

Corporate Social Responsibility

Fulfilling its obligations as a responsible corporate citizen is one of the highest priorities of MUFG. Reflecting this stance, we take various steps to support the economic and social development of areas where we operate. Our operations also reflect an awareness of environmental issues. For employees, MUFG provides the opportunities and work environment needed to upgrade skills and realize their full potential. In recognition of this commitment to CSR, MUFG has been selected as a member of the SRI Index, which includes Ethibel, the FTSE4Good Index Series and others. In addition, MUTB in May 2006 pledged to abide by the United Nation's Principles for Responsible Investments.

For Customers

MUFG is working in many ways to enhance customer satisfaction with the aim of making the "customers first" concept a central element of all activities.

- **Continuous improvements in customer services**

As part of our commitment to putting the customer first, we are constantly working on improving services from the standpoint of our customers and the employees who provide those services.

MUFG uses a PDCA (plan, do, check, act) cycle with regard to products and services. We begin by establishing policies and targets that reflect customers' needs, and then develop and supply products and services as required. The cycle includes an evaluation of these products and services based on feedback from customers.

As an objective verification of the quality of our systems and a means to constantly improve customer services, in August 2005, the Bank of Tokyo-Mitsubishi earned ISO 9001 quality management system. We plan to extend the scope of certification to the entire BTMU organization. In addition, we established a Customer Satisfaction Planning Division in January 2006 when BTMU was formed. At MUTB, we established a Customer Satisfaction Promotion Division in April 2006 to promote improvement of customer services in all business areas.

For Employees

The operations of MUFG reflect the belief that enhancing employee motivation and job satisfaction translates directly into greater customer satisfaction while contributing to communities and society. We offer employees many opportunities to refine their skills. Our commitment extends to ensuring equal opportunity and fair performance evaluations for all employees.

(Japan)

To provide workplaces that make it even easier for employees to perform their jobs, MUFG is increasing efforts to create work processes and systems that reflect needs and suggestions of employees. At BTMU, an Intranet is used to maintain a dialog between employees and management. Executives and managers of the departments involved provide responses to inquiries and suggestions, making changes to work practices as required. As part of activities to optimize working conditions, BTMU and MUTB conduct regular employee satisfaction surveys.

At MUFG, we are expanding the opportunities of our female employees as part of our diversification program. In BTMU, a working group and Equal Partnership Office were formed to support our female employees in maximizing their capabilities, and to create a conducive workplace environment and personnel system that allow for a balance between work and home life. In another step to tap talents of a more diverse workforce, we offer many work opportunities to individuals with disabilities.

(Outside Japan)

As part of our diversity program outside Japan, we have a Cross-Cultural Training program in New York. One objective is to maintain sound communications by providing Japanese staff and non-Japanese staff with a greater understanding of their respective cultures. We also have an employee referral program and a tuition reimbursement program.

Training programs are offered to employees recruited outside Japan to help improve their skills. For instance, in July 2006, BTMU held a training seminar in Singapore on accounting, financial analysis and credit risk management. In September, we plan to hold a more practical, case study-driven training seminar in Tokyo for employees recruited in Asia outside Japan. This seminar will focus on products and services, as well as skills related to credit risk management.

For the Environment

We are constantly seeking ways to help resolve environmental issues through our activities as a global finance group and the provision of support to other organizations.

• Environmental Management System

The Bank of Tokyo-Mitsubishi received ISO 14001 certification for its environmental management system in April 2005. We established the MUFG Group Environmental Philosophy in March 2006 to clarify our positive stance regarding environmental issues. Conducting environmental management based on this philosophy, we are active on various environmental issues.

Environmental Statement

We, the directors and employees of MUFG, recognize that protection of the global environment is the responsibility of all human beings and, as a good corporate citizen, MUFG fulfills its social responsibility by working actively toward the realization of a sustainable environment. Through our business activities, we will support environmental protection efforts by both industry and individuals that contribute to realizing a sustainable society.

• Environmental Loans

BTMU uses financial services to support environmental protection. Within three years, the bank plans to establish an environmental fund totaling ¥100 billion to extend loans to environmental businesses backed by the Japanese government, such as power generation from wind turbines and solar cells. Financing is also extended to recycling businesses and other activities with environmental benefits. In December 2005, the bank's project finance operations announced that its activities will comply with the Equator Principles, which are environmental and social guidelines for ethical project financing.

• Clean Development Mechanism (CDM)

The Kyoto Protocol became effective in February 2005 as a major step toward slowing the advance of global warming. One element is the establishment of a system of creating credits for the emission of greenhouse gases. Mitsubishi UFJ Securities is studying the feasibility of clean development mechanism (CDM) projects and providing consulting services including the preparation of Project Design Documents (PDD). Mitsubishi UFJ Securities is the only company in Japan that has had four CDM baseline and monitoring methodologies approved by the United Nations.

For the Community

As a responsible corporate citizen, MUFG uses its resources as a diversified financial group to contribute to the community, charities and other important social programs.

• Socially Responsible Investments (SRI)

As one element of incorporating CSR in our core business activities, we are engaged in a number of socially responsible investments.

MUTB launched an SRI Fund, which is managed by Mitsubishi UFJ Asset Management. Investments are directed to family-friendly companies, an unprecedented step for an investment trust in Japan. Fund managers look for companies that, in addition to having sound financial



Mitsubishi UFJ Securities provided advice for Cambodia's first power plant fueled by rice husk.

positions, offer benefits for children, families and people in general. Selections are also based on the ability of a company to provide varied and flexible work arrangements to allow employees to balance work and family life. The fund received a Fiscal 2005 Good Design Award in October 2005 from the Japan Industrial Design Promotion Organization. In July 2006, BTMU also launched the same SRI fund.

Mitsubishi UFJ Asset Management has established and managed the Eco Partners Fund, which invests in companies with active environmental programs.

In June 2006, MUTB established an SRI fund that would be sold to pension funds customers.

• MUFG in the Community

The MUFG Group collects donations from employees and group companies following major natural disasters such as earthquakes. In May 2006, BTMU donated US\$100,000 to Japan Platform and the Japanese Red Cross as a contribution to relief efforts for those affected by an earthquake that struck Central Java.

In addition to broad-based charitable activities, in Japan, departments, offices and branches of MUFG companies are deeply rooted in their host communities and employees are encouraged to participate in community activities, thereby contributing to the community as a whole. MUFG holds a "MUFG Hands-on Classroom" for the children and workers of selected childcare facilities. Additionally, BTMU takes part in the "Kids' Market Camp," a financial education program for elementary and junior high school students. Moreover, MUFG companies, through their charitable foundations, extend financial support for international exchange programs, academic research, environmental protection, and a variety of artistic and cultural activities.

Outside Japan, BTMU has a scholarship program for students from Asia who attend graduate schools in Japan. There are also scholarship programs for university students in China, the Philippines, Vietnam, Myanmar and India. Furthermore, branch offices conduct their own activities, such as funding scholarships and making contributions to local charities. Other activities include encouraging employees to volunteer for various events.

In the U.S., activities include matching charitable donations by employees and encouraging employees to volunteer through bank-sponsored projects, paid time-off for community service, and donations to organizations where employees volunteer. The New York Branch participates in many community activities. Among them are the annual fundraising walk for the March of Dimes, a charity dedicated to improving the health of babies, New York Cares Day, which mobilizes thousands of volunteers to revitalize schools and raise money, and an elementary school lunch time tutoring program.



New York Cares Day



Elementary school lunch time tutoring program