

Participation to Initiatives

MUFG participates in and endorses a variety of initiatives to meet the social responsibilities as a financial institution, meet the demands of the international community, and contribute to the realization of a sustainable society. (Listed in descending order of endorsement)

Environment

United Nations Environment Program Finance Initiative

MUFG is a signatory to the United Nations Environment Program Finance Initiative (UNEP FI). It is a public-private partnership "seeking to encourage the better implementation of environmental and sustainability principles at all levels of operations in financial institutions".



CDP

CDP (formerly the Carbon Disclosure Project) is a project that institutional investors from around the world work together and urges corporations to disclose their strategies on climate change as well as detailed data on their greenhouse gas emissions. MUFG has participated in the project since 2004.



Climate Change

Integrity Council for Voluntary Carbon Markets (IC-VCM)

The Integrity Council for Voluntary Carbon Markets is a governance body established with the aim of expanding the carbon credit market effectively and efficiently to achieve the goals of the Paris Agreement. IC-VCM is developing framework for verification and assessment of voluntary carbon credit. MUFG joined the Council in August 2021.

Energy Transition Initiative-Center for Global Commons (ETI-CGC)

In November 2021, the University of Tokyo and 13 major domestic companies launched the Energy Transition Initiative – Center for Global Commons (ETI-CGC) as an initiative to help with decarbonization.

We advance discussions of pathways to achieve carbon neutrality in Japan.

As a founding member of ETI-CGC, MUFG is actively contributing to the activities of ETI-CGC from the standpoint of a financial institution.

Net Zero Asset Managers initiative (NZAM)

This initiative aims for global asset management companies that have endorsed the intent of the agreement, to achieve net zero greenhouse gas emissions by 2050, in order to achieve the targets agreed in the Paris Agreement (namely to keep global average temperature increases below 2°C and 1.5°C compared to pre-Industrial Revolution).

In November 2021, Mitsubishi UFJ Trust and Banking Corporation and its affiliated asset management companies, Mitsubishi UFJ Kokusai Asset Management Co., Ltd., MU Investments Co., Ltd., Mitsubishi UFJ Asset Management (UK) Ltd. have decided to participate in this initiative.

Partnership for Carbon Accounting Financials (PCAF)

In August 2021, MUFG joined the PCAF, an international initiative launched in 2015 with the aspiration to standardize the measurement and disclosure of financed emissions.



Glasgow Financial Alliance for Net Zero (GFANZ)

Advocated and launched by Mark Carney at the Climate Leaders' Summit hosted by the US government in April 2021, GFANZ is a consortium of financial institutions that integrates initiatives (including NZBA and NZAM) in which the financial industry leads net zero by each business sectors. MUFG actively participates in GFANZ working groups.

In June 2021, MUFG joined NZBA, which is a part of GFANZ.

Net-Zero Banking Alliance (NZBA)

The NZBA is an initiative convened by the United Nations Environment Programme Finance Initiative (UNEP-FI), which was launched in April 2021 by 43 banks around the world with the aim of achieving net-zero GHG emissions from financed portfolios by 2050.

In June of the same year, MUFG became the first Japanese financial institution to join the NZBA. In addition, MUFG has been selected as one of the Asian regional representatives of the Steering Group consisting of 12 banks elected from each

region.

MUFG also leads the Financing & Engagement Work Track, which is tasked to create a robust framework for transition finance. In addition MUFG participates in the Glasgow Financial Alliance for Net Zero (GFANZ) working group, which brings together sector-specific initiatives in finance, including the NZBA and NZAM, that are leading the way to reach net zero.

In addition, MUFG chairs the Financing and Engagement Working Truck, which is responsible for creating a concrete framework for transition finance.

The Poseidon Principles

The Bank has joined the Poseidon Principles, a global framework established by financial institutions for promoting shipping industry's decarbonization.



Keidanren Challenge Zero

Challenge Zero (Challenge Net Zero Carbon Innovation) is an initiative of Nippon Keidanren (Japan Business Federation) in collaboration with the Japanese government to strongly communicate and encourage innovative actions by companies and organizations to tackle the challenge of realizing a decarbonized society, which is the long-term goal of the Paris Agreement. MUFG participates in this initiative and contributes to the realization of a net zero society through sustainable finance.



Climate Action 100+

Climate Action 100+ was established by global investors in December 2017 as an initiative to encourage companies around the world that emit large amounts of greenhouse gases to take steps to climate change. Mitsubishi UFJ Trust and Banking Corporation has been participating in the initiative since 2018 and making relevant engagement with its investments.



