

NEWS RELEASE

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Mizuho Financial Group, Inc.
Mizuho Bank, Ltd.



Mizuho Bank and GenZero to form strategic partnership for transition credits

Mizuho Bank, Ltd. (President & CEO: Masahiko Kato) has signed a memorandum of understanding (MOU) with Temasek-owned decarbonisation-focused investment platform company, GenZero (CEO: Frederick Teo). The MOU is to form a strategic partnership for transition credits, which are currently being developed as a means of encouraging the early retirement of coal-fired power plants.



1. Purpose of the strategic partnership

Transition credits are a financial mechanism to promote the early retirement of coal-fired power plants and the transition to renewable and other types of alternative energy. They involve a quantitative assessment of the CO₂ emissions from coal-fired power plants' continued operation and of the reductions from retirement, conversion of the reductions into environmental value (generation of carbon credits), and direction of the profits from sales of carbon credits to the costs of early retirement and alternative energy.

In 2024, Mizuho revised its Environmental and Social Management Policy for Financing and Investment Activity. For financing and investment aimed at enabling the early retirement of an existing coal-fired power plant, Mizuho may provide financing or investment after verifying the reliability and effectiveness of the plans for progress towards decarbonization.

Through this partnership, both Mizuho Bank and GenZero will leverage their financial insights and networks to jointly develop capital raising mechanisms incorporating carbon credits, and to further the design of frameworks for transition credits. Mizuho Bank will intensify its efforts to develop innovative financing methods utilizing carbon credits. In partnership with GenZero, the bank will also provide information to enhance awareness of transition credits among Japanese companies.

To facilitate the decarbonisation of industrial structures, Mizuho is working to enhance the scalability and mechanisms of carbon credits as a financing method. Mizuho believes the establishment of large-scale finance methods integrating carbon credits will greatly contribute to the achievement of carbon neutrality in hard-to-abate sectors.

2. Comments from GenZero and Mizuho Bank

➤ Frederick Teo, CEO of GenZero

As a major global economy, Japan's technological capabilities, commitment to climate goals, and active participation in regional and international cooperation makes it an essential market in advancing Asia's decarbonization agenda. GenZero and Mizuho will leverage our collective expertise and regional connections to collaborate on energy transition opportunities, build greater awareness for transition credits, and unlock opportunities to support coal-to-clean initiatives. We look forward to working with Mizuho and other like-minded partners to scale decarbonization efforts, and to drive clean energy transitions, especially in Asia.

➤ Shinichi Tsunoda, Operating Officer, General Manager of the Sustainable Business Promotion Department, Mizuho Bank

Transitioning away from coal-fired power, which is currently a core source of power, is critical to decarbonization in Asia. One of the bigger challenges is the question of who will bear the transition costs and how they will do so. By ensuring fair evaluation of decarbonization initiatives and fair sharing of costs across regions, transition credits open a path for quickly withdrawing from coal-fired power while avoiding economic drawbacks. GenZero is a leader in this field, being a frontrunner driving transition credits efforts. Therefore, entering into this partnership to expand adoption of transition credits

with GenZero is a significant step for Mizuho. Going forward, we will work together to positively contribute to a just transition in Asia.

About GenZero

GenZero is an investment platform company focused on accelerating decarbonization globally. Founded by Temasek, it seeks to deliver positive climate impact alongside long-term sustainable financial returns by investing in opportunities with the potential to be nurtured into impactful and scalable solutions.

Driven by a common purpose to decarbonize for future generations, GenZero recognizes the need for a holistic and integrated approach to achieve a net zero world. It adopts a flexible investment approach across three focus areas to drive climate impact: (i) nature-based solutions that help protect and restore natural ecosystems while benefiting local communities and biodiversity; (ii) technology-based solutions that deliver deep decarbonization impact; and (iii) carbon ecosystem enablers that support the scaling of carbon markets and enable broader industry decarbonization.

For more information on GenZero, visit www.genzero.co.