



MUFG Sustainability Highlights 2025

-Addressing Priority Issues-

Mitsubishi UFJ Financial Group

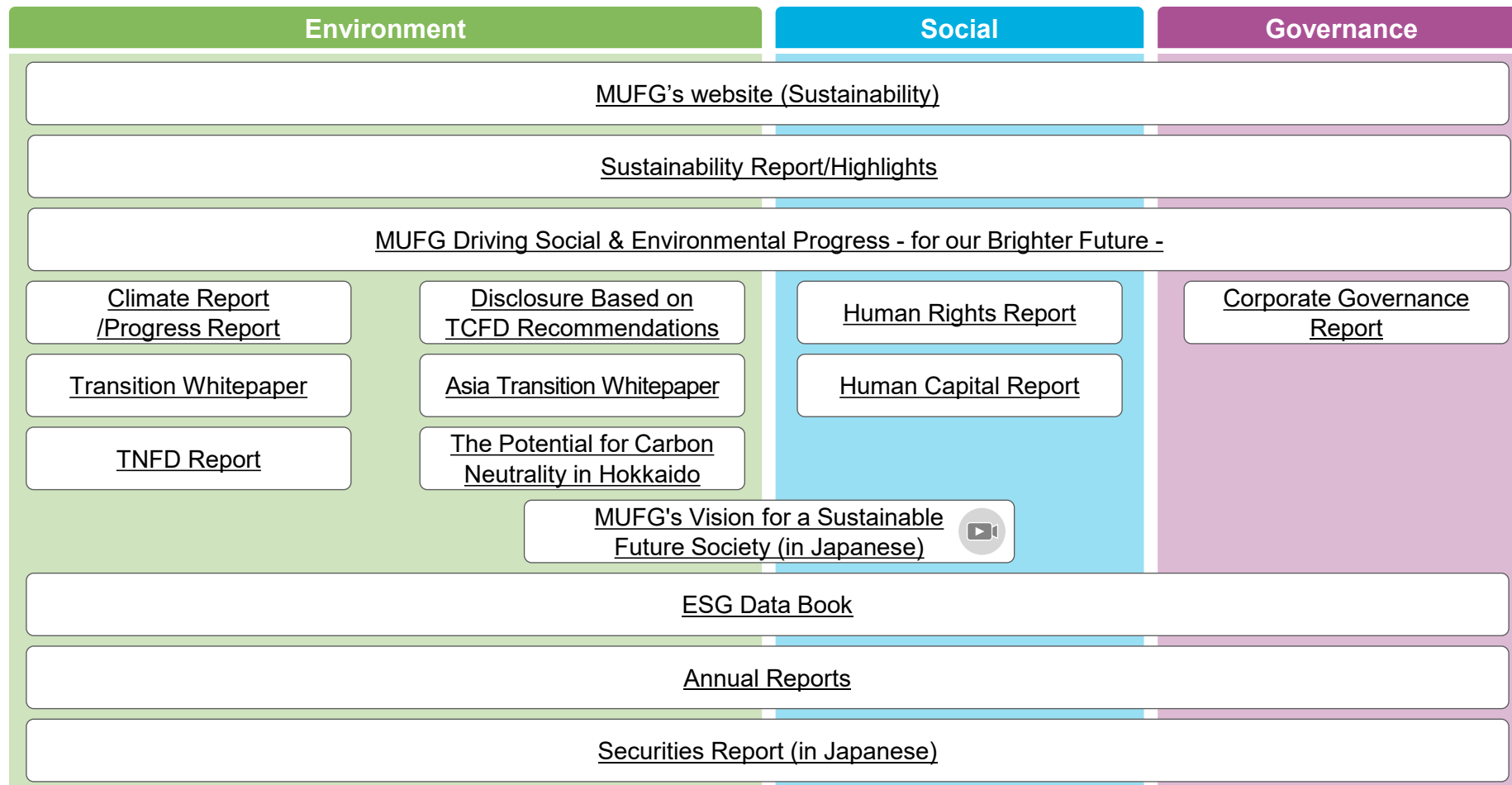


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Sustainability-Related Content and Positioning of This Report

- MUFG publishes various reports related to sustainability.
- This report provides an overview of MUFG's sustainability initiatives for our stakeholders. It summarizes key efforts to tackle priority sustainability issues, based on information previously disclosed on MUFG's website (Sustainability)  and in various related reports. For further details, please refer to our website and respective reports.



