

June 28, 2019

Mizuho Bank, Ltd.

Mizuho Information & Research Institute, Inc.

## **Announcing the launch of Mizuho Eco Finance**

Mizuho Bank, Ltd. (President & CEO: Koji Fujiwara) and Mizuho Information & Research Institute, Inc. (President & CEO: Yasumasa Mukai; "MHIR") today launched a service entitled Mizuho Environmentally Conscious Finance ("Mizuho Eco Finance") through which we will take action alongside our clients to advance the shift to a low-carbon society. Today Mizuho signed an agreement with Sapporo Holdings Limited (President and Representative Director: Masaki Oga) as our first client for this new service.

Through this service, Mizuho Bank will provide financing to clients who meet a certain minimum score based on our scoring system, which utilizes an environmental assessment model developed by MHIR to evaluate client initiatives and benchmarks via a globally accepted environmental verification and evaluation program. Through monitoring, MHIR will provide strategic advice to clients to improve and maintain their scores.

Climate change is closely tied to various economic and social issues, and we recognize that addressing climate change is an important issue over the medium to long term. As a financial services group, we are dedicated to engaging in dialogue with clients and other stakeholders as a trusted consultant, and we are proactively addressing climate change to support the shift to a low-carbon society. Developed as one part of this commitment, the Mizuho Eco Finance service will evaluate the climate change initiatives of our clients and provide further support for the initiatives of companies that are active in such areas by providing capital financing and strategic advice.

At Mizuho, we are working to further incorporate sustainability initiatives into our strategy and strengthen our group-wide framework for promoting sustainability. We will draw on our expertise as a financial services group to proactively provide a wide range of solutions, including providing capital financing support to businesses that are contributing to the shift to a low-carbon society.

Overview of Mizuho Eco Finance

Product name	Mizuho Eco Finance
Launch date	June 28, 2019
Environmental assessment model	<ul style="list-style-type: none"> <li>- Looking at benchmarks mainly pertaining to disclosure of information as the main criterion (listed below), Mizuho will score companies on a 5-step scale from AA (best) to D by evaluating each company’s environment-related disclosure of information in light of the social conditions and characteristics of the relevant industry. We are launching this service with the intention of promoting appropriate disclosure of information related to environmental considerations based on the expertise that Mizuho Information &amp; Research Institute has cultivated through research and consulting work for the public and private sectors.</li> <li>- Mizuho Eco Finance is a service that can only be offered to companies and other entities that have obtained an A evaluation or higher.</li> </ul> <ol style="list-style-type: none"> <li>(1) Support of the Task Force on Climate-related Financial Disclosures (TCFD)<sup>1</sup></li> <li>(2) S&amp;P/JPX Carbon Efficient Index<sup>2</sup> (Status of disclosure of carbon emissions)</li> <li>(3) S&amp;P/JPX Carbon Efficient Index (Decile classification)</li> <li>(4) Has set officially approved Science Based Targets (SBT)<sup>3</sup> / SBT commitments</li> <li>(5) Content of long-term environmental vision for greenhouse gases<sup>4</sup></li> <li>(6) Greenhouse gas emissions (Scope 1 + 2)<sup>5</sup></li> <li>(7) Greenhouse gas emissions (Scope 3)<sup>5</sup></li> </ol>

Other	<ul style="list-style-type: none"> <li>- In addition to the above benchmarks, as necessary, the Mizuho Eco Finance framework also considers how each company or entity is implementing the environmentally friendly technologies on which it focuses, as well as its offerings of environmentally considerate products and services, and any instances of false reporting of non-finance-related information.</li> <li>- We also plan to add benchmarks on environmental aspects other than climate change in the future.</li> </ul>
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(As of June 28, 2019)

Notes:

1: The Task Force on Climate-related Financial Disclosures (TCFD)

The TCFD was established in 2016 by the Financial Stability Board in response to the request of the G20 Finance Ministers and Central Bank Governors.

2: S&P/JPX Carbon Efficient Index

An index managed by S&P Dow Jones Indices and the Tokyo Stock Exchange, designed to measure the performance of companies in the Tokyo Stock Price Index (TOPIX), which is an indicator of Japanese market trends and serves as the underlying index. The S&P/JPX Carbon Efficient Index overweights or underweights those companies that have lower or higher levels of carbon efficiency, which is measured by amount of carbon emissions per unit of revenue.

3: Science Based Targets (SBT)

The Science Based Targets initiative encourages companies to engage in science-based target setting for the reduction of greenhouse gas emissions in order to meet the goals established in the Paris Agreement.

4: Long-term environmental vision for greenhouse gases

Long-term vision for future greenhouse gas emissions from 2050 onward.

5: Greenhouse gas emissions (Scope 1, 2, and 3)

The internationally recognized GHG Protocol classifies greenhouse gas emissions into three 'scopes' as guidelines for measuring greenhouse gas emissions.

Scope 1: Greenhouse gas emissions from a company's own factories, offices, etc., resulting from fossil fuels that it uses itself.

Scope 2: Greenhouse gas emissions that result from the production of energy that is supplied to and consumed by the company, such as electricity.

Scope 3: Other indirectly emitted greenhouse gases.