

June 13, 2024

To Whom It May Concern

Mizuho Financial Group, Inc.

### Our views on the proxy advisor reports

Mizuho Financial Group, Inc. (President & Group CEO: Masahiro Kihara, hereinafter referred to as the “Company”) acknowledges that the proxy advisors Institutional Shareholder Services, Inc. (hereinafter referred to as “ISS”) and Glass, Lewis & Co., LLC (hereinafter referred to as “Glass Lewis”) have each issued a report recommending voting for or against resolution proposals for the 22<sup>nd</sup> Ordinary General Meeting of Shareholders of the Company scheduled on June 26, 2024.

In such reports, ISS and Glass Lewis are recommending against the approval with respect to a portion of the director candidates in Proposal No.1 “Appointment of 14 directors.” ISS is also recommending the approval of Proposal No.2 “Partial amendment to the Articles of Incorporation,” which is a shareholder proposal. The Company’s responses to these recommendations are as follows.

We would appreciate if Company shareholders gain an understanding of our position in connection with determining how your voting rights are exercised.

#### 1. Regarding Proposal No.1 “Appointment of 14 Directors”

(1) Content of ISS and Glass Lewis recommendation against approval

ISS and Glass Lewis recommend against the approval of the below candidates for the following reasons:

Candidate No.	Name of Candidate	ISS	Glass Lewis
8	Takakazu Uchida	Individuals who work or worked at companies whose shares are held by the company in question as cross-shareholdings*	If we find evidence of cross-shareholding relationships, we will consider insiders and affiliates of such arrangements not independent
9	Seiji Imai	Top executive(s) at a company that allocates a significant portion (20 percent or more) of its net assets to cross-shareholdings*	(Approval recommended)
11	Masahiro Kihara		(Approval recommended)

(\*) ISS uses information in Annual Securities Reports under “Equity investments being held for reasons other than pure investment purposes” and “Deemed shareholdings”

## (2) Our views regarding recommendations against approval

### ① Regarding candidate No. 8 (Mr. Takakazu Uchida)

In addition to serving as Chief Financial Officer and Representative Director, Executive Vice President of Mitsui & Co., Ltd., among others, he is also actively performing the role of a Governor of the Government Pension Investment Fund and is a member of an Expert Panel on JFSA's Policy Evaluations. He has extensive experience in, and has deep insight on fields such as the corporate governance of a global corporation which has a diverse business portfolio, finance and risk management, and financial business.

We have appointed him as a candidate for outside director because he will be able to significantly contribute to, among other matters, increasing the effectiveness of supervisory functions of the Board of Directors from a perspective independent from that of the management.

As stated by ISS and Glass Lewis as their reasons for recommending against approval, Mr. Takakazu Uchida, a candidate for outside director, is from Mitsui & Co., Ltd. However, we do not believe there are issues regarding independence based on the following reasons:

- Sales from transactions with the Company account for less than 1% of the consolidated sales of Mitsui & Co., Ltd. Furthermore, transactions with Mitsui & Co., Ltd. account for less than 1% of the Company's consolidated gross profits.
- The number of shares of common stock of Mitsui & Co., Ltd. held by the Company is less than 1% of the total number of shares issued of the Company.

### ② Regarding candidate No. 9 (Mr. Seiji Imai) and candidate No. 11 (Mr. Masahiro Kihara)

Mr. Imai has served as Chairperson (Kaicho), Member of the Board of Directors of the Company since April 2022, after having served in positions such as Head of Global Corporate Company and Head of Corporate & Institutional Company of the Company. He has a deep understanding of the realities of the Group's overall business as well as, among others, business strategies of large corporations and global corporations, including ESG, and business challenges. He also has overall planning and organizational leadership skills backed by a wealth of management experience. We have appointed him as a candidate for director because the utilization of his experience and expert knowledge, as a member of the Board of Directors is expected to increase the effectiveness of both the decision-making and supervisory functions of the Board of Directors.

Mr. Kihara has served as President & Group CEO of the Company since February 2022, after having served in positions such as Project Manager of Risk Governance Enhancement Project Team of the Company, General Manager of Risk Management Department, General Manager of Financial Planning Department, Head of Financial Control & Accounting Group, Head of Strategic Planning Group of Mizuho Securities Co., Ltd. and Head of Global Products Unit of the Company. Through his experience in the Group, he has a deep understanding of the realities of the Group's overall business as well as, among others, business strategies, business management and internal control. He also has overall planning and organizational leadership skills backed by a wealth of management experience. We have appointed him as a candidate for director because the utilization of his experience and expert knowledge as a member

of the Board of Directors is expected to increase the effectiveness of both the decision-making and supervisory functions of the Board of Directors.