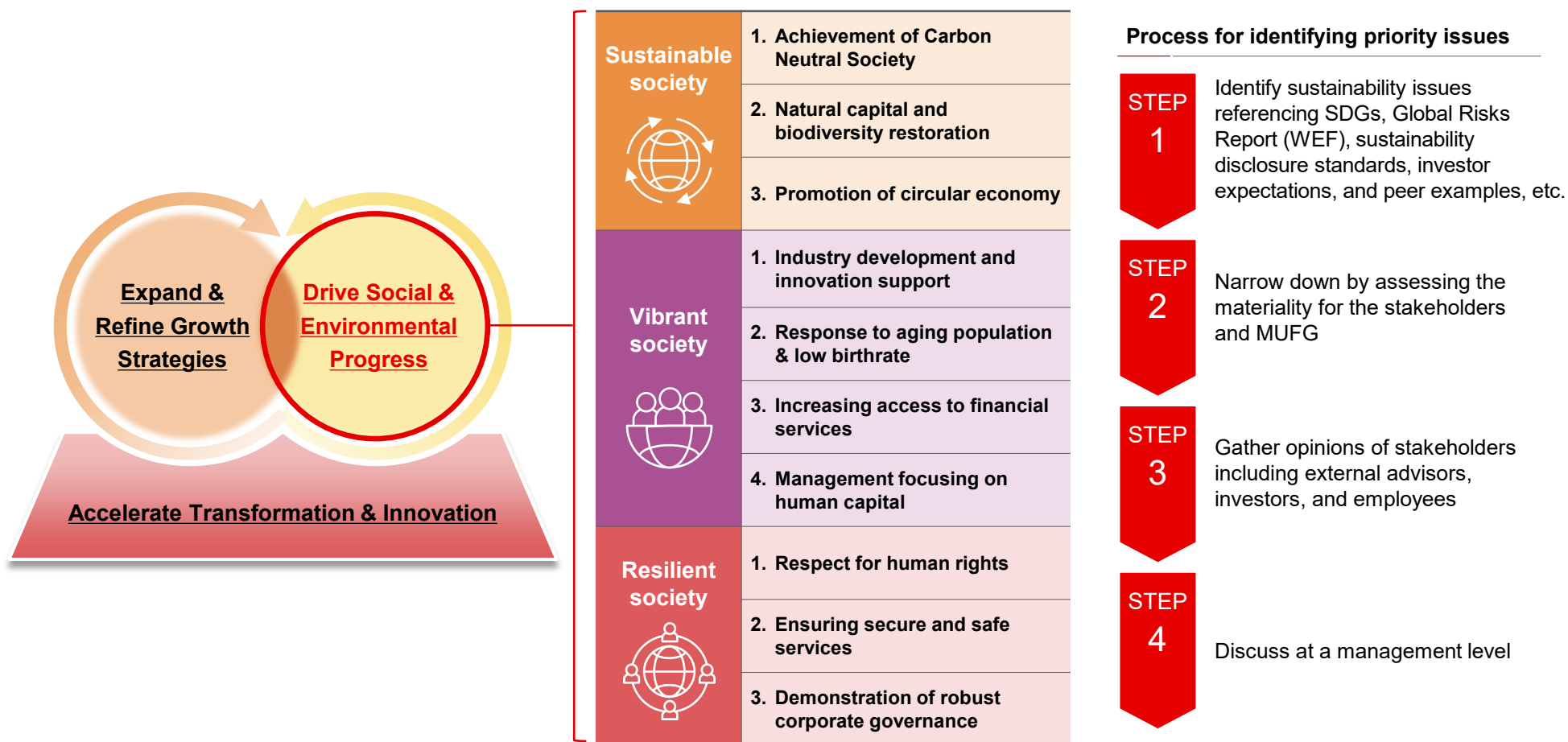
Promotion of Sustainability

—Driving Social & Environmental Progress

- Positioning in the Medium-Term Business Plan
- Output KPIs and Impact Indicators
- Visualization of Impact
- Sustainability Governance / Governance Structure

Positioning in the Medium-Term Business Plan

- MUFG has launched a medium-term business plan covering the next three years from FY2024. We have integrated the contribution to address social issues into our management strategies and positioned this as one of the three pillars of the medium-term business plan, and will further strengthen our initiatives in this area.
- Pursuing economic and social values is the key to improving corporate value. We identified ten priority issues under the subheads “Sustainable Society,” “Vibrant Society,” and “Resilient Society” and set specific targets as KPIs (P.6) to strongly promote initiatives for solution of social issues.



Output KPIs and Impact Indicators

- each priority issue, we have established output KPIs to quantify the outcomes of our initiatives and impact indicators to represent the resulting social and environmental changes and impacts. Output KPIs and impact indicators that measure only the results without including specific targets are labeled as “Result.” We will promote ongoing reviews, including those aimed at enhancing the KPIs and impact indicators.

