



MUFG Sustainability Report 2024

- Addressing Priority Issues -

Mitsubishi UFJ Financial Group



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This report provides an overview of MUFG's sustainability initiatives for our stakeholders. It summarizes key efforts to tackle priority sustainability issues, based on information previously disclosed on MUFG's [website \(Sustainability\)](#) and in various related reports. For further details, please refer to our website and respective reports.

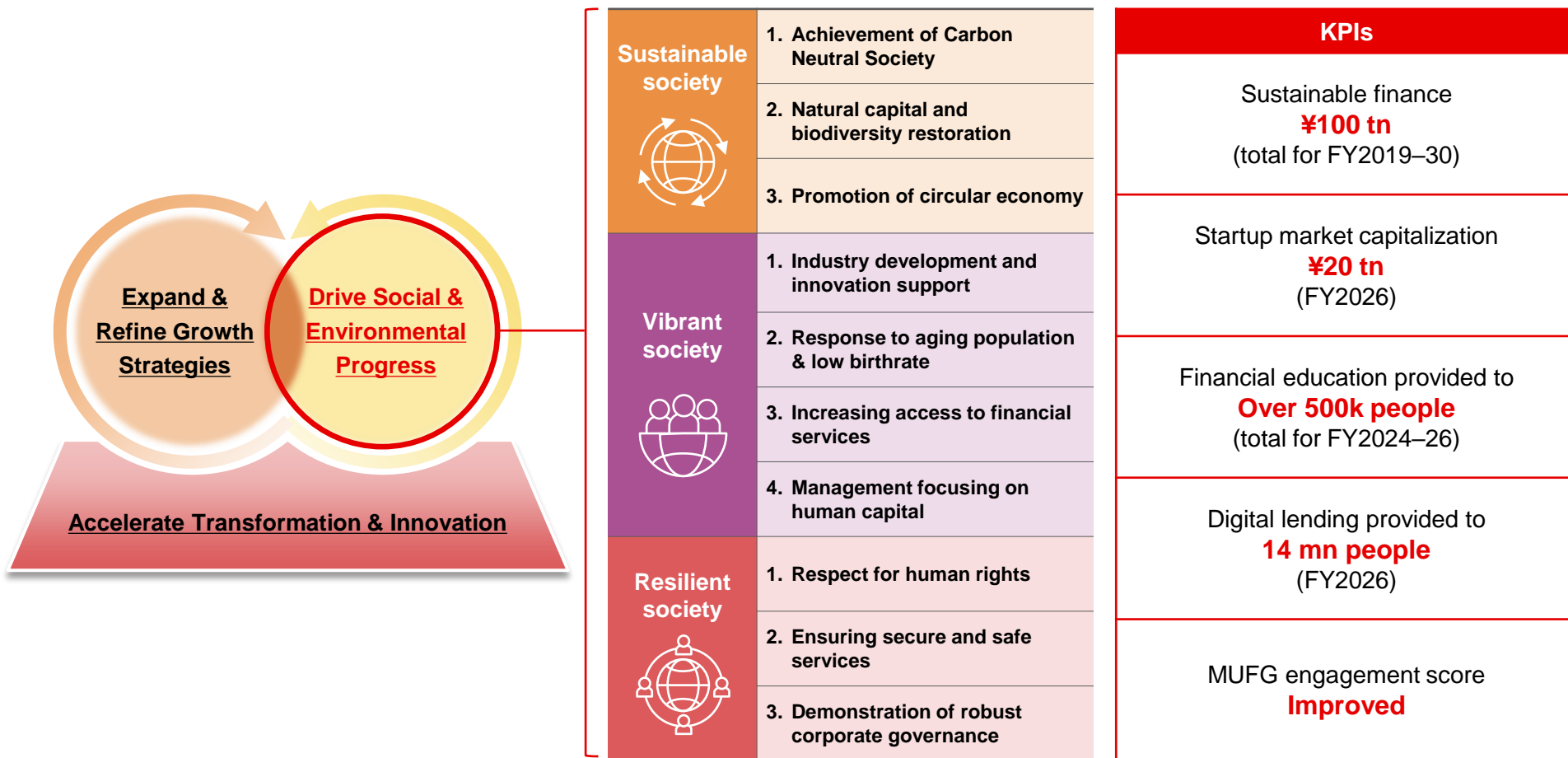
- Achievement of Carbon Neutral Society : [MUFG Climate Report 2024](#) (Published May 2024)
- Natural Capital and Biodiversity Restoration : [MUFG TNFD Report](#) (Published May 2024)
- Respect for Human Rights : [MUFG Human Rights Report 2024](#) (Published June 2024)

Promotion of Sustainability

- Positioning in the Medium-Term Business Plan
- Sustainability Governance / Governance Structure

Positioning in the Medium-Term Business Plan

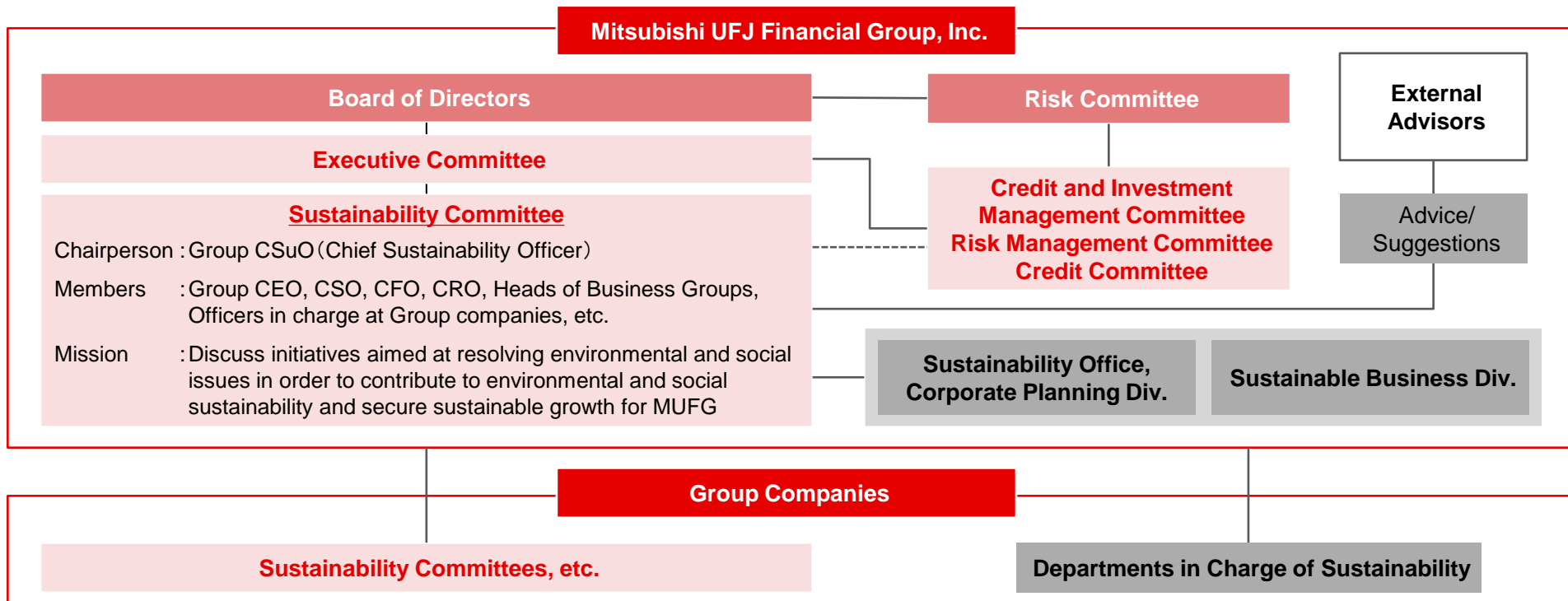
- MUFG has launched a medium-term business plan covering the next three years from FY2024. We have integrated the contribution to address social issues into our management strategies and positioned this as one of the three pillars of the medium-term business plan, and will further strengthen our initiatives in this area.
- Pursuing economic and social values is the key to improving corporate value. We identified ten priority issues under the subheads “Sustainable Society,” “Vibrant Society,” and “Resilient Society” and set specific targets as KPIs to strongly promote initiatives for solution of social issues.



Sustainability Governance / Governance Structure

- Sustainability-related issues are managed by the Executive Committee with various management sub-committees, subject to the oversight of the Board of Directors. The Sustainability Committee, which is a sub-committee formed under the Executive Committee and is chaired by the Chief Sustainability Officer, regularly deliberates policies on addressing sustainability-related matters, including risks and opportunities arising from such matters, and monitors the progress on the MUFG Group’s measures designed to address such matters. The committee reports to the Executive Committee and, as necessary, reports to the Board of Directors.
- Three external advisors have been invited to provide expert opinions on sustainability issues and risks at any time. These advisors exchange opinions with the members of the top managements and others and provide advice and recommendations from their professional standpoints on MUFG's sustainability initiatives.

Sustainability Governance Structure



 Supervision  Execution

Priority Issues: Sustainable Society

- Achievement of Carbon Neutral Society
- Natural Capital and Biodiversity Restoration
- Promotion of Circular Economy

Sustainable Society – Achievement of Carbon Neutral Society (1/2)

- In May 2021, MUFG announced the MUFG Carbon Neutrality Declaration, aiming to become carbon neutral by 2050. To reach carbon neutrality, we have been pursuing various initiatives based on three unwavering commitments: helping achieve the 1.5°C target by achieving carbon neutrality by 2050, supporting a smooth transition to a decarbonized society, and creating a sustainable society by fostering a virtuous cycle between the environment and the economy.

MUFG's three unwavering climate change commitments

1 Helping achieve the 1.5°C target of the Paris Agreement by achieving carbon neutrality by 2050



2 Supporting a smooth transition to a decarbonized society through our financial services



3 Proactively contributing to creating a sustainable society by fostering a virtuous cycle between the environment and the economy



- Based on the "Transition Plan Guidance" published by GFANZ, a coalition of financial institutions aiming for net zero, in November 2022, MUFG has developed its own transition plan.
- We published the "MUFG Climate Report 2024" in April 2024 to showcase the progress and achievements of MUFG's wide-ranging efforts toward decarbonization, including the content of our transition plan and our decarbonization approach, to our investors and various stakeholders. The following describes our key stance underlying MUFG's actions to address climate change.

- Carbon neutrality cannot be achieved by financial institutions alone; it is enabled through the carbon neutrality of clients, which means decarbonizing the real economy. To this end, it is crucial to realize steady progress in decarbonizing carbon intensive industries and regions through client engagement and support, including transition finance.
- Decarbonization pathways depend on regional characteristics, such as geographic conditions and industrial structure. Asia, in particular, is in the midst of economic development, and its increasing energy demand is expected to continue. It is therefore important to strike a balance between decarbonization and economic development.
- To both support clients and achieve MUFG's interim target for 2030, proper management for transition support and target achievement are necessary, and it is important to establish an effective framework to support these activities.

Sustainable Society – Achievement of Carbon Neutral Society (2/2)

- The key strategies for MUFG to achieve carbon neutrality are: 1) reducing emissions from own operations, 2) engagement and support, 3) reducing emissions from our financed portfolio, and 4) risk management and governance.

Key points in each strategy

1 Reducing emissions from own operations

- Roadmap to net zero emissions by 2030 and measures to achieve the interim target for FY2026
- Initiatives in the four areas of mobility, office buildings, energy, and resources to reduce environmental impact
- Achieving business co-creation through partnership with clients, including through the use of MUFG branches and facilities

3 Reducing emissions from our financed portfolio

- Setting 2030 interim targets for the automotive, aviation, and coal sectors to meet commitments under Net Zero Banking Alliance (NZBA)^{*2} guidelines
- Developing an operating framework for effective management (transition assessment framework, transaction screening process, escalation process, financed emissions monitoring, transition plan monitoring, etc.)
- FY2022 performance for sectors with interim targets and approach to achieve 2030 targets

2 Engagement and support

- Promoting engagement in line with our approach to support decarbonization
- Establishing Green Transformation (GX)^{*1} value chain support as a main strategy in the new medium term business plan and raising the sustainable finance target to 100 trillion yen
- Building frameworks for transition finance, promoting transition support through the Transition Whitepaper and Asia Transition White Paper, and making policy suggestions

4 Risk management and governance

- Establishing a system to properly manage climate change related risks based on the Risk Appetite Framework and the Top Risk Management
- Establishing a governance structure that enables appropriate decision making through various meetings aimed at achieving carbon neutrality under the supervision of the Board of Directors.
- Conducting capability building for sales teams to strengthen client engagement

*1. Green Transformation: Transformation of the entire economic and social system to achieve emission reductions and increase industrial competitiveness by viewing efforts to achieve 2050 carbon neutrality and 2030 national GHG emission reduction targets as an opportunity for economic growth.

*2. Net-Zero Banking Alliance: Established by the United Nations Environment Programme Finance Initiative (UNEP FI) in April 2021, this initiative commits banks to net zero GHG emissions in their financed portfolios by 2050.

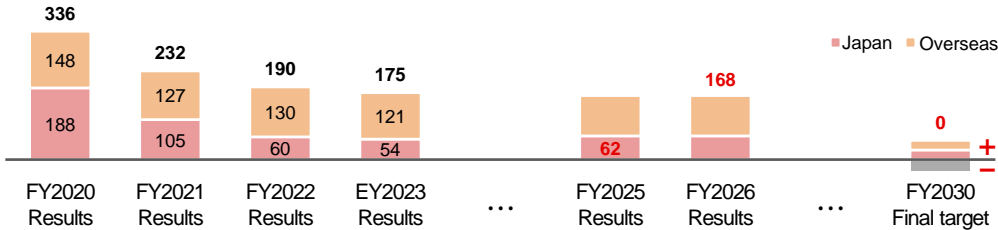
Sustainable Society – Achievement of Carbon Neutral Society [Reducing emissions from own operations]

- Based on the MUFG Carbon Neutral Declaration released in May 2021, we are working to reduce GHG emissions from our own operations to net zero by 2030. In addition to emissions reduction activities such as energy efficiency & conservation and renewable energy, we will drive forward a wide range of initiatives contributing to resource conservation and recycling through partnerships with MUFG clients, including startup companies. Furthermore, we at MUFG will independently and proactively engage in these initiatives, thereby strengthening engagement with clients and fostering employee awareness.

Interim target and roadmap (Scope 1 and 2)

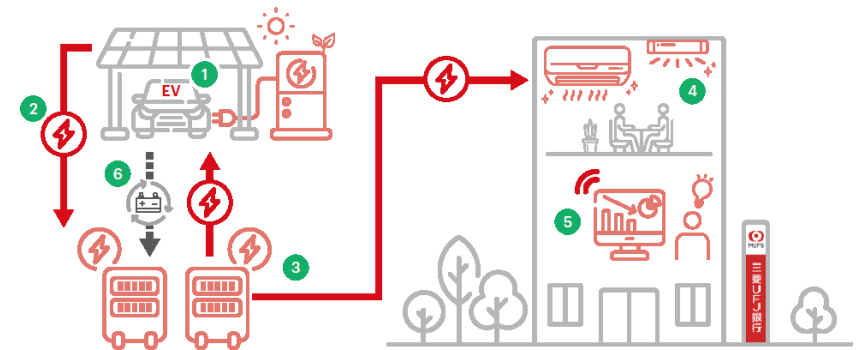
- There has been steady progress with emissions reduction. Going forward, we aim to achieve our targets through energy efficiency & conservation, convert electricity contracted by other companies to renewable energy and electrification of business vehicles.

