

**Mizuho will continue endeavoring to provide value to customers and find solutions to social issues by leveraging the benefits of technological innovation to the fullest.**

**Nobuhiro Kaminoyama**

Senior Executive Officer  
Group Chief Digital Officer (Group CDO)

Digital technologies are advancing at an astonishing pace and we are seeking to make full use of them in all of our business domains. To that end, we are promoting digital transformation, having consolidated our associated functions—which were previously scattered throughout the group—under the Group CDO in April 2023.

Specifically, we have made generative AI available for use by employees and carried out a digital transformation employee development program. Other measures have included reinforcing our services and channels by boosting standards and efficiency in businesses and operations leveraging digital technologies. Examples of this include launching a system offering the right service via the right channel at the right time for each individual customer, and improving the usability of the Mizuho Wallet app, which consolidates payment functions. In addition, we are starting to see new business projects resulting from the Mizuho Group CEO Challenge, our business contest in which employees propose new ideas.

However, our endeavors have only just begun. Digital technologies have the potential to not only change our lifestyles and behavioral patterns, but also to significantly impact the nature of financial services and the way we work. We are therefore helping to forge a prosperous future by building beneficial partnerships with a diverse array of companies and individuals.

## Enhancement of our group-wide digital transformation foundations

- Strengthen research and development (R&D) in AI and other cutting-edge technologies, and leverage these technologies in our business
- Enhance capacity to promote digital transformation group-wide by steadily progressing our digital transformation employee development program
- Upgrade data utilization, governance, and digital architecture in unison and reinforce frameworks
- Instill a culture of implementing work style digital transformation and other forms of digital transformation

## Digital transformation of our business and operations

- Accelerate digital transformation (through use of AI, operational reform, etc.) for both customers and internal operations by strategically selecting business domains and projects in which to focus and optimize resources  
For customers : Improve customer experiences  
For internal operations : Boost operational efficiency and standards

## New business creation

- Generate new value through increased collaboration with other companies, primarily via partnerships with startups and use of corporate venture capital (CVC)
- Encourage employee-centered proposals for new business ideas and commercialize such ideas

## Enhancement of our group-wide digital transformation foundations

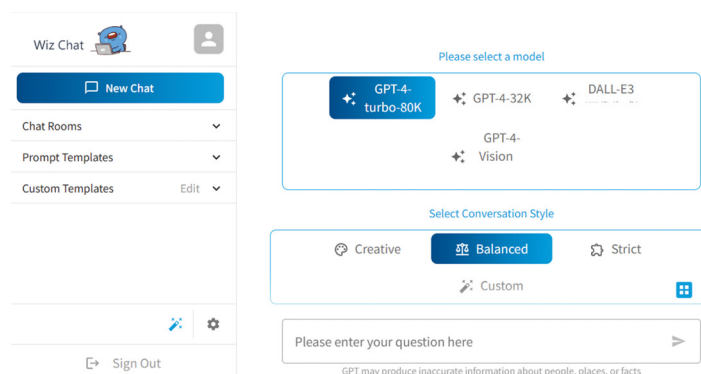
At Mizuho, we regard digital transformation as an initiative for making the best possible use of digital technologies in every aspect of management and business to address various challenges including those arising from changes in the business environment, thereby enabling future business transformation.

As the driving force for promoting digital transformation, we are working to enhance our group-wide digital transformation foundations. Efforts to that end include strengthening R&D in AI and other cutting-edge technologies, and leveraging these technologies in our business; developing digital transformation personnel; upgrading data utilization and governance; and instilling a culture that implements work style digital transformation and other forms of digital transformation.

### Encouraging AI use at work

In June 2023, we used Microsoft’s Azure OpenAI Service to launch “Wiz Chat”, our own version of ChatGPT, for use by employees in Japan. With templates to access assistance for different purposes (creating presentation materials, brainstorming, translation, etc.), even beginners were able to take advantage of it. It is now an integral part of many employees’ day to day.

In August 2023, we held an “ideathon” on using generative AI at work, which saw a return of more than 2,000 ideas from employees both inside and outside Japan. Ten particularly outstanding ideas were selected as winners, and we are already in the verification phase ahead of their implementation.



As AI technologies continue their rapid advancement, we can expect them to offer an even greater scope for use in the future. We will continue to keep close watch on the latest developments, and identify any business domains suited to take advantage of them.

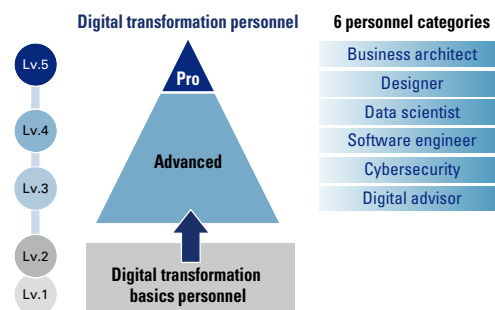
### Digital transformation employee development

Promoting digital transformation throughout the group requires training a broad range of employees. In conjunction with this, we need to make use of cutting-edge digital technologies and organize teams with high levels of expertise to boost our competitiveness. Mizuho is pursuing both of these approaches simultaneously.