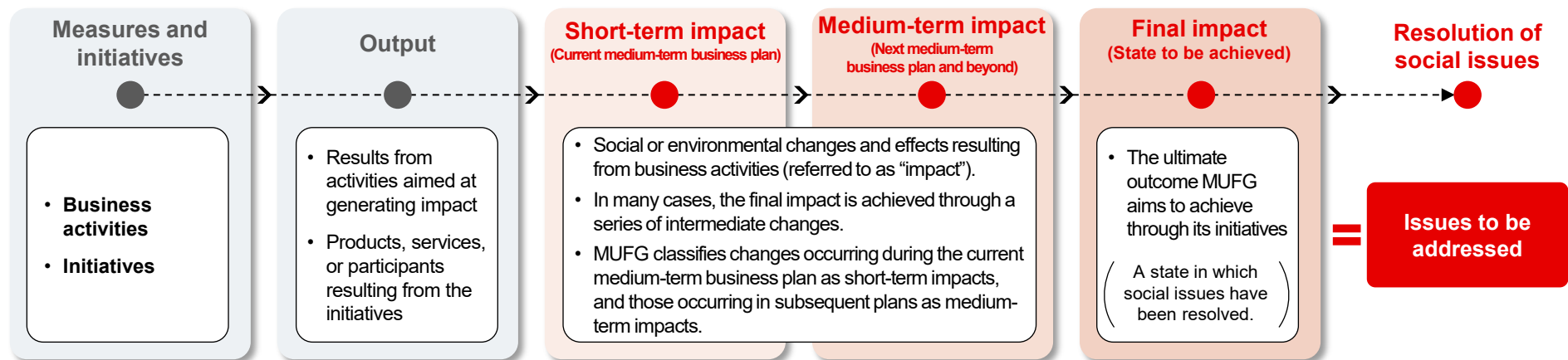
		Output KPI	Impact indicator
Sustainable society	Achievement of carbon-neutral society	● Sustainable finance 100 trillion yen (50 trillion yen for environmental projects) (through 2030)	● Emissions from our financed portfolio (FY2023, client Scope 1 and 2 emissions) Result 177MtCO ₂ e
		● Number of co-created GX projects 50 projects (through FY2026)	● Amount reduced through renewable energy project finance where MUFG is involved 70 million tons (FY2019 to FY2030) 46.83 million tons (FY2019 to FY2023)
	Natural capital and biodiversity restoration	—	● Expanding support for startups related to natural capital and biodiversity Result
	Promotion of circular economy	—	● Expanding support for startups related to accelerating the transition to a circular economy Result
Vibrant society	Industry development and innovation support	● Initiatives for empowering startups Result Held MUFG Startup Summit	● Startup market capitalization 20 trillion yen (through FY2026)
		● Asset under management 200 trillion yen (through FY2029)	
		● BPO contracting balance 100 trillion yen (through FY2029)	
	Response to aging population & low birthrate	● Loan balance related business succession 1 trillion yen (through FY2026)	● Ratio of financial literacy questions answered correctly 70% or higher
		● Number of students who participated in our financial and economic education programs 800,000 students(through FY2026)	
	Increasing access to financial services	● Mitsubishi UFJ Direct Monthly Active User count 10 million people (through FY2026)	● Share of ASEAN adult population using digital financial services provided by strategic investment Targets Approx. 1/4 (through FY2034)
		● Strategic investment support for financial digital service providers Result	
	Management focusing on human capital	● Core DX specialists 1,200 people (through FY2026)	● Engagement score Improved from FY2023 (through FY2026)
		● Candidate pool for global management resources Three times or more (through FY2026)	● Inclusion score Maintain at least 75 (through FY2026)
		● Ratio of women in management positions (Japan) 27% (through FY2026)	● Absenteeism 1% or lower (through FY2026)
		● Ratio of eligible male employees who took childcare leave 100% (through FY2026)	● Presenteeism 15% or lower (through FY2026)
Resilient society	Respect for human rights	● Ensure fulfillment of human rights due diligence based on the Human Rights Policy Statement, Environmental and Social Policy Framework, and the Equator Principles Result	—
	Ensuring secure and safe services	—	—
	Demonstration of robust corporate governance	—	—

Visualization of Impact

- Business groups and Corporate center established logic models and visualize path to creating impact.

Logic model

- A logic model is a widely used framework for clarifying, visualizing, and measuring the intent behind business activities.
- It is often used to visualize the logical cause- and-effect relationships that connect business activities to impact creation.

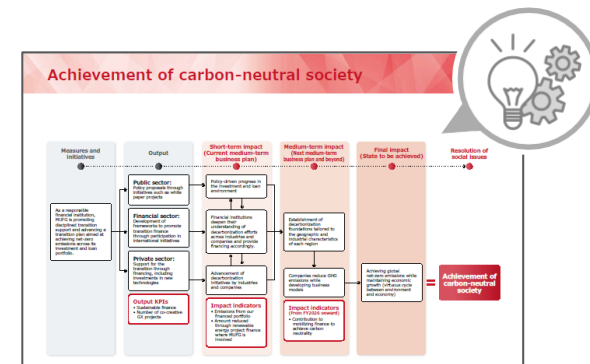


MUFG Driving Social & Environmental Progress –for our Brighter Future–



- MUFG's first report focused on social & environmental progress
- Examples of employee- and issue-driven initiatives; understanding, output KPIs, and impact indicators for priority issues
- Some impact indicators have quantitative targets

Click!

