

Mizuho Bank, Ltd.

GREEN DEPOSIT FRAMEWORK

NOVEMBER 2024

Ver 2.0

Sustainable Business Department

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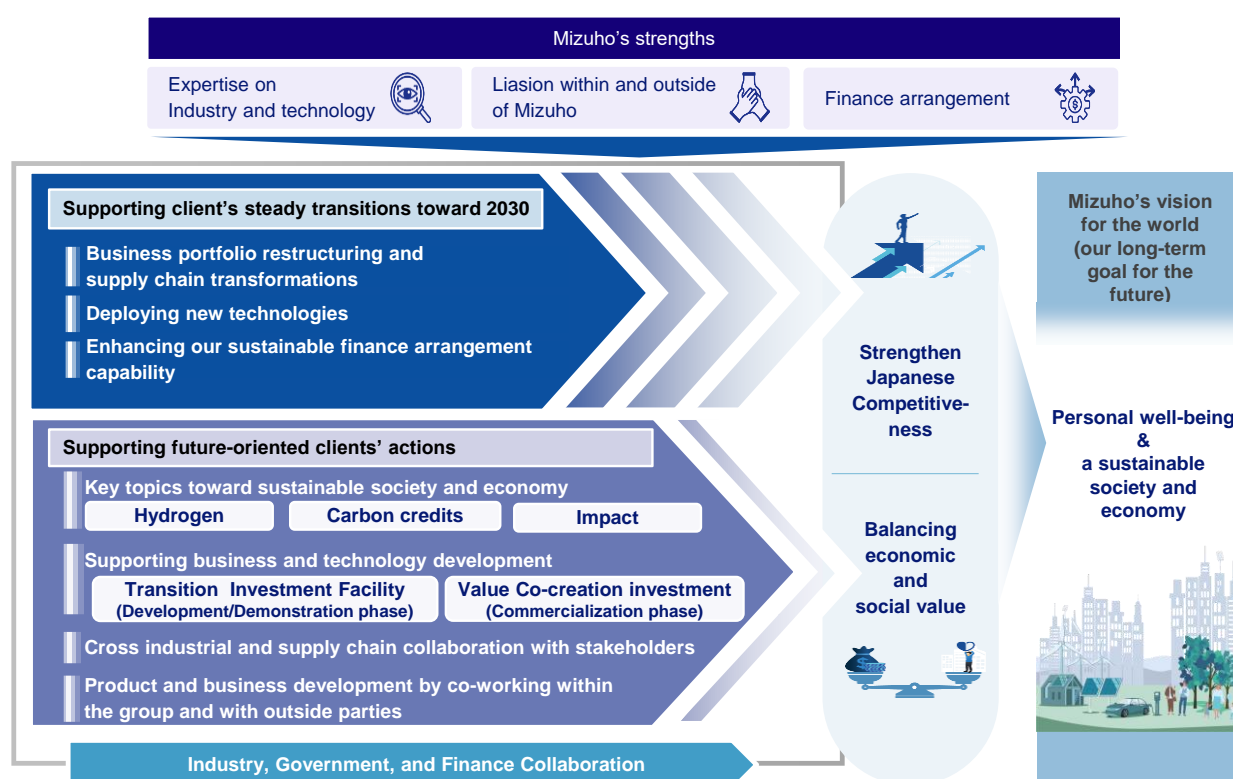
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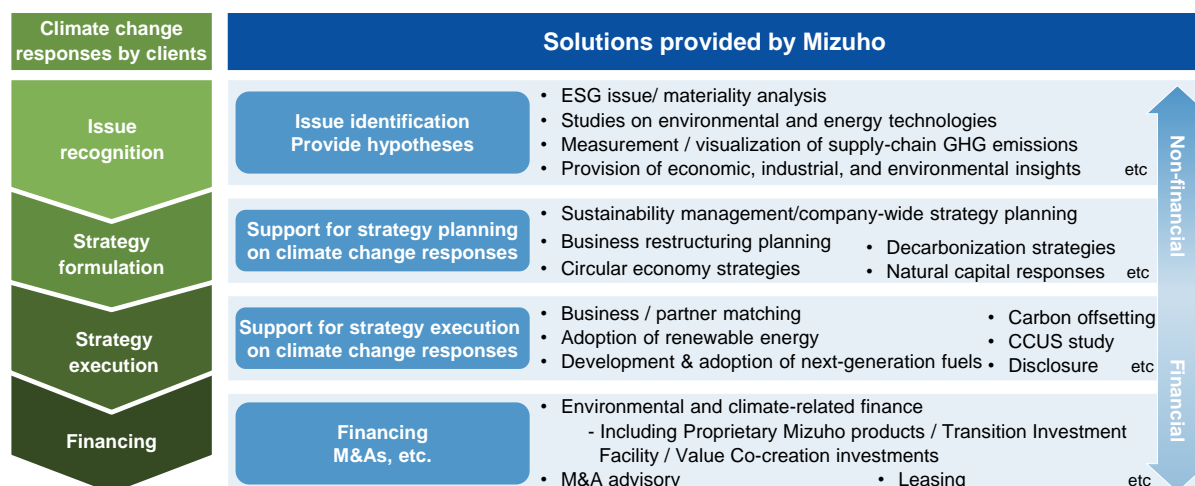
1 Introduction