In fiscal 2023 we launched our digital transformation employee development program for Japan and have now begun promoting it across the group. The program offers five levels of certification for (1) digital transformation personnel who have high-level digital expertise and are capable of leading clients’ and Mizuho’s transformation, and (2) digital transformation basics personnel who are literate in digital transformation and are capable of applying it to their own work.

We endeavor to develop digital transformation basics personnel by encouraging as many employees as possible to take part in the training. With more and more employees now eager to do so group-wide, we set a KPI for the end of fiscal 2025 of reaching 1,000 employees certified at Lv. 2—the minimum level required to be officially literate in digital transformation. At the end of fiscal 2023 this was already at 924 employees, demonstrating significant group-wide awareness and commitment.

In terms of developing personnel with high-level expertise, we set a KPI for the end of fiscal 2025 of reaching 100 employees certified at Lv. 4, and at the end of fiscal 2023, 84 employees had already acquired certification, primarily through working on actual projects. However, one issue is that, despite employees needing opportunities to practice what they are learning within actual projects, we are currently unable to provide enough of these opportunities internally. In order to continue promoting digital transformation, therefore, we are addressing such issues as part of our efforts to improve initiatives in this regard.



► P. 49 Building a talent portfolio to implement growth strategy (within “Human capital management”)

## Digital transformation in business and operations in Japan

Mizuho is implementing a wide range of initiatives that take advantage of digital technologies to enhance usability for customers and accelerate improvements in operational standards and efficiency in Japan.

In May 2024, we released an updated version of the Mizuho Wallet app with a revamped user interface (UI) and improved user experience (UX), along with consolidated cashless payment functions. Further, in January 2024, we launched hyper-personalized marketing as an initiative aimed at offering the right service via the right channel at the right time for each individual customer.

However, alongside these initiatives demonstrating progress in digital transformation itself, we are also facing a range of challenges in the stages prior to its full launch. To accelerate our digital transformation initiatives going forward, we will strategically select business domains and projects, including those in which we face such challenges, focusing and optimizing resources in these areas. Having consolidated the functions of Mizuho Research & Technologies and Mizuho-DL Financial Technology under the Group CDO in fiscal 2023, we will pursue the initiatives of both to provide better services, with a long-term view to achieving full digital transformation in the future.

### Mizuho Wallet revamp: Improving our app's UI & UX and consolidating payment services

In May 2024, we released an updated version of the Mizuho Wallet app, our cashless payment system, offering a broader range of payment services. In addition to the services already provided previously, Mizuho Wallet can now be used to pay using credit cards, debit cards, prepaid e-money cards for transportation and shopping, and Mizuho's own smartphone payment application. We also revamped the design and usability, making it easier for customers to choose their preferred payment method. We are currently considering how to better connect the app to a range of banking services such as account opening.

We will continue working to improve our services, accelerating the integration of the real world (branch-based) and the digital (app-based) to enable customers to transact with us more conveniently.



A digital wallet app enabling both payments and checking of statements

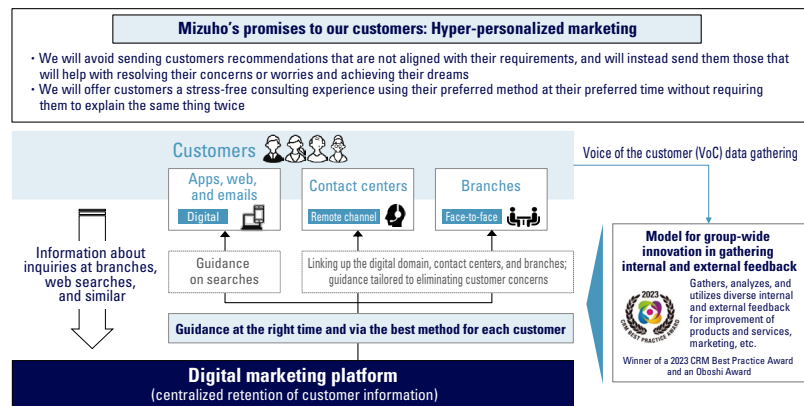
### Launch of hyper-personalized marketing

In January 2024, we launched hyper-personalized marketing. This is a service that analyzes customer information, financial data, and behavioral data, and uses the results to offer the right information at the right time through the right channel, rather than standardized one-size-fits-all information. This service was created by taking advantage of a digital marketing platform that can process a variety of data rapidly and securely.

