

Fiscal 2022 Interim Results Fixed Income Investors Presentation

December 2022

Mitsubishi UFJ Financial Group, Inc.



Disclaimer

This document contains forward-looking statements in regard to forecasts, targets and plans of Mitsubishi UFJ Financial Group, Inc. (“MUFG”) and its group companies (collectively, the “group”). These forward-looking statements are based on information currently available to the group and are stated here on the basis of the outlook at the time when this document was produced. In addition, in making these statements, certain assumptions (premises) have been utilized. These statements and assumptions (premises) are subjective and may prove to be incorrect or may not be realized in the future. Underlying such assumptions are a large number of risks and uncertainties. Please see other disclosures and public filings made or to be made by MUFG and the other companies comprising the group, including our latest consolidated summary report, financial report, securities report, quarterly securities report, annual report, and our latest annual report on Form 20-F and other reports submitted to the U.S. Securities and Exchange Commission, for additional information regarding such risks and uncertainties. The group has no obligation or intent to update any forward-looking statements contained in this document.

In addition, information on companies and other entities outside the group that is included in this document has been obtained from publicly available information and other sources. The accuracy and appropriateness of that information has not been verified by the group and cannot be guaranteed.

The financial information used in this document was prepared in accordance with accounting principles generally accepted in Japan (“Japanese GAAP”), unless otherwise stated. Accounting principles generally accepted in the United States (“U.S. GAAP”) differ in certain important respects. You should consult your own professional advisers for a more complete understanding of the differences between U.S. GAAP and Japanese GAAP and the generally accepted accounting principles of other jurisdictions and how those differences might affect the financial information contained in this document.

This document may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any purpose, without our prior written consent.

The information included in this document is not an offer to sell, or a solicitation of an offer to buy, any securities in the United States, Japan or any other jurisdiction.

This document is as of December 1, 2022.

Definitions of abbreviations used in this document

the Bank (BK):	MUFG Bank, Ltd.	DS:	Digital Service Business Group
the Trust Bank (TB):	Mitsubishi UFJ Trust & Banking Corporation	R&C:	Retail & Commercial Banking Business Group
the Securities HD (SCHD):	Mitsubishi UFJ Securities Holdings Co., Ltd.	JCIB:	Japanese Corporate & Investment Banking Business Group
NICOS:	Mitsubishi UFJ NICOS Co., Ltd.	GCIB:	Global Corporate & Investment Banking Business Group
MUMSS:	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	GCB:	Global Commercial Banking Business Group
MUAH:	MUFG Americas Holdings Corporation	AM/IS:	Asset Management & Investor Services Business Group
KS:	Bank of Ayudhya Public Company Limited (Krungsri)	Global Markets:	Global Markets Business Group
BDI:	PT Bank Danamon Indonesia, Tbk.	FSA:	Financial Services Agency of Japan
FSI:	First Sentier Investors (Australia) Services Pty Limited		
MUB:	MUFG Union Bank, N.A.		

Definitions of figures used in this document

Consolidated:	Mitsubishi UFJ Financial Group Inc. (consolidated)	the Bank consolidated:	MUFG Bank, Ltd. (consolidated)
Non-consolidated:	Simple sum of MUFG Bank, Ltd. (non-consolidated) and Mitsubishi UFJ Trust & Banking Corporation (non-consolidated)		

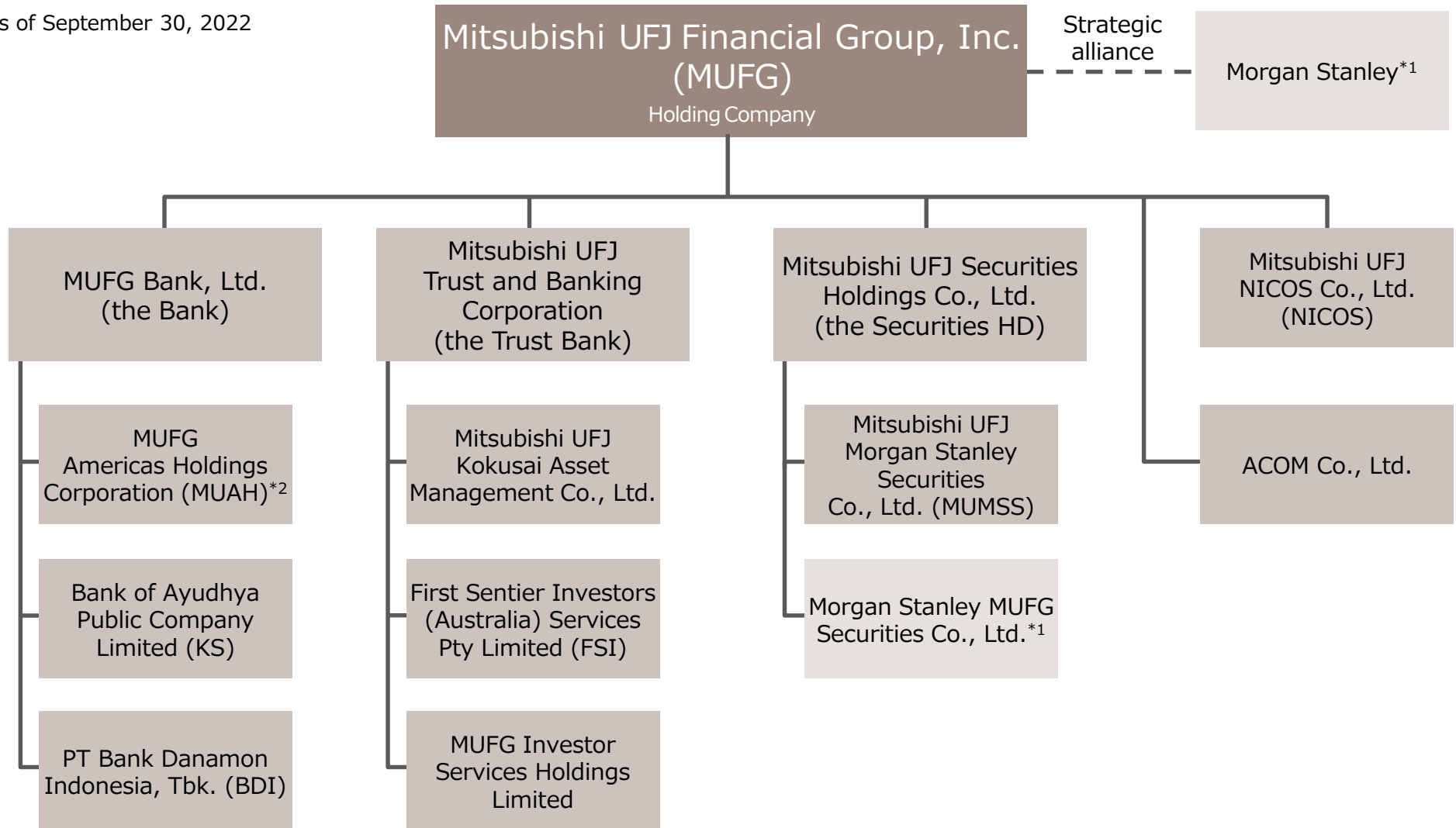
Contents

Section 1	Overview	4
Section 2	Financial results	8
Section 3	Capital raising strategy	20
Section 4	MUFG's approach to ESG	26
Appendix	33

Section 1 Overview

Group structure

As of September 30, 2022



*1 Morgan Stanley and Morgan Stanley MUFG Securities are equity method investees of MUFG as of September 30, 2022

*2 We sold MUB, a subsidiary of MUAH, excluding its global corporate and investment banking business and certain related business and assets and liabilities, to U.S. Bancorp on December 1, 2022

MUFG at a glance

Financials*1

Consolidated

FY 2022 H1

1 Consolidated gross profits (before credit costs for trust accounts)	¥ 2,323.4bn / US\$16.0bn
2 Profits attributable to owners of parent	¥ 231.0bn / US\$1.5bn

End Sep 2022

3 Total assets	¥ 391.8tn / US\$2,707bn
4 Loans (banking + trust accounts)	¥ 120.8tn / US\$835bn
5 Deposits	¥ 222.0tn / US\$1,534bn
6 Market capitalization*2	¥ 9.2tn / US\$66bn
7 Consolidated LCR*3	158.6%
8 NPL ratio*4	1.09%

Group network

(As of end September 2022)

Domestic Network:

461 locations*7

Global Network:

**Approx. 2,400 locations*8
across over 50 countries**

*1 Exchange rate applied is ¥144.69/US\$

*2 As of end November 2022. Exchange rate applied is ¥139.35/US\$

*3 The ratio is the three-month average of daily LCR for the three months ended September 30, 2022, that is calculated by dividing the balance of High-Quality Liquid Assets by the amount of total net cash flows on a daily basis for the same three months

*4 The calculation of the NPL ratio has been changed per amendments to the definition of risk-monitored loans under the Japanese Banking Act. Please see P.15

*5 Calculated on the basis of regulations applied at the end of September 2022

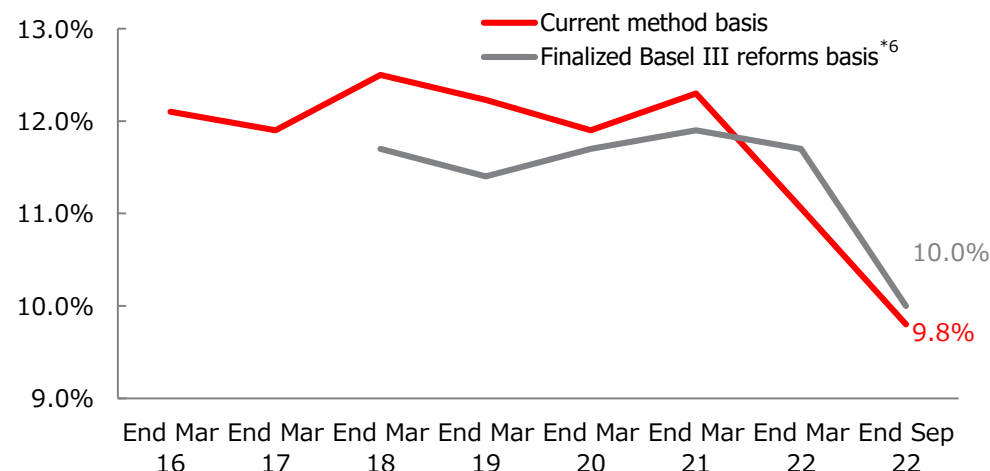
Capital

Consolidated

Common Equity Tier 1 Capital Ratio as of end September 2022 (financial strength)

9.8%

(current method basis)*5



Ratings (holding company)

(As of end November 2022)

	Moody's	S&P	Fitch
Long-term	A1	A-	A-
Short-term	P-1	-	F1

*6 Estimated CET1 ratio reflecting the RWA increase calculated on the basis of the finalized Basel III reforms expected to be fully applied in 2029, according to the amended notification on capital adequacy ratio published by the FSA on April 28, 2022

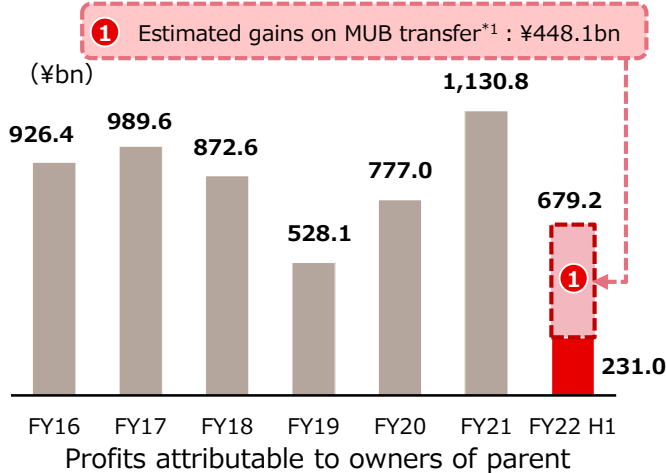
*7 A facility that houses several branches for retail clients is counted as a single location. Total of the Bank, the Trust Bank and the Securities HD

*8 Including 459 locations of Adira Finance, a subsidiary of BDI

MUFG credit highlight

Profit track record

Consolidated



Ample liquidity

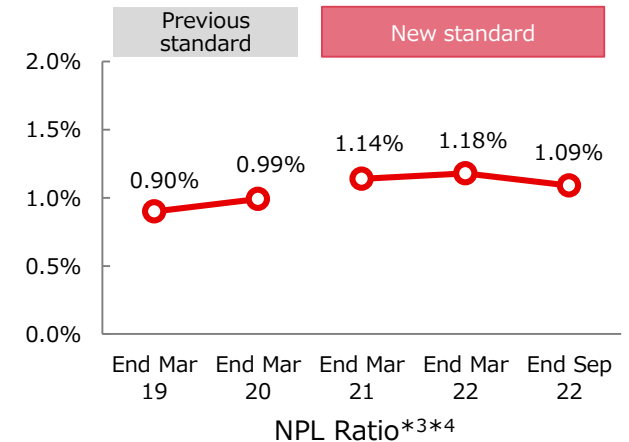
Consolidated

158.6%

Consolidated Liquidity Coverage Ratio*2
(End September 2022)

Sound asset quality

Consolidated



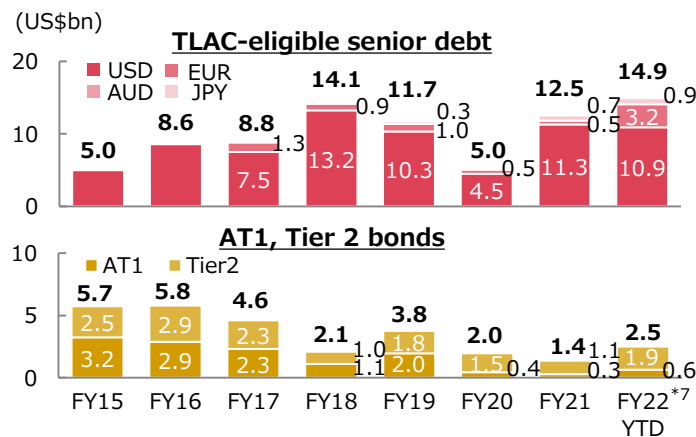
Sufficient capital

Consolidated

9.8%

CET1 capital ratio
(current method basis*5)
(End September 2022)

Issuance track record*6



A1 / A- / A-

Moody's / S&P / Fitch
(End November 2022)

*1 Extraordinary gains estimated as of September 30, 2022 to be recorded upon the transfer of MUB shares. See P.55 *2 The ratio is the three-month average of daily LCR for the three months ended September 30, 2022, that is calculated by dividing the balance of High-Quality Liquid Assets by the amount of total net cash flows on a daily basis for the same three months *3 Total non-performing loans / Total loans *4 NPL Ratio (1.14%) as of the end of March 2021, NPL Ratio (1.18%) as of the end of March 2022 and NPL Ratio (1.09%) as of the end of September 2022 are calculated as per the amendments to the definition of risk-monitored loans under the Japanese Banking Act. See P.15 *5 Calculated on the basis of regulations applied at the end of September 2022 *6 Total of public issuance (excluding the amount of buyback) as of the end November 2022. All figures are converted into US\$ using actual exchange rates as of the end November 2022 *7 From April 1, 2022 to November 30, 2022

Section 2

Financial results

Income statement summary

Consolidated (¥bn)		FY21 H1	FY22 H1	YoY
1	Gross profits (before credit costs for trust accounts)	1,980.8	2,323.4	342.5
2	Net interest income	992.4	1,674.0	681.6
3	Trust fees + Net fees and commissions	744.7	772.2	27.4
4	Net trading profits + Net other operating profits	243.6	(122.8)	(366.5)
5	Net gains (losses) on debt securities	70.5	(497.1)	(567.7)
6	G&A expenses	1,343.2	1,428.1	84.8
7	Net operating profits	637.5	895.2	257.7
8	Total credit costs	17.9	(243.8)	(261.7)
9	Net gains (losses) on equity securities	126.0	76.1	(49.9)
10	Net gains (losses) on sales of equity securities	131.2	131.6	0.3
11	Losses on write-down of equity securities	(5.2)	(55.5)	(50.3)
12	Equity in earnings of equity method investees	218.3	239.2	20.8
13	Other non-recurring gains (losses)	(13.9)	(375.7)	(361.8)
14	Ordinary profits	986.0	591.0	(394.9)
15	Net extraordinary gains (losses)	69.9	(57.3)	(127.2)
16	Total of income taxes-current and income taxes-deferred	(225.7)	(260.8)	(35.0)
17	Profits attributable to owners of parent	781.4	231.0	(550.3)
18	EPS (¥)	60.87	18.50	(42.36)

1 Gross profits

- Net interest income increased due to improvement of lending spread as well as an increase of overseas interest income from lending and deposits during the period when interest rates in U.S. rose.
- Treasury recorded ¥490.1bn in gains on investment trusts cancellation (as net interest income) and also recorded ¥(497.1)bn in net losses on debt securities due to portfolio rebalance mainly in foreign bonds considering gains on hedges with derivatives.
- Thus, gross profits increased ¥342.5bn YoY.

2 G&A expenses

- G&A expenses excluding the impact of FX translation*1 decreased YoY.
- Expense ratio decreased to 61.4%

3 Total credit costs

- Credit costs associated with accounting treatment in connection with our decision to sell all shares of MUB (valuation losses on loans held by MUB etc.) was recorded at ¥(231.9)bn.

4 Other non-recurring gains (losses)

- Losses associated with accounting treatment in connection with our decision to sell all shares of MUB (valuation losses on bonds held by MUB etc.) was recorded at ¥(331.8)bn.

5 Profits attributable to owners of parent

- Although profits attributable to owners of parent decreased by ¥550.3bn to ¥231.0bn, we are making good progress toward the FY2022 target considering estimated gains of ¥448.1bn that will be recorded as extraordinary gains upon MUB's transfer in the quarter ending December 31, 2022.

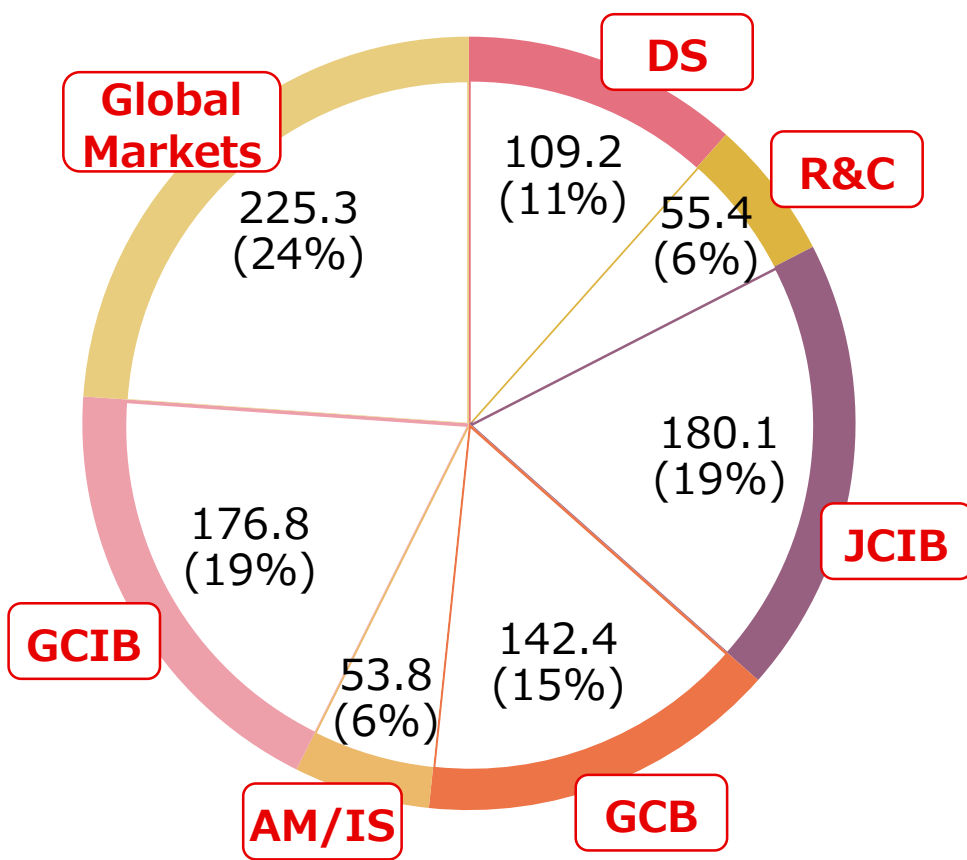
*1 Impact of FX translation was approximately +¥111.5bn

Net operating profits results by business group

Net operating profits by business group*1 Consolidated

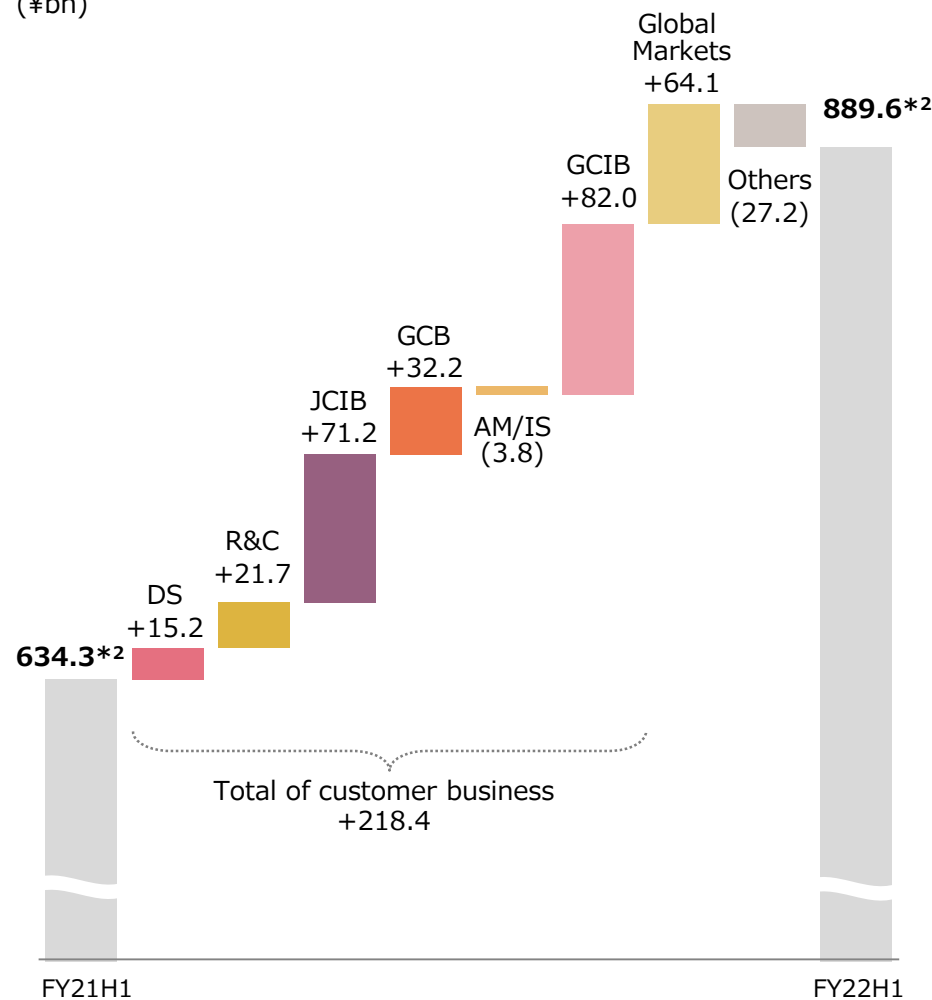
(¥bn)

FY22H1 ¥889.6bn*2



Changes by business group*1 Consolidated

(¥bn)