(Thousand tCO₂e)



Measures to reduce environmental impact through partnership with clients

- In partnership with Hitachi, Ltd., MUFG is to introduce movable storage batteries, solar power generation, and EVs at the bank's Nerima Branch as an eco-friendly store and begin demonstration for effectiveness



- Switch to EV business vehicles
- Maximize use of renewable energy with solar power and movable storage battery
- Operate EVs with 100% renewables / increase store's energy self sufficiency
- Replace store facilities to improve energy efficiency & conservation
- Visualize energy self sufficiency
- Reuse batteries in the future

Measures to reduce environmental impact *includes projects under consideration

- In addition to in house initiatives, we plan to promote various types of business co creation in partnership with clients

Mobility	Achieving carbon neutrality for business vehicles	Energy	Procuring renewable energy with additionality
	Providing charging facilities to clients		Procuring renewable energy utilizing storage batteries
	EV energy management		Utilizing perovskite solar cells ^{*2}
Office buildings	Setting energy efficiency & conservation targets	Resources	Improving air conditioning efficiency with wireless power supply technology
	Eco friendly branch with energy generation and storage facilities <small>Refer to figure on the right</small>		Recycling used cooking oil
	Acquisition of environmental certifications		Recycling grease trap waste from cafeterias ^{*3}

*1. Asian partner banks Krungsri (Bank of Ayudhya) and Bank Danamon are MUFG consolidated subsidiaries in Thailand and Indonesia, respectively

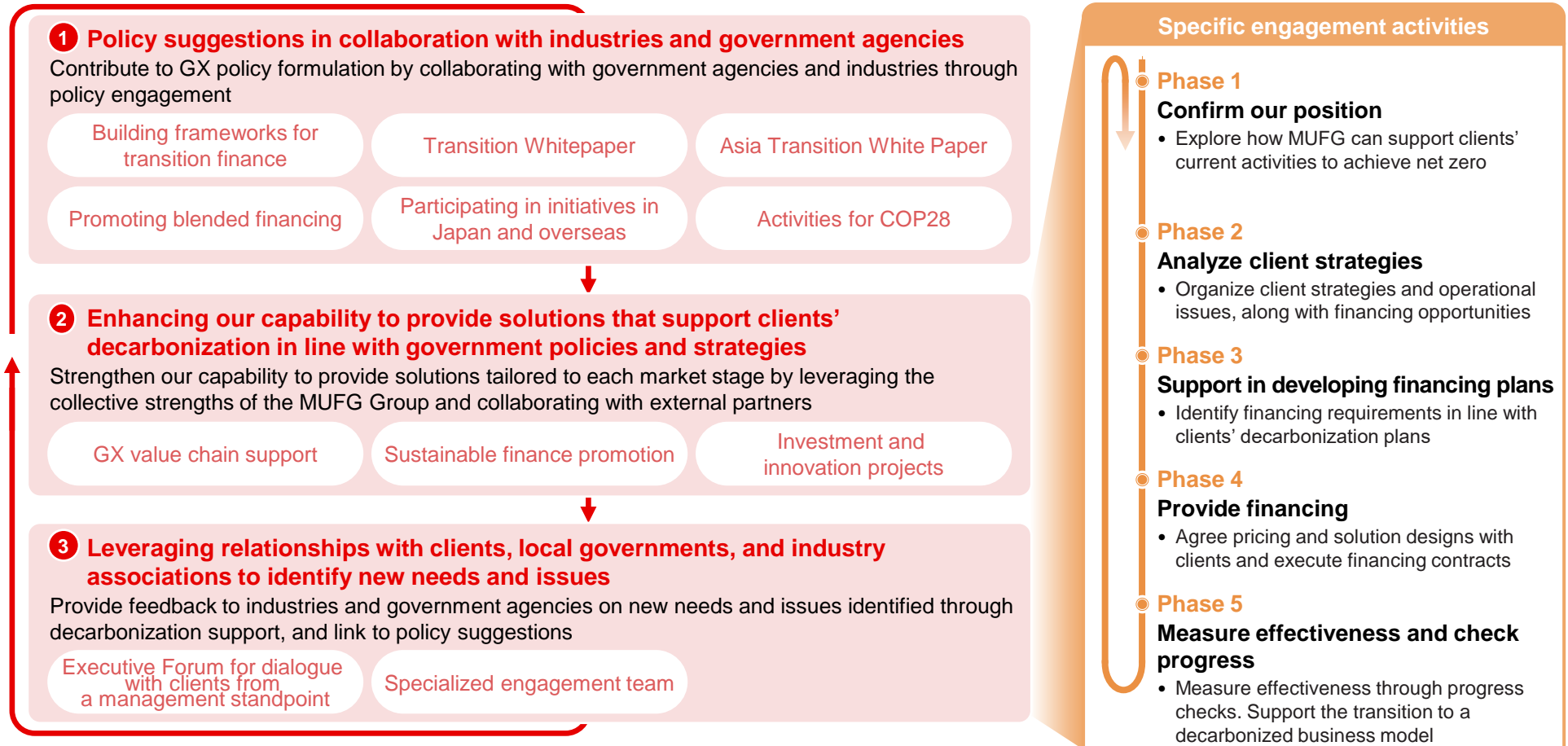
*2. A new type of solar cell using materials with a crystalline structure called perovskite

*3. Reusing oil and grease collected in cafeteria wastewater systems as biofuel

Sustainable Society – Achievement of Carbon Neutral Society [Engagement and Support (Engagement)]

- MUFG will continue to identify new needs and issues through the solutions we provide while offering suggestions to policymakers in collaboration with industries and government agencies. As we deepen our relationships with clients, local governments, and various industries through management-level executive forums to engage with clients, and through efforts of our newly established specialized engagement team, we provide valuable insights to both industries and government agencies on emerging needs and issues related to decarbonization. We are here to collaborate with our clients towards decarbonization in a responsible manner.

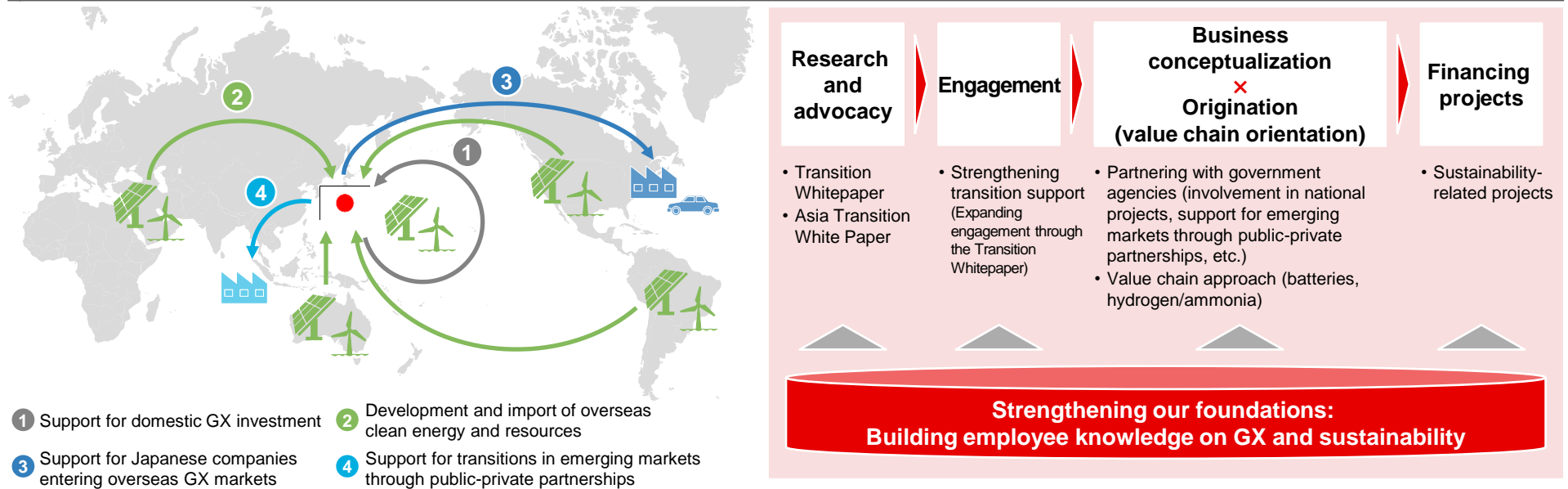
Engagement approach



Sustainable Society – Achievement of Carbon Neutral Society [Engagement and Support (GX value chain support)]

- MUFG has identified supporting value chain in Green Transformation (GX) as a key strategy for ‘Expand & Refine Growth Strategies’ in the new medium-term business plan. We aim to accelerate our clients’ GX investments by providing solutions for management that go beyond financing, such as GX project co-creation and transition support.
- The four strategic pillars for achieving this are ① support for domestic GX investment, ② development and import of overseas clean energy and resources, ③ support for Japanese companies entering overseas GX markets, and ④ support for transitions in emerging markets through public-private partnerships. Through research, advocacy, and engagement activities, we will support our clients’ business development and originate value-chain based projects to deliver our financing solutions.
- MUFG has raised its sustainable finance target from 35 trillion yen to 100 trillion yen by 2030, given strong progress that MUFG has made to date along with the growing demand for funds.

Overview of GX value chain support



Background for raising target level

- Strong progress against the existing target of 35 trillion yen, reaching 27.7 trillion yen (79.2% achievement) as of H1 FY2023
- Raised the target level in anticipation of even broader support for green bonds and renewable energy project financing in response to growing demand for funds for carbon neutral initiatives

New target

100 trillion yen
(including 50 trillion yen for environment areas)

Sustainable Society – Achievement of Carbon Neutral Society [Engagement and Support (Supporting transition)]

- Main initiatives to support transition and our achievements: ① Building frameworks for transition finance, ② Facilitating a whole of economy transition based on regional characteristics of Japan and Asia, ③ Policy engagement

Main initiatives to support transition and our achievements

1 Building frameworks for transition finance

- Became one of the Steering Group members for the NZBA and contribute to develop frameworks for transition finance as chair of the Transition Finance worktrack.

2 Facilitating a whole of economy transition based on regional characteristics of Japan and Asia

- Released the Transition Whitepaper with clients representing various sectors in Japan, and also released the Asia Transition White Paper which aims to contribute to decarbonization in Asia
- In September 2024, we published the "MUFG Transition White Paper 2024 (White Paper 3.0)."

[Transition White Paper](#) 

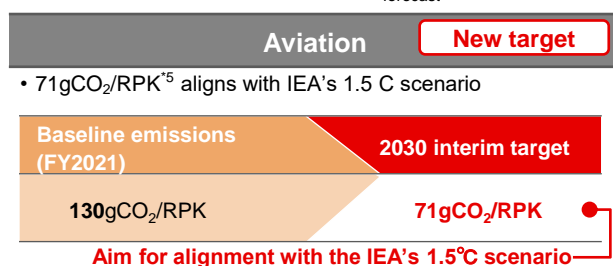
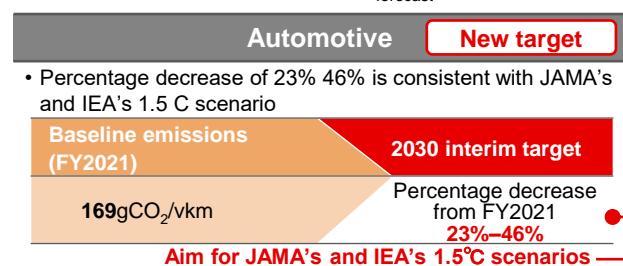
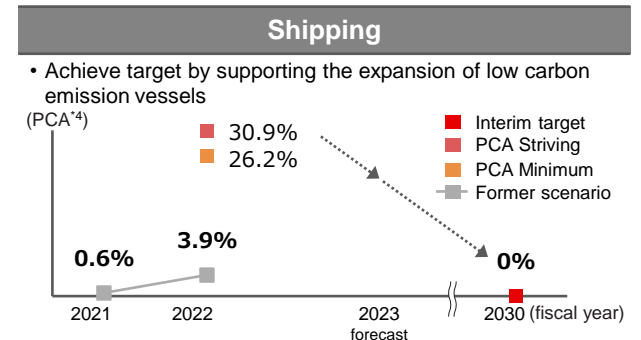
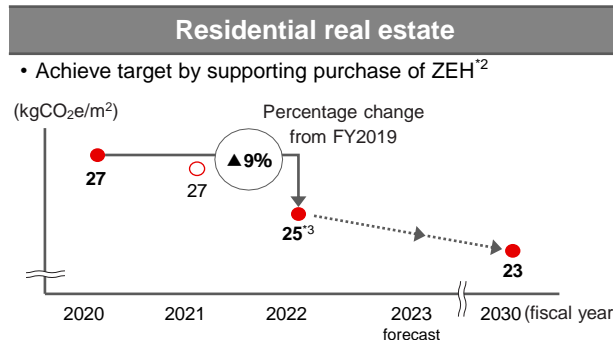
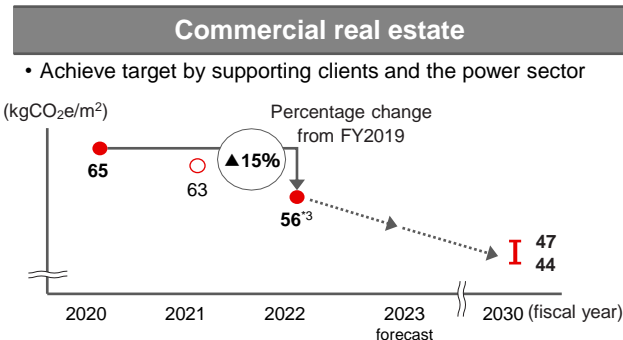
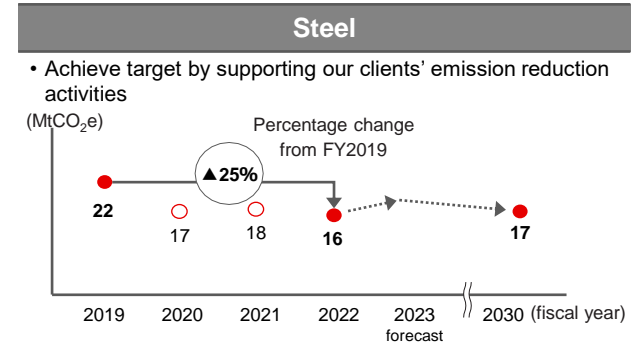
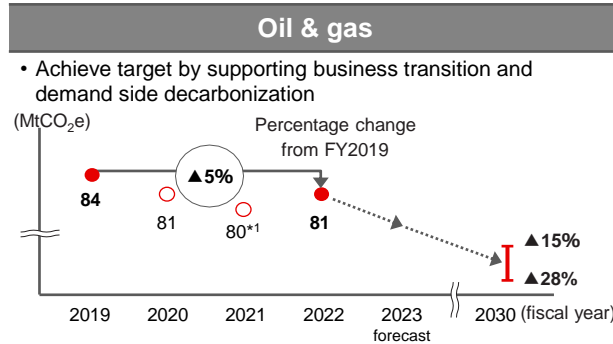
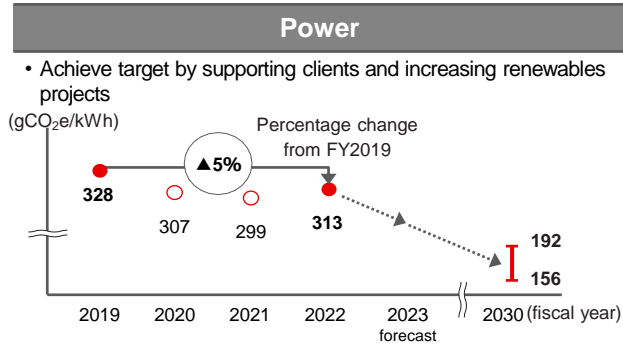
3 Policy engagement

- Promote blended financing with governments and public institutions and actively disseminate our view through initiatives and COP28

Sustainable Society – Achievement of Carbon Neutral Society [Reducing emissions from our financed portfolio (1/2)]

- Regarding emissions from our financed portfolio, we have set interim 2030 net-zero targets for greenhouse gas (GHG) emissions in five sectors: Power, Oil & Gas, Real Estate, Steel, and Shipping. These targets are based on guidelines set by the Net-Zero Banking Alliance (NZBA), which MUFG joined in 2021, and we are now disclosing our progress in each sector. In addition, we have set new interim targets for the Automotive, Aviation, and Coal sectors in April 2024. The progress of these sector interim targets is as follows:

Progress with our interim targets by sector



Coal

New target

- Zero loan amount by FY2030 (OECD) and FY2040 (Non OECD)

	FY2022	FY2030	FY2040
OECD countries	Approx. 3 billion yen	Zero balance	
Non-OECD countries	Approx. 12 billion yen		Zero balance

*1. 1 Due to some discrepancies in emission data, 76 was revised to 80. *2. Net zero energy house
 *3. Data on emission factors by building and fiscal year is from FY2021
 *4. Portfolio Climate Alignment score is based on the emissions intensity of vessels in scope of ship finance
 *5. Revenue Passenger Kilometers

Sustainable Society – Achievement of Carbon Neutral Society [Reducing emissions from our financed portfolio (2/2)]

- MUFG has implemented a transition assessment framework, which evaluates our clients' transition status, and a transaction screening process in order to provide managed transition support. We also monitor the progress toward achieving our 2030 interim targets.

Operating framework for effective management

Managed transition support

Transition assessment framework

Based on targets, governance, and emissions performance of carbon intensive sector clients who have 2030 interim targets

Transaction screening process

- Environmental and Social Policy Framework
- Transition screening to conduct deeply scrutinized transition assessments
- Following the Equator Principles^{*1}
- Assessment of climate change risk

Monitoring process to achieve 2030 interim targets

FE^{*2} Monitoring

Progress towards 2030 interim targets

Using available data and information, dynamically checking progress toward achieving the 2030 interim targets while taking into account market trends, and discussing appropriate actions

FE of entire portfolio

Regularly monitoring FE for the entire financed portfolio (including all of clients' Scope 1, 2, and 3 emissions)

Sustainability Risk Management Office (New)

Under our Group CRO^{*3}, this second line organization manages sustainability risk, including climate change, across the organization



Strengthening engagement by communicating MUFG's commitment to net zero

Escalation Process

Review credit terms & conditions for clients with no specific plans or directions for transition despite our engagement

Monitoring the transition plan

The Transition Plan Monitoring Meeting, jointly chaired by the CSO^{*4} and CRO, will be held biannually to verify the effectiveness of the operating framework and the progress of our transition plan. The operating framework will be updated as appropriate to ensure effectiveness.