Climate Change Initiative

MUFG has been participating in the Climate Change Initiative since 2018, a network to strengthen the dissemination of information and the exchange of ideas among companies, municipalities, NGOs and other organizations that are actively working to combat climate change, with the aim of achieving a decarbonized society.



Task Force on Climate-Related Financial Disclosures (TCFD)

MUFG supports the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), established by the Financial Stability Board (FSB).



The recommendations developed by TCFD encourage companies to disclose climate change-related business risks and opportunities and to share information with investors.

Moreover, in May 2019, Mitsubishi UFJ Trust and Banking also declared support in its capacity as an asset management company.

Natural capital and Biodiversity

30by30 Alliance for Biodiversity

The Alliance was established in April 2022 as a coalition of the willing to implement the various measures incorporated in the 30by30 Roadmap formulated by the Ministry of the Environment.

Alliance participants make efforts to directly secure conservation areas or support conservation activities towards achieving the 30by30 target and disseminate the progress of such efforts.

MUFG supports the purpose of the Alliance and has been participating in it since its launch.



Taskforce on Nature-related Financial Disclosures (TNFD) Forum

The TNFD is an international initiative launched in June 2021 by the United Nations Environment Programme Finance Initiative (UNEP FI), the United Nations Development Programme (UNDP), the World Wide Fund for Nature (WWF) and Global Canopy. TNFD aims to shift global financial flows toward nature-positive outcomes through disclosure of nature-related information by companies. The TNFD Forum is a stakeholder organization to provides information and technical support related to TNFD.

MUFG, together with group companies Mitsubishi UFJ Trust and Banking Corporation and Mitsubishi UFJ Research & Consulting Co., Ltd., which began participating in the TNFD Forum in September and October 2021 respectively, will participate in the TNFD Forum to promote initiatives for natural capital and biodiversity as a group.

Declaration of Biodiversity by Keidanren

MUFG endorses the Declaration of Biodiversity by Keidanren and Action Policy, as revised in October 2018.



Others

The Sustainable Markets Initiative (SMI)

SMI is an initiative that Prince Charles of the United Kingdom called on companies to work together to promote and accelerate the realization of a sustainable future in 2020.

MUFG participate in the Financial Services Task Force and will contribute to the realization of a sustainable and environmentally friendly society and the promotion of decarbonization from the standpoint of a finance institute.



Japan Partnership for Circular Economy

MUFG has joined the Japan Partnership for Circular Economy (J4CE) that the Ministry of the Environment, the Ministry of Economy, Trade and Industry, and Keidanren (Japan Business Federation) launched in March 2021 with the aim of fostering a better understanding of the circular economy among a wide range of stakeholders, including domestic companies, and promoting its initiatives.



Operating Principles for Impact Management

The Bank is a signatory to the Operating Principles for Impact Management, a global market standard for impact investment developed mainly by the International Finance Corporation (IFC^(note)). The Bank is the first private financial institution in Japan to join the initiative.



[Verifier Statement \(PDF / 125KB\)](#)

[Annual Disclosure Report \(PDF / 758KB\)](#)

(note) An institution of the World Bank Group. Established in 1956, one of the world's largest international financial institutions specializing in private sector development in developing countries. Through cooperation with the private companies in about 100 countries around the world, the organization helps to eradicate extreme poverty and promote shared prosperity.

Principles for Responsible Banking (PRB)

The Principles for Responsible Banking have been developed by the United Nations Environment Programme Finance Initiative (UNEP FI) to align the banking sector with society's goals as expressed in the SDGs, the Paris Climate Agreement, and other relevant frameworks. MUFG is a signatory in 2019.



Principles for Financial Action for the 21st Century

MUFG Bank (the Bank) and Mitsubishi UFJ Trust and Banking (the Trust Bank) have been signatories to Principles for Financial Action towards a Sustainable Society (also known as Principles for Financial Action for the 21st Century) since their first announcement in November 2011. These principles established mainly through the proactive efforts of financial institutions include seven principles for financial institutions that want to take an active role and responsibility in the creation of a sustainable society, and guidelines tailored to each sector to implement the principles. the Bank, the Trust Bank and the Leasing Business will continue to make active efforts for the environment and society based on the principles.