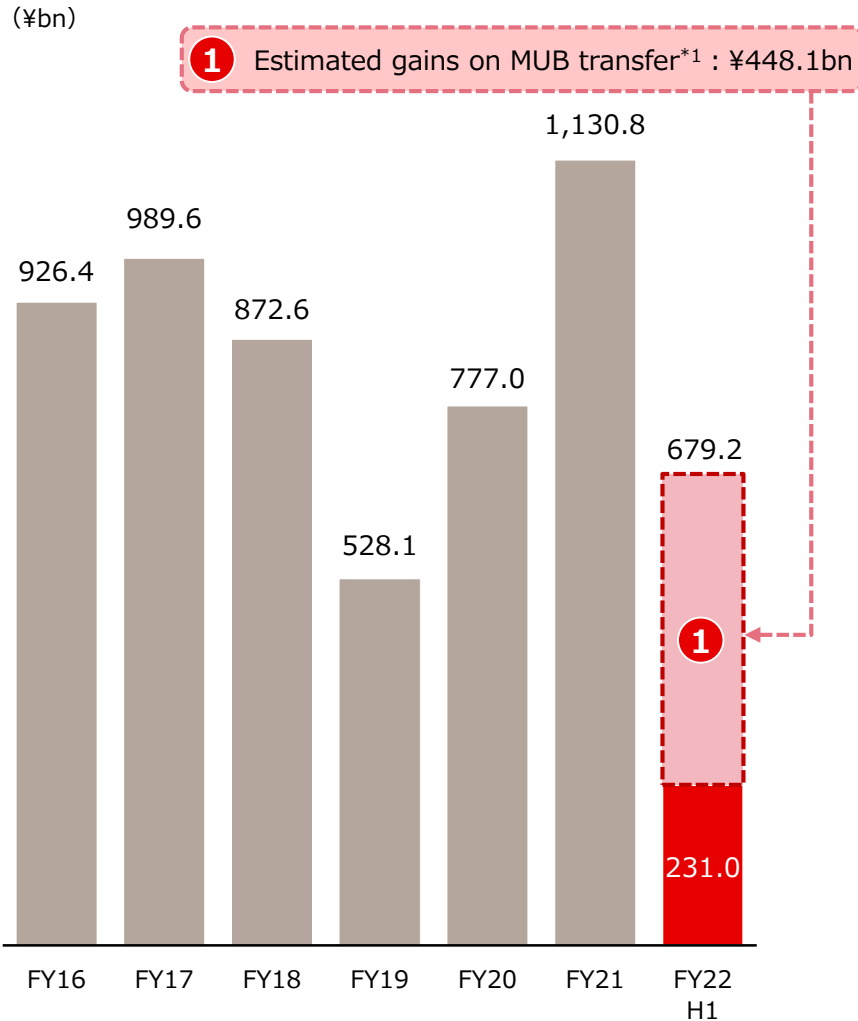
*1 On a managerial accounting basis

*2 Includes net operating profits (losses) of "Others" (FY21H1: ¥(26.4)bn, FY22H1: ¥(53.6)bn)

Outline of profits attributable to owners of parent

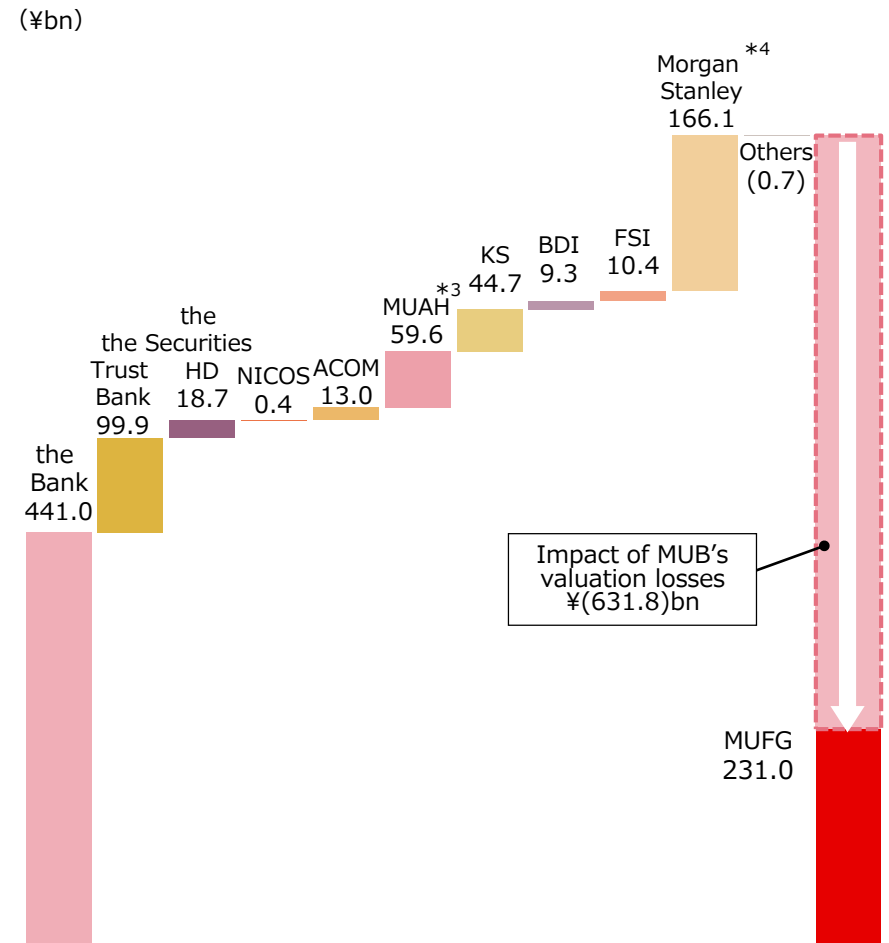
History of profits attributable to owners of parent

Consolidated



Breakdown of profits attributable to owners of parent*2

Consolidated



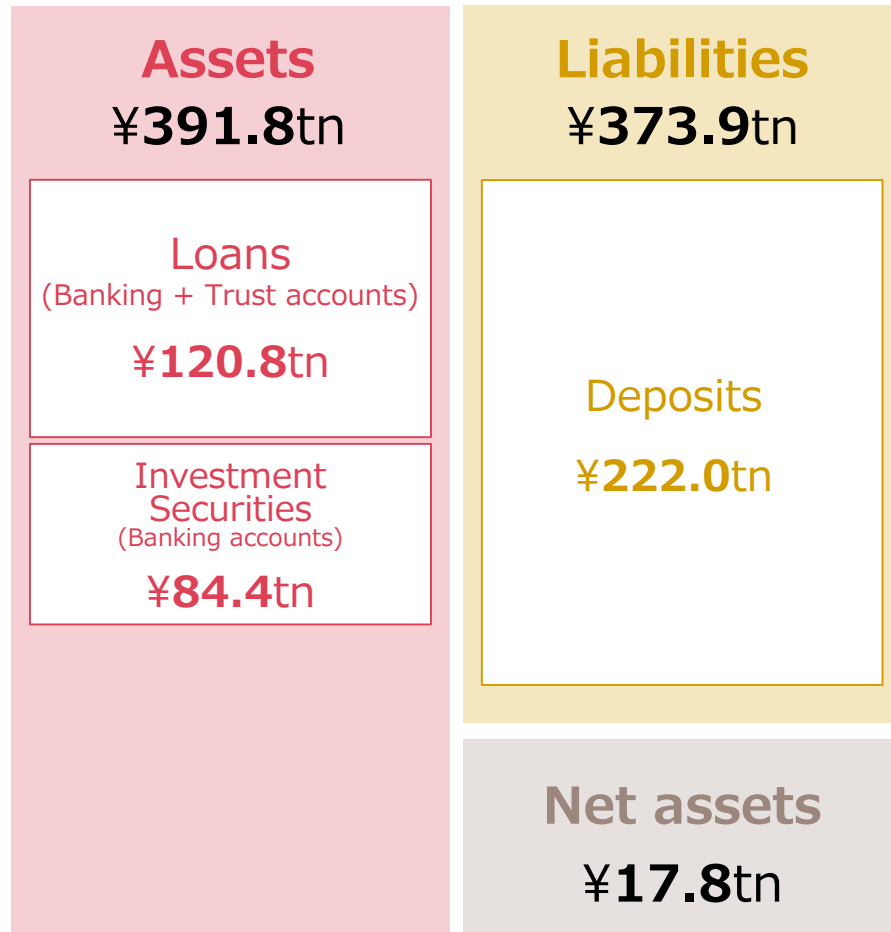
*1 Extraordinary gains estimated as of September 30, 2022 to be recorded upon the transfer of MUB shares. See P.55
 *2 The figures reflect the profit attributable to the group's percentage holding in each subsidiary and equity method investee
 *3 Exclude the impact of MUB's valuation losses
 *4 The figure includes ¥(23.7)bn of losses on change in equity

Balance sheet summary

Balance sheet summary

Consolidated

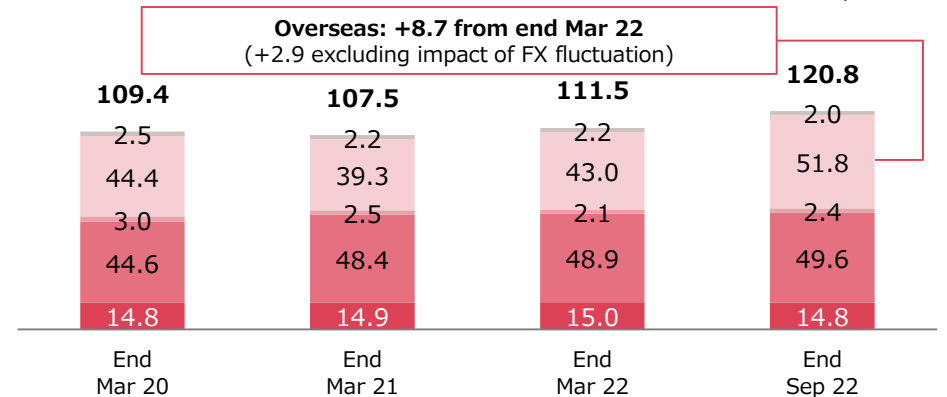
As of end Sep 2022



Loans (Period end balance)*1

Consolidated

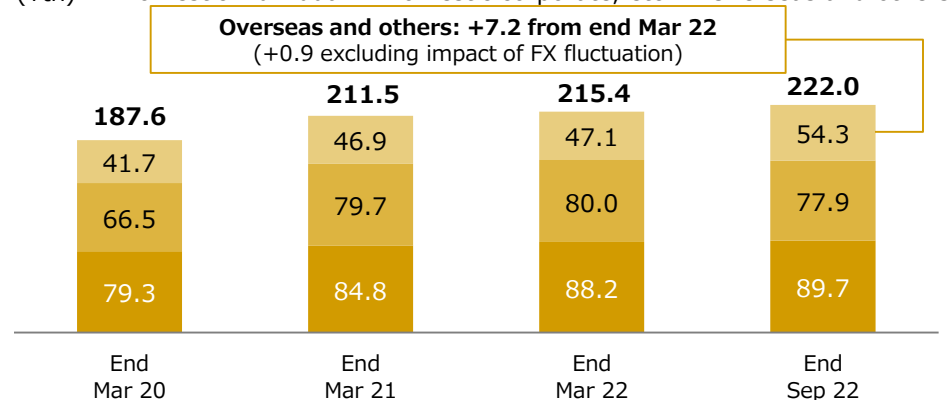
(¥tn) ■ Housing loan*2 ■ Domestic corporate*2*3 ■ Government ■ Overseas*4
■ Consumer finance / Others



Deposits (Period end balance)

Consolidated

(¥tn) ■ Domestic individual*5 ■ Domestic corporate, etc.*5 ■ Overseas and others



*1 Sum of banking and trust accounts

*2 Non-consolidated + trust accounts

*3 Excluding loans to government and governmental institutions, and including foreign currency-denominated loans (excluding impact of FX fluctuation: ¥(0.1)tn from end March 2022)

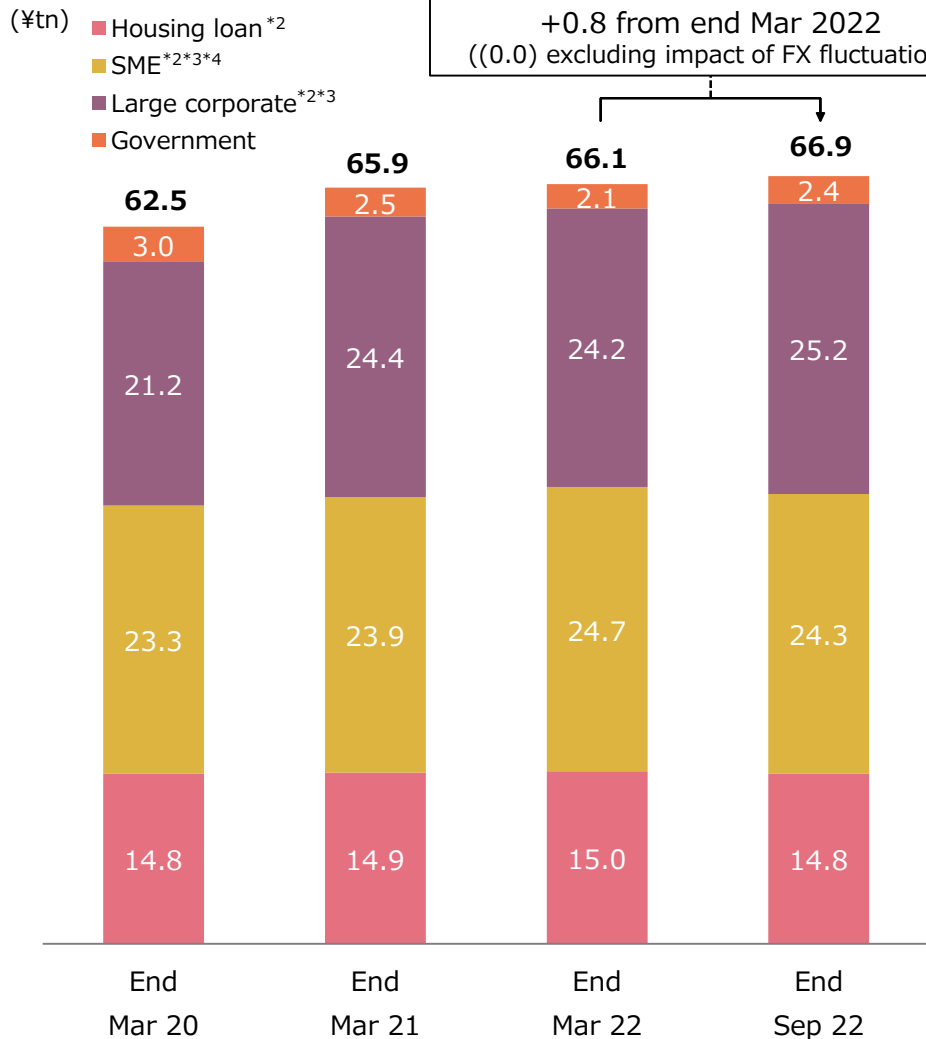
*4 Loans booked in overseas branches, MUAH, KS, BDI, the Bank (China), the Bank (Malaysia) and the Bank (Europe)

*5 Non-consolidated

Domestic loans

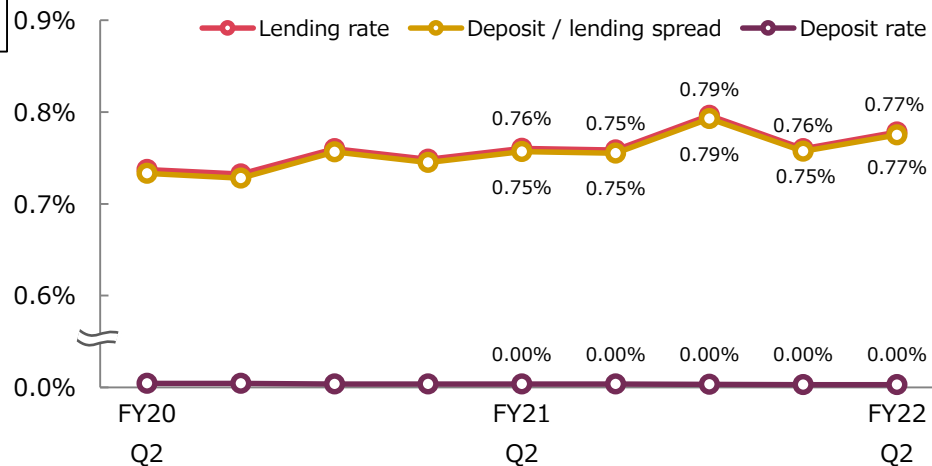
Loan balance (Period end balance)*1

Consolidated



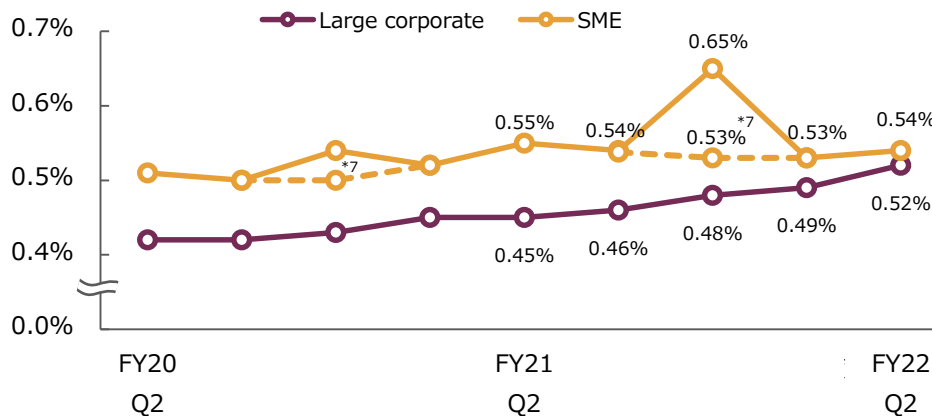
Changes in domestic deposit / lending rate*5*6

Non-consolidated



Domestic corporate lending spread*3*5*6

Non-consolidated



*1 Sum of banking and trust accounts *2 Non-consolidated + trust accounts *3 Including non-JPY loans

*4 Domestic loans to small / medium-sized companies and proprietors (excluding domestic consumer loans)

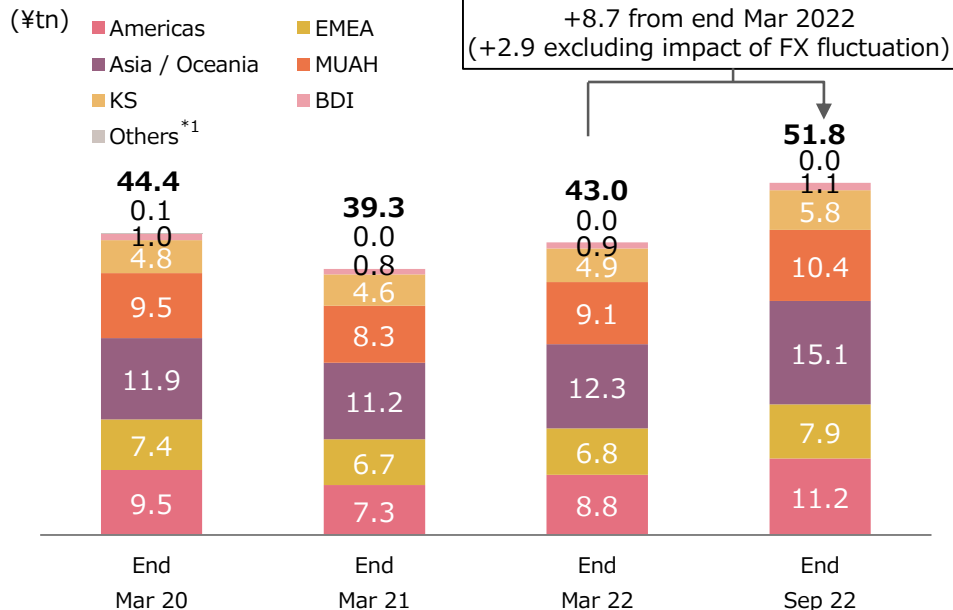
*5 Excluding lending to government etc. *6 Managerial accounting basis

*7 Excluding impact of the collective recording of interest received at fiscal year-end via COVID-19 government subsidized interest payment programs

Overseas loans

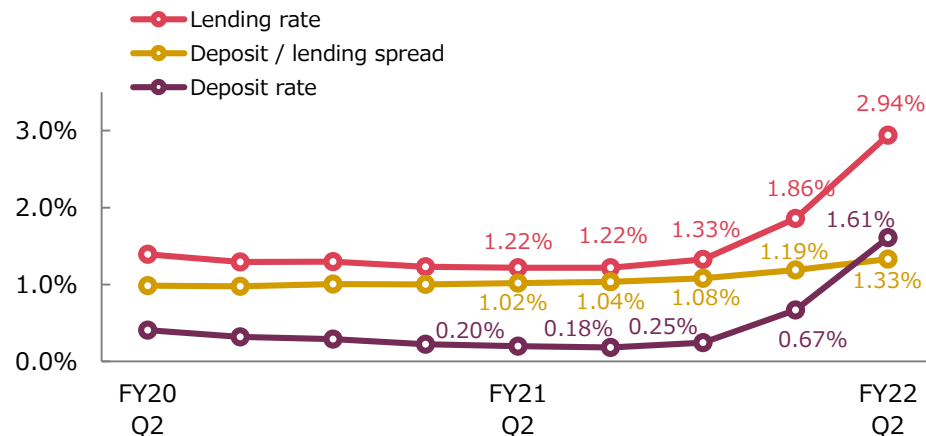
Loan balance (Period end balance)

Consolidated



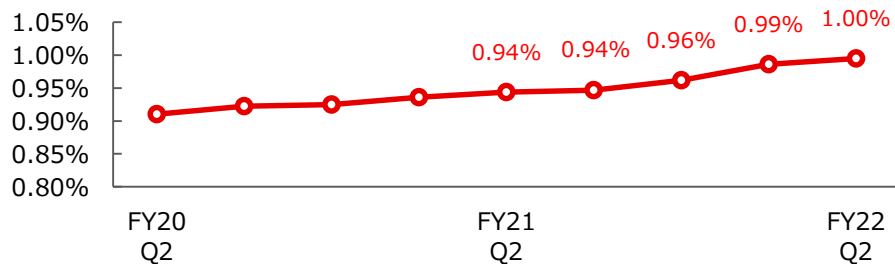
Change in overseas deposit / lending rate*2

Non-consolidated



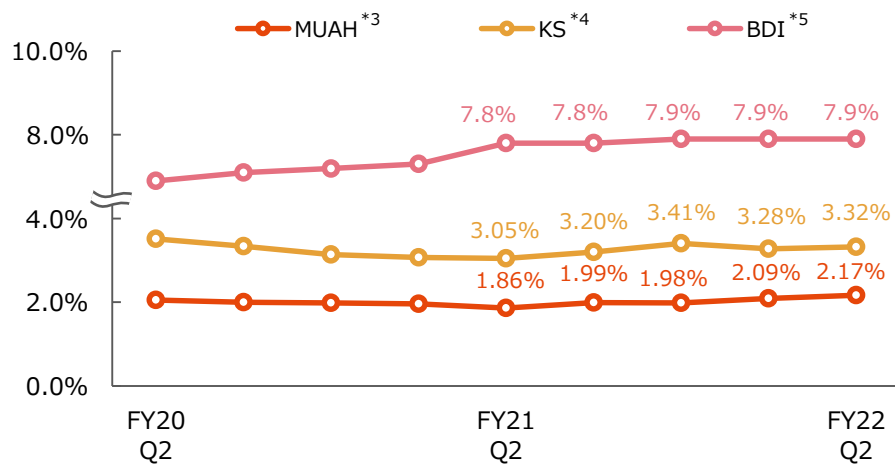
Lending spread*2

Non-consolidated



Net interest margin

MUAH / KS / BDI



*1 Loans booked at offshore markets etc. *2 Managerial accounting basis

*3 Financial results based on U.S. GAAP including balance classified as held-for-sale account