Six tier category for transition assessment :

- | | | | |
|----------------|---|---|------------------------------------------------------------------------------------------------------------------------------------------------|
| High potential | ↑ | 1 | Reliable pathway to net zero by 2050 |
| | | 2 | Interim targets consistent with the Paris Agreement and based on scientific evidence are in place, and progress is being made to ward net zero |
| | | 3 | Interim targets are in place and efforts are underway toward reaching net zero |
| | | 4 | There is a 2050 net zero target (but no interim target) |
| Low potential | ↓ | 5 | There is a net zero target (but not for 2050) |
| | | 6 | No net zero target |




*1. Framework to identify, assess, and manage environmental and social risks and impacts associated with large scale projects

*2. Financed Emission: emissions attributable to financial institutions through financing

*3. Chief Risk Officer *4. Chief Strategy Officer

Sustainable Society – Achievement of Carbon Neutral Society [Risk management and governance]

- MUFG has established a system to properly manage climate change-related risks based on the Risk Appetite Framework and the Top Risk Management. The Risk Appetite Statement elucidates the Risk Appetite Framework which embodies MUFG's attempts to achieve an integrated group strategy along with effective risk management. The Risk Appetite Statement contains an overview of the Risk Appetite Framework (basic policy and management process) as well as specific business strategies, financial plans and risk appetite details. A summary of the Risk Appetite Statement is distributed throughout the Group in an effort to spread the basic philosophy behind the Risk Appetite Framework.
- Regarding governance, established an effective decision making governance structure with carbon neutral related meeting bodies under the supervision of the Board of Directors. Additionally, we reflect evaluation of ESG and sustainability initiatives, including climate change measures, in the executive compensation system.
- MUFG is focusing on employee capability building and is developing various measures for each employee group.

	Key initiatives	Overview
Risk management 	Risk Appetite Framework	Established a system to manage climate change related risks and clarify MUFG's risk appetite
	Top Risk Management	Positioned risks arising from climate change as top risk in our integrated Top Risk Management system
	Risk analysis by sector	Analyzed transition and physical risks of TCFD Recommended disclosure sectors in a heatmap
Governance 	Governance structure	Established an effective decision-making governance structure with carbon neutral related meeting bodies under the supervision of the Board of Directors
	Compensation system	Reflect evaluation of ESG and sustainability initiatives, including climate change measures, in the executive compensation system
Capability building 	Capability building	Conducted training program for front office representatives of major companies to enhance engagement skills (Total of about 2,000 participants in FY2023)
	Fostering culture	Held internal seminars and launched an internal social media platform to ensure that each MUFG employee has basic knowledge on sustainability and awareness to take action on their own

Sustainable Society – Achievement of Carbon Neutral Society [Next steps]

- While strengthening existing initiatives for each of our key strategies, MUFG will also pursue new initiatives that will contribute to achieving carbon neutrality.

Core initiatives

1 Reducing emissions from own operations

- Implement energy efficiency & conservation initiatives and convert electricity contracted by other companies to renewable energy to achieve FY2026 interim target
- Realize and promote various business co creations through partnerships with clients

3 Reducing emissions from our financed portfolio

- Regularly review targets based on NZBA guidelines
- Regularly review Environmental and Social Policy Framework
- Review progress through transition plan monitoring and revise as necessary
- Study targets for facilitated GHG emissions

2 Engagement and support

- Promote sustainable finance and GX value chain support as set forth in the new medium term business plan
- Continue efforts to support transition through initiatives and policy engagement and enhance engagement activities through the Transition Whitepaper
- Implement findings of Asia Transition White Paper
- Implement integrated initiatives for natural capital, circular economy, and human rights

4 Risk management and governance

- Study quantification of climate change risks
- Strengthen compliance with non financial information disclosure regulations and internal control
- Enhance climate change-related data management
- Strengthen training for front office representatives and spread insights for all employees

Sustainable Society – Natural Capital and Biodiversity Restoration [TNFD Disclosure]

- "In light of the importance of early disclosure to promote the TNFD (Taskforce on Nature-related Financial Disclosures), MUFG registered as one of the TNFD Early Adopters in January 2024 and is advancing its efforts and disclosures in line with the TNFD framework.

1. Governance

- Established a governance structure in which the Board of Directors oversees initiatives related to sustainability promotion, including natural capital
- Received recommendations for improving policies and initiatives from external advisors with expertise in environmental and social issues, including natural capital
- Promoted governance and initiatives that respect human rights, including consideration for stakeholders such as indigenous peoples and local communities with close ties to natural capital

3. Risk & impact management

- Conducted due diligence on projects with potential negative impacts on nature in accordance with the MUFG Environmental and Social Policy Framework when considering financing
- Conducted environmental and social due diligence based on the Equator Principles when financing large-scale projects such as infrastructure and natural resources development

2. Strategies

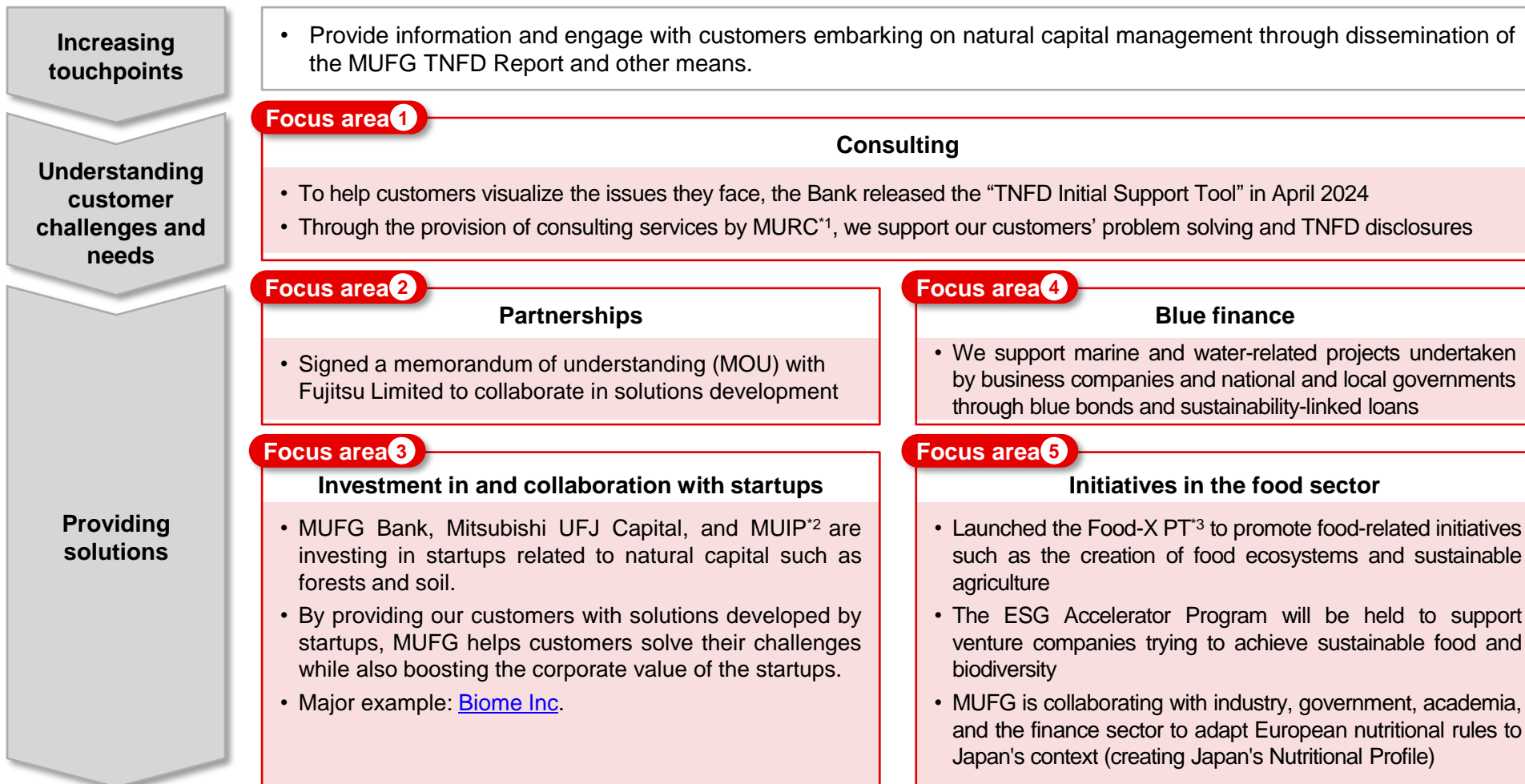
- Developed and provided solutions according to the client's stage of response. Specifically, focused on five areas where the Group can leverage its strengths (consulting, partnerships, startup support and collaboration, blue finance, and initiatives in the field of food)
- Sectoral analysis of dependence and impact on nature, following the LEAP Approach, to identify opportunities and risks
- Trial analysis of dependency and impact using information from our sites

4. Metrics and targets

- In investments and loans, in addition to the quantitative target for sustainable finance (cumulative total of JPY 100 trillion by FY2030), MUFG will expand support for clients based on dependency and impact analysis and create solutions in the field of food
- Set metrics and targets for waste reduction, effective use of plastic waste and paper resources, and GHG emission reduction

Sustainable Society – Natural Capital and Biodiversity Restoration [Five Focus Areas]

- MUFG recognizes that there are business opportunities in accordance with the stage of customers' actions to address natural capital. We support our customers' efforts by developing and providing diverse solutions based on their challenges and needs.
- MUFG supports customers' natural capital initiatives through activities in five focus areas where the Group can leverage its strengths. We will also promote collaboration with a wide range of stakeholders.



*1. Mitsubishi UFJ Research and Consulting Co., Ltd. *2. Mitsubishi UFJ Innovation Partners Co., Ltd.
*3. Food Transformation Project Team (Food-X PT)

Sustainable Society – Natural Capital and Biodiversity Restoration [Analysis with the LEAP Approach]

- To identify natural capital-related opportunities and risks, we conducted a sector-by-sector analysis of natural dependence and impacts, in compliance with the LEAP Approach in the TNFD disclosure framework.
- In addition to the results of the ENCORE analysis, we will continue to identify sectors and natural capital that require priority action, referring to corporate disclosures.

Dependence

Very high dependency High dependency

	Atmosp here	Habitats	Land geomorphology	Minerals	Ocean geomorphology	Soils and sediments	Species	Water
Energy								
Materials (Chemicals, Steel, Forestry, etc.)		High	High			High		High
Industrials (heavy industry, construction, civil engineering, etc.)								
Commercial / Professional services								
Transportation						High		
Automobiles and auto parts								High
Durable consumer goods and apparel								High
Consumer discretionary								High
Retailing								
Food and consumer staples retailing								
Food, beverages, and tobacco	High	Very High	High	High		High	Very High	Very High
Household product								High
Healthcare								
Banking								
Various financial services								
Insurance								
Software services								
Technology hardware								
Semiconductors								
Telecommunications services		High						
Media and entertainment								
Utilities	High	High				High	High	High
Real estate								

Impact

Very high dependency High dependency

	Atmosp here	Habitats	Land geomorphology	Minerals	Ocean geomorphology	Soils and sediments	Species	Water
Energy							High	High
Materials (Chemicals, Steel, Forestry, etc.)							High	High
Industrials (heavy industry, construction, civil engineering, etc.)							High	High
Commercial / Professional services								
Transportation							High	High
Automobiles and auto parts								High
Durable consumer goods and apparel								High
Consumer discretionary								High
Retailing								High
Food and consumer staples retailing								
Food, beverages, and tobacco	High	High	High			High	High	High
Household product								High
Healthcare								High
Banking								
Various financial services								
Insurance								
Software services								
Technology hardware								High
Semiconductors								High
Telecommunications services								High
Media and entertainment								
Utilities	High	High				High	High	High
Real estate		High					High	High

Sustainable Society – Natural Capital and Biodiversity Restoration [Process for Risk Management of Investments and Loans]

- When considering finance, a due diligence process to specify risk and impact on the environment and society, including natural capital, is implemented. When a business corresponds to a prohibited project as regulated in the MUFG Environmental and Social Policy Framework, finance is not implemented.
- In addition, when a business falls under Transactions of High Caution in the Equator Principles, additional due diligence is implemented by the responsible department, and the environmental and social considerations of the client are considered insufficient relative to the level of the potential risk or impact, financing will not be provided.

Overview of MUFG Environmental and Social Policy Framework

Applicable Products and Services

- Financing for corporate clients of the Bank, the Trust Bank, and the Securities services in all countries and regions*1

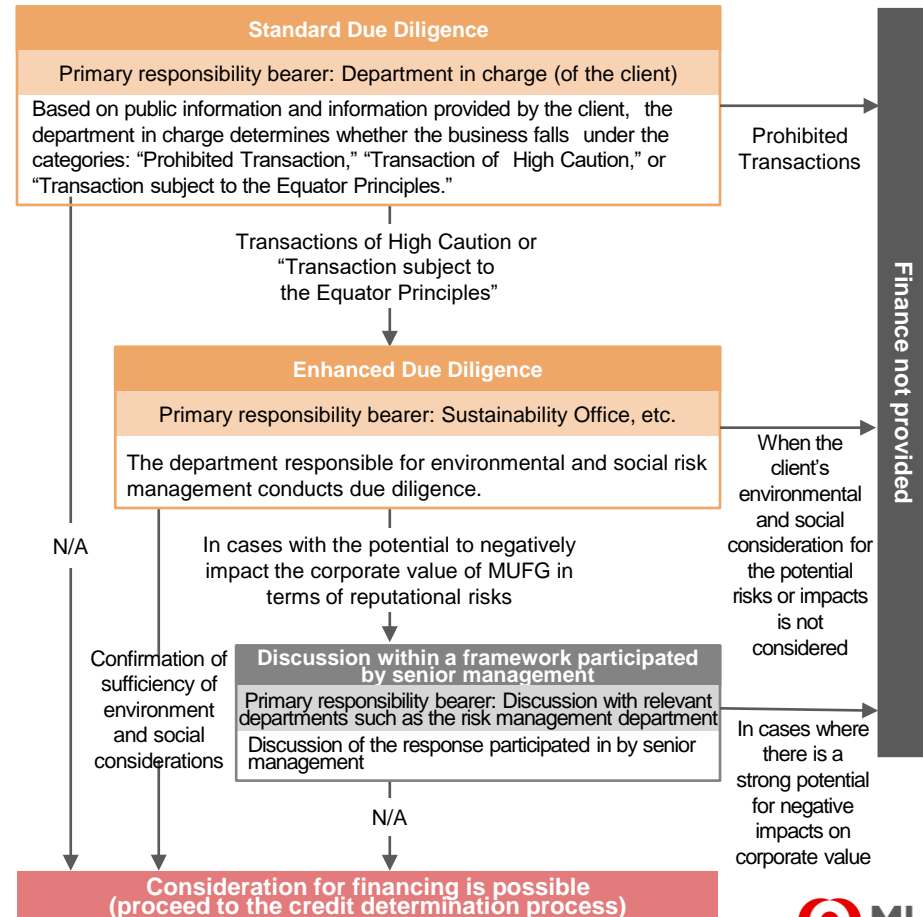
Prohibited Transactions

- Transactions that negatively impact wetlands designated under Ramsar Convention
- Transactions that negatively impact UNESCO designated World Heritage Sites
- Transactions violating the Convention on International Trade in Endangered Species of Wild Fauna and Flora (Washington Convention)
- Transactions involving the use of child labor, forced labor or human trafficking
- Cluster munitions and inhumane weapons manufacturing
- Illegal transactions and transactions for illegal purposes
- Transactions which violate public order and good morals

Transactions of High Caution

Cross-sector guidelines	<ul style="list-style-type: none"> • Impact on indigenous peoples communities • Land expropriation leading to involuntary resettlement • Impact on high conservation value areas • Cause of or contribution to violation of human rights, or direct linkage with violation of human rights in conflict areas
Sector specific guidelines	<ul style="list-style-type: none"> • Coal fired power generation • Mining • Oil and gas (oil sand, development of the arctic, shale oil and gas, oil and gas pipelines) • Large hydropower • Biomass power generation • Forestry • Palm oil

Environment and Social Risk Assessment Process

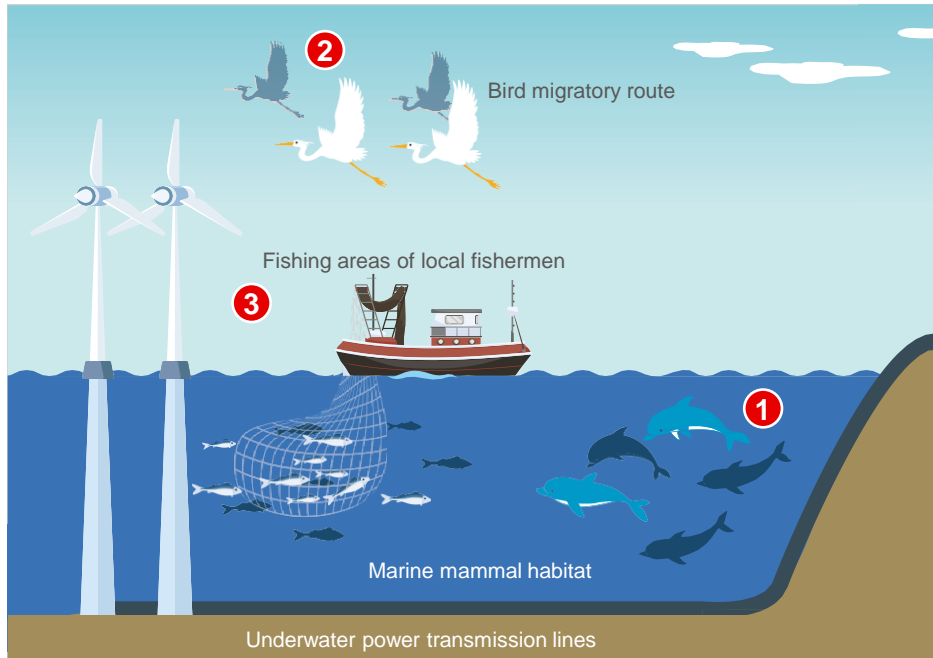


*1. Extension of credit and the underwriting of bonds and stocks to support clients' businesses

Sustainable Society – Natural Capital and Biodiversity Restoration [Case Study on Risk Management in Investments and Loans]

Project overview

- The project is construction and operation of multiple offshore wind power facilities. The route for the underwater transmission lines, which extend from wind turbines to the onshore area, overlaps with waters known as the habitat of marine mammals. In addition, the proposed site is located within the flight path of migratory birds, and it has been confirmed that important species arrive to the coastal areas during winter months.
- Furthermore, the route of the underwater transmission lines also overlaps with the fishing area of local fishermen. However, since maritime traffic will be restricted while the transmission lines are being laid, which may lead to a loss of livelihood for fishermen in the area.