Mizuho Group (“Mizuho”), whose ultimate parent company is Mizuho Financial Group, Inc. (“Mizuho FG”), is one of the world's largest financial group. Mizuho Bank, Ltd. (“Mizuho BK”) is wholly owned by Mizuho FG and one of the largest Japanese banking corporation with a strong customer base and many branches across the world.

Mizuho recognizes that supporting our clients’ efforts to respond to climate change and transition to a decarbonized society is an important role for financial institutions to play. We are supporting our clients’ sustainability transformation (SX) by leveraging Mizuho’s strengths in expertise on industries and technologies, and capability of liaison within and outside of Mizuho and finance arrangement capability. Specifically, we aim to strengthen Japanese industries’ competitiveness and balance economic and social value by leading structural transformation of industries toward decarbonization through supporting our clients’ steady transitions toward 2030 and future-oriented clients’ actions.

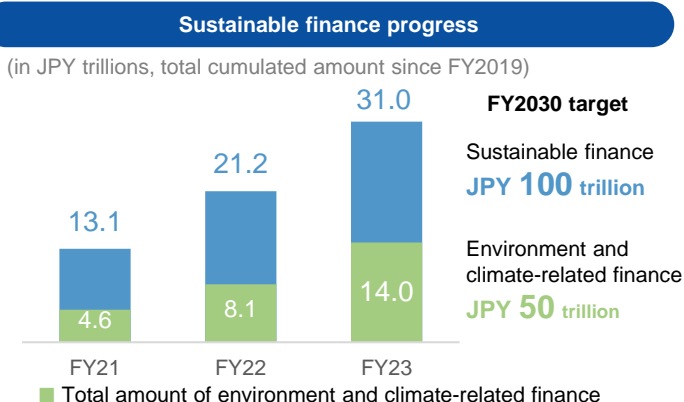


In order to capture business opportunities associated with the transition to a decarbonized society, Mizuho provides consistent support to our clients from both financial and non-financial perspectives to restructure business portfolios, transform supply chains, and work toward social implementation of next-generation technologies that will lead to future industrial structural transformations. Our support covers from issue recognition, strategy formulation, its embodiment and commercialization, to financing during the execution stage.



Mizuho believes that, especially with regard to sustainable finance, it is an important role for financial institutions to generate further money flows to meet the massive demand for climate change financing. Given this, Mizuho has set a sustainable finance target of JPY 100 trillion, of which JPY 50 trillion is earmarked for environment and climate-related finance (cumulative total over the period of FY2019 through to FY2030).

We have steadily built up a track record by assessing our clients' issues and needs accurately – arranging a total of JPY 31.0 trillion for sustainable finance between FY2019 and FY2023 (of which JPY 14.0 trillion was environment and climate-related finance). Mizuho has showed a strong presence in the sustainable finance area, holding the No.1 position for five successive years in league table of domestic publicly offered SDGs bonds. We will continue to proactively provide green/transition financing and risk money for practical applications of technologies to our clients who are taking on the challenge of decarbonization with us.



2 Framework Overview

Mizuho BK will allocate the net proceeds of its Green Deposits to finance and/or refinance, in whole or in part, existing and future qualifying environmental projects (“Eligible Green Projects”) as defined by its internal investment criteria as specified below.

Eligible Green Projects will meet one or more of the Eligible Activities under the Categories 1 to 8 below, not violating any relevant exclusion criteria.

For the cases of general purpose loans for corporations, each corporation needs to generate 90% or more of its sales from the Eligible Activities set in the table below.

2.1 External Review Process

Version 2.0 of this Green Deposit Framework was updated in November 2024 by Mizuho BK in collaboration with Sustainalytics, a Morningstar company, and a leading independent ESG and corporate governance research, ratings and analytics firm that supports investors around the world with the development and implementation of responsible investment strategies.



For more than 30 years, Sustainalytics has been at the forefront of developing high-quality, innovative solutions to meet the evolving needs of global investors. Today, Sustainalytics works with hundreds of the world’s leading asset managers and pension funds who incorporate ESG and corporate governance information and assessments into their investment processes. Sustainalytics also works with hundreds of companies and their financial intermediaries to help them consider sustainability in their policies, practices and capital projects.