*4 Financial data as disclosed in KS's financial reports based on Thai GAAP, and starting from January 1, 2020, Thailand adopted TFRS 9 (which is broadly similar to the IFRS 9 international accounting standard)

*5 Financial data as disclosed in BDI's financial reports based on Indonesia GAAP. Calculation method modified from FY21 and retroactively applied in this document

Loan assets

Non-performing loans*1

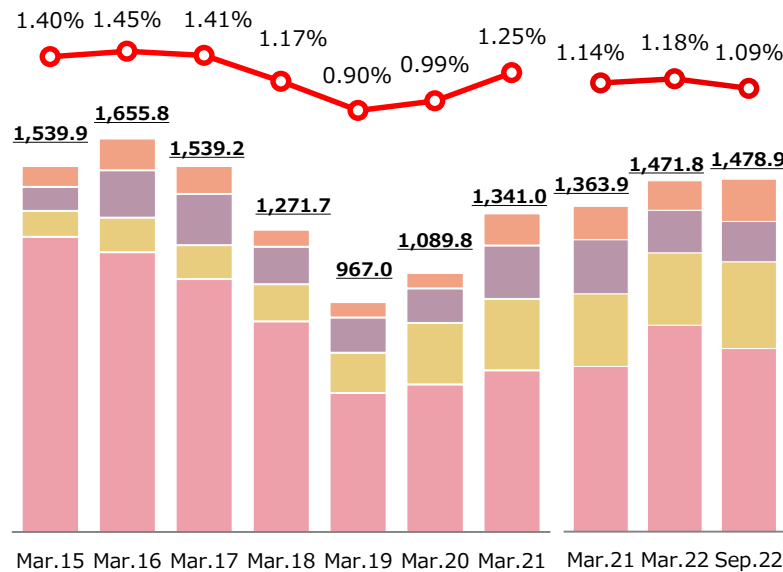
Consolidated

(¥bn)

Risk-monitored loans (previous standard)

New standard

○ NPL ratio*2



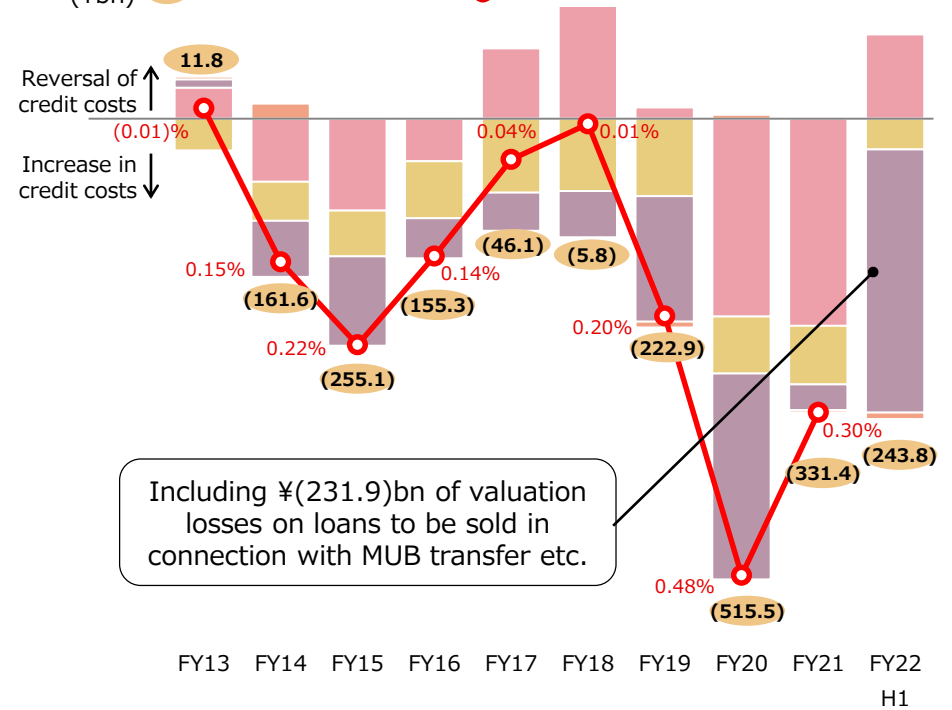
[Breakdown]

	Mar.15	Mar.16	Mar.17	Mar.18	Mar.19	Mar.20	Mar.21	Mar.21	Mar.22	Sep.22
EMEA	88.2	133.9	116.0	71.3	64.0	63.7	134.7	138.7	124.0	176.9
Americas	100.7	199.4	216.0	157.5	148.2	145.5	224.7	226.7	178.1	170.0
Asia	108.8	145.3	142.3	155.8	170.3	259.1	300.5	305.8	302.9	363.1
Domestic	1,242.0	1,177.1	1,064.7	887.0	584.3	621.3	680.9	692.5	866.6	768.7

Total credit costs*3 / Credit cost ratio*4

Consolidated

(¥bn) ● Total credit costs*3 ○ Credit cost ratio*4



Including ¥(231.9)bn of valuation losses on loans to be sold in connection with MUB transfer etc.

[Breakdown]

	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22 H1
Non-consolidated*5	35.1	(71.1)	(103.7)	(47.9)	79.5	129.8	12.6	(223.2)	(233.8)	95.1
CF*6	(35.7)	(44.1)	(51.6)	(64.5)	(83.6)	(81.7)	(87.6)	(64.4)	(66.0)	(34.7)
Overseas*7	9.2	(63.2)	(100.8)	(45.0)	(42.7)	(52.3)	(141.6)	(232.3)	(28.9)	(296.9)
Others*8	3.2	16.9	1.0	2.1	0.8	(1.5)	(6.2)	4.5	(2.6)	(7.3)

*1 Due to amendments to the Japanese Banking Act, the scope of risk-monitored loans disclosed under the Japanese Banking Act was changed and became the same as the scope of non-performing loans disclosed under the Japanese Financial Reconstruction Act (FRA). Under the previous standard, these loans were "risk-monitored loans," but they are now "non-performing loans." Regions are based on the borrowers' location.

*2 Total non-performing loans / Total loans under the Japanese Banking Act (Previous standard: Total risk-monitored loans / Total loans and bills discounted (banking accounts as of period end))

*3 Including gains from recovery of loans written off

*4 Total credit costs / loan balance as of period end. It is currently estimated that the total credit costs of the major overseas subsidiaries (which were consolidated based on their financial statements for the six months ended June 30, 2022) for the quarter ended September 30, 2022 will be approx. ¥240bn. The subsidiaries' total credit costs will be reflected in consolidated financial statements for the quarter ending December 31, 2022

*5 Including overseas branches

*6 Sum of NICOS and ACOM on a consolidated basis

*7 Sum of overseas subsidiaries of the Bank and the Trust Bank

*8 Sum of other subsidiaries and consolidation adjustment

Investment securities

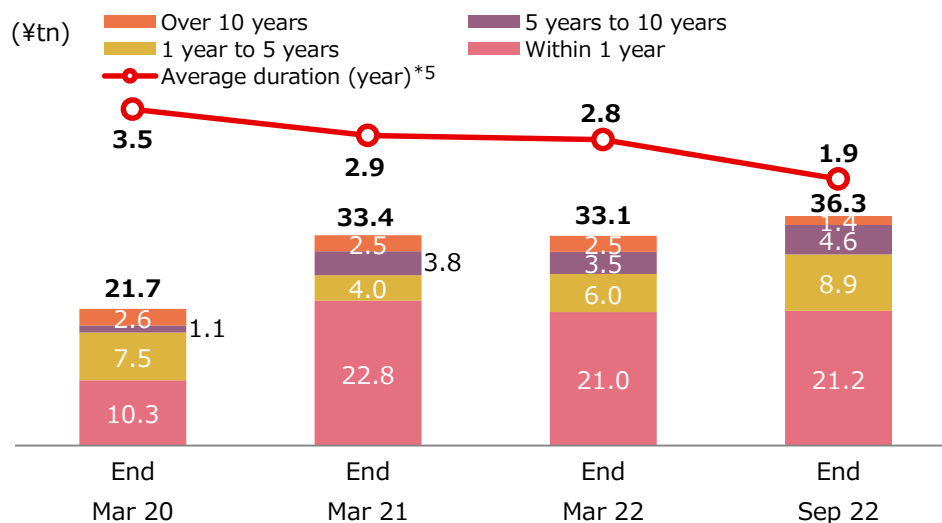
Available-for-sale securities with fair value*1

Consolidated

1 Total	Balance		Unrealized gains (losses)	
	End Sep 22	Changes from End Mar 22	End Sep 22	Changes from End Mar 22
2 Domestic equity securities	4,235.7	(377.9)	2,592.4	(321.6)
3 Domestic bonds	36,936.2	(3,497.3)	(154.1)	(92.3)
4 Japanese government bonds	29,194.6	(2,217.2)	(120.0)	(64.6)
5 Foreign equity securities	197.1	(21.4)	25.5	(2.2)
6 Foreign bonds	20,506.6	(1,523.8)	(1,840.9)	(988.0)*2
7 Others	8,916.4	1,303.2	146.5	(218.1)

Balance of JGB portfolio*4 and duration

Non-consolidated



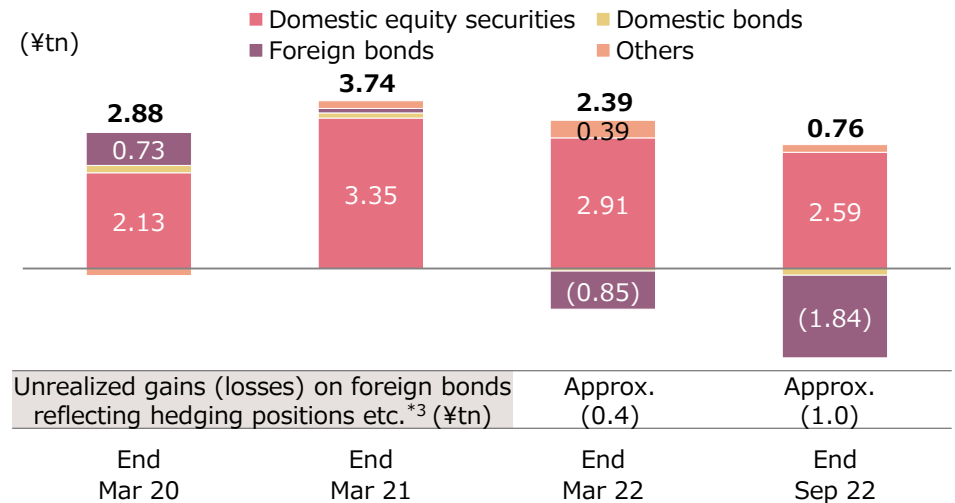
*1 Unrealized gains (losses) as of September 30, 2022 do not include ¥385.2bn of valuation losses in connection with the sale of all shares of MUB

*2 Approximately ¥(0.7)tn excluding the impact of FX translation

*3 Managerial accounting basis

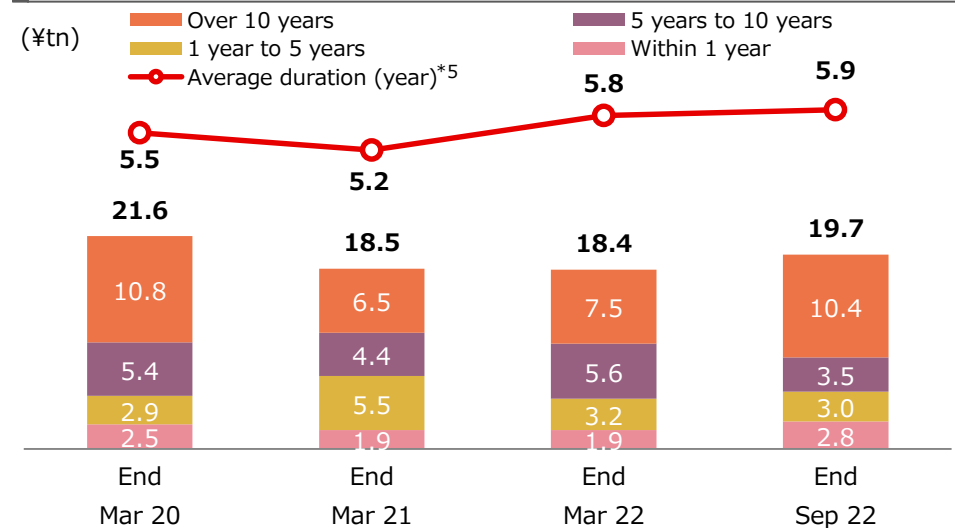
Unrealized gains (losses) on available-for-sale securities*1

Consolidated



Balance of foreign bonds*4 and duration

Non-consolidated



*4 Available for sale securities and securities being held to maturity

*5 Available for sale securities

Response to rises in non-JPY interest rates

- Utilize hedging tools, etc. to control unrealized losses

Treasury business in response to rises in non-JPY interest rates

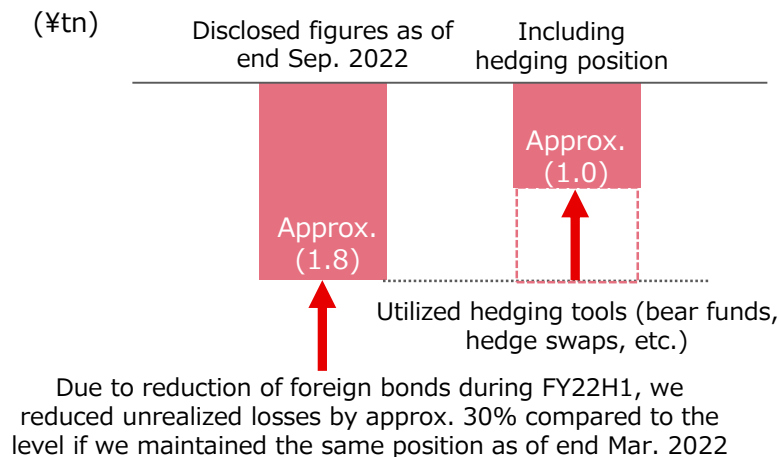
Current unrealized gains / losses

- Unrealized losses of foreign bonds were expanding due to rises in interest rates
- Recorded net unrealized "gains" on a total AFS securities*1 basis (including equities)

Controlling unrealized gains / losses on foreign bonds

- Aim to reduce interest rate risk*2
- Utilize hedging tools to increase financial profits and sell foreign bonds with unrealized losses*3
- Purchase foreign bonds in the HTM securities*4 account

Unrealized gains / losses on foreign bonds (as of end Sep. 2022)*5



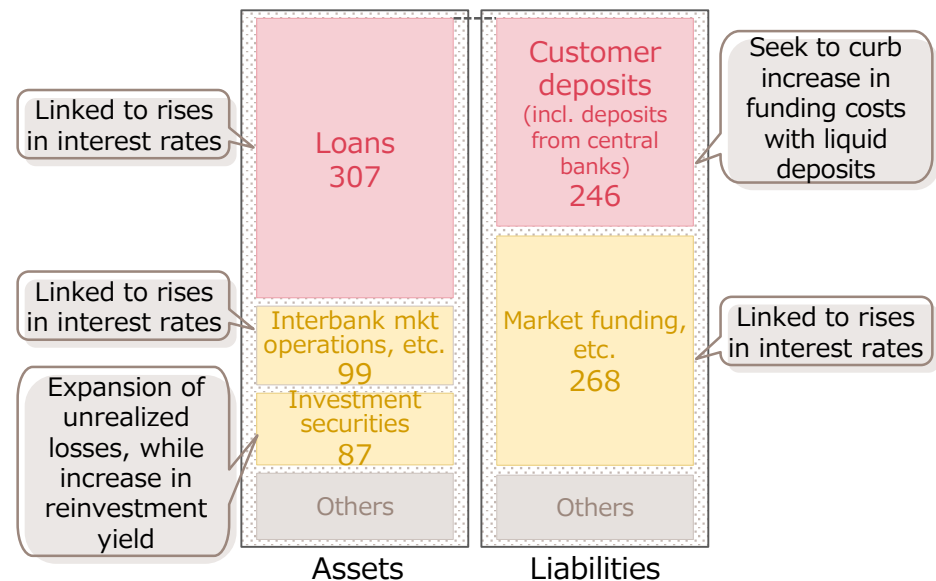
Impact of rises in non-JPY interest rates

Customer business	<ul style="list-style-type: none"> Increase in net interest income from loans and deposits Both loan interest income and deposit interest expenses are linked to interest rates Seek to curb funding costs with liquid deposits
Treasury	<ul style="list-style-type: none"> Decrease in net interest income due to increase in funding costs from rises in interest rates Expansion of unrealized losses on investment securities, while increase in reinvestment yield

Non-JPY balance sheet*6

(US\$ bn)

As of end Sep. 2022



*1 Available-for-sale securities *2 Risks of price fluctuations associated with our bond holdings due to interest rate fluctuations

*3 MUFG recorded ¥(497.1)bn in net losses on debt securities for the six months ended September 30, 2022 *4 Held-to-maturity securities

*5 MUFG consolidated basis (excluding MUB) *6 The Bank consolidated excl. MUAH, KS and BDI. Managerial accounting basis

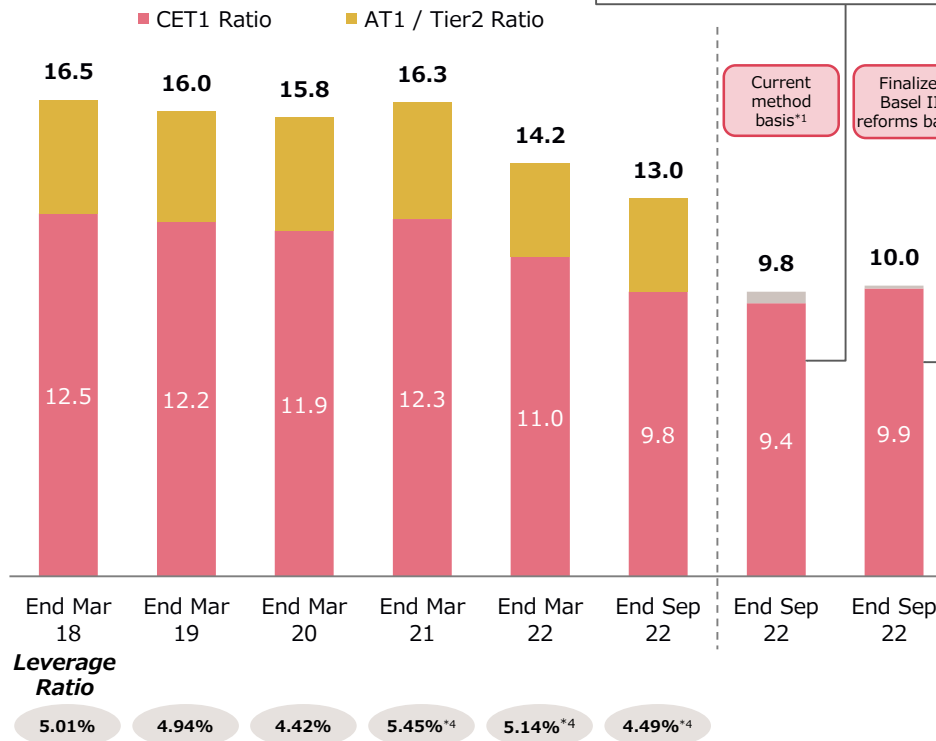
Capital

CET1 / Total capital ratio

Consolidated

Transitional basis (-End March 2018)
Current method basis*1 (End March 2019-)

Excluding impact of net
unrealized gains (losses) on
available for sale securities



- *1 Calculated on the basis of regulations applicable to the respective dates shown
 *2 Estimated CET1 ratio reflecting the RWA increase calculated on the basis of the finalized Basel III reforms expected to be fully applied in 2029, according to the amended notification on capital adequacy ratio published by the FSA on April 28, 2022
 *3 Adjustments made for the difference between risk-weighted assets under Basel I and Basel III
 *4 Based on FSA notification, deposits with the Bank of Japan are excluded from total exposures

Capital summary

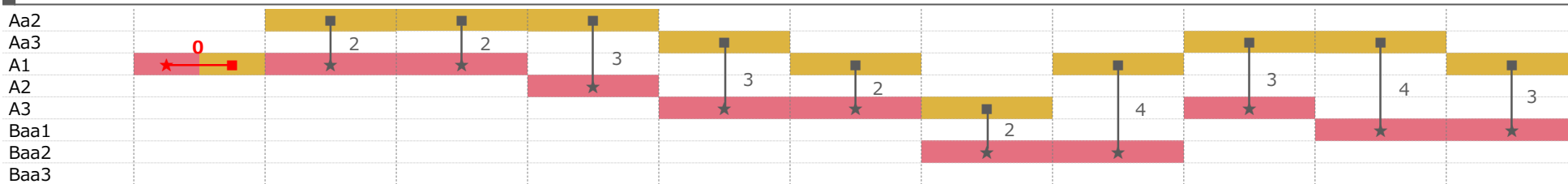
Consolidated

(¥bn)	End Mar 22	End Sep 22	Changes
1 Common Equity Tier 1 capital ratio	11.06%	9.82%	(1.24)ppt
2 Tier 1 capital ratio	12.38%	11.15%	(1.23)ppt
3 Total capital ratio	14.29%	13.04%	(1.25)ppt
4 Leverage ratio	5.14%	4.49%	(0.64)ppt
5 Common Equity Tier 1 capital	13,823.9	12,984.2	(839.6)
6 Retained earnings	11,998.1	12,047.9	49.7
7 Other comprehensive income	2,565.1	2,549.2	(15.8)
8 Regulatory adjustments	(3,242.9)	(3,902.0)	(659.1)
9 Additional Tier 1 capital	1,652.3	1,759.1	106.8
10 Preferred securities and subordinated debt	1,534.0	1,634.0	100.0
11 Tier 1 capital	15,476.2	14,743.4	(732.8)
12 Tier 2 capital	2,382.3	2,490.7	108.4
13 Subordinated debt	1,730.7	1,874.4	143.7
14 Total capital (Tier 1+Tier 2)	17,858.6	17,234.2	(624.3)
15 Risk weighted assets	124,914.2	132,159.3	7,245.1
16 Credit risk	91,927.2	100,044.5	8,117.3
17 Market risk	4,389.9	6,308.7	1,918.7
18 Operational risk	7,990.1	7,989.6	(0.5)
19 Floor adjustment*3	20,606.9	17,816.3	(2,790.5)
20 Total exposures *4	300,792.3	327,918.4	27,126.0

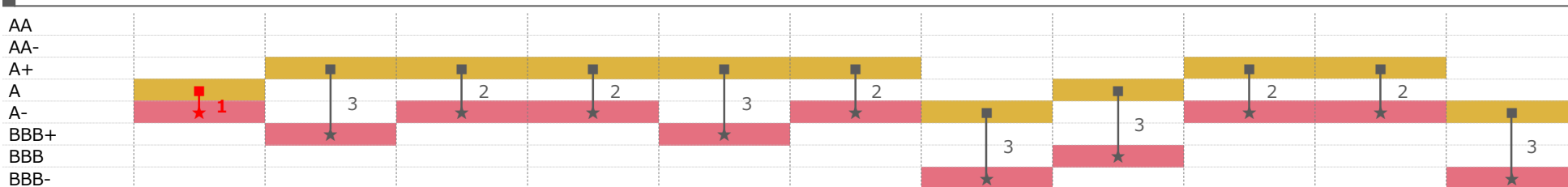
Global financial institutions' senior bonds ratings

As of November 30, 2022 ■ HD / Non-preferred senior ■ Operating bank / Preferred senior