Identification and evaluation of the risks and MUFG's response

1 Impacts on marine organisms

Risk	Impacts on the breeding of valuable species
Response	<ul style="list-style-type: none"> • Analyzed and verified impacts on valuable species based on assessment reports developed by experts • Requested development of management plans during the breeding season, including prohibition of material transport vessel operations and restriction on the vessels' cruising speed

2 Impacts on migratory birds

Risk	Impacts on the ecology of migratory birds
Response	<ul style="list-style-type: none"> • Requested surveys on the collision risks between operational wind turbines and birds and bats, securing of distance between turbines, and installation of lights to prevent collisions

3 Compensation for local fishermen

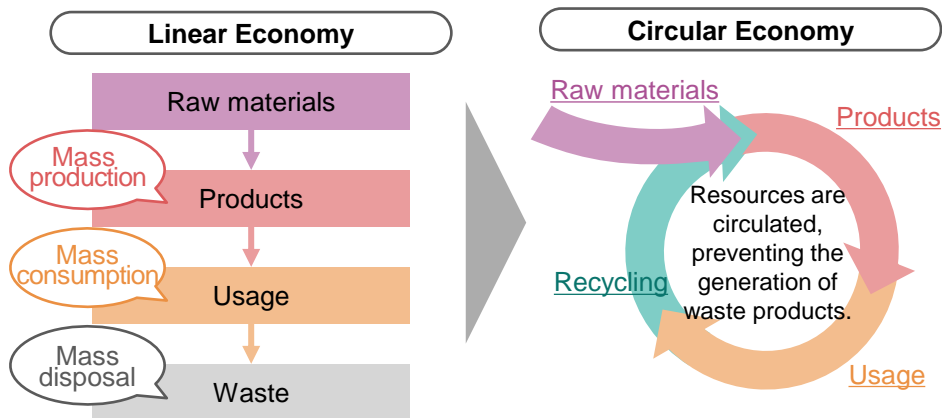
Risk	Potential loss of means of livelihood for fishermen
Response	<ul style="list-style-type: none"> • Requested operators to engage with fishing associations. In addition to financial compensation, the loan agreement stipulated a condition for signing a memorandum of understanding aimed at creating new means of livelihood, such as aquaculture • The lenders have retained independent experts and monitor the progress of the engagement

Sustainable Society – Promotion of Circular Economy

- As the risks of resource depletion impeding stable procurement and environmental pollution due to waste intensify, it is becoming increasingly important to transition from a linear economy of mass production, consumption, and disposal to a circular economy that uses resources efficiently and in a cyclical manner.
- In light of growing international awareness of resource recycling, the worsening waste problem, and the conservation of resources, MUFG is implementing a variety of initiatives to facilitate the transition to a circular economy.

What is a circular economy?

- A circular economy maximizes added value by efficiently and cyclically using resources at all stages of the value chain, while reducing costs and enhancing brand value.

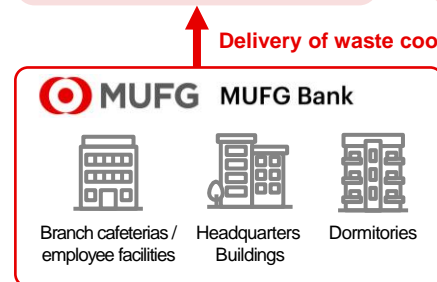
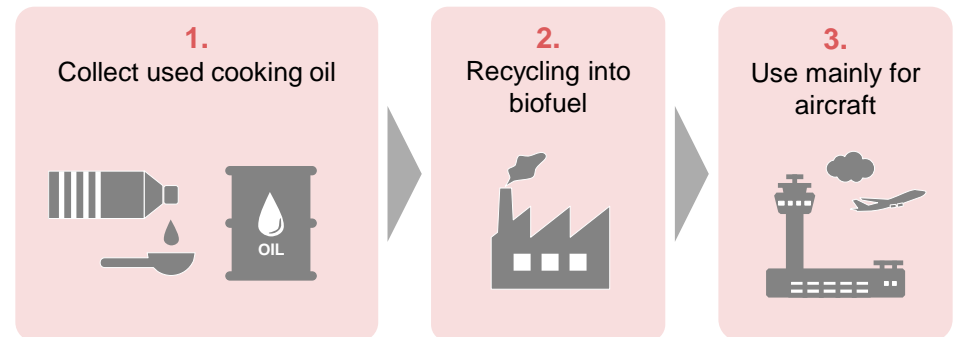


- The risks of resource depletion impeding stable procurement and environmental pollution due to waste are becoming apparent.
- As the transition from mass production, consumption, and disposal will reduce GHG emissions and more effectively utilize rare mineral resources needed for batteries, it is strongly correlated with climate action, increasing its importance.

Our Initiatives

- Starting in FY2024, MUFG will provide approximately 22,000 liters of waste cooking oil a year from cafeterias at 239 bank branches, headquarters buildings, dormitories, and welfare facilities nationwide for the domestic production of SAF (sustainable aviation fuel), thereby contributing to carbon neutrality in the aviation industry.

Overview of Waste Cooking Oil Recycling



Sustainable Society – Promotion of Circular Economy

- MUFG promotes a circular economy by launching and participating in various initiatives, and supporting customers' efforts through financing.

Participation in Initiatives

Industry-Government-Academia Circular Economy Partnerships (Circular Partners)

An initiative co-sponsored by the Ministry of Economy, Trade and Industry and the Ministry of the Environment to promote ambitious and pioneering industry-government-academia collaboration on the circular economy.

Japan Partnership for Circular Economy

An initiative launched by the Ministry of the Environment, the Ministry of Economy, Trade and Industry, and Keidanren (Japan Business Federation) to foster a better understanding of the circular economy among a wide range of stakeholders, including domestic companies, and promoting its initiatives.

Resource Recycling Council

1) Policy proposals, 2) social demonstration and implementation of effective resource recycling models, and 3) dissemination of information on Japanese and international examples of a circular economy.

Executive Sustainability Forum

An initiative led by PwC Japan which issued a joint statement on the circular economy and carbon neutrality in the ASEAN region.

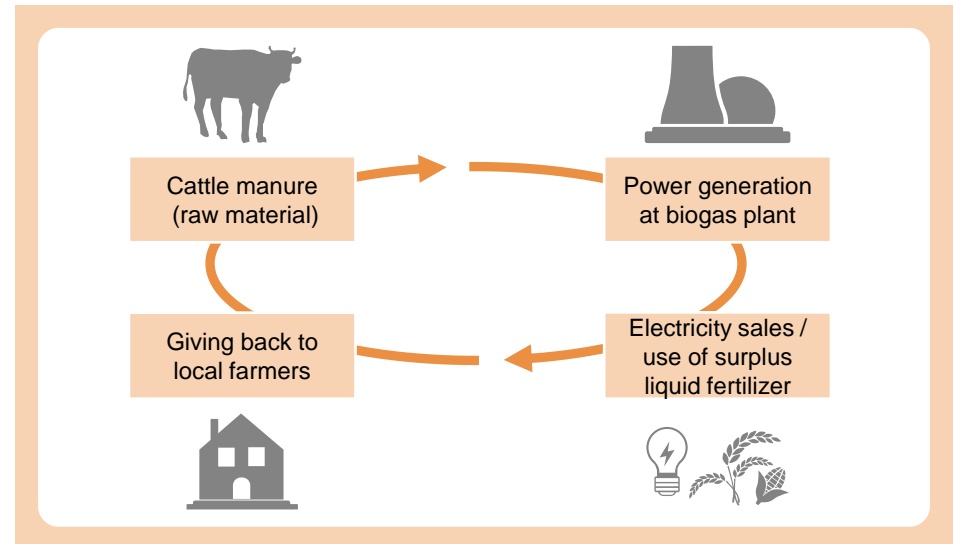
Circular Economy Association

An initiative launched by MURC and Harita Co., Ltd. to promote the understanding and establishment of circular economy businesses, and to build and publicize cooperative relationships and consortia among related organizations.

Support through Financing

Support for Green Loans for Biogas Power Generation in Okayama Prefecture

- Around 10,000 cattle are raised on reclaimed land around Kasaoka Bay in Okayama prefecture, posing challenges in manure disposal and odor reduction.
- The Bank closed a green loan deal with Kabuto Biofarm LLC to fund the construction of a biogas power plant that will utilize cattle manure, helping to resolve the issue at hand.
- Through the operation of the biogas power generation business, we aim to contribute to the SDGs through the renewable energy produced, promote local resource recycling, and address local issues.
- This is the first green loan in Japan for a biogas power plant using cattle manure, and it received the highest rating of "Green 1 (g1/m1)" from the Japan Credit Rating Agency (JCR).



Priority Issues: Vibrant Society

- Industry Development and Innovation Support
- Response to Aging Population & Low Birthrate
- Increasing Access to Financial Services
- Management Focusing on Human Capital

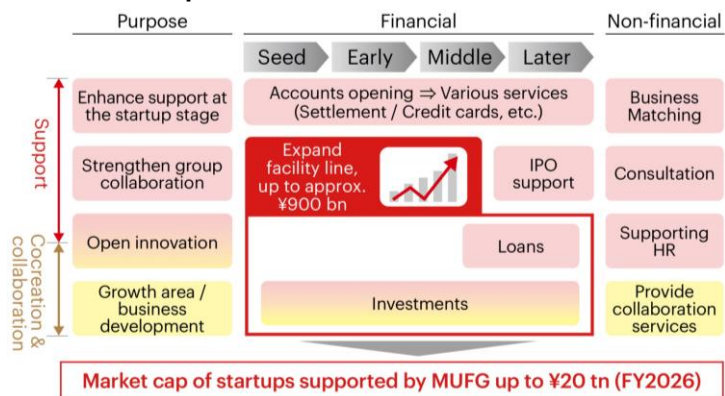
Vibrant Society – Industry Development and Innovation Support

- Our aim is to avoid economic stagnation and secure sustainable growth through the creation of growing industries, which are the drivers of economies, thriving startups, and the development of regional economies.

Startup Support

- MUFG has used the group functions to provide various support for domestic and overseas startups corresponding to their growth stage and collaborated to develop new services. Consequently, the total facility line, including through investment in Asian digital companies and fund origination by Mars Growth Capital, has expanded to approximately ¥900 billion.
- In Japan, 2022 marked the first year of startup creation, with the government’s announcement of the Startup Development Five-year Plan, which increased attention. Against this backdrop, we will accelerate various support for startups’ value enhancement, such as business matching, leveraging MUFG’s domestic and international networks, creating new business expansion opportunities through overseas expansion support, and providing financial support. In 2024, the Securities launched the JIVL^{*1}, a startup acceleration program, as part of its initiatives.
- MUFG will support new startups that tackle industrial development and drive social and environmental progress. As a target for these activities, MUFG has raised the market cap of startups supported up to ¥20 trillion by FY2026.

Initiatives for Startup



*1. Japan Inclusive Ventures Lab (JIVL) aims to support startups led by women or individuals from diverse backgrounds, leveraging the program of Morgan Stanley, a strategic partner of MUFG.

Contributing to Development and Solutions in the Space Industry

- The market scale of the space industry is 56 trillion yen in 2023 and will be 90 trillion yen^{*2} in 2030, making it one of the fastest growing industries in the world.
- The utilization of satellite-based communications, location data, and earth observation data is expected to expand in more wide-ranging fields and to contribute to solutions to a variety of social issues.
- The Bank engages in business co-creation investments that will contribute to the creation of new businesses and the achievement of sustainability in space. By providing knowledge and know-how concerning comprehensive financial services along with the wide-ranging network of the Bank, we will support the advancement of the space industry.



Astroscale Holdings' ADRAS-J commercial debris removal demonstration satellite

Support for Regional Revitalization - MUIC Kansai -

- As an initiative to tackle challenges in the tourism industry and revitalize the Kansai economy, in February 2021, MUFG opened MUIC Kansai in Osaka, a membership-based innovation center. Its core function is a “problem-solving program” aimed at creating innovation. It provides a platform that, together with member corporations and startups, can identify social issues, conduct PoC experiments, and implement solutions in society in an integrated manner.
- Initially, MUIC Kansai was intended to wrap up its operations in April 2025, coinciding with Expo 2025 Osaka Kansai. However, we have decided to continue the project beyond the Expo and expand its scope. Moving forward, we aim to establish a more comprehensive support system for startups and become a hub for the Kansai startup ecosystem. Additionally, we plan to expand the model for resolving social issues through collaboration between large corporations and startups nationwide, contributing to society as one of the platforms for implementing the Expo’s legacy.

*2. Estimate by Mitsubishi UFJ Research and Consulting Co., Ltd.

Vibrant Society – Response to Aging Population & Low Birthrate

- Amid a progressively aging population and low birthrate, we aim to enhance financial products and services tailored to meet the needs of elderly customers, and realize a society where asset building and succession are attainable for all generations.

Contribute to Making Japan a Leading Asset Management Center

- As a global comprehensive financial services group, we will promote investment and support asset formation through further enhancing our industry-leading asset management and investor services and providing customer-centered professional investment advisory services, diverse solutions, as well as financial and economic education.

Target / Strategy Aim

- Contribute to making Japan a leading asset management center to empower people to build more prosperous lives.

Asset management [AM]	AM Service beyond customers' expectations
Investor services [IS]	Pursue efficiency in AM industry
Sales/consulting	Contribute to expanding customer assets
Financial and economic education	Contribute to autonomous asset formulation for each generation

Succession of Businesses and Assets

- Employing functions afforded by the Group as well as networks offered by our alliance partners, we deliver proposals regarding M&A, inheritance, real estate and asset management by taking a groupwide, integrated approach. Through these endeavors, we support the succession of assets and businesses worth more than ¥1 trillion on an annual basis.

"Inheritance Guide" Online Service to Assist with Inheritance Procedures

- The service lets customers create and manage to-do lists for estate planning and inheritance procedures based on responses to simple questions, as well as view informational articles and search for related experts such as attorneys, tax accountants, and judicial scriveners. The service is freely available with no requirement to submit personal information.

MUFG Inheritance Research Institute

- The Trust Bank has established the MUFG Inheritance Research Institute to conduct research on asset management for an aging society and the smooth transfer of assets to the next generation.

Response to the Elderly

- In response to the growing financial assets of the elderly and the increase in dementia patients, we are expanding our services to include trust products for testaments and gifts, as well as services to alleviate anxiety related to cognitive decline due to aging.

Excellent Club (the Bank / the Trust Bank)

- A free membership-based service based on the concept of '100 years of life, 100 years of happiness.' In addition to providing information such as bulletins and seminars, as well as providing MUFG financial services, we also offer non-financial services that enrich our customers' daily lives and support healthy lifestyles.

Financial Gerontology

- The Trust Bank, through research in 'financial gerontology,' aims to develop products that prepare for cognitive decline and contribute to the health and longevity of our customers.

Financial and Economic Education



FINANCIAL EDUCATION PROGRAM for LIFE 「VALUE」 (the Securities)



Workplace Experience for Students (the Bank)

Vibrant Society – Increasing Access to Financial Services

- We aim to help establish a society in which the spread of digital technology provides all people with access to basic financial services, improving their quality of life and allowing them to achieve economic independence.