Mizuho BK is responsible for developing and maintaining the overall Mizuho BK Green Deposit Framework and underlying eligible themes and activities. Mizuho BK’s eligible loan and Green Deposit portfolios are reviewed by Sustainalytics on an annual basis to ensure alignment with this guide.

Information and understanding on environmental matters continue to evolve and Mizuho BK commits to reviewing this Green Deposit Framework on an annual basis with the support from Sustainalytics to evaluate if there are eligible activities that need to be added or removed to the Green Eligibility Criteria.

2.2 Green Eligibility Criteria

1. Renewable Energy

Sub-categories	Eligible Activities	Exclusions
Electricity generation <i>SDG 7. Affordable and clean energy</i>	<ul style="list-style-type: none"> Development, construction and operation of renewable energy facilities including: <ul style="list-style-type: none"> Wind. Solar. Solar thermal, with less than 15% fossil fuel back-up. Waste biomass energy, with feedstock limited to i) residues from forestry and agriculture, ii) residues from fishery certified with MSC¹, ASC² or MEL³, iii) palm kernel shells or palm oil mill effluent from palm oil operations certified with RSPO⁴ or RSB⁵, or iv) wastewater and sewage sludge. Non-waste biomass energy with life cycle emissions intensity of less than 100 gCO_{2e}/kWh, using feedstock restricted to i) wood and wood pellets certified with FSC⁶ or PEFC⁷, or ii) non-wood crops. Geothermal energy, with direct emissions of less than 100 gCO₂/kWh. Run-of-river hydro facilities without artificial reservoir or low storage capacity. Hydropower facilities with i) life cycle emissions of less than 50 gCO_{2e}/kWh (less than 100 gCO_{2e}/kWh for facilities that became operational before the end of 2019), or ii) power density of greater than 10W/m² (greater than 5 W/m² for facilities that became operational before the end of 2019). 	<ul style="list-style-type: none"> Waste biomass projects wastewater and sewage sludge are derived from fossil fuel operations. Non-waste biomass projects using feedstock that: <ul style="list-style-type: none"> i) is produced on land with high biodiversity that has been converted for its production in the last 10-15 years, or ii) is produced on land with a high amount of carbon that has been converted for its production, or iii) competes with food production. For non-wood crops: (i) use of peat feedstock, (ii) 10% or more of the feedstock is non-certified oil, energy crops, including corn, soy, sugarcane and wood pellets without sustainable sourcing and GHG emissions reduction commitments. Animal fats, oils and other animal processing by-products. Animal manure from industrial-scale livestock operations.

¹ Marine Stewardship Council (MSC), at: <https://www.msc.org/>

² Aquaculture Stewardship Council (ASC), at: <https://www.asc-aqua.org/>

³ Marine Eco-Label Japan (MEL), at: https://melj.jp/eng/about_us

⁴ The Roundtable on Sustainable Palm Oil (RSPO), at: <https://rspo.org/>

⁵ The Roundtable on Sustainable Biomaterials (RSB), at: <https://rsb.org/>

⁶ Forest Stewardship Council (FSC), at: <https://fsc.org/en>

⁷ Programme for the Endorsement of Forest Certification (PEFC), at: <https://www.pefc.org/>

		<ul style="list-style-type: none"> Hydropower projects which have not undertaken an environmental and social impact assessment by a credible body that ensures no significant risks and controversy surrounding the projects.
Transmission and distribution (T&D) <i>SDG 7. Affordable and clean energy</i>	<ul style="list-style-type: none"> Development and construction of any of the following operational electric grids: <ul style="list-style-type: none"> that are dedicated to connecting renewable energy to power grids, or where renewable power accounts for 90% or more of the power supported or integrated by the project. Distributed assets that are intended to reduce the curtailment of renewable energy into the grid (grid components). 	<ul style="list-style-type: none"> New T&D infrastructure dedicated to connecting new fossil fuel power plants.
Renewable Energy Technologies <i>SDG 7. Affordable and clean energy</i>	<ul style="list-style-type: none"> Production of hydrogen from 100% renewable energy through electrolysis (“green hydrogen”). Production of ammonia from 100% renewable energy through electrolysis (“green ammonia”). Development, manufacturing, and operation of energy storage: <ul style="list-style-type: none"> that is connected to renewable energy, or that is connected to a grid that meets the T&D criteria above. Development and production of components, technologies and equipment used for the abovementioned renewable energy projects,⁸ including Information and Communication Technology (ICT). 	

⁸ For manufacture of components for solar, wind, hydropower and geothermal, facilities should be wholly dedicated to components for renewables.