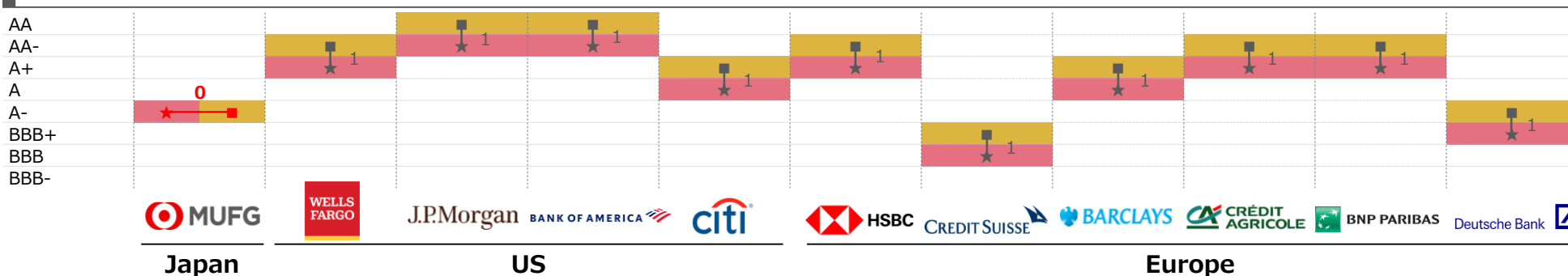
Moody's



S&P



Fitch



*1 For CA, BNP and DB, there is a single issuing entity, issuing both Preferred and Non-preferred senior bonds rather than separate HD and Operating bank issuing senior bonds, respectively

Section 3

Capital raising strategy

Japanese TLAC framework

- The best capital mix and external TLAC ratio

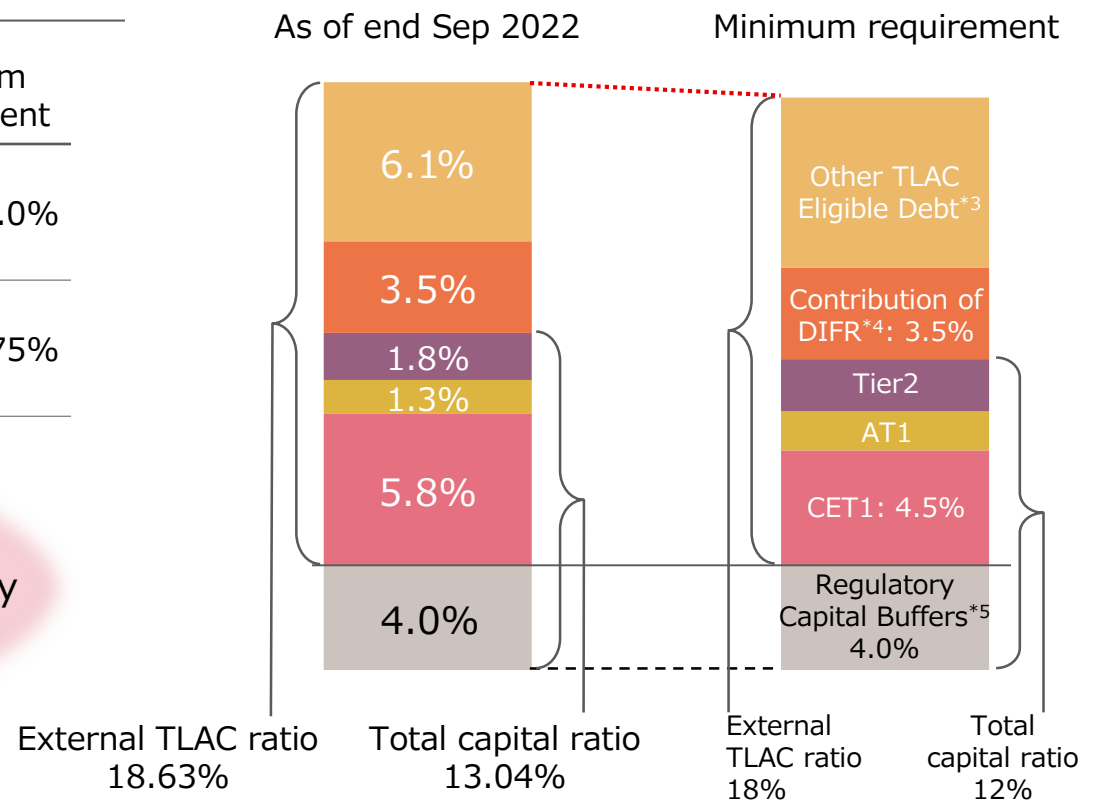
- Aiming for optimal balance between capital efficiency and capital adequacy in qualitative and quantitative aspects
 - Secure necessary and sufficient level of capital with utilization of AT1 / Tier2
 - Maintain sustainable external TLAC ratio for the long term by raising external TLAC-eligible senior debt

MUFG's external TLAC ratio and minimum requirement

	As of end Sep 22	Minimum requirement
Risk weighted asset basis	18.63%	18.0%
Total exposure basis ^{*1}	9.12%	6.75%

MUFG is the primary funding entity, which is designated as the resolution entity in Japan by FSA

MUFG's RWA^{*2} based external TLAC ratio



*1 Based on FSA notification; deposits with the Bank of Japan are excluded from total exposures for the period until March 31, 2024

*2 Risk weighted asset

*3 Including adjustment of difference between calculation method of total capital ratio and external TLAC ratio and adjustment of amount of other TLAC-eligible liabilities owned by the issuer's group, etc.

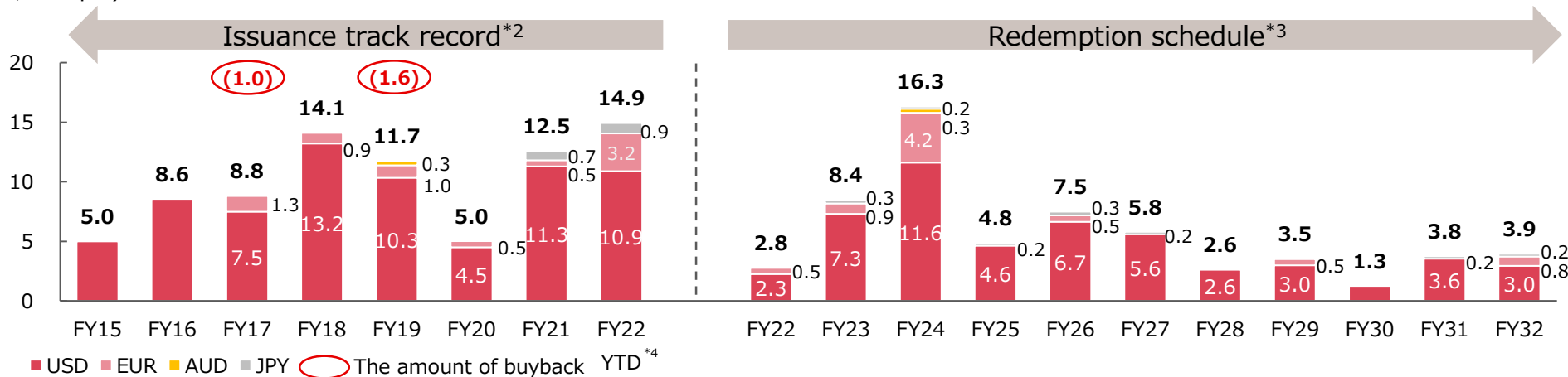
*4 Contribution of Deposit Insurance Fund Reserves : Japanese Deposit Insurance Fund Reserves fulfill the requirements for ex-ante commitments to recapitalize a G-SIB in resolution set out in the FSB's TLAC termsheet (Can include 3.5% of RWAs, in external TLAC ratio)

*5 CET1 Buffer applicable to MUFG: G-SIB Surcharge:1.5%, Capital Conservation Buffer:2.5%, and Counter-cyclical Buffer:0.01%

MUFG issuance track record and redemption schedule

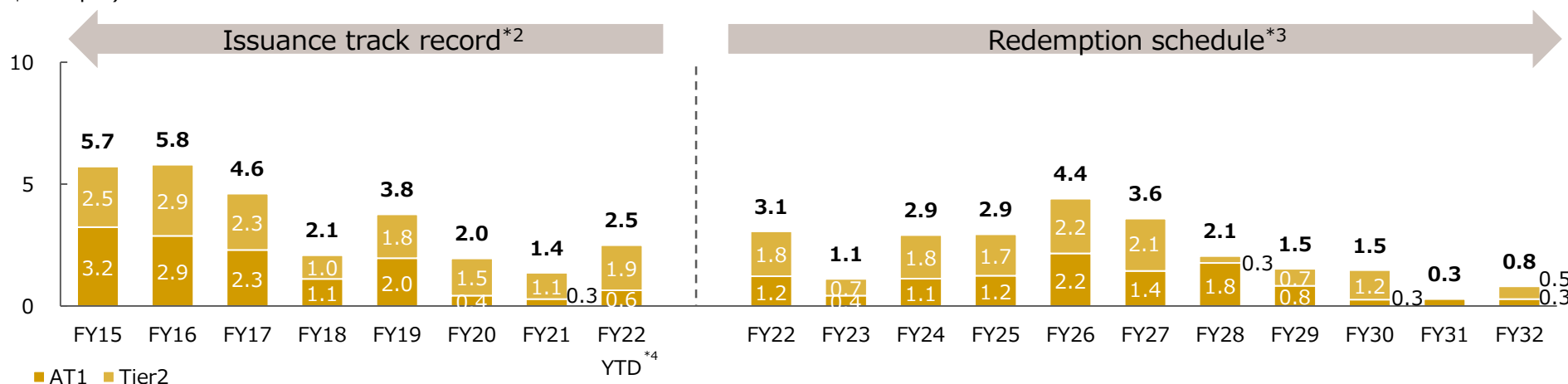
TLAC-eligible senior debt*1

(US\$bn equi.)



AT1, Tier2 bond*1

(US\$bn equi.)



*1 All figures are converted into US\$ using actual exchange rates as of end November 2022

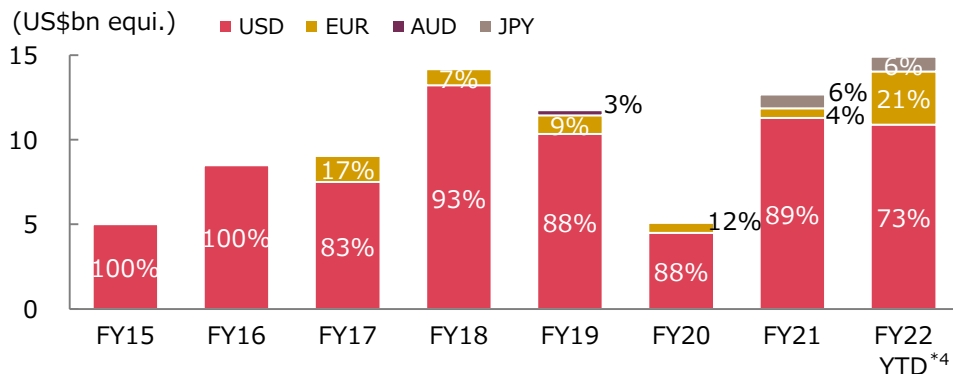
*2 Total of public issuance (excluding the amount of buyback) as of end November 2022

*3 Annual figures assuming that all callable notes are to be redeemed on their respective first callable dates, while there is no assurance they will be redeemed on such dates. Tier2 includes Basel II Tier2 sub notes issued by the Bank and the Trust Bank (including their respective overseas special purpose companies)

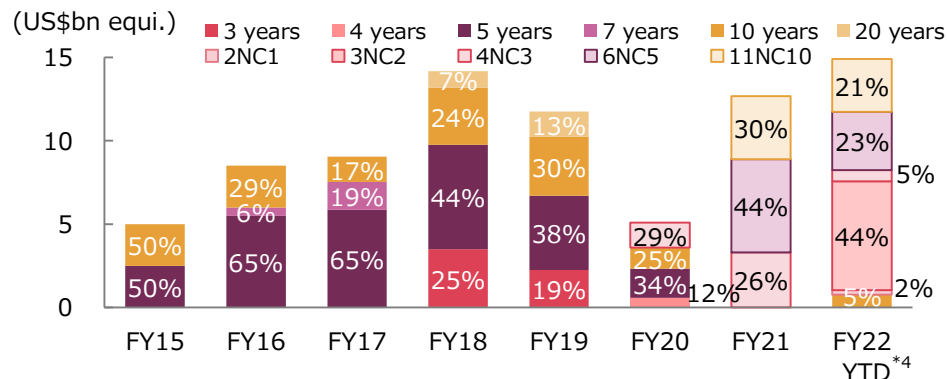
*4 From April 1, 2022 to November 30, 2022

MUFG TLAC-eligible senior debt issuance summary

By currency*1*2



By term*1*2*3



Past issuance calendar

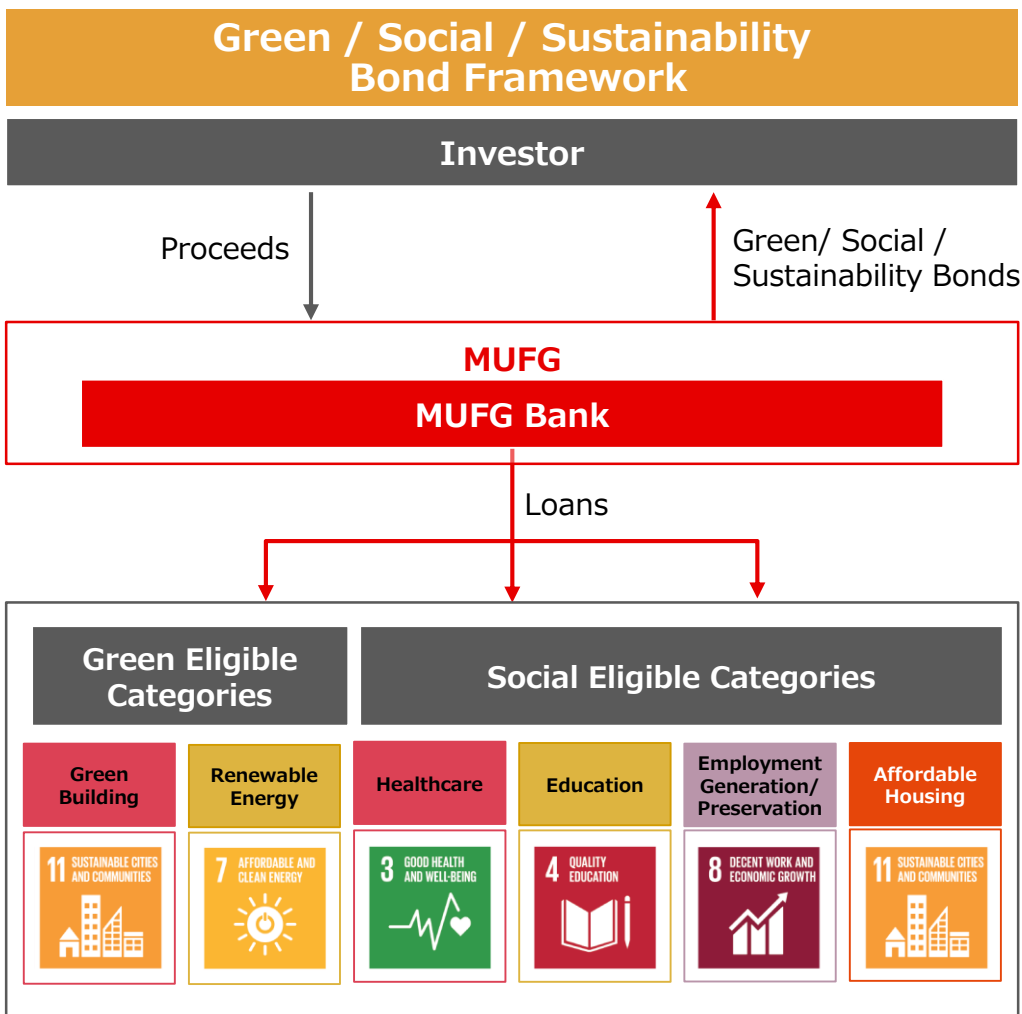
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
FY15												5y/10y US\$5.0Bn
FY16	5y/10y (Re-open) US\$2.0Bn				5y/7y Green US\$4.0Bn							5y/10y US\$2.5Bn
FY17				5y/10y US\$4.0Bn	7y EUR0.75Bn					5y Green EUR0.5Bn		5y/7y/10y US\$3.5Bn
FY18		5y EUR0.35Bn		3y/5y/10y(Re-open)/20y US\$4.6Bn	5y(Re-open)/10y US\$3.0Bn		5y Green EUR0.5Bn		10y Green US\$120MM (Sold in domestic market)			3y/5y/10y/20y US\$5.5Bn
FY19			3y/5y/10y/20y US\$6.5Bn	5y/10y Green EUR1.0Bn		5y Green AU\$0.5Bn			10y Social US\$90MM (Sold in domestic market)			5y/10y US\$3.75Bn
FY20			4y Sustainability EUR0.5Bn	5y/10y US\$3.0Bn		4NC3 US\$1.5Bn						
FY21			6NC5 EUR0.5Bn	4NC3/6NC5/11NC10 US\$6.0Bn		4NC3/6NC5/11NC10 US\$3.0Bn		4NC3/6NC5/11NC10 JPY100Bn			6NC5/11NC10 US\$2.3Bn	
FY22	4NC3/6NC5/11NC10 US\$2.0Bn		2NC1/4NC3/6NC5/11NC10 JPY120Bn	3NC2/10y EUR1.75Bn	3NC2/6NC5/11NC10 US\$4.5Bn	3NC2/6NC5/11NC10 US\$4.4Bn	3NC2 EUR1.3Bn					

*1 Total of public issuance (excluding the amount of buyback), as of end November 2022
 *2 Exchange rates: As of end of each FY (for FY22: end November 2022)

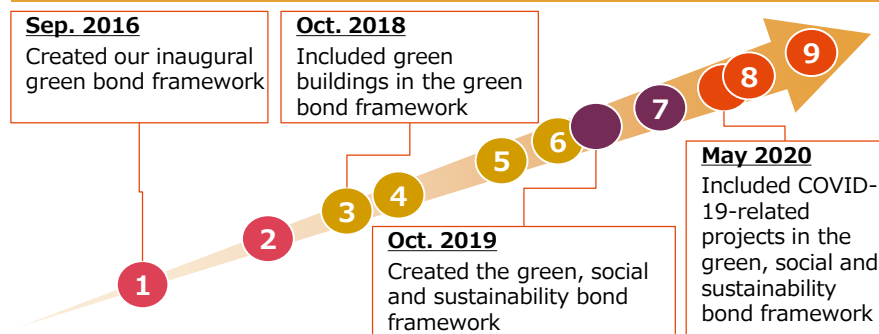
*3 Re-opening bonds are included in the original bonds' terms
 *4 From April 1, 2022 to November 30, 2022

MUFG's Green, Social and Sustainability Bonds

- MUFG revised its “Green, Social and Sustainability” bond framework in May 2020 and it is the first framework in Japan to channel funds specifically towards the fight against COVID-19
- MUFG has a proven track record as a frequent ESG bond issuer



Track Record of Bond Framework Revision



Green Bond Issuances

	Issuance	Currency	Amount	Tenor	Format
1	9/13/16	USD	500mm	7y	SEC
2	1/26/18	EUR	500mm	5y	Reg S
3	10/9/18	EUR	500mm	5y	Reg S
4	12/18/18	USD	120mm	10y	Japan Domestic
5	7/19/19	EUR	500mm	10y	Reg S
6	10/1/19	AUD	500mm	5y	Reg S

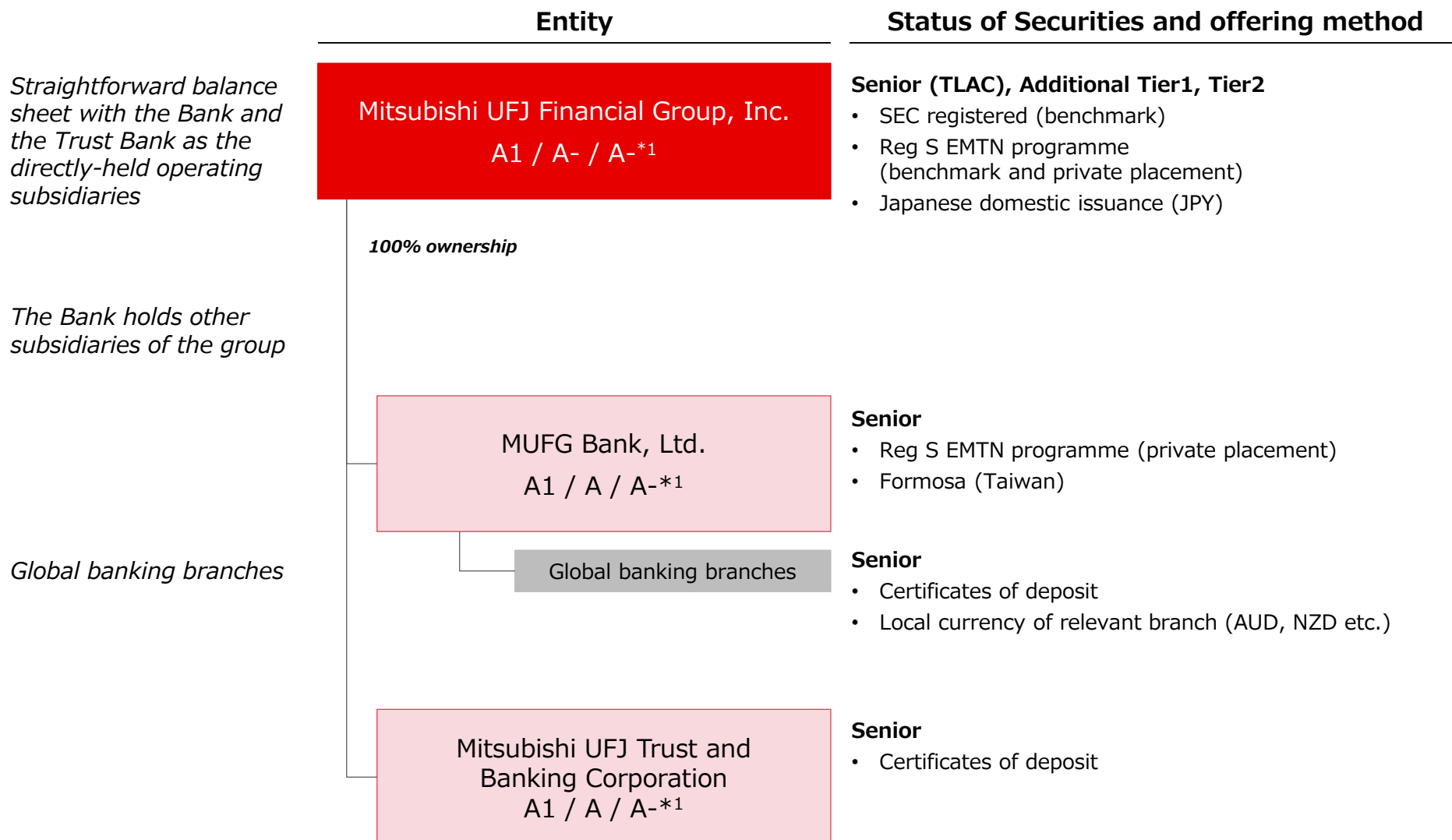
Social Bond Issuances

	Issuance	Currency	Amount	Tenor	Format
7	12/12/19	USD	90mm	10y	Japan Domestic

Sustainability Bond Issuances

	Issuance	Currency	Amount	Tenor	Format
8	6/9/20	EUR	500mm	4y	Reg S
9	9/30/20	JPY	54bn	10y	Japan Domestic
9	9/30/20	JPY	96bn	10NC5	Japan Domestic

Corporate structure and issuing entities



*1 Credit ratings assigned by Moody's, S&P and Fitch, respectively, as of end November 2022