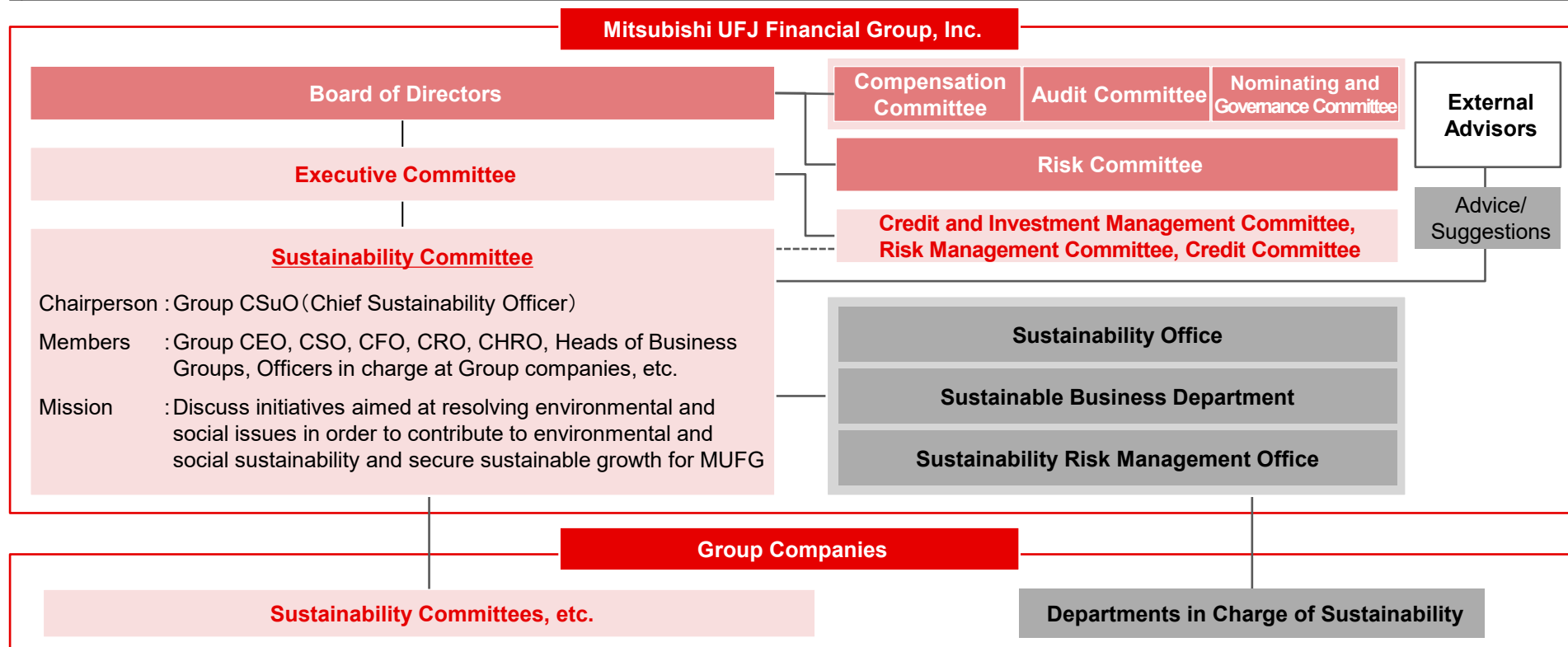


(Example of logic model, excerpt from "MUFG Driving Social & Environmental Progress –for our Brighter Future–")

Sustainability Governance / Governance Structure

- Sustainability-related issues are managed by the Executive Committee with various management sub-committees, subject to the oversight of the Board of Directors. The Sustainability Committee, which is a sub-committee formed under the Executive Committee and is chaired by the Chief Sustainability Officer, regularly deliberates policies on addressing sustainability-related matters, including risks and opportunities arising from such matters, and monitors the progress on the MUFG Group's measures designed to address such matters. The committee reports to the Executive Committee and, as necessary, reports to the Board of Directors.
- Four external advisors have been invited to provide expert opinions on sustainability issues and risks at any time. These advisors exchange opinions with the members of the top managements and others and provide advice and recommendations from their professional standpoints on MUFG's sustainability initiatives.

Sustainability Governance Structure



Priority Issues: Sustainable Society

- Achievement of Carbon Neutral Society
- Natural Capital and Biodiversity Restoration
- Promotion of Circular Economy

Sustainable Society — Achievement of Carbon Neutral Society (1/2)

- In May 2021, MUFG announced the MUFG Carbon Neutrality Declaration, aiming to become carbon neutral by 2050. To reach carbon neutrality, we have been pursuing various initiatives based on three unwavering commitments: helping achieve the 1.5°C target by achieving carbon neutrality by 2050, supporting a smooth transition to a decarbonized society, and creating a sustainable society by fostering a virtuous cycle between the environment and the economy.

MUFG's three unwavering climate change commitments

1 Helping achieve the 1.5°C target of the Paris Agreement by achieving carbon neutrality by 2050



2 Supporting a smooth transition to a decarbonized society through our financial services



3 Proactively contributing to creating a sustainable society by fostering a virtuous cycle between the environment and the economy



- MUFG withdrew from the NZBA in March 2025, but our commitment to addressing climate change based on the three aforementioned commitments remains unchanged.
- In April 2024, we disclosed the overall outline of our transition plan, and this April, in the MUFG Climate Report 2025, we disclosed the progress and achievements of specific initiatives demonstrating the effectiveness of the transition plan. The following describes our key stance underlying MUFG's actions to address climate change.

- Carbon neutrality cannot be achieved by financial institutions alone; it is enabled through the carbon neutrality of clients, which means decarbonizing the real economy. To this end, it is crucial to realize steady progress in decarbonizing carbon intensive industries and regions through client engagement and support, including transition finance.
- Decarbonization pathways depend on regional characteristics, such as geographic conditions and industrial structure. Asia, in particular, is in the midst of economic development, and its increasing energy demand is expected to continue. It is therefore important to strike a balance between decarbonization and economic development.
- To both support clients and achieve MUFG's interim target for 2030, proper management for transition support and target achievement are necessary, and it is important to establish an effective framework to support these activities.

Sustainable Society — Achievement of Carbon Neutral Society (2/2)

- In fiscal year 2024, we focused on effectiveness in line with the key strategies of MUFG's transition plan, emphasizing specific initiatives and addressing new challenges.

Key points in each strategy

1

Reducing emissions from own operations

- Roadmap to net zero emissions by 2030 and measures to achieve the interim target for FY2026
- Introducing wireless power supply technology and AI-based energy saving
- Procuring renewable energy through storage batteries and agrivoltaic grazing systems; Joint pilot demonstration of film type perovskite solar cells
- Collaborating with our clients in the Chubu region

3

Managing our financed portfolio

- Managing transition support and monitoring the progress toward the interim targets based on the transition plan
- FY2023 results of financed emission (FE) across the portfolio
- FY2023 results and approaches toward the 2030 sector-specific interim targets
- Incorporating facilitated emission (FaE) into the power and oil & gas sector targets

2

Engagement and support

- Progress toward the 2030 sustainable finance target and result of project financing for renewable energy projects
- Publication of the Transition Whitepaper 3.0 and transition support for clients in carbon intensive sectors
- Policy engagement; Promoting blended finance
- Supporting the implementation of new technologies; Delivering a wide range of solutions

4

Risk management and governance

- Managing climate risks at credit portfolio, sector, client, and transaction levels
- Updating scenario analysis and transition assessment
- Governance structure; Initiatives to enhance directors' competencies
- Building and sharing knowledge and strengthening engagement measures to enhance relationship managers' capabilities

