

# Developing Social Infrastructure

## - Building a Foundation for Safe and Secure Lifelines -



<p><b>MUFG's recognition</b></p>	<ul style="list-style-type: none"> <li>□ Robust countermeasures against the aging of infrastructure at home and abroad are key to the creation of sustainable society, as is the construction of social infrastructure, particularly in developing countries.</li> <li>■ For us to maintain trust and reliability as a financial institution and a component of social infrastructure, the proper handling of threats to safety and security is a requisite. It is therefore essential to strengthen security measures safeguarding informational assets and prevent financial crimes that have become ever more complex and sophisticated.</li> </ul>
<p><b>Main initiatives</b></p>	<ul style="list-style-type: none"> <li>● Undertake investment in and financing for infrastructure supporting a sustainable society (e.g., basic infrastructure, including public transportation and water supply systems, and essential public service infrastructure, including schools and hospitals)</li> <li>● Provide a safe and secure financial infrastructure via the use of a groupwide and cross-regional approach to the prevention of financial crimes and the upgrading of cyber security measures</li> </ul>

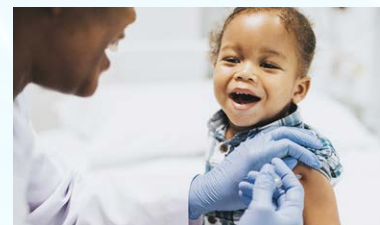
□ Opportunities ■ Risks ▣ Opportunities and risks

### Pick Up

#### Supporting the Fight Against COVID-19 in Africa

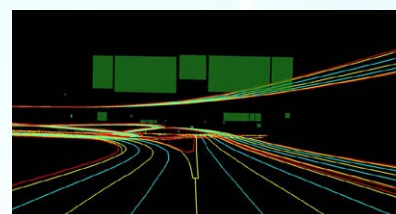
- Contribution to the Sustainable Development of African Countries in Collaboration with NEXI

- **Provided JPY 54 billion (USD 520 million in total) in loans** to the African Export - Import Bank as a **support to weather the impact of the crisis caused by COVID-19 pandemic**.
- Nippon Export and Investment Insurance (NEXI) insured loans, whilst MUFG distributed them to Japanese institutional investors.
- **Contributed to the sustainable development of socioeconomics, health, manufacturing, environmental, agri and agri-related sectors in Africa.**
- Won the **Deal of the Year award** in the Debt category of the **African Banker Awards 2021**.



#### Solving Social Issues Using Social Loans

- Social loans' use of proceeds are limited to **projects aimed at solving specific social issues**
- Targeted at securing essential services, such as maintaining functions in the event of a disaster, measures to reduce traffic congestion, and measures to repair aging infrastructure
- In FY 2020, such loans supported the new construction and the maintenance of expressways, urban renewal, rental housing, earthquake reconstruction, and stabilization of regional medical care.



Dynamic Map Platform Company Limited  
Image of high-precision 3D map data (HD map)

#### [Activities of FY 2020]

- Closed a Social Loan deal with Hanshin Expressway Company Limited
- Closed a Social Loan deal with Urban Renaissance Agency
- Closed a Social Loan deal with Seikoukai, a social medical care corporation
- Closed a Social Loan deal with Nagoya Expressway Public Corporation
- Closed a Social Loan deal with Dynamic Map Platform Company Limited (FY 2021)

## Evolving into a Financial and Digital Platform Operator

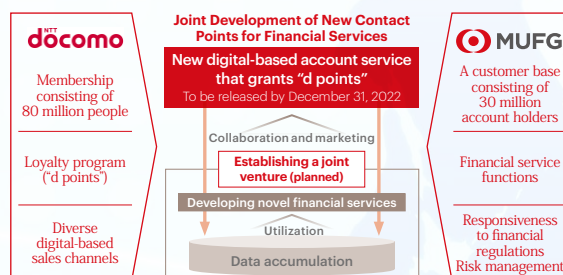
### - Taking on the Challenge of Creating Next-Generation Financial Services and Businesses

Today, the contact points between businesses and their customers are more important than ever. As part of various online services, the Banking as a Service (BaaS) model, which embeds financial functions into digitized consumer activities, is gaining popularity, resulting in a growing call for financial services that are more convenient and attractive.

We are collaborating with multiple external businesses with large numbers of customer contact points to create a new model for financial services. By doing so, we aim to establish our standing as a financial and digital platform operator providing a safe, secure and reliable financial service platform accessible to a broad range of customers.

#### [Business Alliance with NTT DOCOMO]

- Business alliance to create innovative financial services and deliver new customer value
- Provide a new digital-based account service through which customers of the both companies are granted "d points" based on transactions.
- **Bring customer convenience, benefits and robust security.**

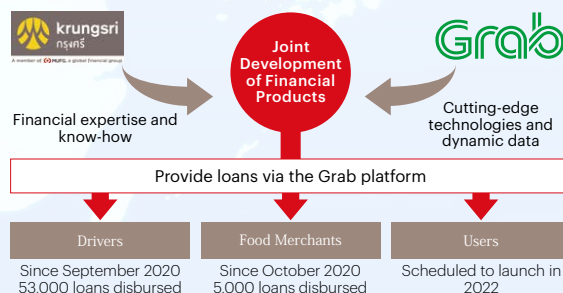


#### [Development of GO-NET (next-generation platform)]

- Develop a secure platform which enables to process large volume of transactions in high-speed
- Solving critical business issues such as system capacity and costs by processing enormous volumes of data transactions

#### [Partnership with Grab]

- Launch new digital loan products through the Grab platform by collaboration between Krungthai and Grab in Thailand
- Utilize expertise for MUFG's next-generation digital financial services.



## Opened MUIC Kansai, a Center for the Creation of Innovation

### - Contribution to Regional Revitalization

- **Promotion of open innovation** through co-creation among member companies, industry, academia, and government
- **Contribution to the development of the economy in the Kansai region** by **solving problems in the tourism industry**
- **Currently implementing programs that stem from problems**, such as a remote tourism demonstration experiment



## Prevent, Detect, and Deter Financial Crimes

### - Promote a Consistent and Integrated Approach across the Group Globally

- Implementing a number of initiatives for Anti-Money Laundering ("AML"), Counter-Terrorist Financing ("CFT"), Sanctions Compliance, and Anti-Bribery and Corruption
- **Established GFCD's headquarters in New York**, where the excellence for financial crimes risk management is centralized
- **Accumulation and exchange of knowledge and skills through a global staff rotation program**