Section 4

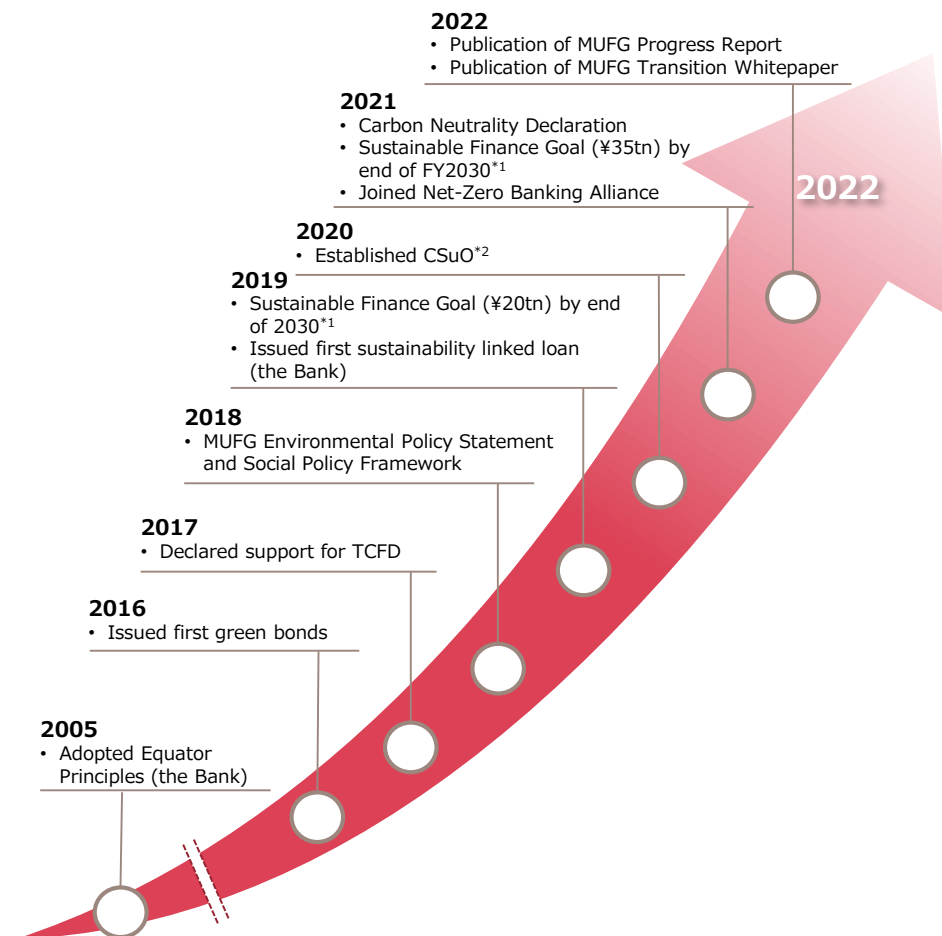
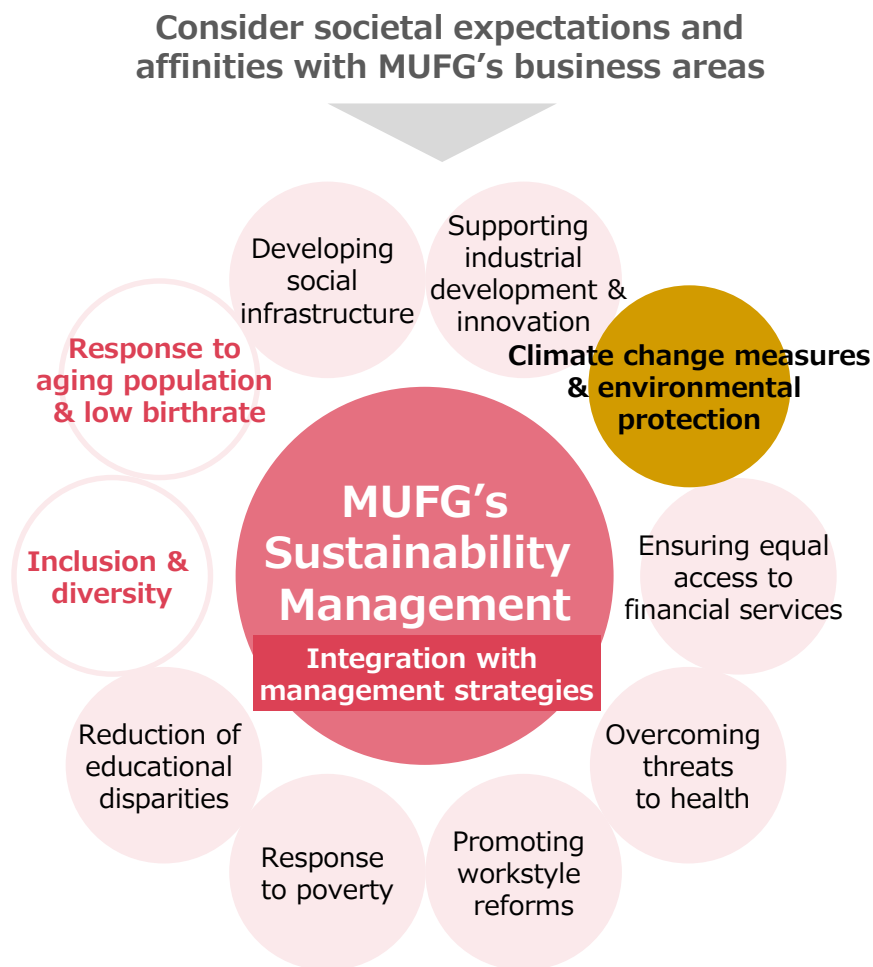
MUFG's approach to ESG

MUFG's approach to ESG

- Plan to place greater emphasis on ESG in our business management to achieve sustainable growth in corporate value

Major Challenges

Major actions on ESG



*1 Set goals in FY19, and revised goals in April 2021

*2 Chief Sustainability Officer

Milestones toward carbon neutrality

- Set and disclosed 2030 interim target range toward carbon neutrality by 2050
- Aim to achieve goals by supporting customers' decarbonization initiatives through financing, etc.

Milestones

	2019	2020	2021	...	2030	...	2040	...	2050
Net zero GHG emissions from the financed portfolio									Net zero
Power (emission intensity) ^{*1}	349 gCO ₂ e / kWh				156–192 gCO ₂ e / kWh				
Oil & gas (absolute emission) ^{*2}	83MtCO ₂ e				Reduction rate 15-28%				
Decarbonization through financial services									
Sustainable finance (environmental only) ^{*3}	¥3.5tn (¥2.0tn)	¥8.0tn (¥3.7tn)	¥14.5tn (¥5.4tn)		¥35tn (¥18tn)				
Credit balance targets for coal-fired power generation									
Project finance (FY)	US\$3.58bn	US\$3.77bn			50% reduction from FY2019		Zero		
Corporate finance (FY)		Approx. ¥120bn					Zero		

Bold: targets

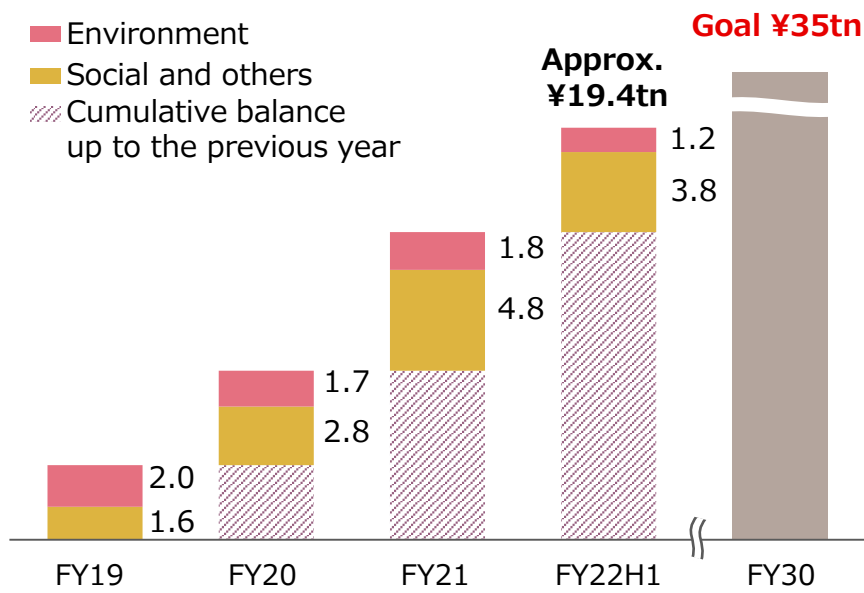
*1 Scope 1 of power generation businesses *2 Scope 1, 2 and 3 of upstream production businesses
*3 Cumulative balance since FY2019

Approach to carbon neutrality

– Progress on sustainable finance

- Steady growth in sustainable finance with expanding track-record in environmental area

Progress in sustainable finance



External evaluation (global)

- Awarded the Lender of the Year at the Wind Investment Awards 2022, **three years in a row**
- Awarded with Project Finance House of the Year, Global*¹



Expanding track-record in environmental area

A s i a	• Became the first in Japan to extend green loans for data centers
	• Green loan to offshore wind power project (Taiwan), first in APAC - APAC Renewable Energy Deal of the Year* ¹
	• Awarded the Year of the Bank* ² in China - As the only foreign bank to receive the award
E M E A	• Financed funding platform to expand e-buses in the UK and Ireland
	• Green loan for sewage treatment plants in Saudi Arabia
	• Climate bond initiative certified solar project in Egypt
U S	• Renewable project finance - Ranked No.1 in league table (PFI* ³)
	• Green loan to the largest solar project in the US to date* ⁴
	• Leading the decarbonization market in key asset classes such as battery storages* ⁵

*1 Awarded by The Asset, a leading financial magazine in APAC, in 2022 *2 China ESG Frontier Awards 2022 *3 Project Finance International CY2022 H1 *4 As a single financing solar project *5 Devices that enable energy from renewables to be stored and then released when power is needed

Approach to carbon neutrality

– Progress on supporting customers' carbon neutrality

- Proactive support for industrial transition and steady growth in business & solutions for carbon neutrality

Transition finance

Assisted ENEOS Holdings, Inc. in the issuance of transition-linked bonds as a lead manager

- **The first scheme of its kind in Japan**
- Selected as a case study in Asia Transition Finance Guidelines
- ¥100bn (in total)



Assisted JERA Co., Inc., Idemitsu Kosan Co., Ltd. and Mitsubishi Heavy Industries, Ltd. in the issuance of transition bonds as a lead manager

- **Model case selected by METI*1**
- Includes the **first transition bond** issuance in a sector
- ¥50bn (in total)



Progress in decarbonization business & solutions

Visualization



Visualization of GHG emissions

- Collaboration with Zeroboard Inc.
 - Collaborated cases*2 : **251**
- Collaboration with Hitachi, Ltd.
 - Proposals of visualization and reduction : **16**

Developing strategy



Consulting services for TCFD disclosure

- Collaboration with Tokio Marine Nichido Fire Insurance, Ltd.
 - Consulting service for disclosure*3
 - A simplified consulting service employing a system developed by the company
- Collaboration with Codo Advisory Inc.*4 and support for transition strategy development

Carbon credits



Provide overseas voluntary carbon credits to Japanese companies

- Provide information on carbon pricing
- Released a business matching service with carbon credits provided by ENGIE Impact

*1 Selected by the Ministry of Economy, Trade and Industry (METI) as a model financing initiative under a METI-sponsored transition financing model project

*2 The number of cases in which clients were referred to Zeroboard following dialogue regarding the visualization of the volume of their GHG emissions

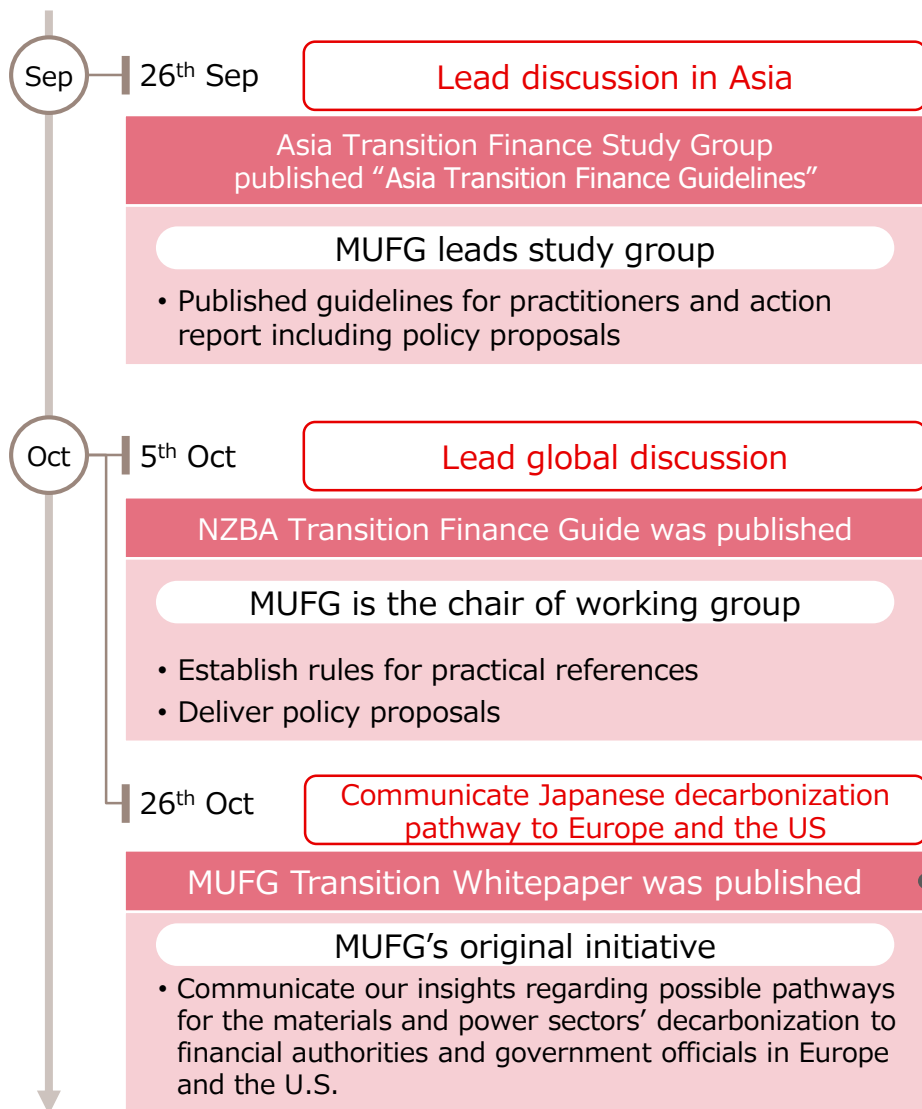
*3 Consulting service by GX advisory task force organized with Tokio Marine Nichido Fire Insurance, Ltd.

*4 The only domestic firm licensed by the ACT (Assessing low Carbon Transition: An initiative developed jointly by the French Environment and Energy Management Agency and the non-profit organization CDP with the aim of strategically transitioning to decarbonization)

Approach to carbon neutrality

-Rulemaking & communicating our view

- Communicate to stakeholders around the globe the necessity of supporting transition



Approach to carbon neutrality

-Reduction of GHG emissions & organizational structure

- Reduction in GHG emissions in our own operations and enhancing organizational structure

Net-zero financed emissions

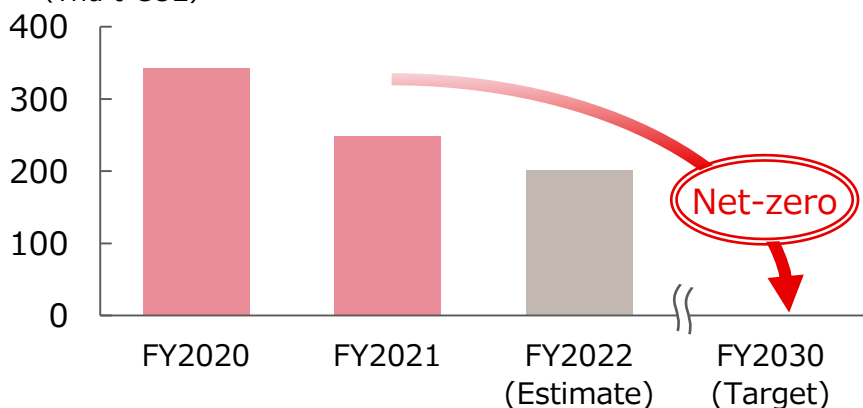
Next step

- ① Progress on emission intensity of "power" and "oil & gas" sectors
- ② Interim targets for some sectors of NZBA 9 sectors*1

"Progress Report" will be published next spring

Reduction in GHG emissions in our own operations

■ Emissions from all consolidated subsidiaries (Thd t-CO2)



Completed ahead of schedule

Shifted domestic electricity procurement by all domestic consolidated subsidiaries including NICOS and ACOM to renewable sources

Enhanced management

Achieved auto aggregation and improved efficiency by GHG management platform installed in all group companies globally

Decarbonization through responsible investment

Disclosure of NZAM interim targets for 2030

- Scope : 55% of assets under management*2
- Reduce the volume of GHG emissions associated with them (in terms of economic-based emissions intensity) by 50% from the 2019 level

Approach

- Engagement with investees
- Collaboration with asset owners, etc.
- Product development aimed at contributing to net-zero emissions

Enhancing organizational structure (from Oct 2022)

Board of Directors

Executive Committee

External advisor (3 members)

New



Kenji Fuma

- ESG management consultant
- Experience in multiple government-related committees

Sustainability Committee

New



Miyuki Zeniya

- Dedicated Chief Sustainability Officer (CSuO)
- Appointed as chair of Sustainability Committee
- Equipped with in-depth expertise in the sustainability field

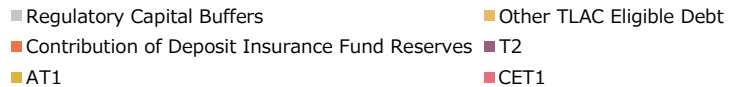
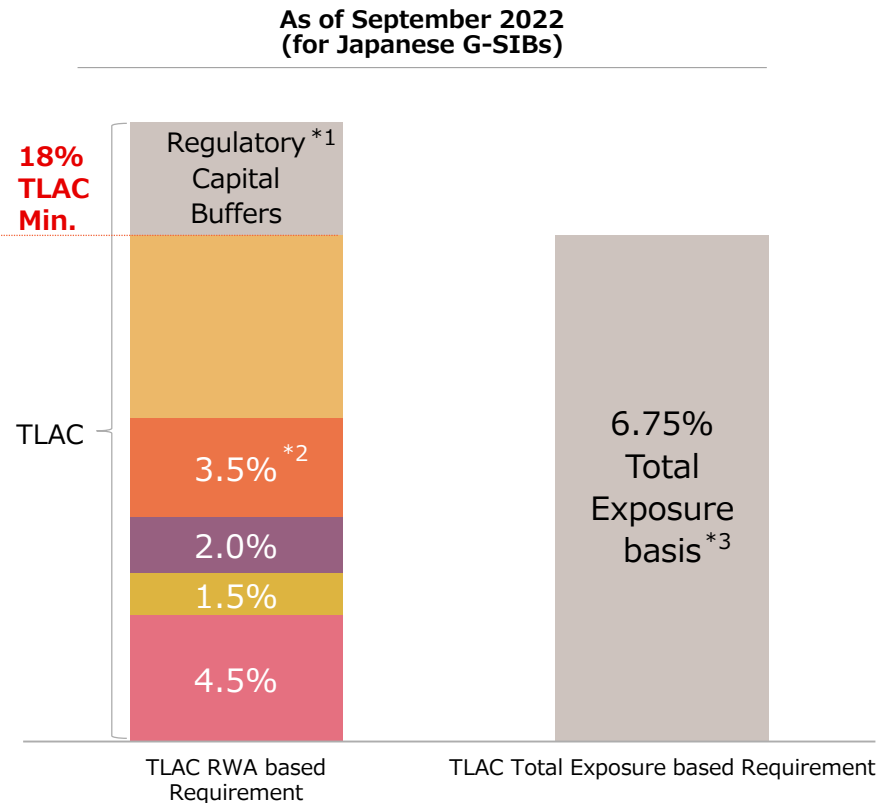
*1 Power, oil & gas, coal, commercial and residential real estate, iron and steel, aluminum, cement, transport, agriculture

*2 Approx. ¥41tn (as of end Jun 2022)

Appendix

Japanese TLAC framework summary

TLAC minimum requirement



*1 CET1 Buffer applicable to MUFG: G-SIB Surcharge:1.5%, Capital Conservation Buffer:2.5%, Counter-cyclical Buffer: ranging from 0% to 2.5% to be calculated as the weighted average of the buffers deployed across all the jurisdictions to which MUFG has credit exposures will be imposed

*2 Japanese Deposit Insurance Fund Reserves fulfill the requirements for ex-ante commitments to recapitalize a G-SIB in resolution set out in the FSB's TLAC termsheet

*3 Based on FSA notification, deposits with the Bank of Japan are excluded from total exposures for the period until March 31, 2024

*4 It is uncertain which measure is to be taken in a given case, and ordinary resolution measures may be applied without implementing any preemptive capital infusion

Japanese resolution system's features

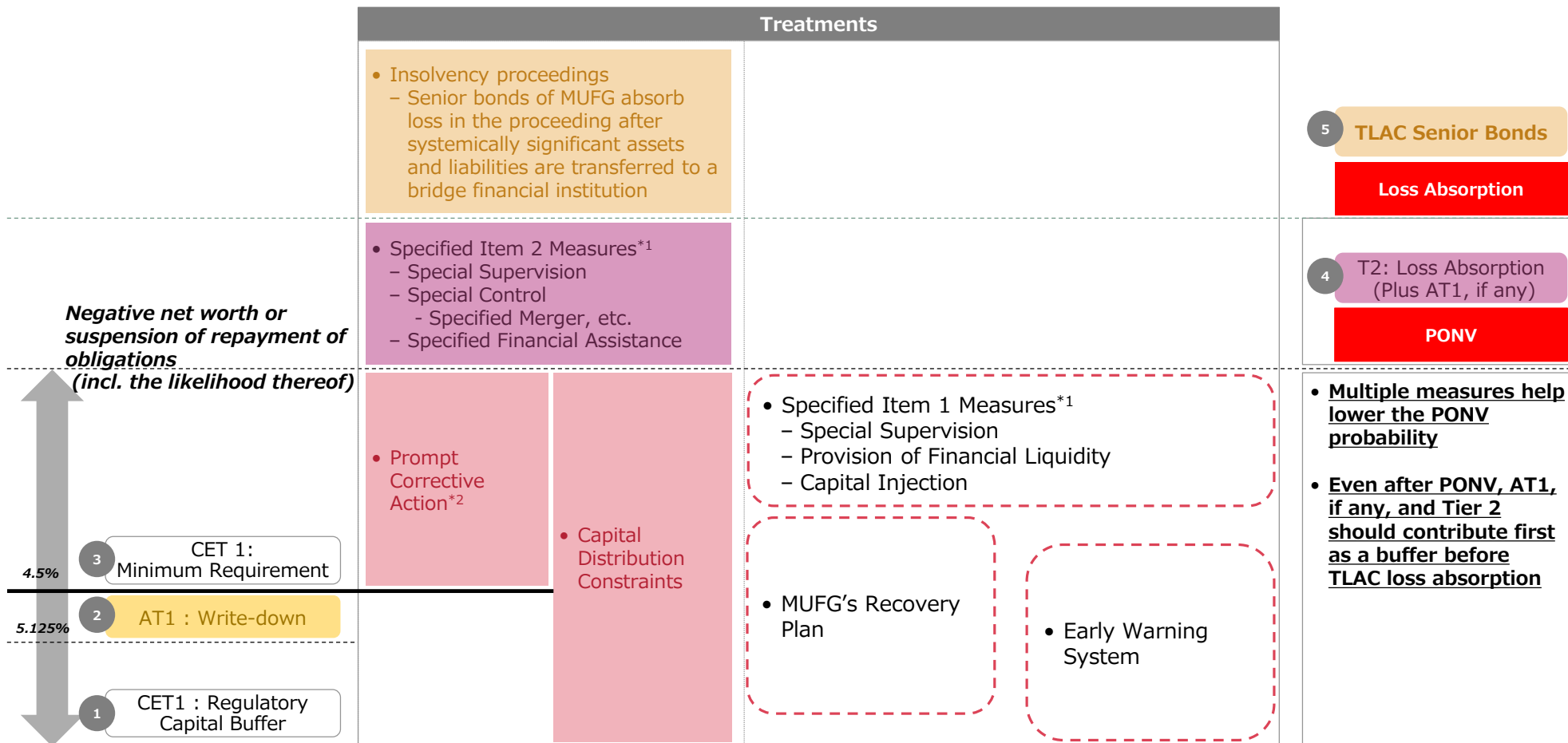
- Contribution of Deposit Insurance Fund Reserves*2
- Multiple treatments prior to loss absorption point, even after Point of Non-Viability ("PONV")
- Multiple precedents of prompt corrective action and preemptive capital infusion*4