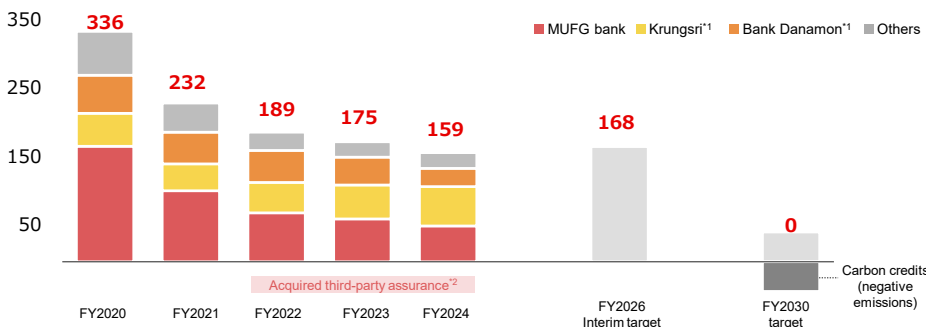
Sustainable Society — Achievement of Carbon Neutral Society [Reducing emissions from own operations]

- Based on the MUFG Carbon Neutral Declaration released in May 2021 we are working to reduce GHG emissions from our own operations to net zero by 2030. In addition to emissions reduction activities such as energy efficiency conservation and renewable energy, we will drive forward a wide range of initiatives contributing to resource conservation and recycling through partnerships with MUFG clients, including startup companies. Furthermore, we at MUFG will independently and proactively engage in these initiatives, thereby strengthening engagement with clients and fostering employee awareness.

Interim target and roadmap(Scope 1, 2)

- In FY2024, GHG emissions was 159 thousand tCO₂e, which is a 16 thousand tCO₂e (9%) decrease from the previous year (175 thousand tCO₂e). This results in achieving our FY2026 interim target (50% reduction from FY2020) ahead of schedule.

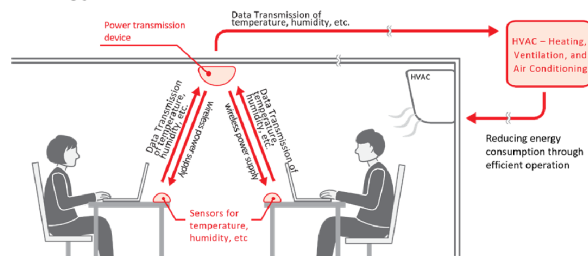
Reduction target and progress (Scope 1, 2)



Energy efficiency and conservation (EE&C)

- Optimizing air conditioning efficiency with wireless power supply technology
- Implementation of EE&C chart by AI

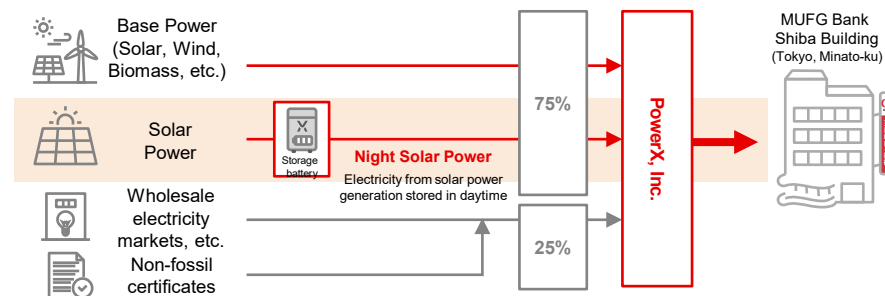
Example: Optimizing air conditioning efficiency using wireless power supply technology



Renewable energy (RE)

- RE procurement by PPA^{*3} with storage battery
- RE procurement from agrivoltaic grazing systems
- Joint pilot demonstration of film type perovskite solar cells

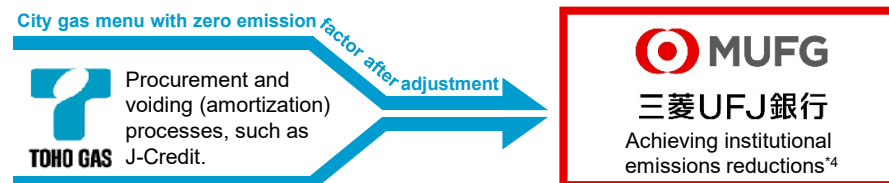
Example: Overview of RE procurement by PPA with storage battery



Our business value chain

- Support through the use of J-Credit
- Recycling of used cooking oil from company cafeterias
- Participation in local government resource recycling initiatives

Example: J-credit for city gas



*1. Asian partner banks Krungsri (Bank of Ayudhya) and Bank Danamon are MUFG consolidated subsidiaries in Thailand and Indonesia, respectively

*2. Assured from an independent third party for actual GHG emissions data

*3. Power Purchase Agreement

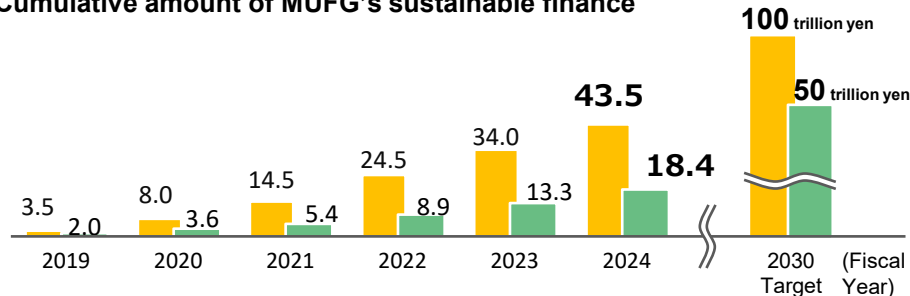
*4. Applicable only to Japan's regulations. Unchanged in disclosure and measurement of itself emissions. By setting the adjusted emission factor in the SHK system to zero, CO₂ emissions can be reported as zero.

