launched to reduce greenhouse gas emissions by 6%.



MIZUHO
Channel to Discovery