2. Pollution Prevention and Control

Sub-categories	Eligible Activities	Exclusions
Recycling and Waste-to-Energy <i>SDG 12. Responsible consumption and production</i>	<ul style="list-style-type: none"> Development, construction, and operation of: <ul style="list-style-type: none"> Waste recycling facilities. Waste-to-energy power plants where majority of recyclables (e.g. plastics, rubber) are segregated before incineration. 	<ul style="list-style-type: none"> Chemical recycling of plastics Recycling of waste from electrical or electronic equipment without a robust waste management plan to mitigate associated risks Plastics, rubber, tire-derived fuels (TDF) for energy or fuel conversion. Gas capture from operational landfills. Landfill gas capture for flaring.
Air Pollution Prevention and GHG Control <i>SDGs 9. Industry, innovation and infrastructure</i>	<ul style="list-style-type: none"> Development, production, and installation of including: <ul style="list-style-type: none"> Technologies and equipment to prevent air pollutions such as diffusion of particulate matter, or leakage of hazardous air pollutions, such as volatile organic compounds (VOCs). ICT solutions (monitoring tools and software) explicitly intended to analyze and collect GHG emissions data. 	<ul style="list-style-type: none"> Prevention of air pollution i) from fossil fuel production or ii) that results directly from technologies that are inherently reliant on fossil fuels as an energy source.
Ocean Pollution Prevention <i>SDG 12. Responsible consumption and production</i> <i>SDG 14. Life below water</i>	<ul style="list-style-type: none"> Development, production, and installment of technologies and equipment that prevent plastics, chemicals or pollutants runoff in areas connected to rivers or coastal water basins including: <ul style="list-style-type: none"> Oil fences, silt fences, and wastewater treatment facilities. Research, design, development and application of management and reduction measures for contaminated water, waste and discharge from ships, shipyards and ports, including: <ul style="list-style-type: none"> Ballast water treatment systems on ships to comply with the International Convention for the Control and Management of Ships' Ballast Water and Sediments (BWM Convention) to prevent the spread of invasive alien species (ISO 11711). 	<ul style="list-style-type: none"> Projects for oil spill by fossil fuel producers. Water treatment systems and noise pollution reduction equipment intended for non low-carbon fuel or zero-emissions ships that run on conventional heavy fuel oil (HFO) or bunker fuel, low-sulphur heavy fuel oil (LSHFO), marine diesel oil (MDO), or liquefied natural gas (LNG). Systems and equipment intended for ships or vessels with transportation of fossil fuel freight >50% of its transported mass

	<ul style="list-style-type: none"> - Membrane bioreactor-type water treatment equipment and facilities powered by low-carbon sources or renewables, or with an average carbon intensity less than 100 gCO_{2e}/kWh for all black and gray water generated from ports and shipping and cruise ships. - Bilge water treatment in shipping vessels. - Measures for the reduction of maritime air and noise pollution. - Oil (fuel) spill prevention, risk avoidance, and improved recovery facilities, products, or technologies, such as magnetic soap, autonomous cleaning robots, absorbent sponges, to be deployed by specialized cleaning companies. - Solid waste collection facilities at ports and terminals that facilitate the source separation of recyclable materials. 	<ul style="list-style-type: none"> • Treatment of wastewater from fossil fuel operations (such as produced water from fracking)
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3. Clean Transportation

Sub-categories	Eligible Activities	Exclusions
Land transport <i>SDG 11. Sustainable cities and communities</i>	<ul style="list-style-type: none"> • Development and manufacturing of: <ul style="list-style-type: none"> - Zero-emission passenger cars such as battery electric vehicles (BEV) and hydrogen and fuel cell vehicles (FCV). - Hybrid cars including plug-in hybrid electric vehicles (PHEV) with emission threshold 75 gCO₂/km or below based on Worldwide Harmonized Light Vehicle Test Procedure (WLTP) lab tests. • Development, operation and upgrade of: <ul style="list-style-type: none"> - Public transportation, such as zero-emission buses and minibuses (BEV, FCV) - Public transportation facilities, such as Bus Rapid Transit (BRT) for aforementioned buses, and related infrastructure.⁹ - Passenger rails with universal direct emissions threshold below 50 gCO₂/pkm and freight rails with emission threshold 	<ul style="list-style-type: none"> • Rail lines and operations where fossil fuels account for more than 50% of total freight (by tkm) or more than 25% in mass. • Parking facilities, new construction and existing road infrastructure retrofits. • Fossil fuel filling stations and other assets that prolong the life and/or facilitate the use of fossil-fuel powered transport. • Self-propelled modes of non-motorized transport solely intended for leisure, such as skateboards, sailing, kayaks, canoes.

⁹ Associated infrastructure that supports and enable transportation assets that meet the eligibility criteria under this category.