Requirements for external TLAC-Eligible Debt (excerpt)

- The Holding Company is a resolution entity in Japan ("Domestic Resolution Entity") designated by the FSA
- External TLAC-eligible debt is issued by the Holding Company as the Domestic Resolution Entity

Multiple treatments prior to loss absorption point

- In addition to the existence of capital subordinated to TLAC senior bonds, there are multiple measures that can contribute to ensure the remoteness to PONV, although these are dependent on the premise of MUFG's self-efforts such as pre-determined recoveries, etc.
- At PONV, there is Tier 2 that is subordinated to TLAC senior bonds



*1 Implementation of Specified Item 1 and 2 measures will depend on economic conditions and the financial institution's soundness. Also, Specified Item 1 measures may not necessarily be applied even before Specified Item 2 measures

*2 In case TLAC ratio falls below minimum requirement, Business Improvement Order may be issued

Japanese TLAC framework

- Precedents of capital infusions in Japan

- The Japanese government has historically had multiple precedents of prompt corrective action and preemptive capital infusion*1

Major public sector support and resolutions

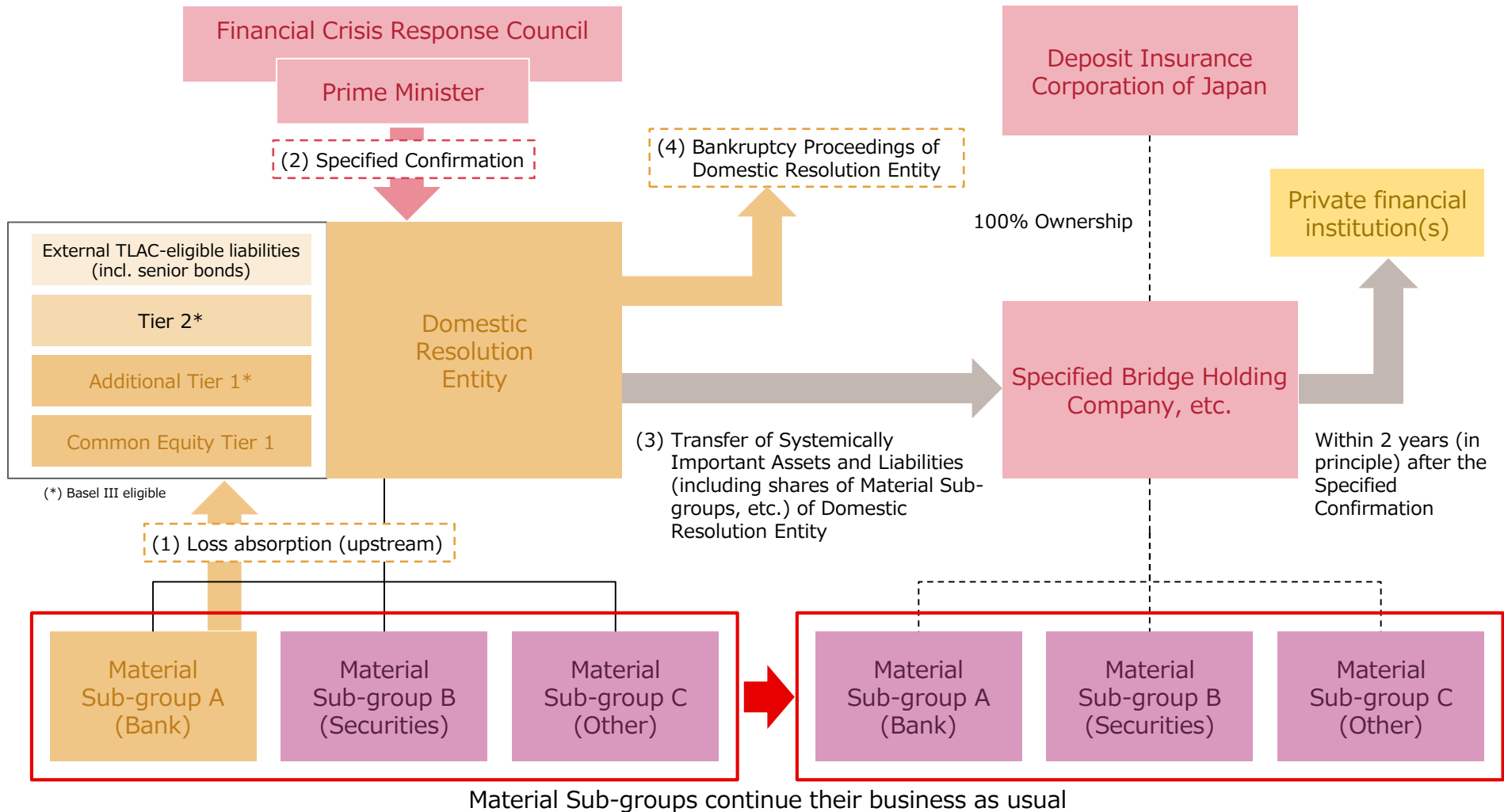
		Applicable rules	Bank	Date	Amount (¥bn)	Description
Public Sector Support	-	Article 102, Paragraph 1, Item 1 of the Deposit Insurance Act	Resona Bank	Jun 2003	296	Public funds infusion in common shares—government ownership of 50.1%
				Jun 2003	1,663	Public funds infusion in convertible preferred shares
Preemptive capital infusion		Act on Special Measures for Strengthening Financial Functions	Howa Bank	Mar 2014	16	Public funds infusion in convertible preferred shares
			Kirayaka Bank (Jimoto Holdings)	Dec 2012	30	Public funds infusion in convertible preferred shares
			Tohoku Bank	Sep 2012	10	Public funds infusion in convertible preferred shares
			77 Bank	Dec 2011	20	Public funds infusion in subordinated loans
			Tsukuba Bank	Sep 2011	35	Public funds infusion in convertible preferred shares
			Sendai bank (Jimoto Holdings)	Sep 2011	30	Public funds infusion in convertible preferred shares
			Miyazaki Taiyo Bank	Mar 2010	13	Public funds infusion in convertible preferred shares
			Hokuto Bank (Fidea Holdings)	Mar 2010	10	Public funds infusion in convertible preferred shares
			Kochi Bank	Dec 2009	15	Public funds infusion in convertible preferred shares
			Towa Bank	Dec 2009	35	Public funds infusion in convertible preferred shares
			Daisan Bank	Sep 2009	30	Public funds infusion in convertible preferred shares
			Kirayaka Bank (Jimoto Holdings)	Sep 2009	20	Public funds infusion in convertible preferred shares
			Michinoku Bank	Sep 2009	20	Public funds infusion in convertible preferred shares
			Minaminihon Bank	Mar 2009	15	Public funds infusion in convertible preferred shares
			Fukuho Bank	Mar 2009	6	Public funds infusion in convertible preferred shares
Hokuyo Bank	Mar 2009	100	Public funds infusion in convertible preferred shares			
Howa Bank	Dec 2006	9	Public funds infusion in convertible preferred shares			
Kiyo Holdings (Kiyo Bank)	Nov 2006	31.5	Public funds infusion in convertible preferred shares			
Resolution	Negative net worth or failed	Article 74 of the Deposit Insurance Act	Incubator Bank of Japan	Sep 2010	N.A.	First resolution in which deposit payoff rule was actually invoked
	Negative net worth or failed	Article 102, Paragraph 1, Item 2 of the Deposit Insurance Act	N.A.			
	Negative net worth and failed	Article 102, Paragraph 1, Item 3 of the Deposit Insurance Act	Ashikaga Bank	Nov 2003	N.A.	DIC acquired all shares of the bank
	-	Act on Emergency Measures for the Revitalization of the Financial Functions	Nippon Credit Bank Long-term Credit Bank	Dec 1998 Dec 1998	3.6tn 3.2tn	Purchases the shares, unsuitable assets using special financial assistance, compensation for losses and purchase of shares, capital injection etc.

*1 It is uncertain which measure is to be taken in a given case, and ordinary resolution measures may be applied without implementing any preemptive capital infusion

Japanese TLAC framework

- A model of procedures of orderly resolution under the SPE strategy for Covered SIBs*1

- The below is based on a possible model of Covered SIBs resolution under the SPE approach*2 as stated in the FSA's explanatory paper outlining its approach to introduction of the TLAC framework in Japan



*1 Covered SIBs : (i) Japanese G-SIBs and (ii) a domestic systemically important bank ("Japanese D-SIB") that is deemed to be in particular need for a cross-border resolution arrangement and of particular systemic significance to the Japanese financial system if it fails

*2 Single Point of Entry approach : to resolve a financial group at the level of its ultimate parent, rather than the operating companies at subsidiary level in financial difficulty, by the single national financial authority

Japanese TLAC framework

- Requirements for external TLAC-Eligible Debt (Summary)

- Relevant obligations must be issued by a holding company designated as the Domestic Resolution Entity by the FSA;
 - There is no requirement for contractual loss absorption provisions as Japanese law provides for statutory loss absorption through bankruptcy proceedings
- Relevant obligations must be paid-in, unsecured and have a tenor of at least one year;
- Relevant obligations must not be subject to set-off or netting rights at the time of a PONV;
- Relevant obligations must not be redeemable by the holder prior to maturity, other than when redeemed at the option of the holder no less than one year after issuance;
- Relevant obligations must not be redeemable prior to maturity, other than when redeemed at the option of the issuer, in general, no less than one year after issuance, and with the FSA's prior confirmation;
- Relevant obligations must be subordinated (including by way of structural subordination only where the amount of excluded liabilities of the issuer ranking pari passu or junior to the issuer's unsecured senior liabilities does not exceed 5% of the issuer's external TLAC)

Social

- Inclusion & diversity

- Diverse talent pools are the foundation of effective decision-making, innovative ideas, value-added services and a productive workplace. We continue to invest in the enhancement of all kinds of diversity

MUFG's diversity

	Results (As of end Sep 2022)	Targets
Gender	Ratio of women in management*1	19% (As of Oct 2022) / 20.0% by end Mar 2024
	Number of female directors and executive officers*2	20 / -
	Ratio of female directors (MUFG)	25% / Agreeing with the "Challenge initiatives for 30% of Executives*3 to be Women by 2030"*4
	Ratio of male employees taking childcare leave*5 (the Bank, the Trust Bank, MUMSS)	98%, 91%, 100% (FY2021) / 100%
Foreign nationals	Ratio of employees	58% (As of Mar 2022) / -
	Number of executive officers (the Bank)	10 (Inc. 2 women) / -
	Ratio of foreign nationals in middle managerial positions*6	29.6% / Maintaining or improving the current level
Mid-career hires	Ratio of mid-career hired in managerial positions*7	11.3% / Maintaining or improving the current level
People with disabilities	Number of people with disabilities	Approx. 1,400 (As of Jun 2022) / -

Approach to creating inclusive culture where employees respect and accept diversity

- Develop women's career
- I&D events (workshops, events organized by employees)
- Hold LGBTQ-related seminars and events
- Hold seminars with people with disabilities as instructors
- Raising awareness of unconscious bias
- Promote well balanced management of childcare, caregiving, infertility treatment

External recognition



Selected due to our initiatives to facilitate women's career development



work with Pride



Received Gold rating due to such measures as the introduction of a same-sex partnership certification program

*1 Employees in positions of line manager (*jicho* or *kacho*) or above in Japan *2 Total of MUFG, the Bank, the Trust Bank, MUMSS, and NICOS

*3 Based on the Japanese Companies Act *4 The initiative led by the Nippon Keidanren *5 Percentage of the use of the leave by male employees of each subsidiary whose eligibility for childcare leaves expired in FY21 *6 Ratio of individuals hired overseas (the Bank and MUMSS cover overseas branches and affiliates which are substantially treated as a branch, such as MUB. The Trust Bank only covers overseas branches.) in positions equivalent to director or above to the number of those in positions equivalent to director or above in Japan and abroad *7 Ratio of mid-career hires in positions tasked with supervision (*kanri kantokusha*) (including senior manager (*joseki chosayaku*) and line manager) in Japan to the number of individuals in such positions in Japan

Social

- Response to aging population and low birthrate)

- Released products and services designed to serve as solutions for Japan's aging society while joining a new project involving industry-academia collaboration in FY22

Response to aging population and low birth rate
= Help to create a safe and secure society, in which the elderly and children can live with confidence

Issues	Aging population			Low birthrate
	Succession of businesses and assets Deterioration in economic capabilities due to the closing or suspension of businesses	Response to the elderly Increase in number of people with cognitive difficulties, and inheritance issues	Asset building Preparation for the coming age of centenarians	Support for next generation Education for the future
Main business group	R&C	R&C DS Other	R&C DS AM/IS	Other
Financial Services	<ul style="list-style-type: none"> Support succession of businesses and assets Groupwide, integrated approach 	<ul style="list-style-type: none"> Respond to deterioration of cognitive functions Prepare for inheritance and living wills Support testament and bestowal, etc. via trust banking functions 	<ul style="list-style-type: none"> Financial planning / robo-advisor Pension investment and consulting services for corporates Asset building for post retirement <p>① Tsunageru Toshin</p> <p>② Excellent Club</p>	<ul style="list-style-type: none"> Contribute by utilizing financial knowledge
Infrastructure	<ul style="list-style-type: none"> Services in response to aging population and deterioration of cognitive functions (23,000 registered supporters in the Bank) 	<ul style="list-style-type: none"> Universal branches Improvement of UI/UX*1 		
Research / social contribution	<ul style="list-style-type: none"> MUFG Inheritance Research Institution Japan Financial Gerontology Institution <p>③ Industry-academia collaboration</p>	<ul style="list-style-type: none"> MUFG Financial Education Institute 	<ul style="list-style-type: none"> Financial and economic education for students from elementary – high school Donation for children and students 	
Support for employees	<ul style="list-style-type: none"> Measures designed to create a workplace that enables both men and women to strike an optimal balance between work and childcare, nursing care or infertility treatment (ensure that our assistance programs are known by all, promote the utilization of such programs, foster an inclusive corporate culture and promote flexible work styles) 			

Major services released and launched

① Tsunageru Toshin Service (Jul 2022)	The Trust Bank released new Tsunageru Toshin (gift during life/asset succession) service designed for individual customers
② Excellent Club*2 (Aug 2022)	The Bank launched the MUFG Bank Excellent Club, a free membership program that is designed to help customers enrich their daily lives after retirement through financial and other products and services
③ Industry-academia collaboration (Started in FY2022 H1)	The Trust Bank launched verification testing as part of industry-academia research collaboration to commercialize new products and services designed to deliver solutions for an aging society by developing technologies to assess cognitive functions and systems to verify testament capabilities , etc.

*1 UI(User interface) and UX(User experience). Experiences and values capable of earning through usability of the services

*2 Free membership service that provides financial and non-financial services to support people's lives during the era of a 100-year life expectancy

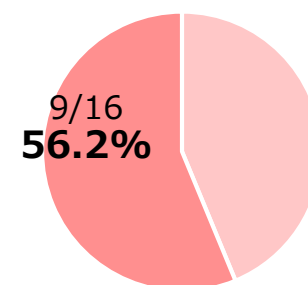
Governance

- Structure of the Board of Directors

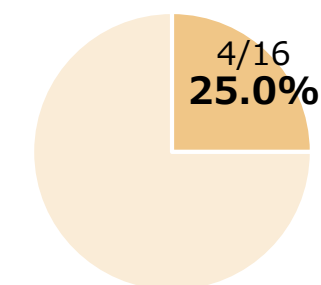
Name	Committee-related duties	Independent Outside	Knowledge, expertise and experience						
			Corporate management	Finance	Finance & accounting	Legal affairs	Global	IT/digital	Sustainability
1 Mariko Fujii	Nominating Compensation Risk*	●	–	●	–	–	●	–	–
2 Keiko Honda	Audit	●	–	●	–	–	●	–	●
3 Kaoru Kato	Nominating Compensation Audit	●	●	–	–	–	–	●	●
4 Satoko Kuwabara	Nominating Compensation*	●	–	–	–	●	●	–	●
5 Toby S. Myerson	Risk	●	–	–	–	●	●	–	–
6 Hirofumi Nomoto	Nominating* Compensation	●	●	–	–	–	–	●	●
7 Yasushi Shingai	Audit Risk	●	●	–	●	–	●	●	●
8 Koichi Tsuji	Audit*	●	–	–	●	–	●	–	–
9 Tarisa Watanagase	Risk	●	–	●	–	–	●	–	–
10 Ritsuo Ogura	Audit		Extensive knowledge of MUFG's business and the ability to appropriately perform management of MUFG				–	–	–
11 Kenichi Miyanaga	Audit						●	–	–
12 Kanetsugu Mike							●	●	●
13 Hironori Kamezawa	Nominating Compensation						●	●	●
14 Iwao Nagashima							●	–	●
15 Junichi Hanzawa							–	–	●
16 Makoto Kobayashi							●	–	●

(As of end June 2022)

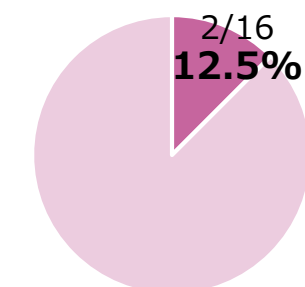
Independent outside directors



Female directors



Foreign nationals



Governance

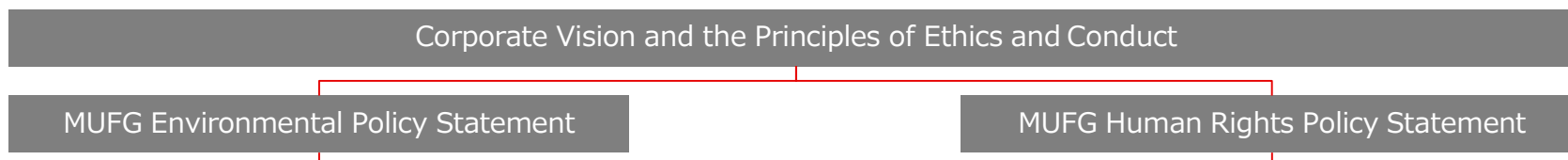
- Compensation system of corporate executives

Type of compensation	Link to performance	Performance-based compensation range	Standards for payment		Weight	Time of payment	Payment method	Proportion of corporate executive's compensation (Example of Group CEO)
Annual base salary	Fixed	-	<ul style="list-style-type: none"> •Paid based on positions, etc. •Includes Director Allowance, Committee and Chair Allowance, Housing Allowance, Overseas Representative Allowance, etc. 		-	Monthly	Cash	1
Stock compensation	Non performance - based	-	<ul style="list-style-type: none"> •Base amount by position 		-	At the time of retirement of executives	50% in shares 50% in cash*4	1
	Medium- to long-term performance -based	0% - 150%	Base amount by position ×	Target attainment rate of indices below in MTBP (1) Consolidated ROE (2) Consolidated expenses reduction amount (excluding those linked to revenues) (3) Ratings granted by ESG rating agencies*1	<50%> 30% 15% 5%	At the end of the MTBP		
		Comparison of year-on-year growth rate of indices below with competitors*2 (1) Consolidated net operating profits (2) Profits attributable to owners of parent		<50%> 25% 25%				
Cash bonuses	Short-term performance -based	0% - 150%	Base amount by position ×	Performance factor <i>(For example: quantitative evaluation factor applied to the Group CEO)</i> Rate of year-on-year change and target attainment rate of indices below (1) Consolidated net operating profits (2) Profits attributable to owners of parent (3) Consolidated ROE (4) Consolidated expense amount)	<60%> (Example of Group CEO: 20% 10% 20% 10%)	Annually	Cash	1
				Status of individual execution of duties <i>(For example: qualitative evaluation factor applied to the Group CEO)</i> <ul style="list-style-type: none"> •Improvement in customer-segment profitability •Risk handling •Advances in ESG-related initiatives and sustainability management*3 •Total shareholder return, etc.) 	<40%>			

*1 An absolute evaluation basis in light of the degree of improvement in external ratings granted by major five ESG rating agencies (CDP, FTSE, MSCI, S&P Dow Jones and Sustainalytics) *2 Evaluated based on comparisons with main competitors (Mizuho Financial Group and Sumitomo Mitsui Financial Group) *3 Includes contribution to the resolution of environmental and social concerns, raising awareness of inclusion & diversity and its promotion, and the strengthening and upgrading of MUFG's governance structure *4 Subject to malus (confiscation) and clawback (restitution claim)

Basic Environmental and Social policies and framework

- Formulated basic policies to contribute to addressing E/S issues through business activities aiming to appropriately identify and manage risks to the environment and society associated with business activities



MUFG Environmental and Social Policy Framework*1

- Identify “Prohibited Transactions*1” and “Restricted Transactions*1”
- Declare our policy of actively financing renewable energy business, such as solar and wind power generation, to help combat climate change while supporting the adoption of advanced technologies aimed at reducing GHG (Greenhouse Gas) emissions

Prohibited Transactions*1

- (1) Illegal transactions and transactions for illegal purpose,
- (2) Transactions which violate public order and good morals,
- (3) Transactions that negatively impact wetlands designated under the Ramsar Convention,
- (4) Transactions that negatively impact UNESCO designated World Heritage Sites,
- (5) Transactions violating the Convention on International Trade in Endangered Species of Wild Fauna and Flora (Washington Convention)*2,
- (6) Transactions involving the use of child labor or forced labor
- (7) Cluster Munitions and Inhumane Weapons Manufacturing

Restricted transactions*1

Cross-sectoral items	(1) Impact on Indigenous Peoples Communities, (2) Land expropriation leading to involuntary resettlement, (3) Impact on High Conservation Value areas	
Sector specific items	Coal Fired Power Generation Sector	Mining Sector (Coal)
	Oil and Gas Sector (Oil Sands, Arctic Development, Shale oil and gas, Oil and Gas Pipeline)	Large Hydro Power Generation Sector
	Forestry Sector	Palm Oil Sector

*1 Applied to products and services, including the extension of credit and the underwriting of bonds and stocks, for corporate clients of the Bank, the Trust Bank and the Securities HD