Building a Digital Financial Platform in Asia

- The need for digital financial services has grown rapidly in Asia against the backdrop of the proliferation of the internet and smartphones. To capture the growth of consumer finance in Asia, which is expected to further digitalize, and to capture the future leader in the field, MUFG has started strategic investment in digital finance services providers to build a foundation for the digital financial platform.
- Under the MTBP, we will pursue strategic investment opportunities for digital finance services providers under the “Asia x Digital” strategy. By focusing on supporting the growth of investees, we will capture the development of digital financial services in Asia that could not be fully captured through conventional financial services and contribute to financial inclusion in the region.
- In addition, we will promote collaboration and knowledge sharing among the investee digital finance services providers, partner banks, and MUFG group companies, aiming to build MUFG’s unique digital economic sphere, which will also include external partners.



Partner Bank - Krungsri (Bank of Ayudhya)-

Provision of Microfinance through HATTHA Bank Plc. (HTB)

- Krungsri provides opportunities for customers in emerging and developing countries to access financial services through its microfinance institution in Cambodia, HTB, and others.

Issuance of Gender Bonds by Krungsri (Bank of Ayudhya)

- Krungsri has issued social bonds (gender bonds) to support the financial needs of women entrepreneurs.

Enhanced Economic Security of the Unbanked in Emerging Markets

- MUFG also focuses on accumulating expertise in consumer finance acquired through investments in digital finance service providers, knowledge sharing, and creating synergies among investees. This has led to the formulation of a unique ecosystem called MODE (MUFG Openly-connected Digital Ecosystem). By using these activities to expand opportunities to provide digital lending, we aim to promote financial inclusion and contribute to improving the economic stability of the unbanked population in emerging economies.
- To enhance value for the MUFG Group as a whole, we will further promote cooperation and collaboration among entities within the MUFG ecosystem, including investees, partner banks, and MUFG Group companies.

Enhanced economic security of the unbanked in emerging markets

of digital lending borrowers (FY2026) **14mn**

HOME CREDIT Akulaku DMI FINANCE ...

Contribute to financial inclusion through digital financial players

- Support digital financial players by equity investment and MODE^{*2}
- Increased digital lending opportunities building on digital technologies, ecosystem and partnerships of our investees

*1. Customers without bank accounts

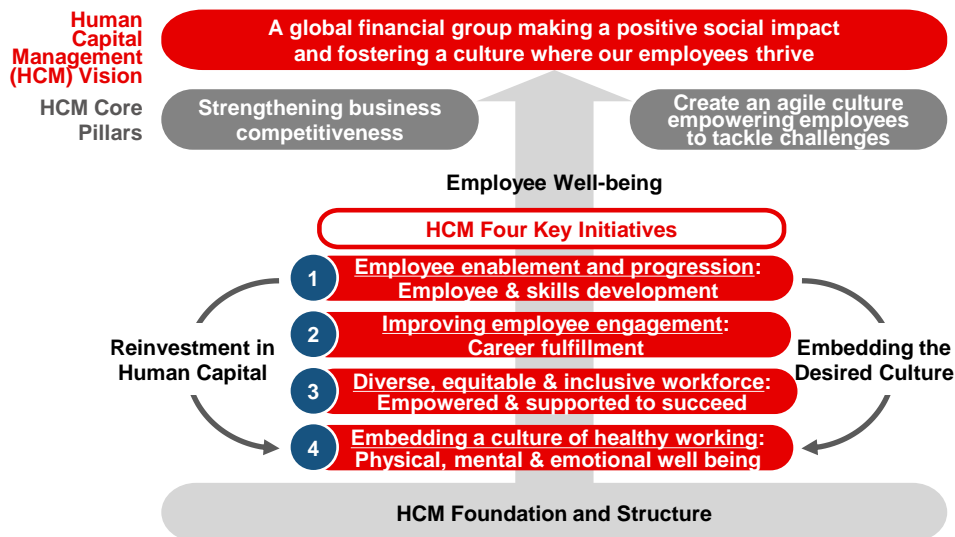
*2. An initiative to form a digital ecosystem for knowledge sharing and creating business synergies among MUFG investee companies

Vibrant Society – Management Focusing on Human Capital

- By putting human capital management into practice, we aim to become a global financial group that makes a positive social impact and fosters a culture where our employees thrive.
- To achieve MUFG's vision, we have defined four key initiatives, set human capital KPIs for each and disclosed the targets, and are pursuing various relevant measures.

Concept for Human Capital Management

- MUFG positions human capital as one of our most important types of capital. Through the enhancement of human capital, we aim to become a global financial group making a positive social impact and fostering a culture where our employees thrive. To achieve this vision, we practice human capital management based on two main pillars: "strengthening business competitiveness" and "create an agile culture empowering employees to tackle challenges." First, we believe that by maintaining and promoting the physical and mental health of each employee and creating an organization that recognizes and values the contributions of diverse talent, employees will feel secure in taking on challenges with speed. Furthermore, we aim to enhance employees' career fulfillment by providing growth opportunities that support autonomous career development, such as fair treatment commensurate with individual contributions and internal and external job postings. Additionally, we will strengthen our business competitiveness by establishing systems that allow employees to acquire and improve advanced skills and expertise, such as diversifying career paths and expanding training opportunities. By reinvesting a portion of the generated investment capacity back into human capital, we aim to establish a virtuous cycle of human capital management that ingrains a culture of "challenge and speed." Within this virtuous cycle, we believe that the continuous improvement of employee well-being will lead to the realization of our vision and the enhancement of corporate value.
- MUFG has detailed and disclosed targets for human capital KPIs to accelerate efforts towards four key initiatives for enhancing human capital. By quantitatively measuring the progress of initiatives addressing these challenges, we aim to improve various measures. We will continue to dynamically review and consider more effective KPIs and targets in response to the progress of these KPIs and changes in the external environment.



Four key initiatives	Human Capital KPIs	Progress* ¹ (FY2023)	Target* ¹ (FY2026)	
Employee enablement and progression	Digital specialists	Core DX specialists	747	1,200
		IT skill acquisition* ²	70.9%	100%
	Global management resources	Candidate pool for key overseas posts	3.6X	Maintain 3X or more
Improving employee engagement		Engagement score* ³	73%	A level improved from the fiscal 2023 result
DEI workforce		Ratio of female managers (Japan)	22.3%	27%
		Ratio of eligible male employees who took childcare leave* ⁴	86.1%	100%
		Female aspiration for higher position* ⁵	-	No set target
		Inclusion score* ³	75%	Maintain 75% or more
		Ratio of employment of people with disabilities	2.72%	Maintain statutory employment ratio or more
Embedding a culture of healthy working		Absenteeism	0.96%	1% or lower
		Presenteeism	17-18%	15% or lower

*1. Total for the three main domestic subsidiaries (the bank, the trust bank, MUMSS)
 *2. Participate in IT Passport e-learning, and acquire IT-related qualifications
 *3. Consolidated basis, including major overseas subsidiaries (engagement and inclusion scores are from Group Employee Survey)
 *4. Real ratio of childcare leave usage reflecting the expiration date for the leave
 *5. Ratio indicating aspiration for higher positions among female employees

Vibrant Society – Management Focusing on Human Capital [Employee enablement and progression (1/2)]

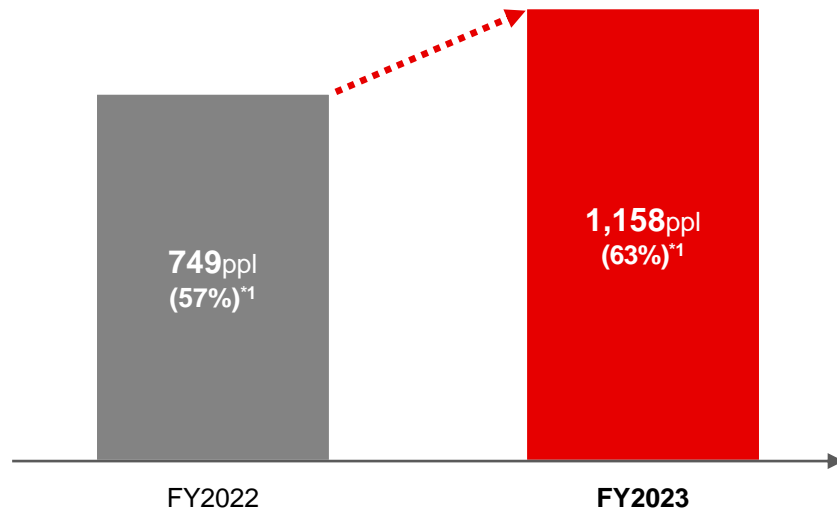
- In order to get a clear understanding of the human resources necessary for executing our business strategies in terms of both quantity and quality, and to ensure that we can allocate the necessary resources in a timely manner, we are prioritizing the alignment of business strategies and human resources strategies.
- To address the quantitative gap, we are working on building an optimal recruitment system. To address the qualitative gap, we are expanding opportunities for challenge and learning to enhance the skills and expertise required for employees in each specific area.

Acquiring and Nurturing Specialized Professionals

- Each group company is actively engaged in talent development through various training programs and on-the-job training (OJT). However, to strengthen our business and expand into new ventures, we require specialized talent with expertise in relevant fields who can immediately contribute. Therefore, we are actively diversifying our recruitment methods, including career hiring and business area hiring.

Number of Career Hires and Hires by Business Area

- Strengthen the recruitment of highly specialized personnel in each area of expertise



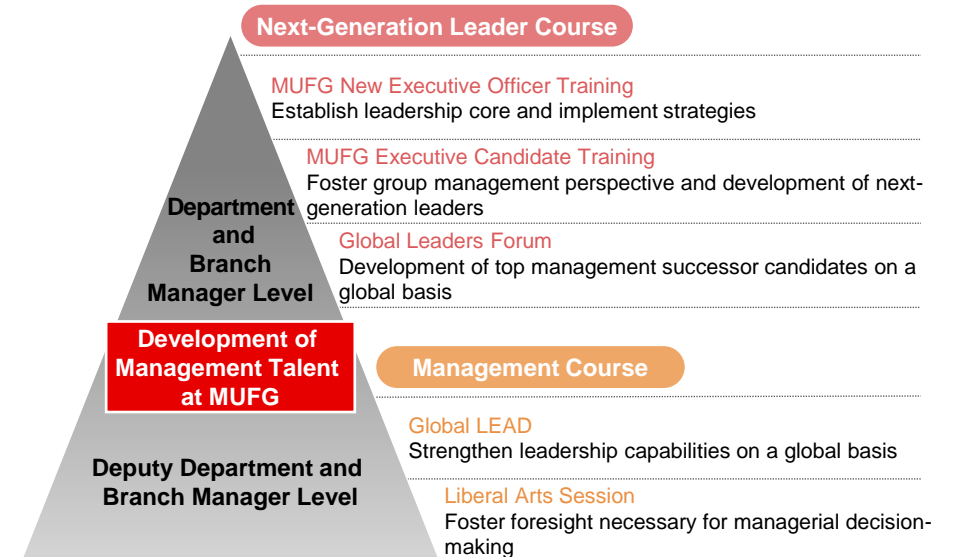
*1. Total of the Bank・the Trust Bank・MUMSS・NICOS・ACOM・MUAM. Ratio of career hires and hires by business area to the total number of hires

Nurturing Future Top Management

- MUFG is advancing the development of next-generation management talent who will lead transformation and challenges, and be responsible for value creation. In FY2018, MUFG University was launched for line managers and above, and to date, more than 1,200 employees have attended.
- MUFG aims to deepen the understanding of organizational management, instill the MUFG culture, and enhance communication between management and employees. This approach ensures the long-term development of cross-group and global leaders who can excel in various fields. Additionally, it focuses on the early identification of next-generation management candidates, their strategic placement in key positions, and the steady expansion of MUFG's management talent pool.

MUFG University

- Approximately 200 Participants Annually Across the Group



Vibrant Society – Management Focusing on Human Capital [Employee enablement and progression (2/2)]

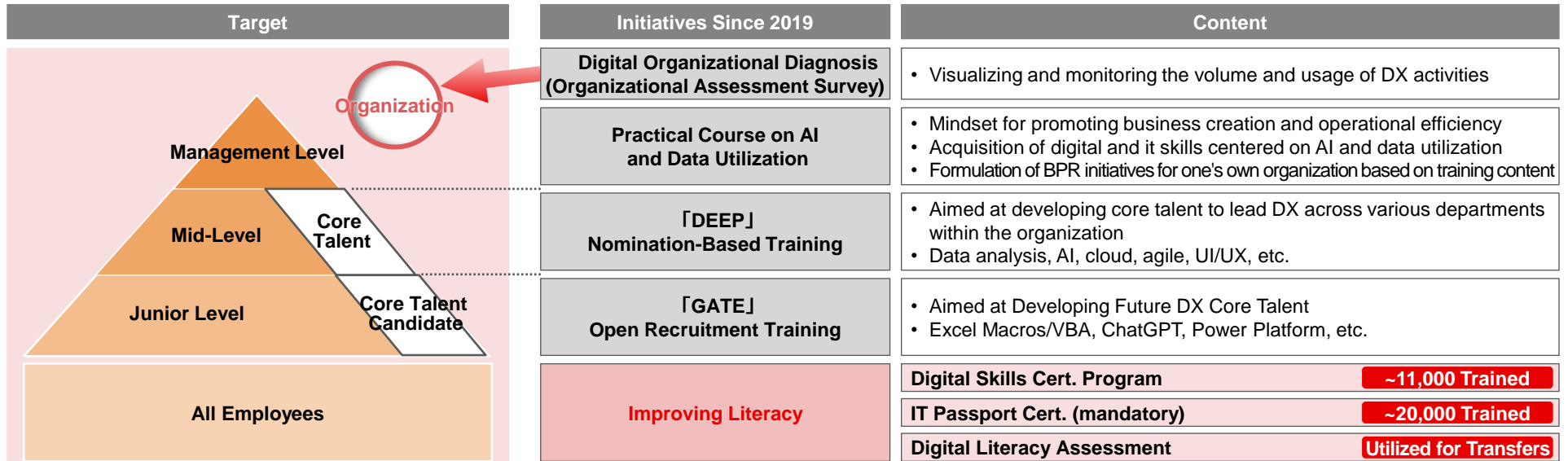
- At MUFG, we are advancing our talent development by enhancing training efforts in key areas such as global and digital.

Global Talent Development

- MUFG operates in over 40 countries worldwide, with approximately 63% of its total employees being hired overseas, representing a diverse range of nationalities and cultural backgrounds (as of March-end 2024). To attract and develop such diverse professionals, we are enhancing our corporate brand both domestically and internationally to make MUFG an attractive workplace.
- In the current medium-term business plan, we aim to further instill the MUFG culture among both domestic and international employees by enhancing our global leadership training programs.
- In addition to existing global management development programs such as the Global Leaders Forum and Global LEAD, we have launched the Global Executive Acceleration Program. This new initiative is designed to help newly hired senior overseas employees quickly deepen their understanding of MUFG and become immediately effective in their roles.
- Our disclosed target for acquiring global management talent is maintaining a candidate pool of over three times the number of key overseas positions by FY2026.

Digital Talent Development

- Nurturing human resources capable of spearheading digital transformation (DX) is a high priority initiative. At MUFG various training programs have been implemented to nurture digital specialists.
- At the Bank, the Trust Bank, and MUMSS, we have disclosed a target of 1,200 core digital personnel and 100% IT skill acquisition by FY2026, and are implementing a digital talent development program.
- A practical, selective program designed to nurture core digital personnel has been completed by approximately 750 individuals to date.
- Additionally, an in-house solicitation-based training program aimed at discovering and nurturing core personnel candidates has also been completed by approximately 750 individuals.



Vibrant Society – Management Focusing on Human Capital [Improving Employee Engagement]

- To enhance employee engagement, we are creating a workplace where everyone can bring their best to what they do and realize their full potential.

Systems that Encourage Challenges

- As a system to support autonomous career development of each employee, we have positioned the Career Challenge System as a framework for employees to proactively choose their careers, and we offer various programs.

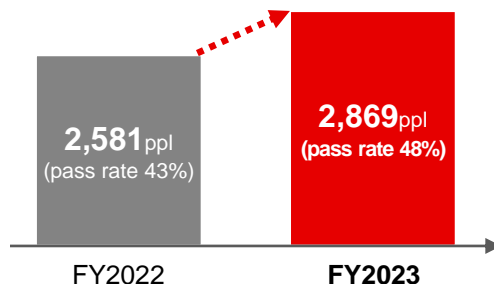
- In the fiscal year 2023, more than 2,800 employees applied for the Job Challenge, an internal recruitment system, and 1,375 employees successfully transferred to their desired departments or engaged in internal side jobs outside their current departments, primarily within the headquarters.

- We are committed to creating an environment where highly specialized employees can thrive by establishing HR systems and compensation schemes that support employees who aim for career development focused on the pursuit of specialization in specific areas of work.

- Systems including "MUFG Employment System" at the holding level, "EX system" at the Bank, "Professional Job System" at the Trust Bank, "Specialist System" at MUMSS are designed to allow employees with advanced skills and extensive experience to develop their careers autonomously within specific business areas they have chosen, without the need for cross-functional transfers. Within these courses, we ensure thorough capability assessments based on job content and provide compensation that reflects market value, thereby creating an environment where highly specialized employees can engage and excel.