	<p>below 25 gCO₂/tkm, and related infrastructure and technologies.¹⁰</p> <ul style="list-style-type: none"> - Non-motorized transport such as bicycles. 	
<p>Maritime transport and port logistics</p> <p><i>SDG 11. Sustainable cities and communities</i></p>	<ul style="list-style-type: none"> • Projects for the production of new low-carbon or zero-carbon vessels, powered by electricity, biofuel or hydrogen. • Project for the conversion of existing passenger and cargo vessels to vessels using a low-carbon fuel described above. • Projects for marine infrastructure including: <ul style="list-style-type: none"> - Facilities to refuel biofuels, hydrogen, ammonia, methanol, etc. - Infrastructure for Alternative Maritime Power (AMP), such as electrical outlets, electrical distribution and control systems. 	<ul style="list-style-type: none"> • Transportation of fossil fuel freight. • Financing of ships or R&D and infrastructure intended for ships that run on conventional heavy fuel oil (HFO) or bunker fuel, low-sulphur heavy fuel oil (LSHFO), marine diesel oil (MDO), or liquefied natural gas (LNG).
<p>Multi-modal transport</p> <p><i>SDG 11. Sustainable cities and communities</i></p>	<ul style="list-style-type: none"> • Projects to develop, operate and upgrade multi-modal transport, which is mix of rails with emissions threshold below 25 gCO₂/tkm for freight rail, ships powered by electricity, low-carbon biofuels or hydrogen, and/or heavy-duty trucks with the emission threshold below 25 gCO₂/tkm. 	

¹⁰ Includes metro, high-speed or interurban track, stations, and other supporting structures, overhead electric connection for electric road systems (ERS).

4. Green Buildings

Sub-categories	Eligible Activities	Exclusions
Development and acquisition <i>SDG 9. Industry, innovation and infrastructure</i>	<ul style="list-style-type: none"> Buildings that have received or will receive during the life of the Green Deposit at least one of the following classifications¹¹: <ul style="list-style-type: none"> LEED¹²: Platinum or Gold. BREEAM¹³: Outstanding or Excellent. CASBEE¹⁴: S Rank or A Rank. DBJ Green Building Certification¹⁵: 5 Stars or 4 Stars. ZEB/ZEH, Nearly ZEB/ZEH, ZEB/ZEH Ready and ZEB/ZEH Oriented.¹⁶ Buildings that align with a regional proxy (numerical scale) determined by the Climate Bonds Initiative (CBI). 	<ul style="list-style-type: none"> Industrial facilities. Buildings designed for the purpose of extraction, storage, transportation or transportation of fossil fuels.
Upgrade and retrofit <i>SDG 9. Industry, innovation and infrastructure</i>	<ul style="list-style-type: none"> Building upgrades, including energy-efficiency investments and/or building retrofits in line with: <ul style="list-style-type: none"> a low-carbon trajectory, as set out in the Low Carbon Buildings Standard as determined by the CBI (reduction of CO₂ emissions by at least 30% to the baseline). 	<ul style="list-style-type: none"> Industrial facilities. Buildings designed for the purpose of extraction, storage, transportation or manufacture of fossil fuels.

5. Energy Efficiency

Sub-categories	Eligible Activities	Exclusions
End-user energy efficiency <i>SDG 7. Affordable and clean energy</i>	<ul style="list-style-type: none"> Projects that use energy-efficient technologies, products or equipment (excluding household appliances) such as fossil-fuel-free LED, smart lighting solutions, sunlight controls, Building Management Systems (BMS), air conditioning and heating systems for the purpose of increasing 	<ul style="list-style-type: none"> Energy-efficient technologies designed or intended for processes that are inherently carbon-intensive or powered by fossil fuels:

¹¹ Net proceeds of the Green Deposit may be allocated towards new and existing loans from Mizuho BK to eligible green buildings with certifications as defined above, including the ones owned by J-REITs (Japanese Real Estate Investment Trusts).

¹² Leadership in Energy and Environmental Design (LEED), at: <https://www.usgbc.org/leed>

¹³ Building Research Establishment Environmental Assessment Method (BREEAM), at: <https://bregroup.com/products/breeam/>

¹⁴ Comprehensive Assessment System for Built Environment Efficiency (CASBEE), at: <https://www.ibec.or.jp/CASBEE/english/>

¹⁵ Development of Bank of Japan (DBJ) Green Building Certification, at: https://www.dbj.jp/en/service/program/g_building/

¹⁶ The Ministry of Land, Infrastructure, Transport and Tourism (MLIT), the Ministry of Economy, Trade and Industry (METI), and the Ministry of Environment (MoE) have jointly developed in 2021 at <https://www.env.go.jp/earth/zeb/detail/01.html>. The Building Energy Index (BEI) of ZEB/ZEH, nearly ZEB/ZEH, ZEB/ZEH Ready and ZEB/ZEH Oriented is superior to the five stars, the highest ranking, of BELS.