Sustainable Society – Achievement of Carbon Neutral Society [Engagement and Support (1/3)]

Sustainable finance

- MUFG aims to provide 100 trillion yen in sustainable finance by FY2030, with 50 trillion yen allocated to the environmental sector. The cumulative execution amount up to FY2024 was ¥43.5 trillion (of which ¥18.4 trillion is in the environmental area) (estimates).

Cumulative amount of MUFG's sustainable finance

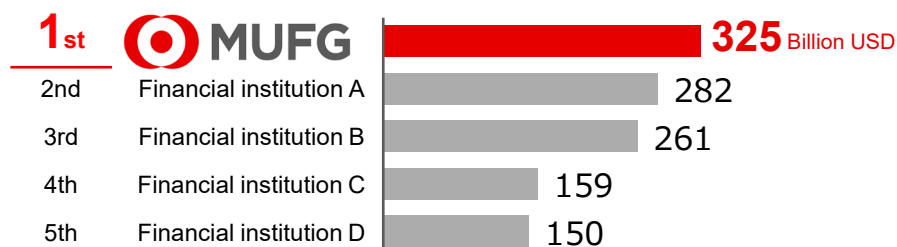


Project finance for renewable energy

- MUFG is a leading financial institution in the renewable energy sector globally. Over the past 10 years, MUFG has ranked first in the world for project finance for renewable energy as a lead arranger^{*1}

Ranking of Project Finance for Renewable Energy^{*2}

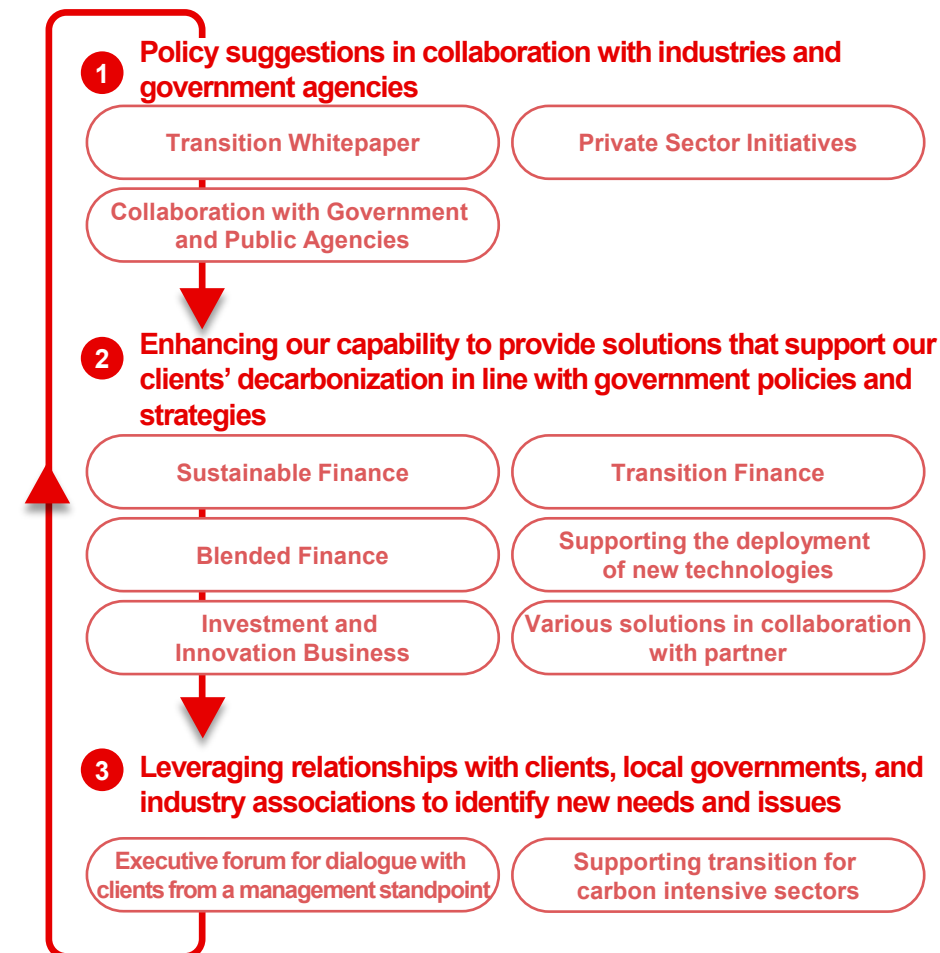
(Cumulative for 10 years from 2015 to 2024, USD billion)



^{*1}. The main financial institution that takes the lead in organizing each loan

Engagement approach

- MUFG will continue to identify new needs and issues through the solutions we provide while offering suggestions to policymakers in collaboration with industries and government agencies.



^{*2}. Source: MUFG compilation based on Bloomberg NEF(BNEF) ASSET FINANCE / Lead Arrangers LEAGUE TABLE

Sustainable Society — Achievement of Carbon Neutral Society [Engagement and Support (2/3)]

Transition whitepaper projects

- We published "Whitepaper 3.0" consecutively to "Whitepaper 1.0" (2022) and "Whitepaper 2.0" (2023). In "Whitepaper 3.0", we addressed approaches to the 'common challenge' of the price pass-through barrier.