*2 Taking into consideration country specific considerations

MUFG's Green, Social and Sustainability Bond Framework

Use of Proceeds	<ul style="list-style-type: none">• An amount equivalent to the net proceeds will be allocated to finance / refinance:<ul style="list-style-type: none">– Eligible Green Projects: green building, renewable energy– Eligible Social Projects: healthcare, education, employment generation and preservation, affordable housing• Look back period: 24 months*¹ for Eligible Green Projects and 36 months for Eligible Social Projects
Project Evaluation and Selection	<ul style="list-style-type: none">• Each responsible division of the Bank or MUFG selects Eligible Projects based on the criteria• MUFG's Office of the CFO, Financial Planning Division makes a final decision on the selection
Management of Proceeds	<ul style="list-style-type: none">• Net proceeds managed on a portfolio basis
Reporting	<ul style="list-style-type: none">• Allocation reporting: At least annually until full allocation and in a timely manner in case of material developments<ul style="list-style-type: none">– Assertions by management and a review by Sustainalytics: Until full allocation• Impact reporting: Annually, where feasible, containing impact metrics, reflecting the share of the relevant Eligible Projects financed by the Bank
External Reviewer	<ul style="list-style-type: none">• Sustainalytics

“Sustainalytics believes that MUFG is well positioned to mitigate potential environmental and social risks associated with the projects funded by the green, social, and sustainability bonds”

(Source) Sustainalytics: Second Party Opinion, May 13, 2020

*1 With regards to eligible green building projects, certain certification must be received during the look back period except that DBJ Green Building Certification may be received during 1 year prior to the look back period

External recognition

Evaluation of ESG-related efforts

The Third ESG Finance Awards Japan*1

- Gold award in the Banking category (MUFG Bank)
- Silver Award in the Financial Services category (Securities division) (MUMSS)
- Selected as an environmental sustainable company in the Environmental Sustainable Company category



Inclusion in ESG indices

ESG indices selected by GPIF*4

New

2022 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX



FTSE Blossom
Japan



FTSE Blossom
Japan Sector
Relative Index

2022 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)



Others

New

2022 MSCI ESG Leaders
Indexes Constituent



FTSE4Good



*1 Awarded by the Ministry of the Environment of Japan

*2 As of November 2022

*3 Toyo Keizai Japan CSR Ranking. Toyo Keizai Inc. is an eminent economic magazine publisher in Japan

*4 Government Pension Investment Fund of Japan

■ : indicators in executive compensation

	Entities	2021	2022*2
1	MSCI	A	-
2	FTSE	3.3	3.9
3	Sustainalytics *Smaller figure is higher evaluation	19.3	18.0
4	S&P Dow Jones *Percentile rank	74	89
5	CDP	B	-
6	Nikkei SDGs	★5.0	-
7	Toyo Keizai*3	389.9	No1. financial institution in Japan

Basic policy of the medium-term business plan

- Position the 3-year term from FY21 to FY23 as the “3 years of new challenges and transformation” and seek to develop our business model to respond to the changes in environment and improve ROE

Our vision
after
3 years

Be the premier business partner that pioneers the future through the power of finance and digital services
To cope with the drastically changing society,
we commit to empowering all stakeholders to move forward to the next step

Key
strategies

Corporate transformation

Digital transformation

Contribution to addressing environmental and social issues

Transformation of corporate culture (a culture with a focus placed on “speed” and “new challenges”)

Strategy for growth

Wealth management

Approach of proposing solutions to customer’s issues

Asia business

GCIB & Global Markets

Global AM / IS

Structural reforms

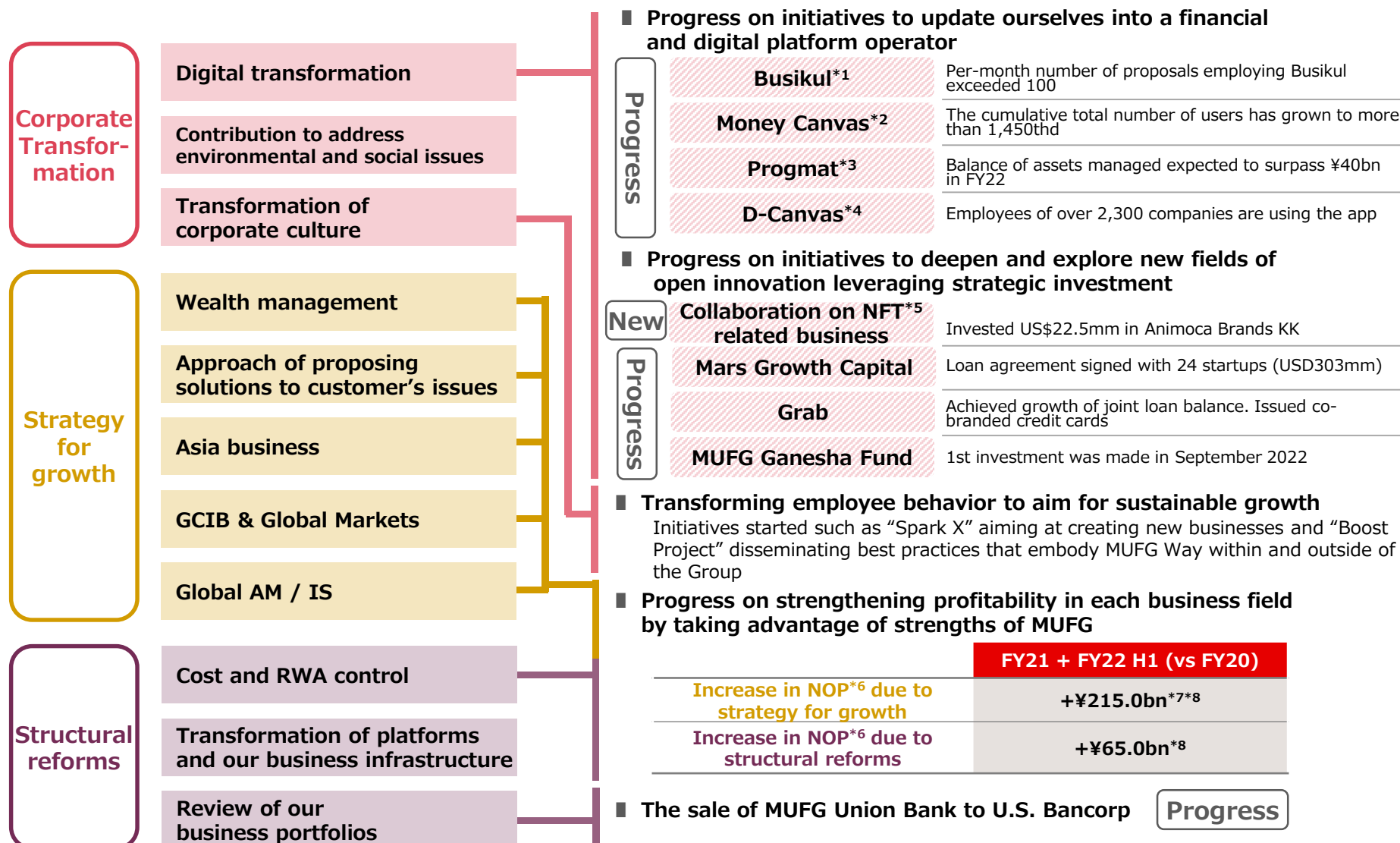
Cost and RWA control

Transformation of platforms and our business infrastructure

Review of our business portfolios

Progress on the medium-term business plan

- Progress made on key strategies in the medium-term business plan for the current 3-year term with “new challenges and transformation”



*1 Business platform for corporate customers

*2 Asset management platform for retail customers that delivers a range of offerings, including financial products, starting with smartphone-based customer contact points

*3 Security token issuance and management service platform

*4 Pension plan participant solutions platform

*5 Non-fungible token. Data that is unique, cannot be replaced, and can be transferred using blockchain technology

*6 Net operating profit

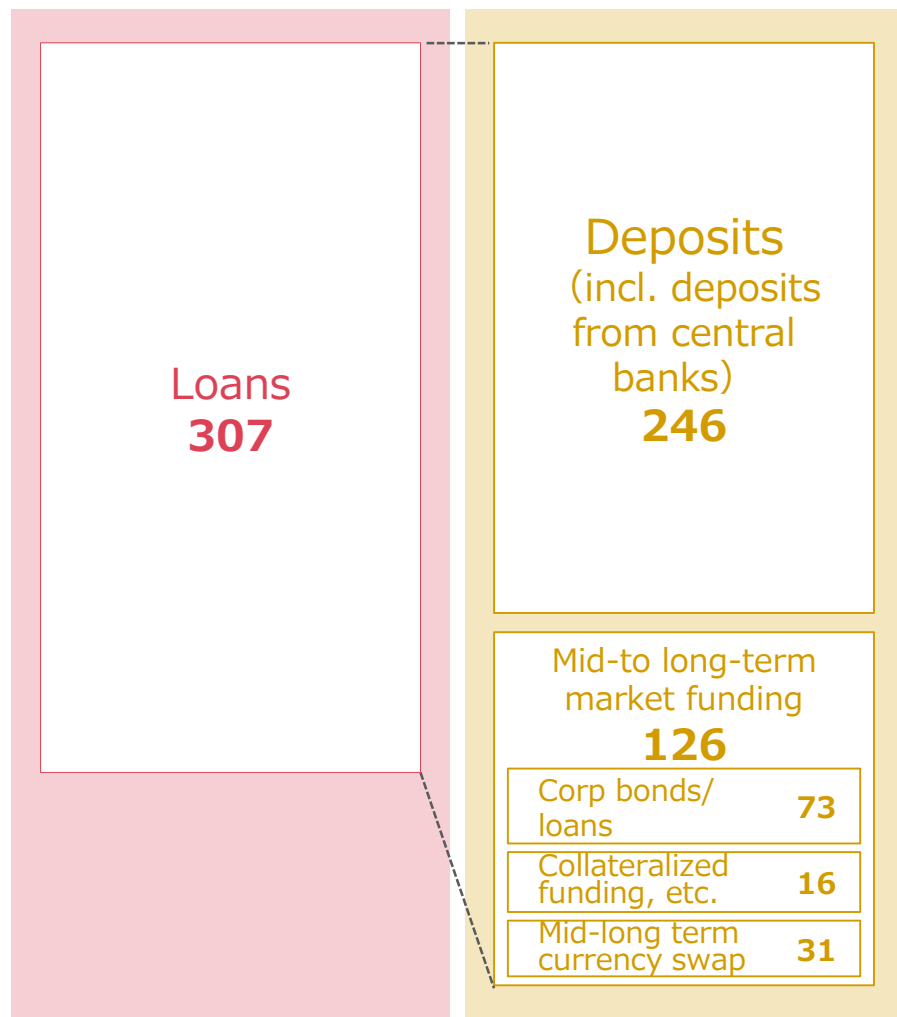
*7 Exclude losses overseas around (¥30.0bn)

*8 Excluding impact of FX translation

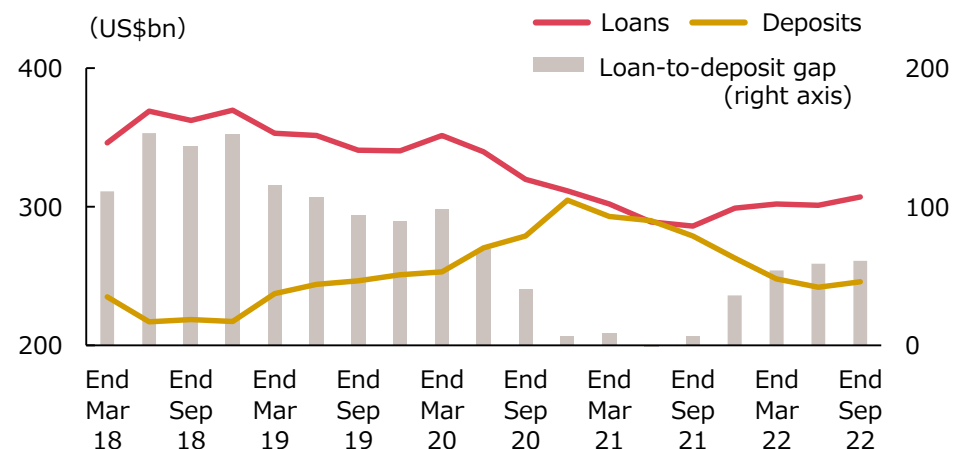
Non-JPY liquidity*1

(US\$bn)

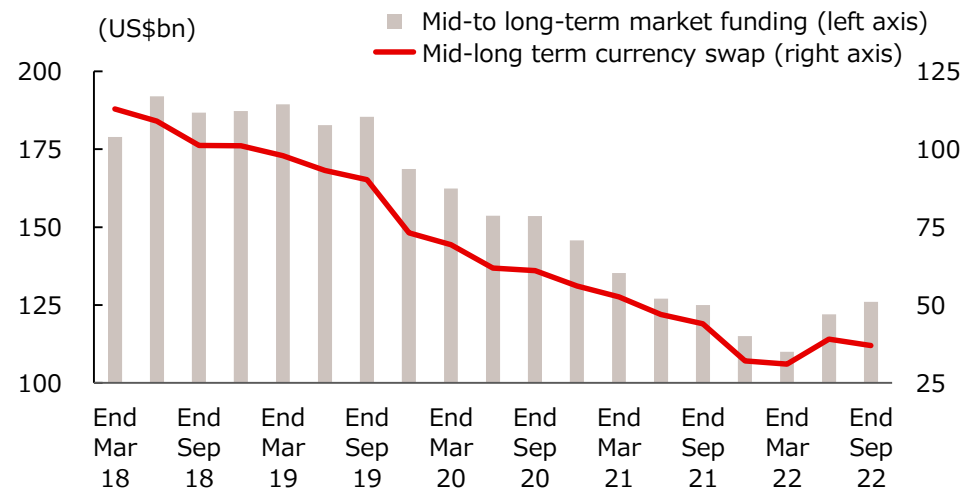
As of end Sep 2022



Historical loan-to-deposit gap



Historical mid-to long-term market funding



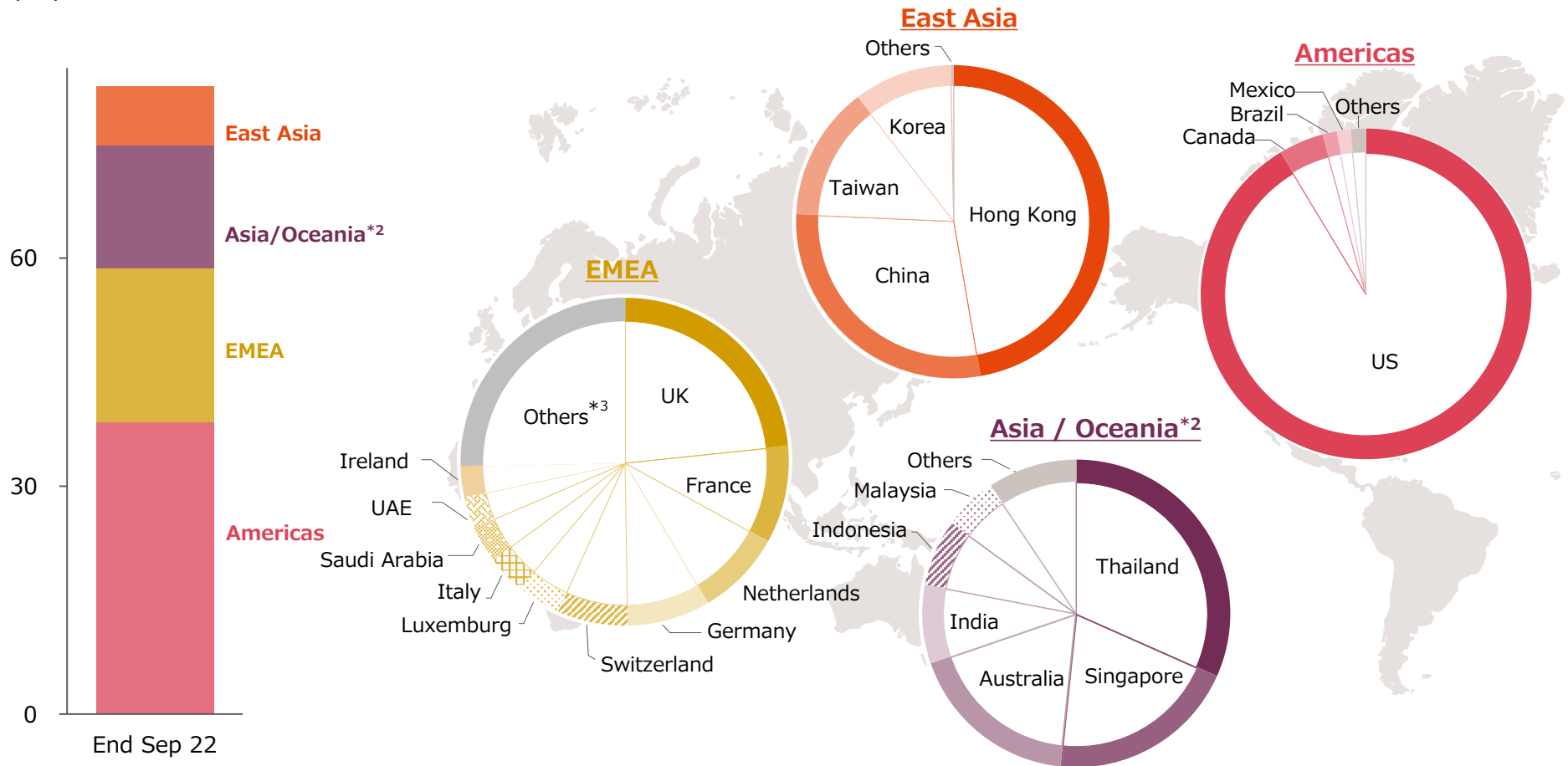
*1 The Bank consolidated excl. MUAH, KS and BDI. Managerial accounting basis

Overseas corporate credit exposure

Credit exposure*1 to overseas corporate borrowers by region

Consolidated

(¥tn)



*1 Based on borrower's location. Including undrawn commitment, exposure in project finance etc. Excluding market risk exposure, inter-bank transactions and exposures to government agencies and central banks. Exchange rate applied is ¥144.81/US\$

*2 Excludes BDI's exposure

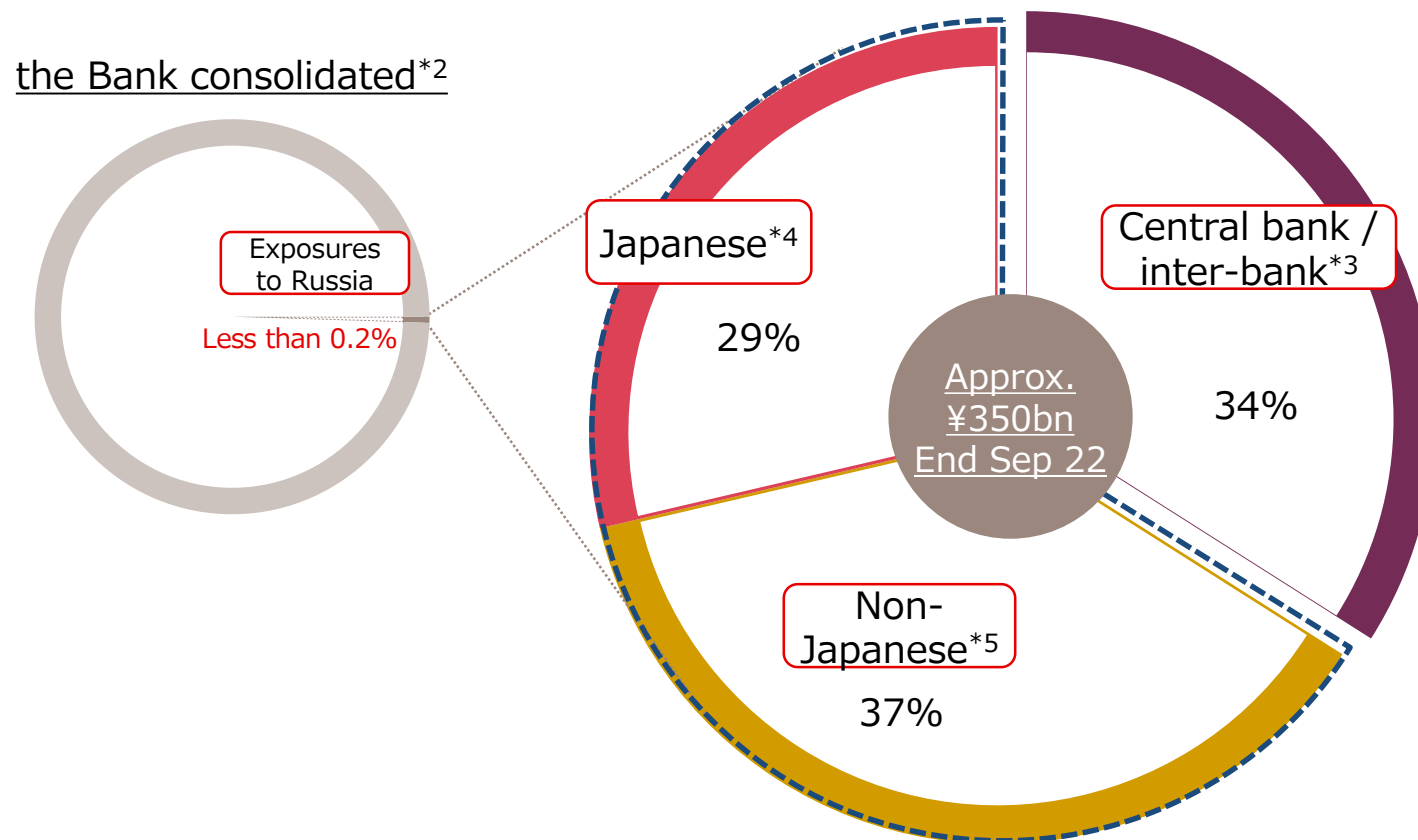
*3 Others in EMEA are comprised of approximately 60 countries to which MUFG held less than 3% exposure

(Note) All figures are on managerial accounting basis

Exposures to Russia^{*1}

- Exposures to Russia^{*1} were approx. ¥350bn (End Sep 22)
- Balance excluding central bank and inter-bank transactions was approx. ¥230bn, **less than 0.2%** of the total balance of the Bank consolidated^{*2}

■ the Bank consolidated, incl local subsidiaries, excl MUAH, KS, BDI



*1 Based on borrower's location. Including undrawn commitment, market risk exposure and etc. All figures are on managerial accounting basis

*2 Excluding the balance of central bank and inter-bank transactions etc.