	energy efficiency, and/or certified with third-party certification specifically ENERGY STAR. ¹⁷	<ul style="list-style-type: none"> - Oil or gas-fired boilers, cogeneration and CHP units - Production processes in heavy industries, such as steel, cement, aluminum, etc.
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6. Sustainable Water and Wastewater Management

Sub-categories	Eligible Activities	Exclusions
Water supply <i>SDG 6. Clean water and sanitation</i>	<ul style="list-style-type: none"> • Development, construction, acquisition, operation and upgrading/renovation of including: <ul style="list-style-type: none"> - Water supply infrastructure with water-saving effects, including water storage, water pipes and water storage equipment - Desalination plants powered by renewable energy or other sources with an average carbon intensity of electricity at or below 100 gCO₂e/kWh. • Development and manufacturing of including: <ul style="list-style-type: none"> - Products and technologies to increase the supply and access to potable / drinking water. - Technologies, equipment and systems that reduce and/or monitor water footprints, such as drip irrigation, water-saving devices and water circulation solutions such as recycling systems for industrial and agricultural water. 	<ul style="list-style-type: none"> • Infrastructure depend on fossil fuels or provide water for fossil fuel operations, fracking, nuclear or mining activities. • Applications to hard-to-abate industries. • Desalination projects without an appropriate waste management plan for brine disposal • Integrated Water and Power Plant (IWPP) with fossil fuel power. • Equipment and methods dependent on fossil fuels.
Water sanitation <i>SDG 6. Clean water and sanitation</i>	<ul style="list-style-type: none"> • Development, construction, operation and upgrading of including: <ul style="list-style-type: none"> - Water treatment infrastructure such as water recycling systems and sewage works. • Development and manufacturing of including: <ul style="list-style-type: none"> - Technologies, products and systems that enhance the efficiency and effectiveness of water treatment infrastructure such as ones that promote the effective utilization of sewage sludge and sewage heat. 	<ul style="list-style-type: none"> • Treatment of wastewater from any fossil fuel operations.

¹⁷ ENERGY STAR, at: <https://www.energystar.gov/>

7. Environmentally Sustainable Management of Living Natural Resources and Land Use

Sub-categories	Eligible Activities	Exclusions
Sustainable forestry, agriculture and land preservation <i>SDG 15. Life on land</i>	<ul style="list-style-type: none"> Forestry and forest products: <ul style="list-style-type: none"> Growing and/or purchase of products or projects certified by FSC or PEFC. Agriculture and agricultural products: <ul style="list-style-type: none"> Growing and/or purchase of products or projects certified by Rainforest Alliance¹⁸, USDA Organic¹⁹ or Better Cotton Initiatives (BCI)^{20,21}. Land preservation: <ul style="list-style-type: none"> Preservation and/or restoration of native forests and high-conservation value forests. Soil remediation. 	<ul style="list-style-type: none"> Reforestation and afforestation without using tree species that are well-adapted to the site conditions. Reforestation and afforestation without having sustainable management plans preferably certified to FSC/PEFC certification. Agricultural units that include industrial livestock production units. Soil remediation related to the contamination or negative environmental externality from Mizuho BK's own or its loan borrower's own activities.
Sustainable fisheries and aquaculture <i>SDG 14. Life below water</i>	<ul style="list-style-type: none"> Development of value chains for fisheries, aquaculture and seafood products including: <ul style="list-style-type: none"> Land-based aquaculture production - Recirculating Aquaculture Systems (RAS) with ASC or MEL. Research, development and operation related to cultivation businesses of algae and marine micro-organisms for edible and biofuel use. For the case of biofuels from algae, it is limited to financing of R&D expenditures for the production of biofuels from algae cultivated on land in ponds or photobioreactors. Fisheries and aquaculture that meet MSC, ASC or MEL. 	<ul style="list-style-type: none"> Financing of equipment running on fossil fuels.

¹⁸ Rainforest Alliance Certification, at: <https://www.rainforest-alliance.org/for-business/2020-certification-program/>

¹⁹ U.S. Department of Agriculture, "USDA Organic", at: <https://www.usda.gov/topics/organic>

²⁰ Better Cotton Initiative (BCI), at: <https://www.bettercottonconference.org/>

²¹ In contrast to most credible certification schemes, BCI does not require adherence to specific performance standards, focusing instead on encouraging the attainment of improved performance over time. In addition, BCI also allows for the use of genetically modified organisms.