Job Challenge (Internal Group Recruitment) Applicant

- Expand opportunities to take on desired tasks within the group



Number of Professional Positions at MUFG

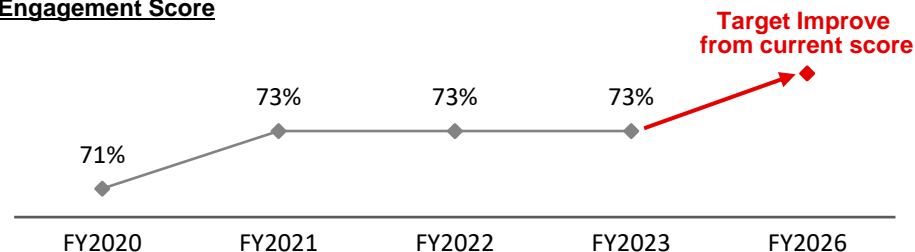
~2,100ppl
(as of April 2024)

The number of employees with high expertise and specific job roles who are active under the personnel system in MUFG, the Bank, the Trust Bank, and MUMSS

Creating a Workplace Where Employees Feel Career Fulfillment

- MUFG employees have diverse backgrounds and hold a variety of values, and we believe that this diversity is our greatest strength. By recognizing and respecting each other's differences, we are committed to creating an environment where each employee can fully demonstrate their abilities and shine in their own unique way.
- Along with providing compensation that reflects each employee's contributions, we conduct the "MUFG Group Employee Survey" annually to identify issues faced by our employees. The results are used to improve the workplace environment and organizational structure.
- We disclose the Engagement Score as one of our human capital KPIs, and by quantitatively measuring progress, we aim to enhance various initiatives.

Engagement Score



Employee Benefits/Financial Wellness

- In Japan, to address to employee engagement and retain skilled talent, the Bank, the Trust Bank, and the Securities have increased wages again in fiscal 2024, as was done last year. In conjunction with this, a share-based compensation plan was introduced in July 2024 for employees in management positions who meet certain requirements.

	The Bank	The Trust Bank	MUMSS
Real Wage Increase Level ^{*1}	Approximately 8.5% annual income increase	Approximately 9% annual income increase	Approximately 7% monthly salary increase ^{*2}

*1. In Japan, the real wage increase level includes base pay increases, regular salary increases, promotions, bonuses (the Bank), allowances and subsidies (the Trust Bank and MUMSS), and bonuses (the Bank and the Trust Bank).

*2. MUMSS bonuses are performance-based, so the wage increase is calculated on a monthly salary basis.

Vibrant Society – Management Focusing on Human Capital [Diversity, Equity & Inclusion (DEI) (1/2)]

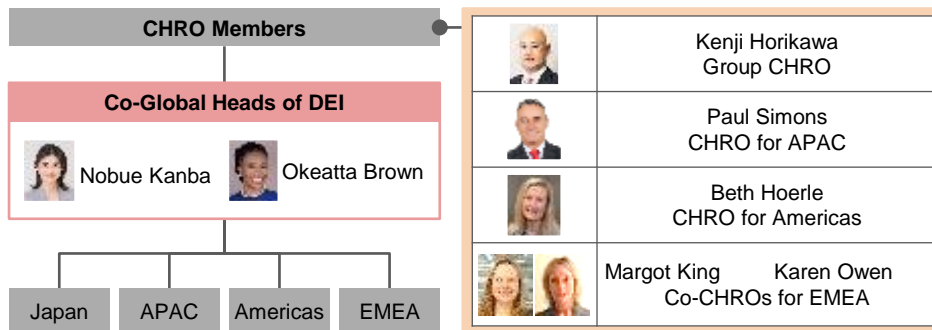
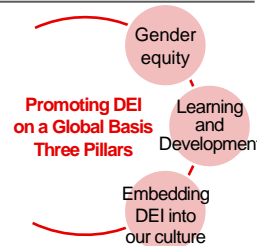
- We are committed to creating an organizational and workplace environment where each employee, regardless of gender, disability, nationality, race, age, or sexual orientation, can have fair and equitable growth opportunities, succeed and be their authentic best.

DEI Statement

- MUFG has positioned Diversity, Equity, and Inclusion (DEI) as one of its key management imperatives. We are committed to creating an organizational and workplace environment where each employee, regardless of gender, disability, nationality, race, age, or sexual orientation, can have fair and equitable growth opportunities, succeed and be their authentic best. We strive to create a culture where each employee recognizes and appreciates each other's differences and strengths, creating new value and driving innovation. We are fully committed to DEI, with the aim of empowering all stakeholders to move towards an inclusive and sustainable future.

DEI Promotion Structure

- we established three common key DEI pillars; “Gender equity,” “Learning and Development” and “Embedding DEI into our culture”, and we are accelerating a variety of DEI initiatives globally, in close collaboration with key stakeholders in respective regions.
- In addition, while clarifying DEI in terms of equity (fairness), we are advancing DEI as part of management strategy committed by top management.

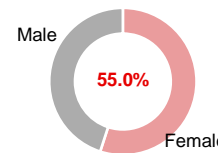


Encouraging Diverse Talent to Play an Active Role

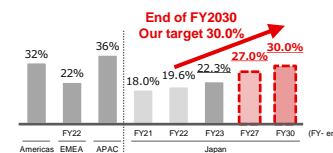
Gender Equity

- At MUFG, we believe that sustainable growth requires every employee, regardless of gender, to fully utilize their abilities and thrive in their own unique way. Additionally, increasing the ratio of women in management is a particularly important issue for incorporating diverse perspectives and values into management and organizational operations without gender bias.
- MUFG has set medium- to long-term numerical targets for the ratio of women in management. Under the commitment of top management, we are promoting the further advancement of female employees and the elimination of the gender gap through training and awareness activities which not only includes the female employees themselves, but also for their managers and colleagues.

Ratio of female employee^{*1}



Ratio of Female Managers^{*2}



Number of female executive officers^{*3}

21 persons
(Ratio of female executive officers 5.98%)
We support the Keidanren's "Challenge Initiatives for 30% of Executives to be Women by 2030".

The Gender Pay Gap^{*4}

		FY2022		FY2023	
		Mean	Median	Mean	Median
All Employees	base salary + other cash incentives	51.1%	46.7%	52.8%	46.9%
	base salary only	57.4%	49.4%	58.4%	48.7%

Main Factors behind the Gender Pay Gap and Future Initiatives (for details, please refer to the securities report and our website).

① Gender Ratio Disparities in Job Courses	We will address this by eliminating job courses (the Bank will introduce a new Professional course and eliminate the current job courses starting in April 2025).
② Low Proportion of Women in Senior Positions	We are setting targets for the promotion of female employees to senior positions in each business area, developing and implementing succession plans, expanding mentoring programs and training for female employees, and continuing awareness activities for managers responsible for development, evaluation, and promotion.
③ Differences in Working Hours Between Genders	By accelerating work style reforms, such as establishing flexible working environments, we aim to rectify the gender pay gap.

*1. As of the end of March 2024. Sum of the Bank, the Trust Bank, MUMSS, NICOS, ACOM, Mitsubishi UFJ Asset Management, and other major domestic and international subsidiaries.

*2. Overseas locations: the ratio of female Managing Directors or Directors. In Japan: the ratio of women in managerial positions equivalent to Chief Manager and above at the Bank, the Trust Bank, and MUMSS.

*3. As of the end of March 2024. Sum of the holding company, the Bank, the Trust Bank, MUMSS, NICOS, ACOM, and Mitsubishi UFJ Asset Management. Including outside directors and locally hired overseas employees.

*4. For the Bank, the Trust Bank, and MUMSS, calculations are made for each category: all employees, regular employees (management and above), regular employees (non-management), and non-regular employees. All employees and regular employees are all Japan-hired employees, including those seconded to other companies and excluding those seconded from other companies. Non-regular employees include contract employees and exclude temporary staff. The average value is calculated as (average annual wage of women) ÷ (average annual wage of men), and the median value is calculated as (median annual wage of women) ÷ (median annual wage of men) to determine the ratio. Salaries are the total amount of base salary and various allowances (excluding bonuses).

Vibrant Society – Management Focusing on Human Capital [Diversity, Equity & Inclusion (DEI) (2/2)]

- At MUFG, we provide an environment and support systems that enable diverse talent to build sustainable careers while navigating various life stages. Additionally, we are fostering a workplace culture where all employees can pursue productive and balanced work styles.

Encouraging Diverse Talent to Play an Active Role

LGBTQ

- At MUFG, we are committed to creating a workplace where everyone can work authentically, regardless of sexual orientation or gender identity. We prohibit harassment and discrimination based on sexual orientation, gender identity, and other such factors. In addition to establishing internal systems and programs that LGBTQ individuals can utilize, we are also engaged in activities aimed at fostering understanding and awareness of the challenges that LGBTQ individuals face, so that all colleagues in the workplace can respect and support each other.



People with Disabilities

- MUFG aims to realize an inclusive society where every individual is respected and supported, regardless of disabilities. Across our group companies, we continuously implement various initiatives to ensure that employees with disabilities can work in a secure environment, take on roles that match their abilities and aptitudes, and find fulfillment in their work.

Employees with Disabilities Thriving at MUFG

At MUFG, we are expanding opportunities for employees with disabilities by creating workplace environments that accommodate their specific needs and establishing special subsidiary companies. Across MUFG, approximately 1,400 employees with disabilities are thriving in their roles. As of June 1, 2024, the employment rate of people with disabilities within our domestic group stands at 2.68%^{*1}.

FY2022	FY2023	FY2024
2.56%	2.60%	2.68%

*1. The employment rate in Japan is calculated from the number of employees with disabilities at the Bank, the Trust Bank (for these two companies, special subsidiaries and the Group companies to which the exception rule applies are included), MUMSS, NICOS, ACOM, and Mitsubishi UFJ Asset Management. However, for the fiscal years 2022 and 2023, Mitsubishi UFJ Asset Management is not included.

Work-life Balance Support

Support for Balancing Work and Childcare

- At MUFG, we offer programs and systems to support employees who are involved in childcare and household responsibilities, regardless of gender. Additionally, we promote the participation of men in childcare and strive to foster a workplace culture where all employees can practice a balanced work style that emphasizes efficiency and productivity.

Encouraging Male Employees to Participate in Childcare

Across our group companies, we aim to create a workplace environment where both men and women can balance work and childcare, ensuring that the burden of childcare and household responsibilities does not fall disproportionately on women. We have implemented initiatives to promote the uptake of childcare leave by male employees, raising awareness about the importance of a balanced work style and fostering understanding among colleagues who balance work and childcare.

FY2023		Paternity leave uptake rate (statutory)
The Bank	Statutory Disclosure	83%
	Internal Regulations	81%
The Trust Bank	Statutory Disclosure	94%
	Internal Regulations	93%
MUMSS	Statutory Disclosure	121%

Support for Balancing Work and Caregiving

- By 2025, the baby boomer generation (born between 1947 and 1949) will be 75 years old or older, leading to an anticipated increase in elderly individuals requiring care and a corresponding rise in employees leaving their jobs to provide such care. This is becoming a significant social issue. In response to this situation, we are committed to supporting all employees, including part-time staff, in balancing work and caregiving responsibilities. In addition to providing various types of information, we have established a range of support systems to ensure that employees can continue working while caring for their family members who need assistance.

Vibrant Society – Management Focusing on Human Capital [Health and Productivity Management]

- To realize MUFG’s Purpose, we place the utmost importance on the mental and physical health of our employees, who are the foundations of our human capital. Based on the “MUFG Health Management Declaration,” which takes this idea and makes it the common basic policy across the Group, each MUFG Group company is promoting health and productivity management.

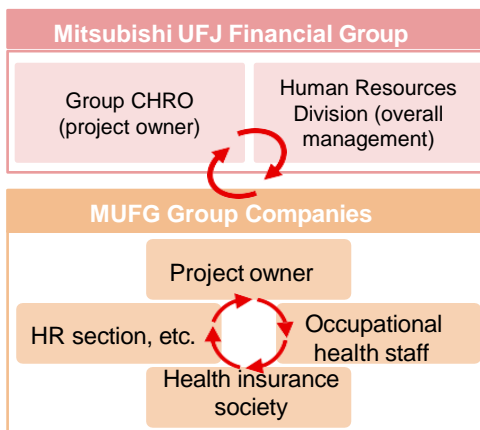
Promoting Health and Productivity Management

MUFG Health Management Declaration

- In line with MUFG’s purpose, we follow the principle of striving to empower sustainable development for our customers and society through our business activities.
- To make this a reality, we believe that it is essential for each employee to be empowered to thrive and feel rewarded in a work environment that provides a holistic sense of well-being, and that employees and their families can lead healthy and fulfilling lives.
- Based on this philosophy, MUFG engages in health and productivity management to enable our employees, who are our irreplaceable assets, to perform at their best and MUFG to contribute to all of our stakeholders and continue to grow as a financial group.

Promotion Framework

- With the Group CHRO (Chief Human Resource Officer) as the promotion leader and the MUFG Human Resources Department as the overall coordinator, we promote health management across the MUFG Group in collaboration with each group company.
- Each MUFG Group company addresses its own challenges by coordinating efforts among relevant departments, including the HR department, occupational health staff, and health insurance associations.



Actual Results and Targets

- We believe that it is essential for each of our invaluable employees to be mentally and physically healthy and to perform at their best. To materialize the situation, we firstly ensure the thorough implementation of medical checkups and stress checks in order to identify and address health issues based on the health data obtained from the checkups and stress check and other sources.
- Additionally, by improving not only health literacy but also the workplace environment, including work styles, we aim to foster behavioral changes in each employee and improve the overall health of the organization.
- We measure the outcomes of these initiatives by using indicators such as absenteeism^{*1}, presenteeism^{*2}, and work engagement, and strive to achieve targets to maximize the performance of each employee and the team.

Actual results and targets for each Indicator

Indicator	FY2020	FY2021	FY2022	FY2023	Target (FY2026)
Absenteeism	0.88%	0.87%	0.89%	0.96%	below 1%
Presenteeism	—	—	—	17~18%	15%

※ Combined figures for the three major domestic subsidiaries (the Bank, the Trust Bank, and MUMSS).

External Evaluation

- In the "Certified Health & Productivity Management Organization Recognition Program" jointly conducted by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi, the following five MUFG Group companies were selected as "2024 Certified Health & Productivity Management Organizations (Large Enterprise Category)," with one of them being selected as a "2024 Certified Health & Productivity Management Organization (Large Enterprise Category (White 500))."

*1. Long-term absence due to physical or mental illness

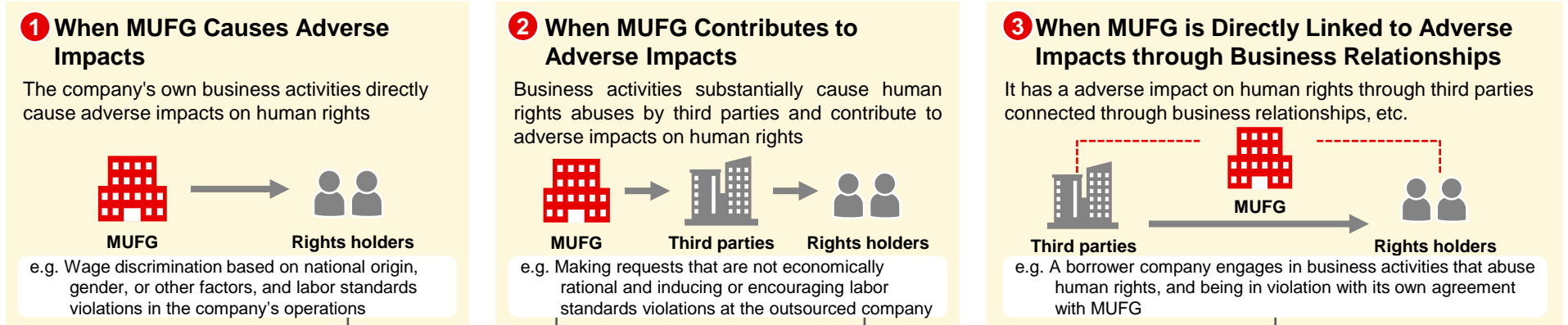
*2. Performance decline due to poor health

Priority Issues: Resilient Society

- Respect for Human Rights
- Ensuring Secure and Safe Services
- Demonstration of Robust Corporate Governance

Resilient Society— Respect for Human Rights [Respecting Human Rights as a Financial Institution]

- MUFG understands that our business activities may cause or contribute to adverse impacts on human rights, and we strive to prevent such impacts. If adverse impacts occur, we will strive to address them in accordance with the forms of involvement described in ① through ③ below.