While ISS raises the high ownership percentage of strategically held shares as the reason for their recommendation against approval, we are continuing efforts to systematically and gradually reduce our holdings of strategically held shares. Specifically, the balance of our domestic listed shares (based on acquisition cost) was 1,962.9 billion yen as of March 31, 2015, and it was reduced by about half to 916.9 billion yen as of March 31, 2024. In addition to the above, we are also working to reduce our deemed shareholdings, which have been reduced by 866.3 billion yen from March 31, 2015 to March 31, 2024.

The two candidates together with other management and the Board of Directors are unanimously aware of the need to continue this trend, and have announced a plan to reduce the amount of strategically held shares by an additional 300 billion yen over the three years from March 31, 2023 to March 31, 2026. In the first year, we achieved a reduction of 82.1 billion yen (117.1 billion yen including the amount of sales accepted), and we are making steady efforts through careful negotiations with our customers.

Please refer to pages 153-154 of the Convocation Notice of the Ordinary General Meeting of Shareholders of the Company for “Progress on the sales of cross-shareholdings.”

## **2. Regarding Proposal No.2 “Partial amendment to the Articles of Incorporation”**

### **(1) Content of ISS recommendation approval of the shareholder proposal**

ISS recommends approval of the shareholder proposal to require that the Company's Articles of Incorporation provide for the establishment and disclosure of policies and processes for nominating directors and evaluating the Board of Directors' effectiveness that “ensure the management of climate-related business risks and opportunities” is embedded in the Company's core management strategy. The recommendation is being made for the following reasons:

ISS	(Reference) Glass Lewis
Disclosing information on how climate-related risks and opportunities are factored in the selection of outside directors and the board evaluation would be of value to Mizuho shareholders given the climate risk and other environmental impacts of the company's current strategy	(Recommend against) We believe that the board is generally in the best position to determine and recommend what qualities and characteristics are most desirable in a director, in light of the Company's needs at any given time

### **(2) Our views regarding recommendation for approval**

We selected experience in and knowledge of environmental and other sustainability-related operations, including environmental issues, as skills that the Board of Directors as a whole should possess, and the details are described on pages 22-23 of the Convocation Notice of the Ordinary General Meeting of Shareholders of the Company. In addition, the process and results of the evaluation of the effectiveness of the Board of Directors are described on page 19 of the Convocation Notice of the Ordinary General Meeting of Shareholders of the Company.

On the other hand, the Board of Directors is required to flexibly assess risks and opportunities in the ever-changing environment and make decisions on basic management policies on a case-by-case basis. In doing so, it is difficult to enumerate in advance all of the matters that require consideration in the Articles of Incorporation because there is a wide range of issues to be considered, not only those related to climate change. Also, this may hinder the Company's ability to ensure flexibility in the event of major changes in the environment. We believe that such matters should not be enumerated in the Articles of Incorporation, which sets the basic framework of the Company.

The Board of Directors also opposes this proposal, as stated in the press release dated May 15, 2024.

(Reference) "Opinion of Mizuho's Board of Directors on Shareholder Proposals" dated May 15, 2024

We selected experience in and knowledge of environmental and other sustainability-related operations, including climate change-related operations, as one of the areas in which the Board of Directors as a whole should possess specific skills. In addition, regarding the nominations of the directors and the evaluations of the effectiveness of the Board of Directors, we set out policies and other frameworks in the Corporate Governance Guidelines and also regularly disclose the results of the evaluations on the effectiveness of the Board of Directors. Furthermore, by utilizing the expertise possessed by external experts, we established a system that enables us to perform appropriate supervisory functions. Specifically, major management issues, including climate change risk management, are discussed at the Board of Directors meetings and the Risk Committee meetings and the contents thereof are regularly disclosed.

With that said, it is important to ensure the balance, diversity and other related matters of the Board of Directors as a whole in order to perform supervisory functions.

Accordingly, the Board of Directors is of the opinion that it would be inappropriate to insert, as called for by this proposal, stipulations pertaining to specific areas such as climate change in the Articles of Incorporation, which should contain stipulations on corporate organization and other basic items.

For details of the "Opinion of the Board of Directors," please refer to "Sustainability Promotion Structure," "Status of Supervision," and "Discussion at meetings of the Board of Directors and Risk Committee" on pages 56-57 of the Convocation Notice of the Ordinary General Meeting of Shareholders of the Company.