White Paper 1.0 (2022)

'Different paths' to carbon neutrality (CN) due to regional characteristics

White Paper 2.0 (2023)

'Different approaches' and policy structures to CN promoted by each country

White Paper 3.0 (2024) –3 Key Words

Approaches to the 'common challenge' of the price pass-through barrier

- ① Expand technological options (optionality)
- ② Ensuring long-term business predictability and economic viability
- ③ End-user awareness & understanding regarding price pass-through



Transition support for clients in carbon intensive sectors

- Leveraging the insights gained from the Transition Whitepaper Project regarding the needs and challenges faced by industries in transition, as well as government support, we assist clients in high-emission sectors in developing their GX strategies by comprehending their specific needs and challenges during the transition process.

Example: Transition support for clients in carbon intensive sectors



Working alongside company A in the power sector as a financial advisor (FA) for its facility renovation



Supporting company B in the cement sector in considering its GX growth strategy by leveraging MUFG Group's capabilities

Transition finance initiatives

- MUFG will continue to assist clients' transition strategies, including those in the power and oil & gas sectors, through transition finance.

Example: Transition finance projects

Power



Originated a transition loan for company C to support investments in expanding renewable energy, enhancing transmission capacity, and utilizing battery storage

Oil & Gas



Underwrote a transition bond issued by company D, a city gas client, to funding projects focused on synthetic methane and hydrogen production

Shipping



Originated a syndicated transition loan for company E to finance investments in fuel conversion for vessels (e.g. LNG fueled vessels, LPG fueled vessels)

Metals & Mining



Underwrote a transition bond issued by company F, a steel client, to support investments in energy saving and high efficiency equipment and renewable energy

Sustainable Society — Achievement of Carbon Neutral Society [Engagement and Support (3/3)]

Policy engagement

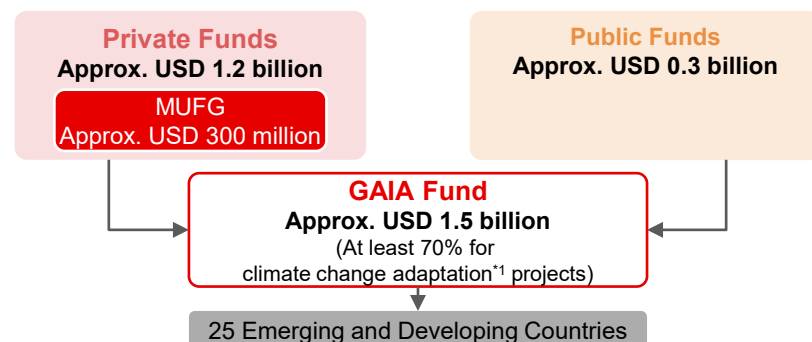
- As a leading financial institution representing Asia and Japan, MUFG actively engages in various private sector initiatives and committees and initiatives with governments and public agencies

Example: Private initiatives MUFG participated in and collaboration with Government/Public Agencies

Private initiatives	Glasgow Financial Alliance for Net Zero (GFANZ)
	Institute of International Finance (IIF)
	Asia Transition Finance Study Group (ATFSG)
Government & Public agencies	World Bank Private Sector Investment Lab
	Asia Zero Emission Community (AZEC)
	Asia GX Consortium
	FAST-P (Financing Asia's Transition Partnership)

Blended finance through public-private partnerships

- MUFG founded GAIA fund, which offers long term loans, through blended finance structure to countries that are particularly severely affected by climate change. MUFG will act as the Originating Bank to originate the loans provided from GAIA Fund in addition to providing investment.



Expansion of solutions

- MUFG, in collaboration with partner companies from various industries, has expanded its solution offering and delivers solutions tailored to each clients' specific needs.

Consulting Services

- Offering consulting services to support sustainability management through the "GX Promotion Advisory Task Force (GXPAT)", a joint initiative with Tokio Marine & Nichido Fire Insurance Co., Ltd.

Supply chain initiatives

- Supporting to visualize and reduce supply chain emissions through investment and collaboration with Zeroboard Inc.
- Structuring supply chain based sustainability-linked loans, with the calculation of emissions by suppliers as SPT²

Investment and implementation support

- Investing in a leading technology provider of SAF
- Investing in a hydrogen fund
- Supporting hydrogen business as a Financial Advisor (FA)
- Investing in a climate tech³ fund
- Participating in Singapore's data platform development project
- Investing in forest funds
- Establishing and investing in a renewable energy fund management company

Visualizing GHG emissions using satellites

- Observation of emission reduction when replacing ship fuel with ammonia⁴
- GHG emission monitoring of LNG plants and pipelines⁵

*1. Measures to avoid or reduce damage caused by the current and expected impacts of climate change. Measures to reduce GHG emissions that cause climate change are called "climate change mitigation"

*2. Sustainability Performance Targets. Specific numerical targets declared by issuers of sustainability-linked loans or borrowers of sustainability-linked loans

*3. A general term for technologies addressing climate change issues

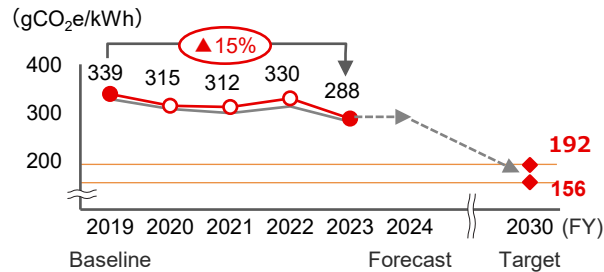
*4. Collaborative demonstration with Nippon Yusen Kabushiki Kaisha, Nagoya Electric Works Co., Ltd., Shimizu Corporation, ArkEdge Space Inc., Sunflame Co., Ltd., Space One Co., Ltd., and MUFG

