

Basic approach

One of our core business principles is the strict observance of all laws and regulations and the pursuit of fair and honest corporate activities that conform to socially-accepted norms, and as such we have established a compliance framework befitting a global financial group.



We are committed to implementing a compliance framework to practice fair and honest corporate activities in order to live up to the trust of our customers and society, and we are constantly aware of the weight of our social responsibility and public mission as a provider of economic and social infrastructure.

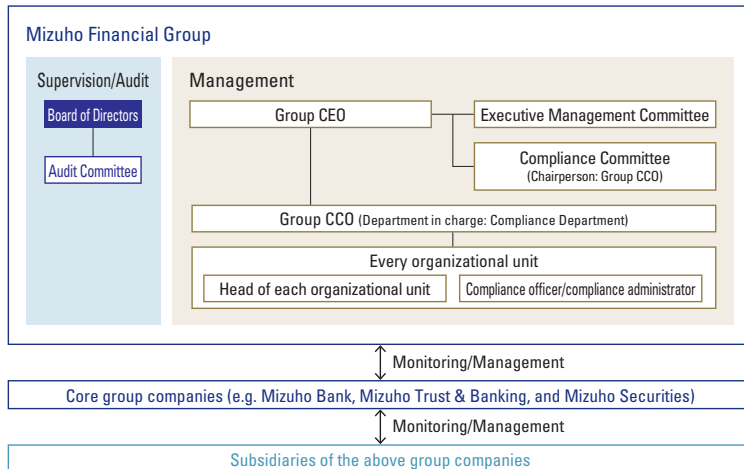
- We are committed to enhancing our compliance framework in light of changes in the environment and increasing demands globally, such as the prevention of money laundering, the severance of relationships with organized crime, and the response to stricter global regulations regarding market transactions and personal information management.
- We will strive to create a culture, through messages from management and training, in which each and every employee practices compliance autonomously.

Makoto Matsubara
Senior Executive Officer
Group Chief Compliance Officer (Group CCO)

Compliance structure

Mizuho Financial Group and its core group companies discuss important matters concerning compliance at each company's Compliance Committee (chaired by their respective CCOs), and promote compliance under the leadership of the Group Chief Compliance Officer (CCO) and the companies' respective CCOs.

At each organizational unit (such as branches and departments) in each company, the general manager, as the head of the organizational unit, is responsible for guidance and implementation related to compliance matters, and the compliance officer or compliance administrator at each organizational unit reviews the status of compliance.



Compliance practices

We have established the Mizuho Code of Conduct which sets forth clear and concrete standards of ethical behavior to be followed when implementing the precepts of our Corporate Identity. Based on the revision of our Corporate Identity and changes in the outside environment, we have recently revised the Code of Conduct to make the content simple and enduring while setting forth the key points that all executive officers and employees should understand. Furthermore, each of our group companies has also prepared a compliance manual, that clarifies the laws and regulations that we must observe in our business operations and the compliance practices we are required to follow. Mizuho ensures that all executive officers and employees are fully acquainted with both the Code of Conduct and the compliance manual's content through ongoing training and messages from management.

We monitor the status of compliance levels through self-assessments by each department and monitoring conducted by the compliance department of each company. In addition, every fiscal year, each of our group companies formulates a compliance program which is a concrete, practical plan for enhancing the compliance framework, conducting training, checks, and the like in light of changes in the domestic and international market transaction environment and increasing demands such as for prevention of money laundering and protection and management of personal information on a global basis. Progress on the compliance program is monitored every six months.

○Financial crime risk management

Financial crimes are becoming more diverse and sophisticated, and acts of terrorism continue to occur around the world. In light of these trends, measures for anti-money laundering (AML), combating the financing of terrorism (CFT), and counter-proliferation financing (CPF) are extremely important. Against this backdrop, the key challenge for financial institutions is the strengthening of their AML/CFT/CPF measures. As a financial services provider operating globally, Mizuho Financial Group is subject to the laws and regulations of both Japan and the other jurisdictions where it operates, as well as to supervision from financial regulators based on those laws and regulations. Accordingly, being aware that money laundering / financing of terrorism is one of our top risks, we have formulated a framework to ensure compliance with the related laws and regulations in each jurisdiction and we are also continually enhancing our AML/CFT/CPF measures. By preventing the transfer of criminal proceeds and cutting off the supply of funds to terrorist organizations, we contribute to the protection of our customers, the security of the international community, and the sound development of economic activities.

Recognizing the social importance of preventing bribery, corruption, and corrupt practices, Mizuho has formulated a Policy for Anti-Bribery and Corruption and put in place a framework to prevent bribery and other corrupt practices at all group companies.

○Our stance towards organized crime

In order to prevent organized crime from being involved in our business activities and to prevent any harm caused by them, the Mizuho Code of Conduct includes a policy covering our zero-tolerance stance on business relationships with individuals or organizations that are in any way associated with organized crime and therefore threaten the order and safety of civil society.

We have also formed an Anti-Organized Crime Committee which includes external experts in industry-specific, in-depth discussions on this subject, in addition to other initiatives we are implementing on a group-wide basis to ensure that we have no direct or indirect associations with organized crime. Moreover, drawing on the discussions in this committee, these matters are also discussed and reported on at meetings of the compliance committees of Mizuho Financial Group, Mizuho Bank, Mizuho Trust & Banking, and Mizuho Securities.

Furthermore, core group companies have established departments dedicated to responding to organized crimes, appointed an officer responsible for responding to unreasonable demands, formulated a manual on how to manage such issues, and established a framework for conducting training. If required, we consult with third-party experts and authorities on the handling of specific cases.

Measures for ensuring compliance

At Mizuho, compliance-related education and training are key measures for ensuring appropriate compliance.

During fiscal 2022, Mizuho continued to provide effective training tailored to a broad range of roles within the organization. We conducted effective training sessions, including mandatory compliance training sessions for all employees; role-specific training for executive officers, general managers, compliance officers, and other senior management members; and 24 e-learning training sessions on specific compliance topics.

In addition to understanding the rules and procedures, the training is designed to deepen understanding of the purpose and background of laws and regulations, and to provide points to note regarding responding to compliance risks in a timely manner. We will continue to improve this content going forward.

In addition to the measures to ensure compliance, we are also dedicated to detecting potential compliance issues at the earliest stage possible and taking appropriate action. Furthermore, each group company has established a hotline which executive officers and employees can call in order to speak with dedicated persons in the Compliance Division or an external law office or compliance professional.

Internal reporting system (Compliance hotline)

We have a group-wide internal reporting system that is available 24 hours a day, every day of the year that connects to external contact points. The system also offers service in English and accepts anonymous reports. We are working to further increase its effectiveness, and in order to ensure that executive officers and employees are fully acquainted with it, hotline numbers and other relevant information is included on posters within each workplace and distributed to all executive officers and employees on wallet-sized cards. In fiscal 2022, the Mizuho group received a total of 168 reports through our hotlines from both inside and outside the group, with the response status reported to members of our Audit Committee.

Following inspection by an authorized registration institute under the Consumer Affairs Agency, our internal reporting system was recognized as operating properly and registered to the Whistleblowing Compliance Management System (a Self-Declaration System). That system is currently offline pending an overhaul by the Consumer Affairs Agency.



Hotline for accounting and auditing

We have a special hotline to receive reports from both in and outside the company regarding inappropriate matters on accounting and financial reports, which connects to an external law office.