



June 9, 2021  
Mizuho Financial Group, Inc.

## **Publication of TCFD Report 2021**

Today, Mizuho Financial Group, Inc. (President & CEO: Tatsufumi Sakai) published our TCFD Report 2021, which details our latest initiatives related to climate change in line with the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

At Mizuho, we have supported the intent and aims of the TCFD Recommendations since 2017. Based on our awareness that climate change is one of the most crucial global issues with the potential to impact the stability of financial markets, we have positioned addressing environmental issues and climate change as a key part of our corporate strategy, and we are endeavoring to strengthen our initiatives. We are also focusing on proactively disclosing information, in FY2020 becoming the first financial services group in Japan to publish a TCFD Report.

The TCFD Report 2021 covers aspects of the stronger sustainability action<sup>1</sup> we announced in May 2021. The report includes details on our enhanced responses to address transition risk and estimates of our greenhouse gas emissions tied to project finance for power generation projects, which we assessed as a first step towards measuring and managing our Scope 3 emissions<sup>2</sup>.

In April 2021, we clarified our contribution to achieving a low-carbon society (achieving net-zero greenhouse gas emissions) by 2050 and our transformation to a portfolio aligned with the targets in the Paris Agreement through our Environmental Policy. Under this policy, we will establish and release medium- to long-term targets for Scope 3 emissions by the end of FY2022, in order to develop a specific pathway toward these long-term goals.

While continuously strengthening our climate change initiatives, we will also strive to expand our disclosures and demonstrate leadership toward realizing a low-carbon society.

Link to the TCFD Report 2021:

[https://www.mizuhogroup.com/binaries/content/assets/pdf/mizuhoglobal/sustainability/overview/report/tcf\\_d\\_report\\_2021.pdf](https://www.mizuhogroup.com/binaries/content/assets/pdf/mizuhoglobal/sustainability/overview/report/tcf_d_report_2021.pdf)

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1. See our press release "Strengthening our sustainability action", dated May 13, 2021:  
<https://www.mizuhogroup.com/news/2021/05/strengthening-our-sustainability-action.html>
  2. Scope 3: Greenhouse gas emissions from other parties involved in the company's activities.

## Major developments during FY2020:

Governance	<ul style="list-style-type: none"> <li>Revised our Environmental Policy and clarified our transformation to a portfolio aligned with the targets in the Paris Agreement.</li> </ul>
Strategy	<ul style="list-style-type: none"> <li>Further strengthened our structure for promoting sustainable business group-wide with engagement as our starting point.</li> <li><u>Released the results of our scenario analysis with an expanded scope</u> as compared to the previous year. <ul style="list-style-type: none"> <li>Transition risk: Analyzed the electric utilities; oil, gas &amp; coal; and automobile sectors (worldwide). Reconfirmed the importance of advancing business structure transformation over the medium to long term in order to transition to a low-carbon society and the importance of engagement with clients.</li> <li>Physical risk: Analyzed chronic risks (such as increases in infectious disease and heatstroke). Confirmed that the impact of an increase in credit costs will be limited.</li> </ul> </li> </ul>
Risk Management	<ul style="list-style-type: none"> <li>Designated the rapid advancement of social change occurring due to climate change as a “top risk”.</li> <li>Updated our Environmental and Social Management Policy for Financing and Investment Activity.</li> <li>Enhanced measures to address transition risk (expanded engagement, improved risk control for carbon-related sectors, etc.).</li> </ul>
Metrics and Targets	<ul style="list-style-type: none"> <li>Set new medium- to long-term targets for reducing Mizuho’s greenhouse gas emissions. <ul style="list-style-type: none"> <li>Reduce Scope 1 and Scope 2 greenhouse gas emissions from the eight group companies in and outside Japan by 35% compared to FY2019 by FY2030, and aim to become carbon neutral by FY2050.</li> </ul> </li> <li>Revised target to reduce the outstanding credit balance for coal-fired power generation facilities. <ul style="list-style-type: none"> <li>Moved up our target date for achieving a credit balance of zero from FY2050 to FY2040.</li> </ul> </li> <li><u>As a first step toward Scope 3 measurement and management, we estimated greenhouse gas emission intensity (basic units) in relation to project finance for power generation projects, based on the Financial Sector Science-Based Targets Guidance and the Partnership for Carbon Accounting Financials Standard.</u> <ul style="list-style-type: none"> <li>As of March 31, 2020, our greenhouse gas emissions were at 364.51 gCO<sub>2</sub>/kWh, which is lower than the global/Asia Pacific/Japan average.</li> </ul> </li> </ul>

(Underlined text indicates information newly published by Mizuho.)

Our overall credit exposure underwent detailed examination. Consequently, in the TCFD Report 2021, the percentage of our overall credit exposure in carbon-related sectors as of March 31, 2021 was updated to 5.5% from the 5.7% figure announced in our “Strengthening our sustainability action” press release on May 13, 2021. There are no changes to the amount of credit exposure in carbon-related sectors as of March 31, 2021.