	<ul style="list-style-type: none"> - Production and procurement of marine products with MSC, ASC or MEL labels. - Traceability, tracking and monitoring systems that meet the Chain of Custody (CoC) certification standards for MSC, ASC or MEL to ensure sustainability of operations, facilities and supply chains in the fishing industry. 	
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8. Terrestrial and Aquatic Biodiversity Conservation

Sub-categories	Eligible Activities	Exclusions
Terrestrial biodiversity conservation <i>SDG 15. Life on land</i>	<ul style="list-style-type: none"> • Conservation and/or restoration of biodiversity and valuable natural habitats: <ul style="list-style-type: none"> - Removal of invasive alien plant species by mowing or weeding. • Conservation and/or restoration of biodiversity in urban areas: <ul style="list-style-type: none"> - Parks with green space on lands such as former factory sites and reclaimed lands - Urban or riverside parks with biotopes. 	<ul style="list-style-type: none"> • Removal of invasive alien plant species with agrochemicals, such as herbicide and insecticide. • Hunting, trapping, poisoning and culling of vertebrate animals considered as pests. • Water quality improvement by dredging of swamps and wetlands.
Aquatic biodiversity conservation <i>SDG 14. Life below water</i>	<ul style="list-style-type: none"> • Development and operation of services, technologies and systems for the conservation, improvement and restoration of marine, coastal and river ecosystems: <ul style="list-style-type: none"> - Wetlands and coral reefs conservation. - Restoration of riverbanks to a natural state (close to their native environment). - Biodiversity data analysis for planning biodiversity conservation. - Nature conservation and restoration projects related to protected areas and Other Effective area-based Conservation Measures (OECMs)²² in the oceans. - Improvement of water quality of rivers, lakes, swamps, or wetlands. 	<ul style="list-style-type: none"> • Restoration projects related to the negative environmental externality from Mizuho BK's own or its loan borrowers' own activities.

²² IUCN, "OECMs", at: <https://iucn.org/our-work/topic/effective-protected-areas/our-philosophy-protected-and-conserved-areas/oecms>

General Exclusionary Criteria

- Fossil fuel-based assets
- Fossil fuel-based transportation/infrastructure
- Transportation with the main objective of transporting fossil fuel or fossil fuels blended with alternative fuels
- Defense and security
- Palm oil
- Wood pulp
- Nuclear power generation
- Coal-fired power generation
- All mining sectors
- Tobacco sector
- Systems and facilities dedicated to controversial activities having harmful or environmental social impact, such as industrial scale livestock

2.3 Process for Project Evaluation and Selection

Eligible Green Projects are evaluated and selected based on compliance with the Eligibility Criteria above. Eligible Green Projects are identified and selected via a process that involves participants from various functional areas including Mizuho BK's Real Estate Finance Department, Project Finance Department and Sustainable Products Promotion Department, Corporate & Investment Banking Coordination Department, Treasury Department and Sustainable Business Promotion Department .

Process to mitigate environmental and social risk

Mizuho Group leverages its financial intermediary and consulting capabilities in order to proactively develop and offer financial products and services which support the environmental initiatives of corporations and other clients. In doing so, we aim to maximize positive impacts and avoid or mitigate negative impacts on the environment. We make decisions on financing and investments after examining the recognized risks based on our Environmental and Social Management Policy for Financing and Investment Activity, and with clients, we discuss (engage) medium- to long-term environment and social issues. We will revise our policy as needed.

For all project finance related business, Mizuho BK's Project Finance Department or other relevant departments evaluate financial viability of projects in accordance with internal credit evaluation process. For any large-scale development projects which have the potential to impact the natural environment and local communities, the Sustainable Development Office of Mizuho BK's Sustainable Products Promotion Department reviews projects

and conducts the required due diligence in light of the Equator Principles, and categorizes projects as Category A, B or C²³ based on its internal environmental and social risk assessment process. Such categorization is based on the environmental and social categorization process of the International Finance Corporation, complying with the Equator Principles. As a part of this process, Mizuho BK evaluates a project for minimal, limited or significant potential adverse environmental and social impact. For each project where limited or significant risk is identified, Mizuho BK's internal process requires the Sustainable Development Office to work in partnership with its clients to assess and manage these environmental and social risks and impacts in order to ensure that a project is implemented with full consideration of its impact on the natural environment and local communities.

For Eligible Project Category 4 (Green Buildings), a project is certified to a certain level such as by "LEED", "BREEAM", "CASBEE", "DBJ Green Building Certification", "BELS" or aligns with CBI criteria.

Mizuho's responsible financing and investment can be found at the link below:
<https://www.mizuhogroup.com/sustainability/business-activities/investment>

Selection of Eligible Green Projects

As for the selection process of Eligible Green Projects, based on the list of finances offered by Mizuho BK, Mizuho BK's Corporate & Investment Banking Coordination Department and others draft the list of Eligible Green Projects. Candidate projects, that are suited to any of Project Categories 1 to 8 above, will be proposed by Mizuho BK's Corporate & Investment Banking Coordination Department and others. Finally, Mizuho BK's Sustainable Business Promotion Department will select Eligible Green Projects from the candidate projects list.