Addressing adverse impacts on human rights Use leverage to prevent and mitigate adverse impacts on human rights

	Employees	Customers	Suppliers	Borrowers / Investees	Suppliers
Examples of Negative Impacts	MUFG's adverse impacts on its own employees e.g. Power harassment or sexual harassment in the company. Unfair treatment in employment based on personal Characteristics	MUFG's adverse impacts on customers through the provision of financial services e.g. Violation of privacy rights due to inappropriate management of customers' personal Information	MUFG's adverse Impacts on suppliers e.g. Requesting a large amount of work with a short delivery time, inducing long working hours for the external contractors' employees	Adverse impacts of borrowers/ investees on their employees and surrounding residents through investments and loans provided by MUFG e.g. Loans to companies that force migrant workers to Work	Adverse impacts of suppliers on employees and the surrounding community through MUFG's procurement operations e.g. Purchase of goods produced by child labor
MUFG's Major Response	<ul style="list-style-type: none"> Preparation of power harassment / sexual harassment prevention manual^{*1} Regular monitoring of working conditions and reduction of overtime work Promotion of DEI 	<ul style="list-style-type: none"> Consideration of adverse impacts on human rights when introducing products and services Establishment of personal information protection rules and systems Establishment of AI Management Procedures Universal Design Initiatives Money laundering prevention 	<ul style="list-style-type: none"> Clearly stating respect for human rights of suppliers in the "Approach to Purchasing Activity" Description of the consultation service on the "Guidelines for Purchasing Activity" distributed to suppliers 	<ul style="list-style-type: none"> Establishing MUFG Environmental Social Policy Framework, conducting due diligence on human rights issues related borrowers / investees^{*2} Compliance with the Equator Principles^{*1} 	<ul style="list-style-type: none"> Respect for human rights is stipulated in the "Approach to Purchasing Activity" requirements for suppliers Distribution of "Approach to Purchasing Activity" addressing respect for human rights^{*2} Regularly check for severe human rights abuses at key suppliers^{*2}

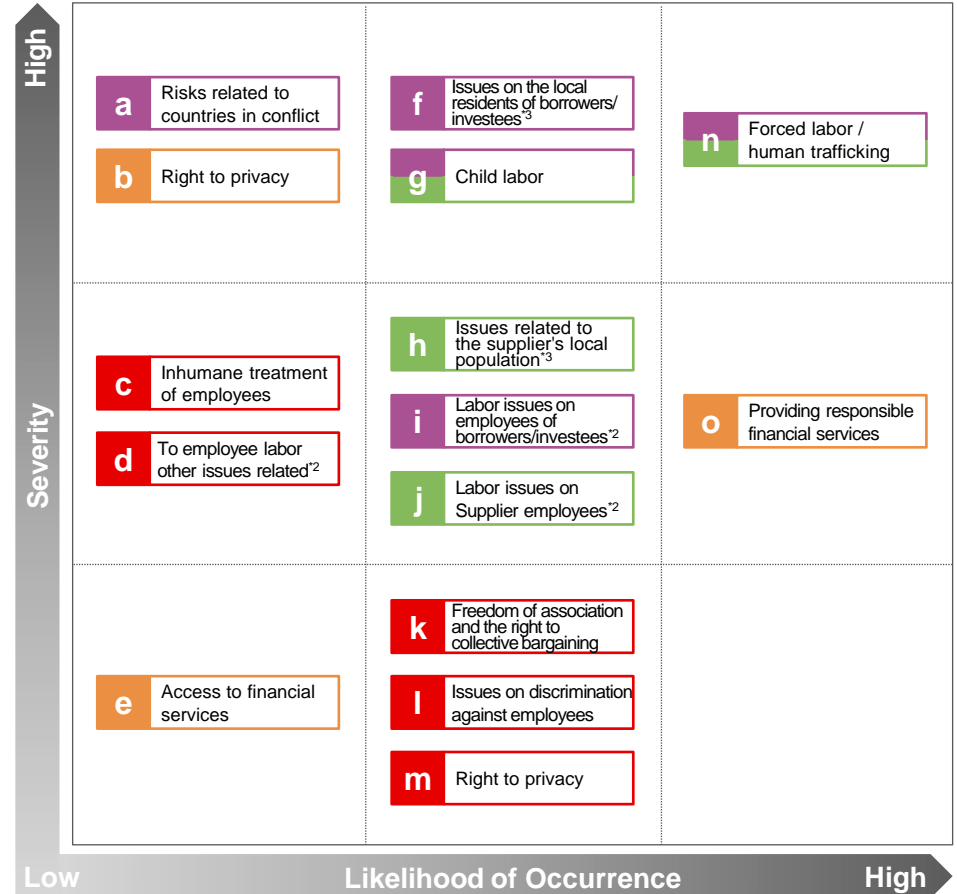
*1. Initiatives of the Bank
*2. Initiatives of the Bank, Trust Bank and Securities

Resilient Society— Respect for Human Rights [Human Rights Issues Map]

- We identified salient human rights issues highly relevant to MUFG, assessed their severity and likelihood of occurrence, and created a human rights issues map (FY2023). Based on the results, the Sustainability Committee discussed future policies for addressing salient human rights issues. We are continually considering ways to strengthen our response, giving priority to the highly severe human rights issues. This map of human rights issues will be reviewed on an ongoing basis in light of changes in the business environment and the results of stakeholder engagement.

Methodology for Creation of Human Rights Issues Map	
Identification of Human Rights Issues	<ul style="list-style-type: none"> Referring to international principles for human rights such as the International Bill of Human Rights and the ILO Declaration, as well as issues at other financial organizations, we ascertained salient human rights issues highly relevant to MUFG
Assessment of Severity	<ul style="list-style-type: none"> We assessed the severity of each human rights issue based on the following three criteria: 1) Severity of adverse impact (e.g. the degree to which human rights abuses affect lives), 2) Extent of adverse impact (e.g. the number of people affected), and 3) Difficulty of remedy (e.g. the possibility of remedy through compensation) Based on UNDP guidance, we make use of outside consultants' knowledge
Assessment of Likelihood of Occurrence	<ul style="list-style-type: none"> Scoring risks by country and industry based on external data^{*1} Combining data on MUFG's number of employees by country, amount of credit per country / sector, etc. with the above scores to assess the likelihood of occurrence
Creation of Human Rights Issues Map	<ul style="list-style-type: none"> Mapping of each salient human rights issue for MUFG, with severity on the vertical axis and likelihood of occurrence on the horizontal axis

- Issues on Employees
- Issues on Customers (Issues on ours in providing financial service)
- Issues on Borrowers / Investees
- Issues on Suppliers



*1. Data published by the World Bank, United Nations, etc. (e.g., Global Slavery Index, etc.) and data from the Business and Human Rights Resource Center

*2. Working hours, wages, industrial safety and health, treatment of migrant workers, etc.

*3. Health of nearby residents, land issues, etc.

Resilient Society— Respect for Human Rights [Due Diligence Process (1/3)]

- MUFG is committed to respecting the human rights of its employees by preventing discrimination and harassment, and by reducing overtime work.
- MUFG is committed to protecting and respecting the privacy of our customers by properly managing their personal information. Additionally, we are promoting various initiatives to provide financial services that take human rights into consideration.

Initiatives for Employees

Prevention of Discrimination and Harassment

- MUFG Group companies have established consultation desks within the company for sexual harassment and power harassment. The Bank has established a Harassment Prevention Manual and conducts ongoing training to prevent harassment.

Respect for Freedom of Association and Collective Bargaining Rights

- MUFG is committed to respecting workers' freedom of association and collective bargaining rights in accordance with its Human Rights Statement, and ensures its compliance through awareness raising activities.

Protection of Employees' Personal Information

- At MUFG, each company is committed to the appropriate protection and use of employees' personal information in accordance with the "Act on the Protection of Personal Information" and the "Act on the Use of Number to Identify Specific Individuals in Administrative Procedures", and other relevant laws and regulations.

Compliance with laws and regulations regarding working conditions

- MUFG Group companies comply with the laws and regulations of the countries and regions in which they operate, and provide salaries exceeding minimum wage and fully implement the concept of equal pay for equal work.

Reducing Overtime

- MUFG complies with the laws and regulations of the countries and regions in which our group companies operate in respect of further improving the workplace environment, including the reduction of long working hours while ensuring that our employees can stay healthy and improve their work life balance. For example, in Japan, in addition to accurately ascertaining each employee's work status, management operates with an awareness of limits set on working hours and the intervals within which employees work. Overtime hours for employees are also being reduced by optimizing operations through the use of RPA (robotic process automation), setting target times for leaving the office, and establishing early finish days.

Initiatives for Customers

Management of Our Customers' Information

- Since MUFG believes it is our social responsibility to handle customers' personal information properly, we established and published the Personal Information Protection Policy. In addition, in order to realize a unified management system within the Group companies, we have established the "MUFG Personal Information Protection Principle" (the "Principle") and each Group company has established its own "Personal Information Protection Procedure", etc. based on the Principle. In addition to internal information management, we have prepared a system to check whether the information is managed by outside contractors in accordance with the Personal Information Protection Law and other relevant laws.

Identifying Human Rights Impacts in the Planning and Development of Products and Services and The Publication of Advertising Materials

- Group companies constantly check whether sufficient measures have been taken at the planning and development stages of products and services from the "customer's perspective," and risk assessments are conducted for new products and services, including customer protection and the customer's viewpoint. When publishing advertising materials, we check for problematic expressions from the perspective of respect for human rights.

Considerations about Human Rights in Establishing AI Management Procedures

- AI technologies are valuable and should be leveraged, but we also acknowledge the risks that they may pose to human rights. That includes issues of fairness that must be avoided when having AI make decisions, as AI may judge based on the gender, race, or other personal attributes of the subjects involved. Aware of those risks, each company in the MUFG Group has defined rules in that regard. For example, MUFG Bank has established AI Management Procedures that ensure fairness when AI is used in credit screening process, customer service chatbots, and other processes in which certain information should not be used as decision criteria.

Increasing Access to Financial Services

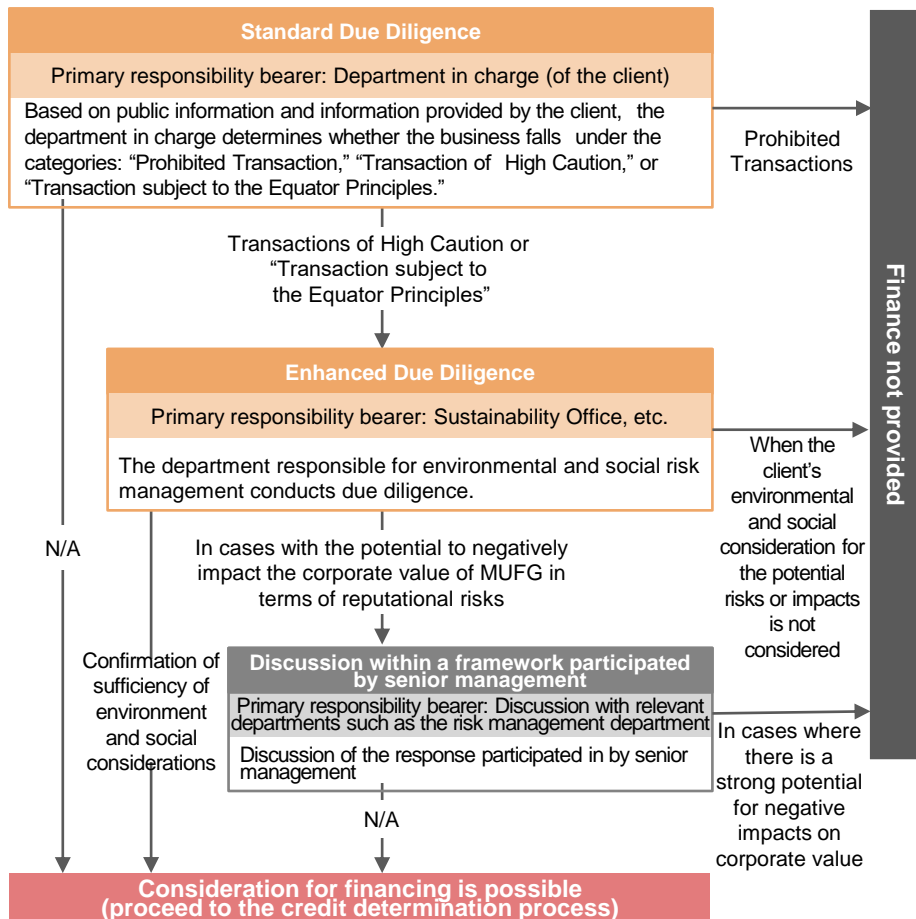
- In the Asian region, ensuring equal access to financial services is a challenge due to the lack of bank branches and ATMs in remote and rural areas, and ignorance of the existence and use of available services. MUFG contributes to ensuring equal access to financial services in Asia by providing opportunities to access financial services and working to improve financial literacy.

Resilient Society— Respect for Human Rights [Due Diligence Process (2/3)]

- MUFG has implemented a due diligence process to identify and assess environmental and social risks or impacts of financed projects, based on the MUFG Environmental and Social Policy Framework and the Equator Principles.

Initiatives for Borrowers / Investees

Due Diligence Process



Status of Implementation of Human Rights Due Diligence

Identified Human Rights Issues	Number of Transactions
Forced Labor, Human Trafficking	6
Child Labor	3
Impact on Indigenous People's Rights and Communities	6
Involuntary Displacement	5
Issues Related to the Working Environment and Other Employee Rights	1
Total	21

Status of the Response to Issues	Number of Transactions
Confirmed that Appropriate Actions or Measures to Prevent Recurrence Have been Taken *1	18
Credit Transactions Have been Called Off *2	1
Confirming the Identified Issues and the Status of Response by the Client *3	2
Total	21

※ Human rights issues identified in accordance with MUFG Environmental and Social Policy Framework and the Equator Principles from April 2023 to May 2024. Transactions for which due diligence was implemented due to multiple human rights issues are double counted. There are 12 transactions in total other than those above, for which due diligence was completed in or before March 2023 and monitoring continues to be conducted.

*1. Due diligence was completed in or after April 2023

*2. In or after April 2023

*3. Due diligence is yet to be completed as of the end of May 2024

Resilient Society— Respect for Human Rights [Due Diligence Process (3/3)]

- MUFG is committed to respecting human rights in our supply chain through the revision of “Approach to Purchasing Activity” and the implementation of human rights due diligence.
- MUFG Asset Management is committed to providing investment returns to our clients, and is taking actions that promote sustainable value enhancement and provide solutions to environmental and social issues faced by investees through our stewardship activities.

Initiatives for Suppliers

Formulating and Publicizing “Approach to Purchasing Activity”

- ‘Approach to Purchasing Activity’ clarifies MUFG’s approach and expectations for its suppliers, including respect for human rights and environmental considerations.
- Domestic offices of the Bank, the Trust Bank and the Securities hand deliver and explain the “Guidelines for Purchasing Activity” based on the “Approach to Purchasing Activity” to suppliers*1 to seek their understanding of MUFG’s policy.

Implementation of Human Rights Due Diligence

- Major suppliers*2 were screened for highly severe human rights issues (child labor, forced labor, and human trafficking) using external vendor data. As this screening identified one case of adverse news concerning a highly severe human rights issue, we checked with the supplier to confirm what kind of actions and remediation measures they are taking, and requested that they continue addressing and correcting human rights issues.

Risk Identification and Assessment	
New Transactions	<ul style="list-style-type: none"> • Check for risks related to human rights with respect to important external contractors*3 • Check through adverse media screening*4
Existing Transactions	<ul style="list-style-type: none"> • Regular checks of major suppliers*2 are conducted at the Sustainability Office and other sections to determine if there are any highly severe human rights issues (child labor, forced labor, and human trafficking)

*1. The Bank: suppliers with ongoing transactions; The Trust Bank and the Securities: major suppliers.

*2. Major suppliers of the Bank, the Trust Bank, and the Securities.

*3. Implemented by the Bank and the Trust Bank.

*4. Implemented at the Banks’s European and Americas offices. etc.

Initiatives as Asset Manager

- To promote effective measures addressing human rights issues such as human rights management in the supply chain and the realization of diversity, we will prioritize dialogue with high-impact companies and work towards mutual understanding with our investee companies.

Stewardship Activities

- Conducting engagement activities, exercising voting rights, and taking other initiatives for addressing sustainability challenges including human rights issues.

Thematic Engagement



- Selecting priority themes from the investment universe MUFG AM has identified, and engaging with investees highly relevant to those themes

Collaborative Engagement



- Engaging with investees in collaboration and coordination with domestic and international initiatives and investment agencies

Public Engagement



- Working with market participants, and making direct and indirect policy recommendations to regulators, initiatives, academia, among others

Resilient Society— Respect for Human Rights [Grievance Mechanism / Remedy for Human Rights Abuses]

- If it becomes clear that employees of group companies, or the products or services we provide, are causing, contributing to, or directly linked to adverse human rights impacts, we will work to remediate the situation. In addition to establishing contact points for employees and customers, we have joined the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER) to provide grievance mechanisms for employees of our borrowers/investees and suppliers, as well as for communities and neighborhood residents, addressing negative human rights impacts across the entire value chain.

Initiatives for Employees

- "Compliance Helpline" and consultation service for issues such as sexual and power harassment are established at each Group company to ensure a pleasant and positive working environment. It responds to reports submitted in person or via phone, email, etc., while considering the individual's anonymity and privacy.

