

Overview of MUFG Carbon Neutrality Declaration

MUFG Carbon Neutrality Declaration

To achieve net zero emissions in our finance portfolio by 2050 and in our own operations by 2030

In order to align with the goals of the Paris Agreement, MUFG will support the smooth transition to a decarbonized society through its financial services and proactively contribute to creating a sustainable society through the virtuous circle of environment and economy.

Commit to achieve decarbonization through financial services

- Set and disclose a milestone for 2030 by FY 2022, which progress will be reported on annual basis.
- Demonstrate appropriate engagement functions
- Actively support innovation technologies and transition measures

- ✓ Actively support financing for transition
- ✓ Support renewable energy, hydrogen, next-generation energy, etc.
- ✓ Set target for sustainable finance **Increase from ¥20 Tn to ¥35 Tn**
- ✓ Participate in the UN-led Net Zero Banking Alliance

- ✓ Continuous review of the MUFG **Coal-fired Power** Environmental and Social Policy Framework
- ✓ Disclose future credit portfolio reduction targets related to coal-fired power generation
- ✓ Reflect climate change risk into credit process

Promote decarbonization via MUFG's own efforts

- Reduce MUFG's impact on the environment
- Leverage on a framework which contributes a certain percentage of profit to CSR activities

- ✓ Shift to 100% renewable energy for procured electricity **Bank, Trust, Securities by FY 2021 (domestic)**
- ✓ Launch renewable energy fund **¥100 billion**
- ✓ Generate demand for next generation energy
- ✓ Work on carbon offsets (afforestation, etc.)

Set targets to align with the goals of Paris Agreement, and expand and improve transparency of information disclosure

- Set targets to align with the goals of Paris Agreement based on scientific approaches such as SBT; participate in global initiatives
- Ensure highly transparent disclosure that will benefit our stakeholders to improve their understanding and to make appropriate risk assessment
- Expand the scope of sectors subject to TCFD scenario analysis and improve the method to reflect the risk impacts on our financials

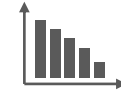
Scientific approach (SBT, etc.)



CO2 reduction targets (Renewable energy PF)



Credit portfolio reduction target for coal-fired power generation projects (PF)



Enhance communication tools (Sustainability Reports, booklets)



Enhance the organization to achieve carbon neutrality

- Enhancing governance, organizational structure, talents, and intelligence (information gathering and dissemination) to achieve the above

Reflect ESG elements to the executive compensation

Govern policy statements by the Board of Directors

Environmental Policy Statement

Group global project teams

Enhance external relationships and promote the usage of external knowledge

Strengthen and developing professional talents