2.4 Management of Proceeds

An amount equal to the net proceeds from the sale of a specific issue of Green Deposit will be allocated by Mizuho BK to the financing and/or refinancing of existing and/or new Eligible Green Projects. So long as that tranche of Green Deposit remains outstanding, Mizuho BK will keep the list of all Eligible Green Project loans based on Mizuho BK's internal loan data system and its output, and such records of that list will show an amount equal to the net proceeds from the issuance of such Deposit as allocated to the assets that meet Mizuho BK's internal investment criteria for Eligible Green Projects. Pending the allocation of the net proceeds of such Deposit to finance Eligible Green Projects, the net proceeds will be invested in overnight or otherwise short-term financial instruments and will be allocated to Eligible Green Projects as soon as practicably possible.

Payment of principal of and interest on the Green Deposit will be made from Mizuho BK's general funds and will not be directly linked to the performance of any Eligible Green Projects.

²³ According to the Equator Principles, Category A projects are defined as projects with potential significant adverse environmental and social risks and/or impacts that are diverse, irreversible or unprecedented. Category B projects have potential limited adverse environmental and social risks and/or impacts that are few in number, generally site specific, largely reversible and readily addressed through mitigation measures. Category C projects have minimal or no adverse environmental and social risks and/or impacts.

Mizuho BK will review and update the Eligible Green Projects to which the net proceeds of the Green Deposit are allocated on an annual basis. Any proceeds allocated to projects that have been sold, prepaid, amortized or otherwise become ineligible shall be reallocated to other Eligible Green Projects.

3 Appendix

Mizuho Group has participated in, affiliated with, endorsed or signed and, as applicable, publicly stated our adherence and commitment to the following:

- Asian Corporate Governance Association (ACGA)
Affiliated with Asset Management One.
- CDP
Participated by Asset Management One.
- Climate Action 100+
Participated by Asset Management One.
- Climate Bonds Initiative (CBI)
Participated by Mizuho FG.
- Cross Sector Biodiversity Initiative
Participated by Mizuho BK.
- Equator Principles
Adopted by Mizuho BK.
- ESG Disclosure Study Group (EDSG)
Affiliated with Mizuho BK, Mizuho Research & Technologies (“Mizuho RT”), Mizuho Trust & Banking (“Mizuho TB”) and Asset Management One.
- Global Financial Markets Association (GFMA)
Affiliated with Mizuho Securities (“Mizuho SC”).
 - Association for Financial Markets in Europe (AFME)
Affiliated with Mizuho International.
 - Asia Securities Industry & Financial Markets Association (ASIFMA)
Affiliated with Mizuho FG.
 - Securities Industry and Financial Markets Association (SIFMA)
Affiliated with Mizuho Securities USA.
- GX League Basic Concept
Endorsed by Mizuho FG and Mizuho Leasing Company.
- Impact management Project (IMP)
Affiliated with Mizuho FG and Mizuho BK.
- International Corporate Governance Network (ICGN)
Participated by Asset Management One.
- International Finance Corporation (IFC)
Participated by Mizuho BK, Mizuho SC and Mizuho RT.
- Japan Impact-driven Financing Initiative
Signed by Mizuho BK and Asset Management One.

- Japan Stewardship Initiative (JSI)
Participated by Mizuho RT and Asset Management One.
- Japan Sustainable Investment Forum (JSIF)
Participated by Asset Management One.
- The Montreal Carbon Pledge
Signed by Asset Management One.
- Net Zero Asset Managers initiative
Signed by Asset Management One.
- Net-Zero Banking Alliance
Affiliated with Mizuho FG.
- Partnership for Carbon Accounting Financials (PCAF)
Mizuho FG was appointed as chair of PCAF Japan coalition.
- Principles for Financial Action towards a Sustainable Society
Signed by Mizuho FG.
- Principles for Responsible Banking (PRB)
Participated by Mizuho FG.
- Principles for Responsible Investment (PRI)
Signed by Mizuho TB, Mizuho Realty One, Mizuho Asia Partners and Asset Management One.
- RE100
Participated by Asset Management One.
- Taskforce on Nature-related Financial Disclosures Forum (TNFD)
Participated by Mizuho FG, Mizuho RT and Asset Management One.
- TCFD Consortium
Endorsed by Mizuho FG, Mizuho Realty One and Asset Management One.
- UNEP FI
Signed by Mizuho FG.
- United Nations Global Compact
Signed by Mizuho FG.
- 30% Club Japan
Affiliated with Mizuho FG.

4 Disclaimer

- This document has been prepared solely for the purpose of providing information. This document is not recommendation for sales. This document has been prepared based on information believed to be reliable and accurate. Mizuho BK accepts no responsibility for the accuracy or appropriateness of such information.
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