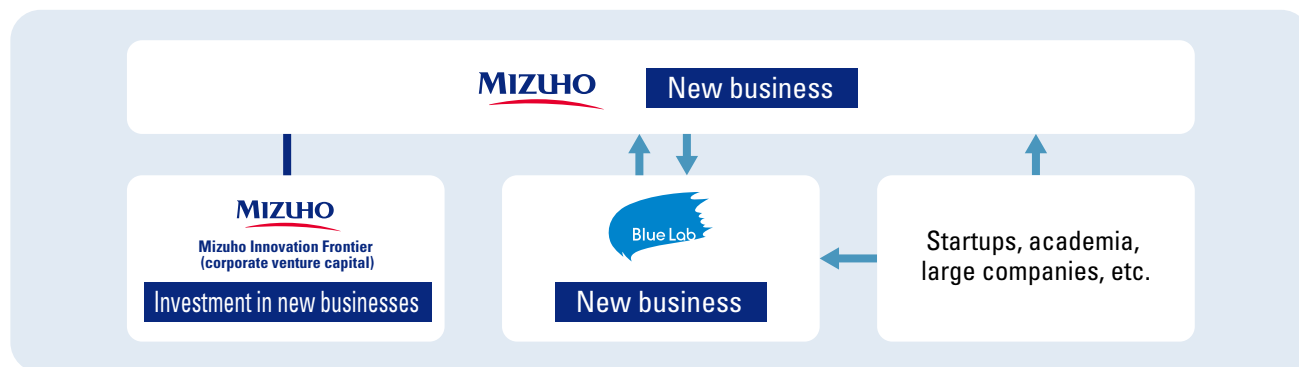
After launching the service, we notified customers who had used Mizuho Direct about consent to personalized services. More than 90% of customers<sup>1</sup> provided their consent and we started providing personalized information focusing primarily on the Nippon Individual Savings Accounts (NISAs) and residential mortgage domains. Looking ahead, we will continue expanding the service even further to ensure that it can provide information catering to customers' needs.

Mizuho is pursuing this initiative as part of our strategic collaboration with Google Cloud Japan G.K. to accelerate the group's digital transformation and retail innovation strategy, which we announced in March 2022. Going forward, we will continue endeavoring to co-create innovative financial services.

1. As of March 31, 2024



## New business creation



We are creating various forms of new business and innovation to stay ahead of change and generate new value, thereby delivering prosperity to our customers, the economy, and society.

Some of our new business ideas are derived from needs identified among our customers and society at large. These include our project leveraging Web3 technology to address the challenge of expanding awareness of Kuma Shochu—a local product of Kumamoto Prefecture in Japan—among the younger generation, and the Atheus for Generative AI service supporting use of generative AI. In addition to such needs-based projects, we are also pursuing open initiatives including the Mizuho Group CEO Challenge, a contest where employees submit business ideas, as well as co-creation and alliances with business partners that forge an ecosystem with our customers including large companies and startups.

Blue Lab<sup>1</sup>, an organization within the Mizuho group that specializes in new business development, is strengthening its collaboration with external parties to conduct open innovation in the financial and non-financial domains.

Furthermore, Mizuho Innovation Frontier, the venture capital firm we established in April 2023, provides the funding to support such initiatives. The firm invested in nine businesses during its first year and continues to invest in businesses generating new value in a range of domains including the sustainability domain, thereby helping to accelerate innovation.

During fiscal 2023 we established a unified group-wide structure for new business creation including Blue Lab and Mizuho Innovation Frontier and started implementing initiatives under this new structure. Results are now starting to appear little by little, the most notable example being the establishment of Mizuho Pochette in Japan. In fiscal 2024 we will accelerate our initiatives to generate more value with the ultimate aim of forging a prosperous future.

1. A company specializing in new business creation established in 2017 owned by Silicon Valley venture capital firm World Innovation Lab (WiL) as the largest shareholder, Mizuho Bank, and others.

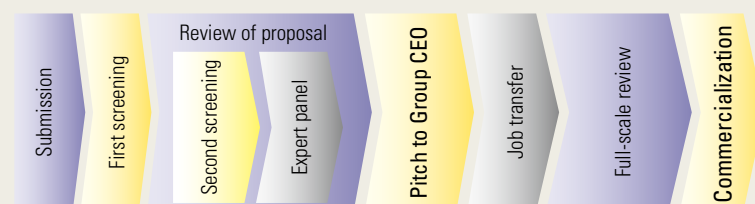
### Employee-centered

#### Mizuho Group CEO Challenge

Mizuho Group CEO Challenge is an in-house business contest requiring submission of ideas for new businesses by employees. It involves a pitching event at which shortlisted proposals are presented by the employees who submitted them to a panel including Group CEO Masahiro Kihara and relevant executive officers.

Any idea adopted as a result is allocated corporate resources for commercialization and the employees who made the proposal take responsibility for working toward that goal, while receiving advice about the business idea from Blue Lab and experts inside and outside the group, as well as financial support from Mizuho Innovation Frontier.

We will continue working as a single united group to encourage self-driven creation of new businesses by employees and provide new services.



#### First business project: Mizuho Pochette

In the Mizuho Group CEO Challenge contest held in March 2023, an app for parents and children to enjoy learning about the role of money and economics as part of financial and economic education in Japan was chosen to be reviewed for potential commercialization.

With Blue Lab providing assistance for business development and Mizuho Innovation Frontier investing capital, the group joined forces to commercialize the proposal. Eventually, in April 2024, Mizuho Pochette Co., Ltd. was established and one of the employees who submitted the original proposal took up the position of company president.

▶ P. 34 Signs of change (within "Progress of the medium-term business plan")