UN Global Compact

MUFG has endorsed the United Nations Global Compact, a principle-based framework of voluntary action which is announced by then UN Secretary-General Kofi Annan in 1999. It calls to companies and organizations around the world to align strategies and operations with universal principles on human-rights, labor, the environment and anti-corruptions, and take actions that advance societal goals. As a financial group aspiring to make "contribution to realize sustainable society", MUFG agrees and supports the principles of the Global Compact and addresses to fulfill our responsibility as a global citizen.



Principles for Responsible Investment (PRI)

UNEP FI and the UN Global Compact jointly promote the Principles for Responsible Investment (PRI), which were announced in 2006. The PRI are intended to improve long-term investment performance by incorporating environmental, social and corporate governance (ESG) issues into investment decision making within the fiduciary responsibility.



In May 2006, Mitsubishi UFJ Trust and Banking (the Trust Bank) was among the first financial organizations in Japan to sign up to the Principles. Since then, the Trust Bank has been actively promoting investment practices based on the PRI in Japan.

Equator Principles

Bank of Tokyo Mitsubishi UFJ adopted the Equator Principles (EP) as a framework ensuring environmental and social considerations when financing large-scale development projects.



Adoption and adherence to the Equator Principles, a risk management framework to determine, assess and manage environmental and social risks and impacts in projects

External Evaluation

A selection of sustainability-related assessments are provided. Please click [here](#) for all external assessments of MUFG.

External Assessment of Our Sustainability Initiative

New Elements of the ESG Index

FTSE Blossom Japan Index	FTSE Blossom Japan Sector Relative Index	MSCI Japan Empowering Women Index (WIN)	MSCI Japan ESG Select Leaders Index
 FTSE Blossom Japan	 FTSE Blossom Japan Sector Relative Index	2022 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)	2022 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX
S&P JPX Carbon Efficient Index	FTSE4Good Index Series	Bloomberg Gender–Equality Index	Sompo Sustainability Index
 S&P Global Carbon Efficient Index	 FTSE4Good	 Bloomberg Gender–Equality Index 2022	2022  Sompo Sustainability Index

Award for Our Sustainability Initiatives

Received ESG Finance Award

The Bank was awarded Gold in the Banking Category at the Third ESG Finance Awards Japan (Minister of Environment Award) hosted by the Ministry of the Environment. The Securities was awarded Silver in the Financial Services (Securities) Category. In addition, MUFG was selected as an Environmental Sustainable Company.



2022 Wind Investment Awards: Lender of the Year (EMEA)

MUFG is proud to have been awarded Lender of the Year at the 2022 Wind Investment Awards, recognised in this category for the third year in a row.

The annual Wind Investment Awards from A Word About Wind is a platform to celebrate best practice in the global onshore and offshore wind industry, incorporating innovation, financing, project development and asset management.

During 2021, MUFG committed over USD \$12 billion to the renewables sector as a whole, with a number of these being first-of-a kind, innovative projects.



ESG Finance Awards and Achievements (Krungsri)

Krungsri (Bank of Ayudhya) has been actively promoting ESG finance and is regarded as one of the key players in Thailand's ESG market.

In 2021, they received the honor of being awarded multiple awards from leading national and international institutions, including The Asset Award, IFR ASIA Awards, and ThaiBMA Best Bond Awards 2021 for delivering financial innovations which meets customer needs and promote sustainable growth.



3rd Nikkei SDGs Management Survey: 5 stars

MUFG earned the highest rating five stars in the 3rd Nikkei SDGs Management Survey, conducted by Nikkei Inc., designed to evaluate and rate businesses' efforts toward the realization of the United Nations' SDGs.



5th Nikkei Smart Work Management Survey: 4.5 stars

MUFG was recognized as a 4.5-star company in the 5th Nikkei Smart Work Management Survey, which selects leading companies taking on the challenge of revolutionizing productivity through work style reforms. The survey, conducted by Nikkei Inc., covers both listed and leading unlisted companies across Japan, and defines "smart work management" as an initiative to maximize organizational performance through three elements: realization of diverse and flexible work styles, the system that creates new businesses, and the ability to develop markets. With corporate governance and other management foundations, companies are rated on a five-star scale.



Nadeshiko Brand

MUFG has been selected for inclusion in Semi- Nadeshiko Brand, a recognition jointly conferred by Japan's Ministry of Economy, Trade and Industry(METI) and the Tokyo Stock Exchange(TSE).



Gold Rating and Best Practice selection on PRIDE Index

In November 2021, a number of initiatives in Japan were evaluated and received the top gold rating^(note1) on the "PRIDE Index^(note2)."

