

Further deepening coordination with individual group companies and continuing to strive for highly effective supervision group wide



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Operation of the Board of Directors in fiscal 2022

In fiscal 2022, the Board of Directors pursued rigorous activities with an emphasis on two main topics: (1) furthering deliberation about the overarching direction of Mizuho group's growth strategy, and (2) exercising functions for management of top risks.

For the first topic, due in large part to the leadership of Group CEO Masahiro Kihara and the support of Mizuho employees, we were able to begin discussions on the Corporate Identity revision and the growth strategy at an early stage. These discussions were perfectly aligned with several needs the outside directors had also identified: rallying employees, many of whom had lost their confidence in the wake of the IT system failures, under an approachable banner and leading them forward again; going back to the starting point of Mizuho's role in society to inspire pride in employees; and taking the opportunity of the recent change in the Group CEO to transform Mizuho. In particular, in the course of designing the new Corporate Identity, there was much back-and-forth between employees, executive management, and the outside directors, and I believe such exchanges were deeply meaningful.

For the second topic, we monitored how the measures for improvement that came out of the IT system failures were being implemented and disseminated. Executive officers and employees have been undertaking initiatives as a united front. With these initiatives steadily producing results, we are moving into a new phase of ensuring the initiatives take root in the organization and are reflected in every employee's day-to-day work. Also, the risks accompanying societal changes are becoming increasingly diverse and complex. While we remain vigilant to the obvious risks related to cybersecurity, money laundering, financial crime, and climate change, we also must keep a sharp eye on the various risks and ripple effects associated with such factors as geopolitics and sudden changes in the financial environment.

Mizuho's efforts alone are not enough to avoid these risks; resilience is critical. With this in mind, the Board of Directors, Audit Committee, and Risk Committee held discussions—based on their respective roles—with the business execution line about the vision for Mizuho's business and about improving the frameworks for managing risk.

Initiatives for multifaceted information gathering

Alongside setting topics for discussion, another task to which the outside directors gave particular attention was gathering information on the many different aspects of business execution. As a holding company, Mizuho Financial Group has multiple subsidiaries; Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities among them. Through frameworks for comprehensive risk management, compliance, and similar areas, it performs business management for the entire group, covering the subsidiaries as well. To facilitate the provision of integrated banking, trust banking, and securities functions to customers, it also sets strategy for each of the in-house companies—each of which serve a specific customer segment—and then tracks implementation.

Given the nature of Mizuho Financial Group as a holding company, discussions at the Board of Directors of Mizuho Financial Group tend to focus on priority topics, with a broad view of the Mizuho group as a whole. Consequently, directors—especially outside directors—cannot easily gain an in-depth understanding of the situation and condition of business at individual group companies or of the actual business operations at the frontlines of individual group companies. I have come to see that, if we are to fully utilize our capabilities as outside directors and by extension maintain effective supervision, we should make a greater effort to understand the actual conditions of the Mizuho group's operations in all of their assorted dimensions. In fiscal 2022, one of our initiatives in this regard was to proactively create more opportunities to talk with executive officers and employees responsible for a variety of functions within the group. In addition to the reports from the heads of the in-house companies, we also had reports from and meetings with the executive management of the individual group companies, as well as regular meetings between the outside directors of Mizuho Financial Group and the outside directors of the individual group companies. All of the outside directors found these initiatives to be very worthwhile and enthusiastically participated in such off-site meetings and other activities.

Operation of the Board of Directors in fiscal 2023

In fiscal 2022, due to the vigorous drive of Group CEO Kihara and the wide-ranging engagement from the rest of the organization with the revision of the Corporate Identity and Purpose and the formulation of the medium-term business plan, Mizuho's direction going forward became clear.

However, to truly win the trust of customers and society and secure a growth trajectory will require more than just a plan. It will require every employee to become well versed in the Corporate Identity, Purpose, and medium-term business plan so that they can confront the challenges of customers and society as their own and make such an ethos the pillar of their everyday work. Mizuho's ability to be an effective organization in this way will be subject to much scrutiny.

In my role as Chairperson, I intend to lead the Board of Directors through fiscal 2023 from just this perspective. The leadership of the Group CEO and the other members of executive management will naturally be key. On the other hand, Mizuho also encompasses the employees who meet customers on a daily basis; the general managers and other members of middle management who assist employees in developing their capabilities; and the employees in back office who support front office operations and contribute added value in a number of ways. I will also listen carefully to these members of the organization and do everything I can to move forward executive management's initiatives for drawing out the full potential of the organization. By the same token, when necessary, I will not hesitate to hold back initiatives until we have given them the time and consideration they deserve.

Of course, it is not realistic or efficient for the Board of Directors of Mizuho Financial Group, the holding company, to carry out all of these activities on its own. Because of this, at the start of fiscal 2023, we, the Board of Directors of Mizuho Financial Group, exchanged the above-mentioned perspectives and relevant action plans with the Boards of Directors of Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities. We will further deepen the coordination between the outside directors of Mizuho Financial Group and those of each individual group company and continue striving for highly effective supervision group wide.