

# NEWS RELEASE

March 28, 2025

Mizuho Financial Group, Inc.



## **Mizuho participates in NextGen CDR Facility and concludes long-term purchase agreement for technology-based CDR credits**

Mizuho Financial Group, Inc. (President & Group CEO: Masahiro Kihara) has joined the NextGen CDR Facility as a buyer of technology-based carbon dioxide removal (CDR) credits, becoming the first Japanese bank to conclude a long-term purchase agreement for said credits.



Construction underway on Stratos, which is expected to be the world's largest direct air capture facility.

Photos provided by 1PointFive (US).

The NextGen CDR Facility is a joint carbon credit purchasing facility operated by NextGen CDR AG, which is a joint venture of Mitsubishi Corporation and South Pole, the world's leading carbon asset developer and climate consultancy. The facility is aimed at promoting and disseminating innovative technologies for removing carbon dioxide from the atmosphere. Mitsui O.S.K. Lines, Boston Consulting Group, LGT, Swiss Re, and UBS are already participating as carbon credit buyers.

Technology-based CDR<sup>1</sup> is thought to be effective for storing CO<sub>2</sub> on a permanent basis and offers large potential for CO<sub>2</sub> removal. For this reason, technology-based CDR is an important method for removing the CO<sub>2</sub> that has been historically built up and for pursuing net negative emissions.<sup>2</sup>

- 1: Technology-based carbon dioxide removal: The removal of carbon dioxide from the atmosphere using artificial technology. Natural processes such as tree planting are referred to as nature-based CDR.
- 2: Removing or absorbing more greenhouse gases than are actually emitted.



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Mizuho has been holding discussions on the importance of technology that contributes to CDR (negative emission technology), on global trends, and on the commercialization of CDR, with the aim of realizing a net-zero society. As the only source of revenue for projects in the technology-based CDR field is the profits from the sale of carbon credits, it is important to create and develop a market for trading CDR credits in line with technological development. Mizuho believes that initiatives such as the NextGen CDR Facility, which signal initial demand to a global audience, will promote technological development and help to realize a sustainable society more quickly.

In addition, many companies, including Mizuho, have set carbon neutrality targets for their own emissions (Scope 1 and 2). In order to achieve these targets, it is necessary to offset residual emissions (emissions for which there are no means of reduction) by utilizing high-quality credits such as technology-based CDR credits.

Through participating in the NextGen CDR Facility, Mizuho will acquire knowledge of the characteristics of technology-based CDR projects, alongside expertise for resolving issues in the distribution of carbon credits, and will work to design frameworks and develop trading market platforms to create a market for technology-based CDR in Japan. From a long-term perspective, it will also support Japanese companies in the commercialization of the technology-based CDR field, both financially and non-financially.

➤ **Shinichi Tsunoda, Operating Officer, General Manager of Sustainable Business Promotion Department, Mizuho Financial Group, Inc.**

Carbon credits are a system that fairly assesses efforts to decarbonize, and by sharing the cost of these efforts across regions they direct funding to technologies and projects that reduce and remove CO<sub>2</sub> without producing economic drawbacks. In particular, we believe that creating initial demand momentum through joint purchasing of CDR credits is essential for providing funding for lesser known areas such as technology-based CDR. For Mizuho, participating in the early NextGen initiative as a buyer constitutes our first step into the technology-based CDR field at the core of decarbonization. Going forward, Mizuho will positively contribute to the broader implementation of technologies that will further technology-based CDR in Japan, as well as to the commercialization of the CDR field.

## Comments by partner companies

### ➤ **Patrick Bürgi, Chairperson of NextGen CDR AG and Managing Director Japan / Co-Founder at South Pole**

“NextGen CDR, and our joint venture partners South Pole and Mitsubishi Corporation, are delighted that a globally leading financial institution like Mizuho has joined us as a buyer,” said Patrick Bürgi, Chairperson of NextGen CDR. He continued, “Carbon dioxide removals are critical to climate action, now more than ever. We need more institutions entering the market from every angle. Meanwhile, NextGen remains committed to upholding high integrity and low risk through our diversified portfolio approach.”

### ➤ **Ryosuke Kontani, Director of NextGen CDR AG and General Manager, Carbon Management Dept., Mitsubishi Corporation**

Carbon credits originating in technology-based CDR are indispensable to the achievement of a low-carbon / net-zero society. NextGen began from our ambition to advance and expand technology-based CDR, and we are very grateful to have Mizuho, a leader in the carbon credit field, participating in our facility as a new buyer. Together, Mizuho and NextGen will strive to further awareness and adoption of technology-based CDR, which is still in the early stages of becoming a market.

### ➤ **Yasuchika Noma, Managing Executive Officer, Deputy Director General, Headquarters of Energy Business, Mitsui O.S.K. Lines**

We are very pleased that Mizuho has joined the NextGen CDR Facility as a buyer and that we can support the spread of technology-based CDR together. Technology that removes carbon dioxide from the atmosphere and stores it on a permanent basis is essential to achieving the 1.5 degree target set out in the Paris Agreement, and through initiatives such as NextGen, we will continue to contribute to the sustainable growth of society.

## NextGen overview

Company name	NextGen CDR AG
Corporate structure	Joint venture between Mitsubishi Corporation and South Pole
Head office	Switzerland (Zurich)
Representative	Patrick Bürgi, Chairperson
Establishment	2022
Business overview	Operation of a joint carbon credit purchasing facility to promote and disseminate innovative technologies for the removal of carbon dioxide from the atmosphere