MUFG also received a Best Practice selection, which recognizes outstanding initiatives^(note3).



(note1) Rating based on the evaluation of initiatives by each company of MUFG Bank, Mitsubishi UFJ Trust and Banking, Mitsubishi UFJ Morgan Stanley Securities, Mitsubishi UFJ NICOS, MUS Business Service, and MUSIS

(note2) Japan's first index that evaluates companies' LGBT-related initiatives operated by a private organization "work with Pride".

(note3) MUFG, together with Mizuho Financial Group, Inc., and Sumitomo Mitsui Financial Group Co., Ltd., created a message video. The video project was selected as a Best Practice outstanding initiative.

Kurumin and Platinum Kurumin Certification

Each Group company is Kurumin certified under the Act on Advancement of Measures to Support Raising Next-Generation Children. This certification by the Ministry of Health, Labour and Welfare (MHLW) recognizes a business as a childcare support company based on set requirements in support of balancing work and childcare. Companies that meet even higher standards receive a Platinum Kurumin certification.

<Kurumin certified companies>

- MUFG Bank
- Mitsubishi UFJ Trust and Banking
- Mitsubishi UFJ Morgan Stanley Securities
- Mitsubishi UFJ NICOS
- ACOM
- Mitsubishi UFJ Research and Consulting
- Master Trust Bank of Japan
- Mitsubishi Research Institute DCS
- Mitsubishi UFJ Information Technology
- Mitsubishi UFJ Trust Systems
- Mitsubishi UFJ Kokusai Asset Management
- MUS Business Service
- MU Communications
- JACCS
- Chukyo Bank
- Mitsubishi UFJ Factors
- MUS Information Systems
- Mitsubishi HC Capital

<Platinum Kurumin certified companies>

- MUFG Bank
- Mitsubishi UFJ Morgan Stanley Securities
- Master Trust Bank of Japan
- Mitsubishi Research Institute DCS
- Mitsubishi UFJ Information Technology
- Mitsubishi UFJ Trust Systems
- MU Communications
- MUS Information Systems
- MUS Business Service
- Mitsubishi HC Capital

(As of July 2022)



Eruboshi Certification

Each Group company is Eruboshi certified under the Act on the Promotion of Women's Participation and Advancement in the Workplace. Eruboshi certification is awarded by MHLW in Japan to companies that demonstrate excellence in promoting women's advancement. It is a three-level certification based on certain criterion.

<Eruboshi certified companies>

- JACCS (1st-level)
 - Mitsubishi UFJ Information Technology (2nd-level)
 - Mitsubishi UFJ Trust Systems (2nd-level)
 - Mitsubishi HC Capital (2nd-level)
 - Mitsubishi UFJ Research & Consulting (3rd-level)
 - Master Trust Bank of Japan (3rd-level)
 - MUS Business Service (3rd-level)
 - Mitsubishi Research Institute DCS (3rd-level)
- (As of July 2022)



Tomonin

Certified to bear the "Tomonin" symbol, a mark granted by the Ministry of Health, Labour and Welfare to companies supporting employees who strive to balance between work and nursing care.



Assessment by ESG Rating Agencies

Entities	FY2020	FY2021	Most Recent Result (As of September 2022)
MSCI ^(note)	BBB	A	—
FTSE ^(note)	3.4	3.3	3.9
Sustainalytics ^(note) (lower scores are better)	20.6	19.3	18.4
S&P Dow Jones ^(note) (Percentile rank)	75	74	—
CDP ^(note)	B-	B	—
Nikkei SDGs	★4.5	★5.0	—
Toyo Keizai	372.3	389.9	—

(note) Subject for the evaluation of executive remuneration

MUFG Ranked 2nd Overall in the Toyo Keizai SDGs Corporate Ranking 500 (July 2022)

Among 1631 companies listed in the CSR Corporate Directory, MUFG ranked second in the overall ranking of the Toyo Keizai SDGs Corporate Ranking 500, which evaluates companies in four categories: human resource utilization, environment, society, and corporate governance.

We received high evaluations in each category for the promotion of female employees' empowerment, proactive efforts toward the transition to a decarbonized society, and implementation of microfinance at partner banks.

Various Reports/Data/Index

Various Reports

Sustainability Report

Progress Report

Moving towards Carbon Neutrality

TCFD Report

Human Resource Report

MUFG Reports

Corporate Governance Report

Data

ESG Data

Third Party Assurance/Third Party Verification

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GRI

SASB/SCM/PRB