*3 Including due from banks and Russian government bond

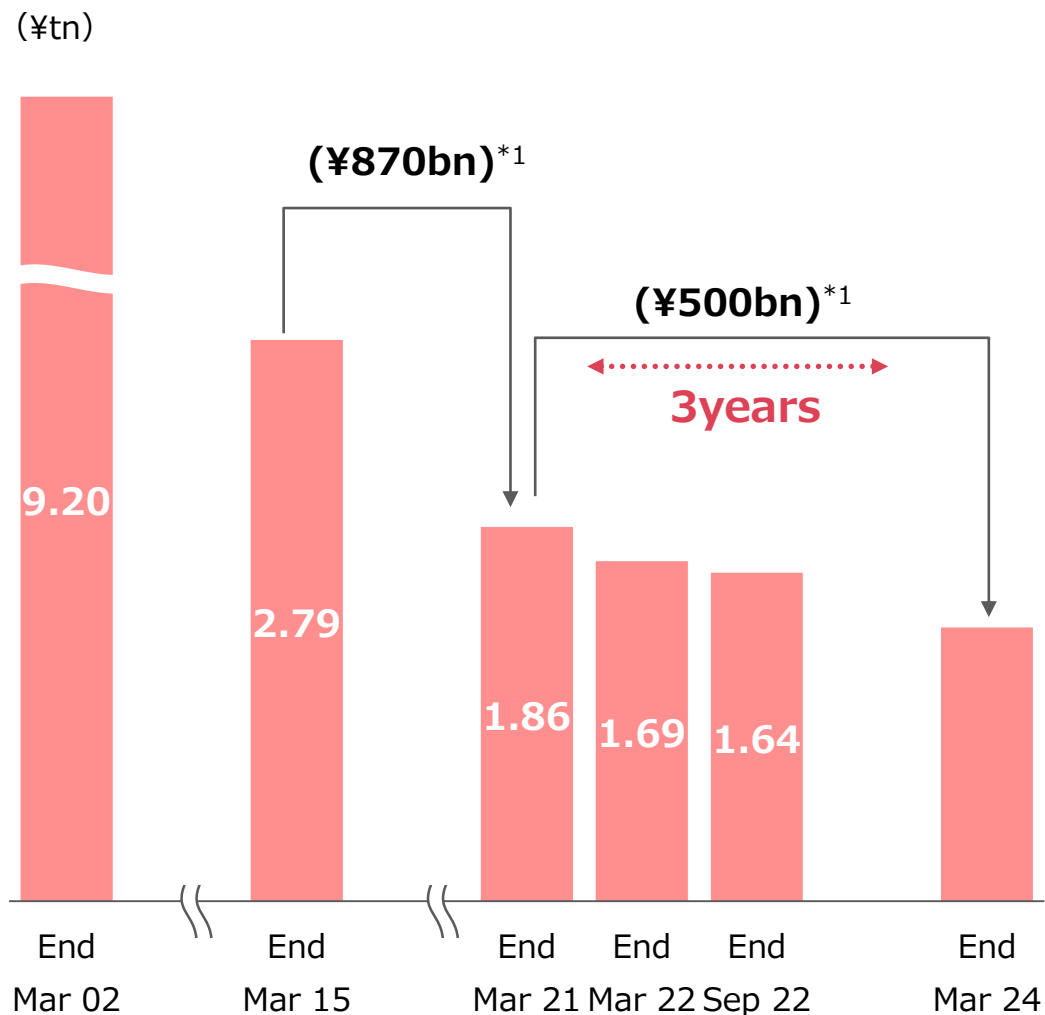
*4 Affiliated with Japanese companies

*5 Affiliated with non-Japanese companies

Reduction of equity holdings

- Reduced equity holdings by ¥57bn in FY22H1, ¥226bn in cumulative total from FY21*1

Historical performance*2 and target



Total amount of sale*1

(¥bn)	Amount of Sale	Acquisition cost basis	Net gains (losses)
FY15	211	117	94
FY16	267	149	118
FY17	318	201	117
FY18	242	127	115
FY19	240	139	101
FY20	267	137	130
FY15-20 Total	1,545	870	675
FY21	470	169	301
FY22H1	174	57	117

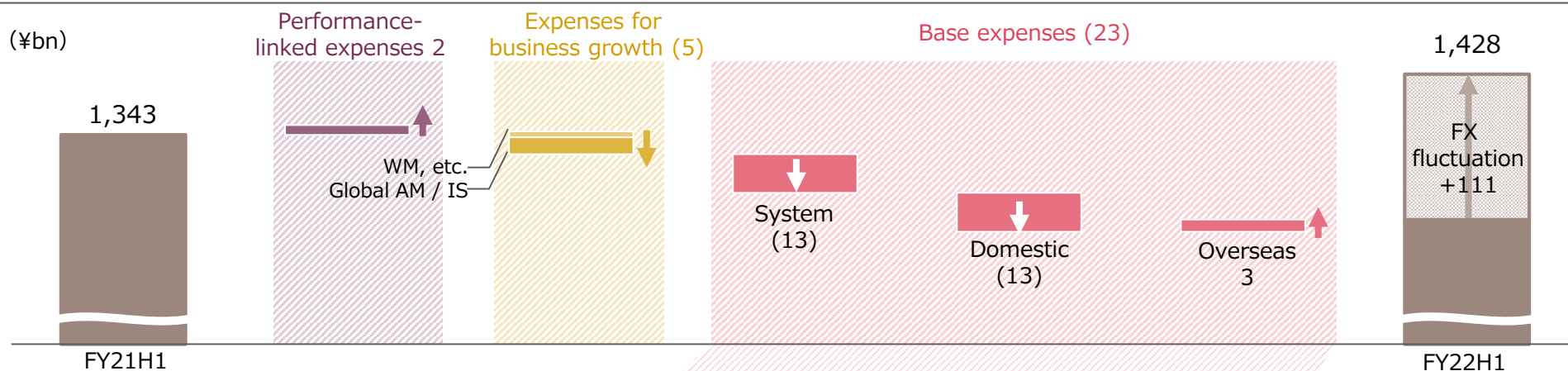
*1 Sum of the Bank and the Trust Bank. Total amount of sale on an acquisition cost basis

*2 Acquisition price of domestic equity securities with the category "other securities" with market value (consolidated)

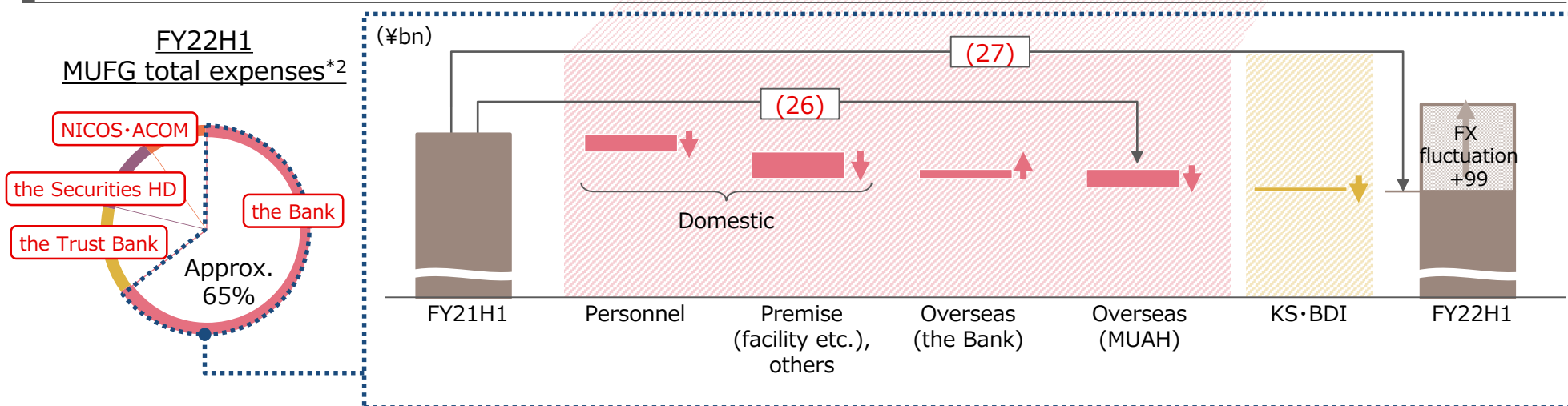
Expenses

- Made progress on the reduction of base expenses. FY21H1 expenses decreased YoY excluding the impact of FX fluctuation

Expenses*1



Expenses (the Bank including MUAH, KS, BDI)*1,3



*1 Internal managerial figure

*2 Includes FX fluctuation impact

*3 Includes parts of expenses for business growth, etc.

Strategic investments for sustainable growth

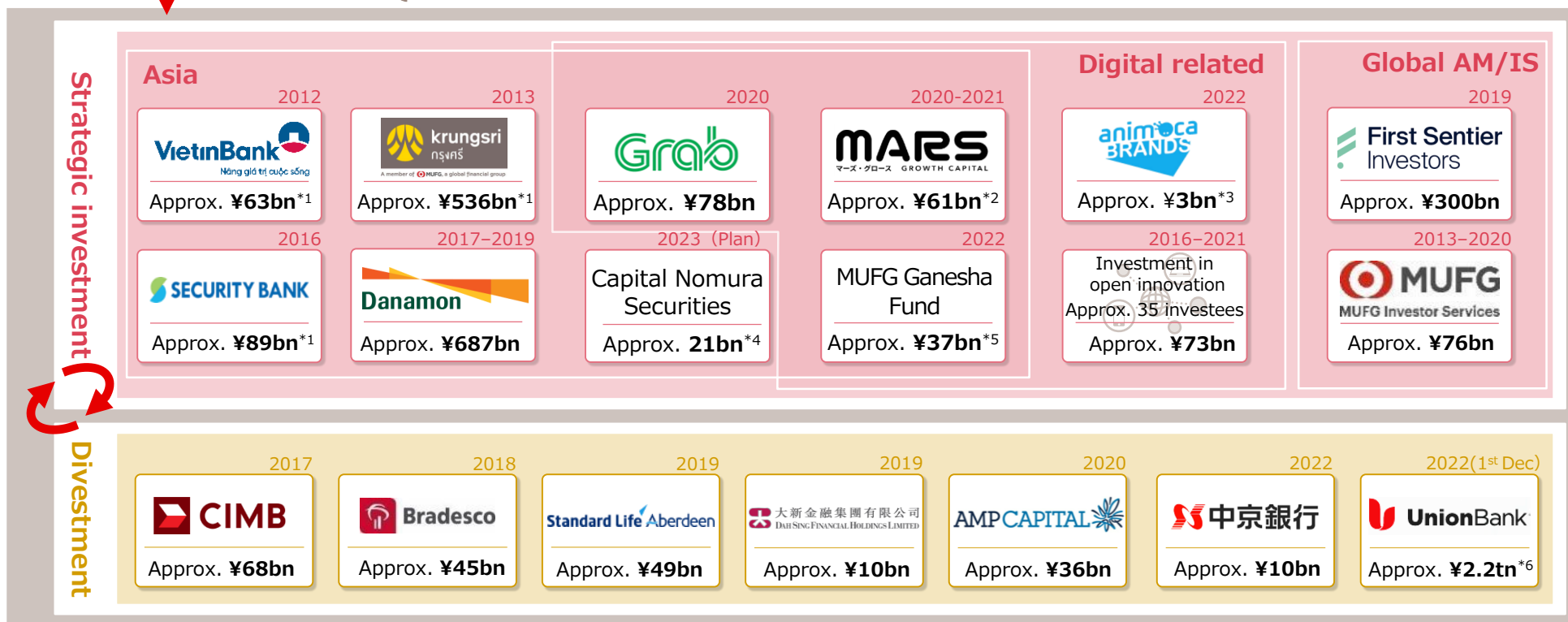
- Consider capital utilization, albeit in a disciplined manner, as a key measure for securing sustainable growth. Periodically review existing investments

Disciplined investment criteria

Strategy	Consider new investments in growth areas such as digital, global AM/IS and Asia, etc.	Profitability	Profitability criteria for enhancing corporate values Periodic monitoring after investments	Capital efficiency	Reallocate capital to strategic areas
-----------------	---	----------------------	--	---------------------------	---------------------------------------

Current situation of consideration

- Focus on capturing returns in existing investments
- In spite of continuous consideration, no major investment projects are currently being considered
- If there is no candidate satisfying our criteria, excess capital is planned to be allocated to additional shareholder return



*1 Initial investment amount *2 JPY equivalent of USD500mm, MUFG's LP commitment for No. 1 and 2 funds using actual exchange rates as of end Mar 2022 *3 JPY equivalent of planned investment of USD22.5mm using actual exchange rates as of end Aug 2022 *4 JPY equivalent of planned investment of THB5,501mm using actual exchange rates as of end Jun 2022 *5 JPY equivalent of planned investment of USD300mm using actual exchange rates as of end Mar 2022 *6 Approx. US\$15.2bn which is the estimated total transaction value as converted into ¥ using actual exchange rates as of end Sep 2022

Overview of the sale of MUB

- All required regulatory approvals were obtained in October. Closing is completed on Dec. 1st

Schedule of the sale of MUB

Nov. 2008:

Increased ownership of MUB*¹ to 100%

- Contributed to MUFG's revenues for more than a decade

Business environment surrounding MUB

- Increasing importance of scale and IT investments in retail business

MUFG's Management Challenges

- Reshape global business

Sep. 2021: Announced sale of all shares of MUB to U.S. Bancorp (USB)

MUFG	Optimize management resource allocation to improve shareholder value
MUB	Unlock MUB's potential franchise value by integrating with U.S. Bancorp
MUB's customers	Access to USB's high quality financial services

Oct. 19th 2022: Obtained all required regulatory approvals

Dec. 1st 2022: Closing of the transaction

1st half of 2023: MUB system conversion and integration at USB (Expected)

Financial and capital impact (current estimation)

Transaction gains and expenses

(¥bn)	Amount
Total gains on sale (includes amounts recorded in FY21 and expected to be recorded within five years from FY22) * ²	Approx. 120.0
One-time expenses related to the transaction * ³	Approx. 30.0

Impact on CET1 ratio

Decrease in RWA	Approx. +50bps
Investment in USB	Approx. (5)bps

Results of the discontinued operations

(businesses held for sale)

(Jan-Jun 2022, managerial accounting basis)

- Total revenue is approx. US\$1,500mm, pre-tax, pre-provision income is approx. US\$300mm, Net income attributable to MUAH is approx. US\$250mm
- Loans held for sale is approx. US\$60bn, total deposits is approx. US\$90bn

(Above figures are a rough estimate of the results of the business held for sale, based on certain assumptions, excluding accounting adjustments for MUB sale transaction, such as valuation losses on bonds and other instruments held by MUB)

*1 Increased to 100% our ownership of UnionBanCal Corporation (currently MUAH), parent company of Union Bank of California (currently MUB)

*2 The accounting treatment associated with receiving US\$3.5 bn from USB within 5 years will result in recording a portion of the gain on sale over a period of up to 5 years. Amounts received within five years are expected to be recognized at discounted present value at closing, and the difference from US \$3.5 billion is expected to be amortized and accrued over 5 years

*3 Total costs of advisory and expert fees in connection with the project. For information on the impact on MUFG of valuation losses on financial instruments held by MUB, see P.55

Valuation losses on bonds and other instruments held by MUB

Fair value assessments of and accounting treatment applied to assets held by MUB

- Valuation losses totaling ¥631.8bn*¹ on MUB's holding of bonds and other instruments were recorded in the first half of FY22. However, we have countered these losses through hedging and partially offset them by ¥68.0bn.
- As valuation losses have been increasing due to interest rate hikes since the end of March 2022, MUFG expects to record additional estimated losses in 1-3Q (totaling approx. ¥1,040.0bn before considering hedging impact).
- Among these valuation losses, **1** tax effect of available-for-sale securities, **2** held-to-maturity securities, etc., and **3** loans will be recorded as an extraordinary gains*² upon MUB's transfer.
- Valuation losses that will not be reversed have been countered through hedging*³. MUFG thus forecasts that the impact on its full-year results of profits attributable to owners of parent will amount to approx. ¥(200.0)bn*⁴.

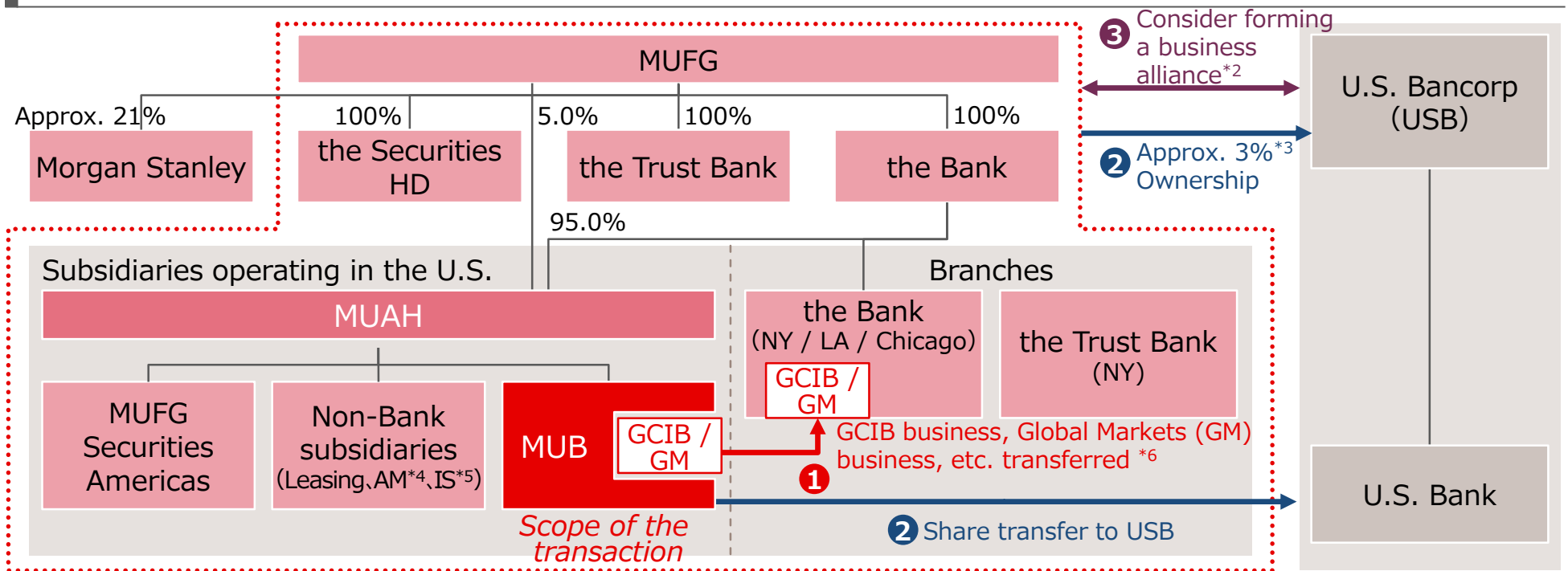
(¥bn)	Account	Impact on H1	Estimated gains on MUB transfer* ⁵	Impact on 1-3Q (est, approx.)	Estimated gains on MUB transfer* ⁵	Impact on FY22 (est, approx.)* ⁴	Accounting treatment
1	Available-for-sale securities Other non-recurring gains (losses)	(249.0)	65.2	(330.0)	90.0		<ul style="list-style-type: none"> Valuation losses are reflected in income statement on a quarterly basis Tax effect will be recorded as an extraordinary gains on MUB transfer
2	Held-to-maturity bond, etc. Other non-recurring gains (losses)	(150.8)	150.8	(270.0)	270.0	Offset by extraordinary gains	<ul style="list-style-type: none"> Valuation losses are reflected in income statement on a quarterly basis Full amount will be recorded as an extraordinary gains on MUB transfer
3	Loans Total credit costs	(231.9)	231.9	(440.0)	440.0		
Subtotal		(631.8)	448.1	(1,040.0)	800.0		
4	Hedging effect Other non-recurring gains (losses)	68.0					
Impact on MUFG PL		(563.8)				(200.0)	

*1 US\$1 = ¥136.68 for FY22 H1, US\$1 = ¥144.81 for FY22 1-3Q *2 It is expected to be recorded as net extraordinary gains on MUB transfer mainly due to reduction of the book value of the assets to be sold by valuation losses

*3 Although a portion of risks cannot be hedged, the impact is expected to be kept up to several tens of billion yen of losses *4 Based on the assumed exchange rate of US\$1 = ¥144.81; the figure may fluctuate in line with the exchange rates *5 The amount of estimated gains is estimated as of September 30, 2022 (approx.)

Structure of the sale of MUB and future direction

Structure*1



Future direction

Strategic importance of the U.S. market remains unchanged	Capital and business alliance with U.S. Bancorp	Use of released capital
<ul style="list-style-type: none"> Focus on corporate transactions through collaboration among the Bank, the Trust Bank and the Securities as well as the strategic alliance with Morgan Stanley Streamline operations and systems 	<ul style="list-style-type: none"> Indirect involvement in the U.S. retail and commercial banking businesses Plan to collaborate in businesses with Japanese customers and the digital field 	<ul style="list-style-type: none"> Giving comprehensive consideration to shareholder returns, investment in growth areas, etc.

*1 The transaction closed on December 1, 2022

*2 Discuss forming business alliances with USB *3 Post-transaction ownership ratio (based on the number of USB shares outstanding as of December 1, 2022)

*4 Asset Management *5 Investor Services *6 GCIB business, Global Markets business to the extent related to the GCIB business (transactions with clients and investors) and certain middle and back office functions was transferred to the Bank's U.S. branches or its affiliates

US GAAP consolidated financials - Balance sheet

Balance sheet

(¥mm)

Assets	End Mar 22
Cash and due from banks	50,972,491
Interest-earning deposits in other banks	58,848,056
Call loans, funds sold, and receivables under resale agreements	13,819,157
Receivables under securities borrowing transactions	4,496,376
Trading account assets	42,668,336
Investment securities	55,815,751
Net loans	111,678,692
Premises and equipment	815,829
Accrued interest	246,271
Customers' acceptance liability	371,034
Intangible assets—net	1,148,601
Goodwill	303,611
Deferred tax assets	79,191
Other assets	26,386,622
Total assets	367,650,018

(¥mm)

Liabilities and shareholders' equity	End Mar 22
Total Deposits	224,589,943
Call money, funds purchased, and payables under repurchase agreements	30,141,925
Payables under securities lending transactions	1,021,887
Due to trust account and other short-term borrowings	22,850,600
Trading account liabilities	11,019,046
Obligations to return securities received as collateral	6,826,215
Bank acceptances outstanding	371,034
Accrued interest	98,183
Long-term debt	34,696,599
Other liabilities	19,738,064
Total liabilities	351,353,496
Capital stock	2,090,270
Capital surplus	5,327,772
Retained earnings	8,412,217
Accumulated other comprehensive income, net of taxes	227,033
Treasury stock, at cost	(452,224)
Noncontrolling interests	691,454
Total equity	16,296,522
Total liabilities and shareholders' equity	367,650,018

US GAAP consolidated financials - Statement of operations

Statement of operations

(¥mm)

Statement of Operations Data	Fiscal year ended Mar 22
Interest income	2,530,938
Interest expense	560,357
Net interest income	1,970,581
Provision for (reversal of) credit losses	277,995
Net interest income after provision for (reversal of) credit losses	1,692,586
Non-interest income	1,394,789
Non-interest expense	3,146,102
Income (loss) before income tax expense	(58,727)
Income tax expense (benefit)	(14,511)
Net income before attribution of noncontrolling interests	(44,216)
Net income (loss) attributable to noncontrolling interests	39,104
Net income attributable to Mitsubishi UFJ Financial Group	(83,320)

(¥)

Earnings (loss) per share	Fiscal year ended Mar 22
Basic earnings	
Earnings applicable to common shareholders of Mitsubishi UFJ Financial Group	(6.51)
Diluted earnings	
Earnings applicable to common shareholders of Mitsubishi UFJ Financial Group	(6.93)

US GAAP consolidated financials

- Reverse reconciliation from US GAAP to Japanese GAAP

Reverse reconciliation of shareholders' equity and net income

(¥mm)

End Mar 22

Total equity in accordance with U.S. GAAP		
Differences arising from different accounting for:		16,296,522
1	Investment securities	(21,441)
2	Loans	1,546
3	Allowance for credit losses	430,694
4	Fixed assets	296,137
5	Pension liability	15,405
6	Derivative financial instruments and hedging activities	175,877
7	Compensated absences	50,396
8	Long-term debt	(14,482)
9	Consolidation	292,891
10	Goodwill	305,000
11	Intangible assets	(119,728)
12	Investments in equity method investees	687,738
13	Others	(580,857)
Deferred income tax effects of the above adjustments, when applicable		172,547
Net assets in accordance with Japanese GAAP		17,988,245

(¥mm)

Fiscal year ended Mar 22

Net Income before attribution of noncontrolling interests in accordance with U.S. GAAP		
Differences arising from different accounting for:		(44,216)
1	Investment securities	1,163,174
2	Loans	(3,013)
3	Allowance for credit losses	32,656
4	Fixed assets	(43,746)
5	Pension liability	31,993
6	Derivative financial instruments and hedging activities	294,950
7	Compensated absences	(399)
8	Long-term debt	(1,034)
9	Consolidation	(48,485)
10	Goodwill	(22,547)
11	Intangible assets	(90,272)
12	Investments in equity method investees	51,121
13	Others	185,064
Deferred income tax effects of the above adjustments, when applicable		(298,799)
Net Income before attribution of noncontrolling interests in accordance with Japanese GAAP		1,206,447