

# **Business Improvement Plan by Mizuho Bank, Ltd.**

**State of Progress in Improvement Measures**

**Nov. 20, 2013**

**One MIZUHO**  
Building the future with you

**Mizuho Financial Group, Inc.**

---

We hereby report the state of progress regarding the Business Improvement Plan that Mizuho Bank, Ltd. submitted to the Japanese Financial Services Agency on October 28, 2013

**State of Progress in Improvement Measures**  
**based on the Business Improvement Plan by Mizuho Bank, Ltd. (MHBK) (as of Nov. 14, 2013)**

**1. Measures to improve and address elimination of transactions with anti-social elements in the Orient Corporation (“Orico”) four-party captive loan scheme (“Captive Loan Scheme”)**

Item/Details	Implementation Status
(1) Response to transactions with anti-social elements Terminate all transactions identified as involving anti-social elements under the Captive Loan Scheme	Complete
(2) Strengthening of entry checks for anti-social elements (a) Provide Orico with information on anti-social elements held by MHBK (b) Improve the framework for entry checks for anti-social elements to a system that uses the latest information held by MHBK (to be systemized)	Complete System release scheduled for Nov.
(3) Strengthening post-execution checks for anti-social elements	Complete
(4) Considering introduction of a clause to exclude anti-social elements in loan agreements used in the Captive Loan Scheme	Orico has commenced negotiations with alliance partners (Nov. 13)
(5) Cooperating with Orico and establishing a committee to respond to anti-social elements in the Captive Loan Scheme	<u>Complete (first meeting held on Nov. 12)</u>

**2. Establishment of measures to comply with laws regarding elimination of transactions with anti-social elements**

Item/Details	Implementation Status
(1) Reorganization of the Compliance Division	<u>Complete (Nov. 1)</u> MHFG: Complete (Nov. 1)
(2) Deployment of a Deputy President as Chief Compliance Officer	Complete MHFG: Complete
(3) Establishment of the Anti-social Elements Elimination Committee, which will be responsible for items related to addressing anti-social elements	<u>Complete (first meeting held on Nov. 13)</u> MHFG: Complete (Nov. 13)
(4) Initiatives to ensure effective debate in the Anti-social Elements Elimination Committee	Scheduled for implementation in Nov. MHFG: Scheduled to implement in cooperation
(5) Appointment of an external director to the Board of Directors Appoint a specialist in compliance, governance, etc.	<u>Complete (Nov. 1)</u> MHFG: Under consideration
(6) Strengthening of management reporting and contact structure regarding information on anti-social elements	<u>Complete (Nov. 1)</u> MHFG: Complete (Nov. 13)

MHFG: Mizuho Financial Group, Inc.

Note: Items underlined in the Implementation Status column are ones of which implementation completed after our announcement of the Business Improvement Plan by MHBK on October 28.

**State of Progress in Improvement Measures  
based on the Business Improvement Plan by Mizuho Bank, Ltd. (MHBK) (as of Nov. 14, 2013)**

Item/Details	Implementation Status
(7) Further improvement in executive and employee awareness regarding eliminating transactions with anti-social elements	Commenced training for employees regarding eliminating transactions with anti-social elements (Nov. 8)
(8) Further strengthening of cooperation between the Compliance Group and law enforcement agencies, other related bodies, and legal professionals	Overview of training with law enforcement agencies and other related bodies scheduled to be finalized in Nov.
(9) Strengthening frameworks for eliminating transactions with anti-social elements for products and services	Complete
(10) Considering follow-up structures for compliance programs and business plans	Revision of FY2013 business plans complete (Nov. 14)
(11) Improving awareness by revising the Mizuho Code of Conduct	Revision of Mizuho Code of Conduct (anti-social element-related items) scheduled for Nov. MHFG: Implementation scheduled in cooperation with MHBK
(12) Promotion of continued actions in cooperation with the One MIZUHO Promotion Project Team	Continued implementation ongoing MHFG: Continued implementation ongoing

**3. Establishment of checks and balances in relation to FSA inspections, etc.**

Item/Details	Implementation Status
(1) Establishment of double-checking frameworks for important reports in the head office	Complete (Nov. 5)

**4. Measures to enhance and strengthen internal auditing functions**

Item/Details	Implementation Status
(1) Strengthening of consideration frameworks in relation to findings and recommendations for improvement	Complete
(2) Penetration of cooperative efforts toward internal audit	Complete (Nov. 11)
(3) Increasing the awareness of audit members	Scheduled for Nov.

**5. Further sophistication of group governance [MHFG]**

Item/Details	Implementation Status
(1) Considering expansion of consulting bodies to the Board of Directors	MHFG: Under consideration