MUFG Compliance Helpline

Employee Consultation Desk

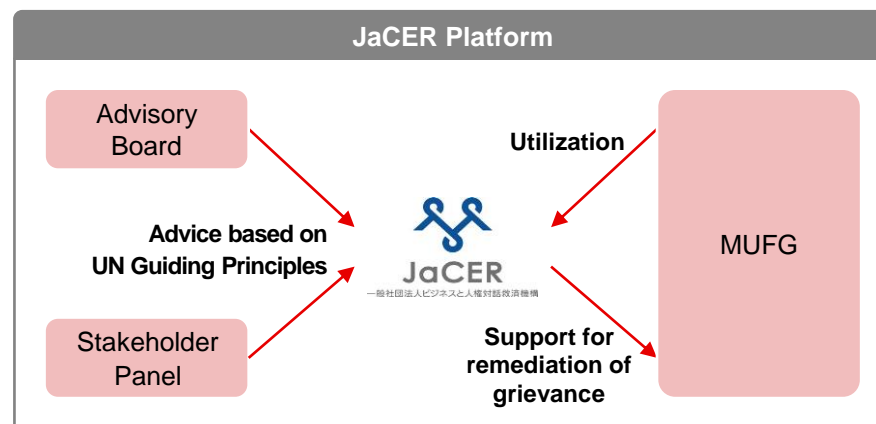
DEI Consultation Desk

Initiatives for Customers

- MUFG has established a system to appropriately respond to opinions and complaints, including human rights issues, from customers and other stakeholders, while ensuring confidentiality and anonymity.
- If it becomes clear that employees of group companies, or the products or services we provide, are causing, contributing to, or directly linked to adverse human rights impacts, we will work to remediate the situation. In FY2023, there were 195 cases in which services were improved based on feedback and requests received from customers to the five group companies*1.

Initiatives throughout the Value Chain

- JaCER is an organization that receives reports of grievances related to human rights through the Engagement and Remedy Platform and aims to act in a professional capacity to support and promote remediation of grievances by member companies. By utilizing JaCER platform, MUFG established a remedial contact points for adverse human rights impacts that occur throughout the value chain, including employees of borrowers/investees and suppliers, as well as community and neighborhood residents, and making an effort to improve our grievance mechanisms.



- In FY2023, we received one complaint regarding the negative impact on indigenous peoples through loans and held a dialogue with the indigenous peoples. We have been working with management and relevant departments to discuss the direction of our response to the opinions we received, and also engage with the business operator to encourage constructive dialogue.

*1. The Bank, the Trust Bank, the Securities, NICOS, and ACOM.

Resilient Society— Ensuring Secure and Safe Services

- Aiming to provide reliable financial infrastructure that supports a resilient and sustainable economy and society, we are rebuilding our deposit and foreign exchange systems, training next-generation engineers, strengthening our systems and training to prepare for potential disasters or large-scale failures, and enhancing our cybersecurity countermeasures.

Cyber Security

Basic Policy

- MUFG is well aware of its social responsibilities regarding securing the assets entrusted to it by its customers and its obligation to provide secure and stable financial services. MUFG has positioned risk and threats posed by cyber-attacks and other relevant events as one of the Top Risks and enacted the Cyber Security Management Declaration with the intention of strengthening the cyber security measures under the direct supervision of top management.

Cyber Security Management Structure

- MUFG has established cyber security standards that refer to international guidelines and is engaged in the development of relevant strategies and organizational structures as well as the planning and implementation of initiatives aimed at enhancing its cyber security measures. Furthermore, MUFG has set up the MUFG-CERT as an umbrella organization to prepare for the occurrence of a cyber security incident and act in cooperation with the Computer Security Incident Response Teams (CSIRTs)^{*1} of Group companies. MUFG is also involved in collaborative activities with government agencies, other companies in the financial industry and security communities, including the Financials ISAC^{*2} Japan.

Rebuilding of Deposit & Remittance Host System, and Development of Next-Generation Engineers

- We are rebuilding our Deposit & remittance host system in order to improve their security and maintainability, and to adapt flexibly to business changes. Through this initiative, we aim to provide a highly reliable financial system that supports the economy and society.
- Additionally, the rebuilding project allows young and mid-career employees to review the system's internal workings, creating development opportunities. By replacing it with standard technologies, we are establishing an environment conducive to long-term talent development, beyond temporary measures.
- To smoothly advance cross-segment, long-term, and large-scale projects, we have established a new internal office jointly managed by the Corporate Planning Division and the Information Systems Planning Division. This organization aims for company-wide optimization based on architectural principles and will continue to oversee architectural governance.

Strengthening Systems and Trainings for Disasters and System Troubles

- To protect our customers' valuable assets and to provide secure, safe, and stable financial services, our system development and operation structure has been continuously strengthened.
- Specifically, the backup center has been established to prepare for large-scale disasters. MUFG ensures its recovery structure which can quickly provide financial services in any emergencies. Additionally, disaster drills have been regularly conducted to enhance the effectiveness of our disaster recovery systems.
- The systems for our financial services have been continuously improved and upgraded to ensure their stable operation. Furthermore, our organizational structure has been established for rapid response to any system troubles. Our operational resilience has been reinforced through implementing preventive measures based on lessons learned from past system troubles, conducting risk analysis and clarifying processes for recovery from large-scale troubles of critical systems.

*1. A team tasked with receiving first-hand reporting on security incidents and conducting investigations into and making responses to such incidents

*2. A framework of collaborative activities undertaken by its more than 400 member financial institutions to protect Japan's financial infrastructure from the threat of cyberattacks

Resilient Society— Demonstration of Robust Corporate Governance

- We aim to provide financial services with honesty and integrity to support a resilient and sustainable economy and society. To this end, we are making every effort to ensure that our initiatives practice a customer-oriented approach, implementing the controls that underpin the provision of financial services, and establishing globally unified procedures and infrastructure for detecting and preventing financial crimes based on regulations and best practices.

Initiatives for Practicing a Customer-Oriented Approach: Pursuing Customers’ Best Interests

Basic Policy

- With the aim of ensuring the thoroughgoing practice of customer-oriented approach, the MUFG Group Code of Conduct addresses the importance of “Customer Focus” in Chapter 1, while the MUFG Basic Policy for Fiduciary Duties is publicized to provide unified guiding principles for the Group. In line with this policy, all Group entities are committed to practicing customer-oriented approach and endeavor to improve their products and services.

Pursuing Customers’ Best Interests

- Based on the MUFG Basic Policy for Fiduciary Duties, we declared our five commitments and engage in customer-oriented asset management proposals.
- In addition, an internal guideline for the headquarters of MUFG Group companies (“MUFG Policy”) was established in July 2023 to realize sound development, expansion, and growth of the MUFG asset management business based on the MUFG Basic Policy for Fiduciary Duties and the Investment Management Advice Chain.
- Furthermore, we are committed to pursuing our customers’ best interests by striving to improve their investment performance while applying the “MUFG Investment Management Advice Chain Model”¹ to secure “discipline,” “transparency,” and “consistency,” which are critical to asset management and providing value-added advice and appropriate information under the goals-based approach.



*1. A comprehensive framework incorporating research, investment strategy, product strategy, sales system, and follow-up in results.

*2. FATF: Financial Action Task Force on money laundering. Inter-governmental body that advocates for taking a coordinated international response in AML and counterterrorist financing

Compliance

Basic Policy

- We have established the MUFG Group Code of Conduct as a set of guidelines for how the Group’s directors and employees should make decisions and act on a daily basis to realize the MUFG Way. The Code of Conduct expresses our commitment to complying with laws and regulations globally, to acting with honesty and integrity, and to behaving in a manner that supports and strengthens trust and confidence of society. In addition, as we expand the geographic scope of our business globally, we are committed to keeping abreast of developments in laws and regulations of the jurisdictions in which we operate, including anti-money laundering and antibribery rules as well as competition laws, while paying close attention to trends in financial crimes.

Reporting System on Compliance-Related Issues

- Development of Whistle-Blowing System
- Setting Up the MUFG Accounting Auditing Hotline

Enhancement of Global Financial Crimes Compliance Framework

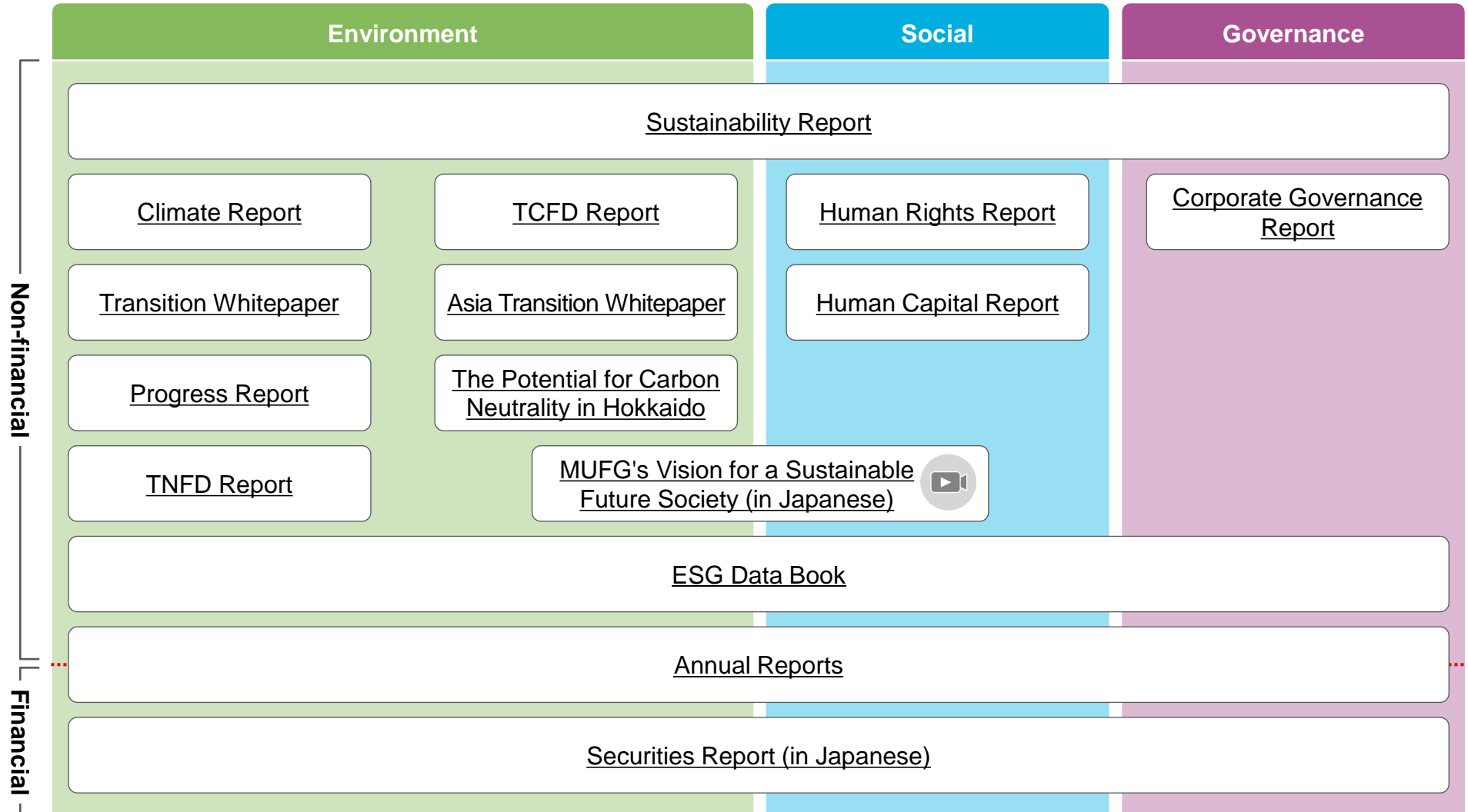
- MUFG has established the Global Financial Crimes Division (GFCD) to maintain a global framework to prevent, detect, and deter financial crimes effectively across the firm. Headquartered in New York, GFCD is responsible for Anti-Money Laundering, Counter-Terrorist Financing, Sanctions Compliance, and Anti-Bribery and Corruption efforts (collectively referred to as “financial crimes” or “FC”). Since its inception in 2017, GFCD has supported consistent and efficient operations through the creation of shared organizations (Centers of Excellence), investment in its FC experts, and, more recently, the promotion of offshoring. In addition, GFCD is upgrading its FC compliance systems and data warehouse to bolster MUFG’s FC compliance program. This enhancement will help the Bank detect more complex and sophisticated forms of financial crimes.
- We continue our efforts to enhance FC compliance and promote societal trust and confidence by aligning with the requirements and expectations of international organizations, country-specific regulators, and the Financial Action Task Force (FATF)².

Appendix

- Sustainability-Related Content
- Policies and Guidelines
- MUFG's Related Organizations and Position Abbreviations

Sustainability-Related Content

- MUFG publishes various reports related to sustainability.



Policies and Guidelines (1/2)

Environment

- MUFG Environmental Policy Statement
<https://www.mufg.jp/english/csr/policy/>
- MUFG AM Sustainable Investing Policy
<https://www.mufg.jp/english/csr/policy/>
- MUFG Environmental and Social Policy Framework
<https://www.mufg.jp/english/csr/policy/>

Social

- MUFG Human Rights Policy Statement
<https://www.mufg.jp/english/csr/policy/>
- MUFG AM Sustainable Investing Policy
<https://www.mufg.jp/english/csr/policy/>
- Human Resources Principles
<https://www.mufg.jp/english/csr/policy/>
- Approach to Purchasing Activity
<https://www.mufg.jp/english/csr/policy/>
- Activities against Cluster Bombs
<https://www.mufg.jp/english/csr/policy/>
- Cyber Security Management Declaration
<https://www.mufg.jp/english/csr/policy/>
- MUFG Environmental and Social Policy Framework
<https://www.mufg.jp/english/csr/policy/>
- MUFG Policy on Customer Harassment
<https://www.mufg.jp/english/csr/policy/>
- Diversity, Equity & Inclusion (DEI)
<https://www.mufg.jp/english/csr/social/id/01/>
- Modern Slavery Act 2015 and Commonwealth Modern Slavery Act 2018
<https://www.mufg.jp/english/csr/policy/>
- Personal Information Protection Policy
<https://www.mufg.jp/privacy/>

Policies and Guidelines (2/2)

Governance

- MUFG Group Code of Conduct
<https://www.mufg.jp/english/profile/governance/ethics/>
- Basic Policy regarding Anti-Social Elements
<https://www.mufg.jp/english/csr/policy/>
- MUFG Basic Policy for Fiduciary Duties
<https://www.mufg.jp/english/profile/governance/fd/>
- Risk Management: Basic Policy
<https://www.mufg.jp/english/profile/governance/risk/>
- Global Financial Crimes Policy Statement
<https://www.mufg.jp/english/csr/governance/financialcrimes/>
- MUFG Tax Policy
<https://www.mufg.jp/english/csr/governance/tax/>
- Policy for Conflicts of Interest Management
<https://www.mufg.jp/english/csr/policy/>
- Efforts to Prevent Bribery
<https://www.mufg.jp/english/csr/policy/>
- MUFG Corporate Governance Policies
<https://www.mufg.jp/english/profile/governance/policy/>
- Compliance: Basic Policy
<https://www.mufg.jp/english/profile/governance/compliance/>
- MUFG Group Disclosure Policy
<https://www.mufg.jp/privacy/>
- Personal Information Protection Policy
<https://www.mufg.jp/english/privacy/>

MUFG's Related Organizations and Position Abbreviations

Related organizations	
Organization	Official name / remarks
MUFG	Mitsubishi UFJ Financial Group
Bank	MUFG Bank
Trust Bank	Mitsubishi UFJ Trust and Banking Corporation
Security	Mitsubishi UFJ Securities Holdings CO., Ltd.
MUMSS	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
NICOS	Mitsubishi UFJ NICOS
MUFG AM	MUFG Asset Management - MUFG Asset Management (MUFG AM) is a brand name formed by Mitsubishi UFJ Trust and Banking Corporation, an asset management company of Mitsubishi UFJ Financial Group (MUFG), Mitsubishi UFJ Asset Management Co., Ltd., Mitsubishi UFJ Real Estate Asset Management Co., Ltd., Mitsubishi UFJ Asset Management (UK) Ltd., and Mitsubishi UFJ Alternative Investments Co., Ltd.
Krungsri (Bank of Ayudhya)	Krungsri (Bank of Ayudhya) - MUFG's consolidated subsidiary in Thailand
Bank Danamon	Bank Danamon Indonesia - MUFG's consolidated subsidiary in Indonesia

Abbreviation of position name	
Abbreviation	Official name
CEO	Chief Executive Officer
CSO	Chief Strategy Officer
CFO	Chief Financial Officer
CRO	Chief Risk Officer
CSuO	Chief Sustainability Officer



Disclaimer

This report (the “Subject”) is intended to comply with the general principles related to the environment, human rights, nature, biodiversity or corporate responsibility. However, please be aware that environmental, social and governance(ESG) standards, laws, regulatory requirements and practice may vary significantly across different jurisdictions. As such, depending on your country of residence or incorporation, there may be specific local requirements or standards that the Subject does not fully address. The application of MUFG Sustainability Policies and Guidelines remains subject to compliance with local laws and regulations. We encourage you to consider your local requirements and your own ESG criteria and objectives when selecting our products and services.

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