*5. Collaborative demonstration by Mitsubishi Electric Corporation, Satellite Data Service Planning Co., Ltd. (SDS), GHGSatInc., and MUFG. Cooperation from the Ministry of the Environment, National Institute for Environmental Studies, and Japan Aerospace Exploration Agency (JAXA)

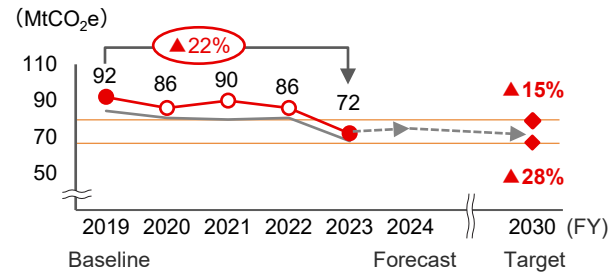
Sustainable Society – Achievement of Carbon Neutral Society [Managing our financed portfolio (1/2)]

Progress of sector-specific interim targets

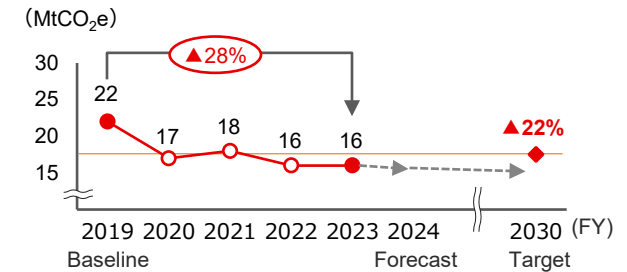
Power (Including Facilitated Emission^{*1})



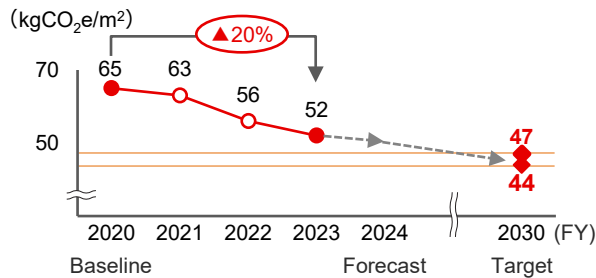
Oil & Gas (Including Facilitated Emission)



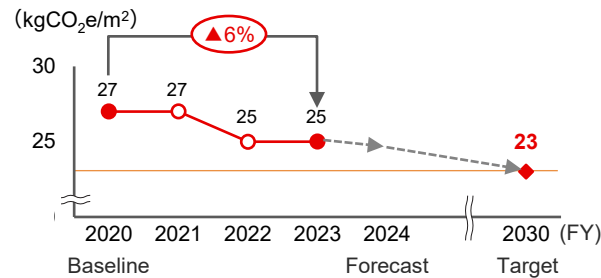
Steel



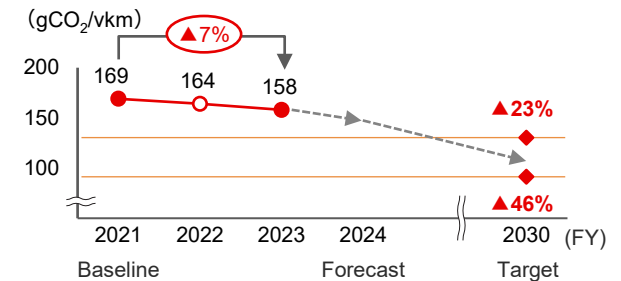
Commercial Real Estate



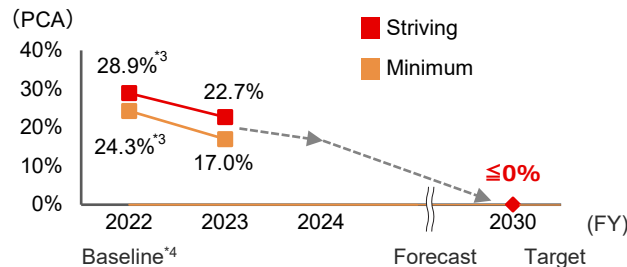
Residential Real Estate^{*2}



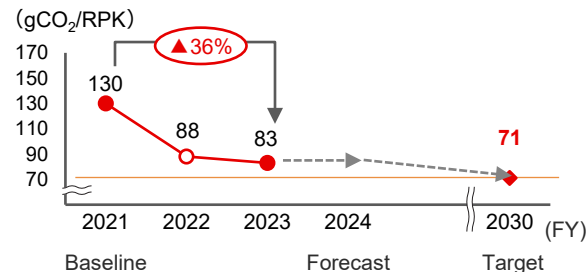
Automotive



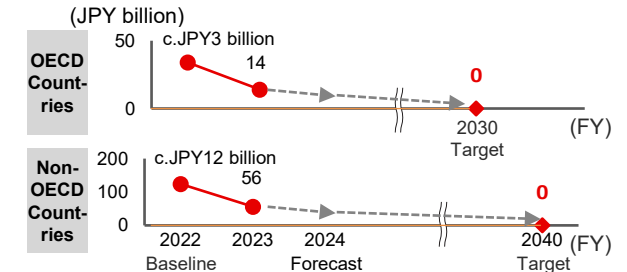
Shipping



Aviation



Coal



*1. Starting this fiscal year, facilitated emission from underwriting are included in the interim targets and outcomes for the power, and oil & gas sectors.

*2. Provisional value derived from adjusted preliminary statistical data

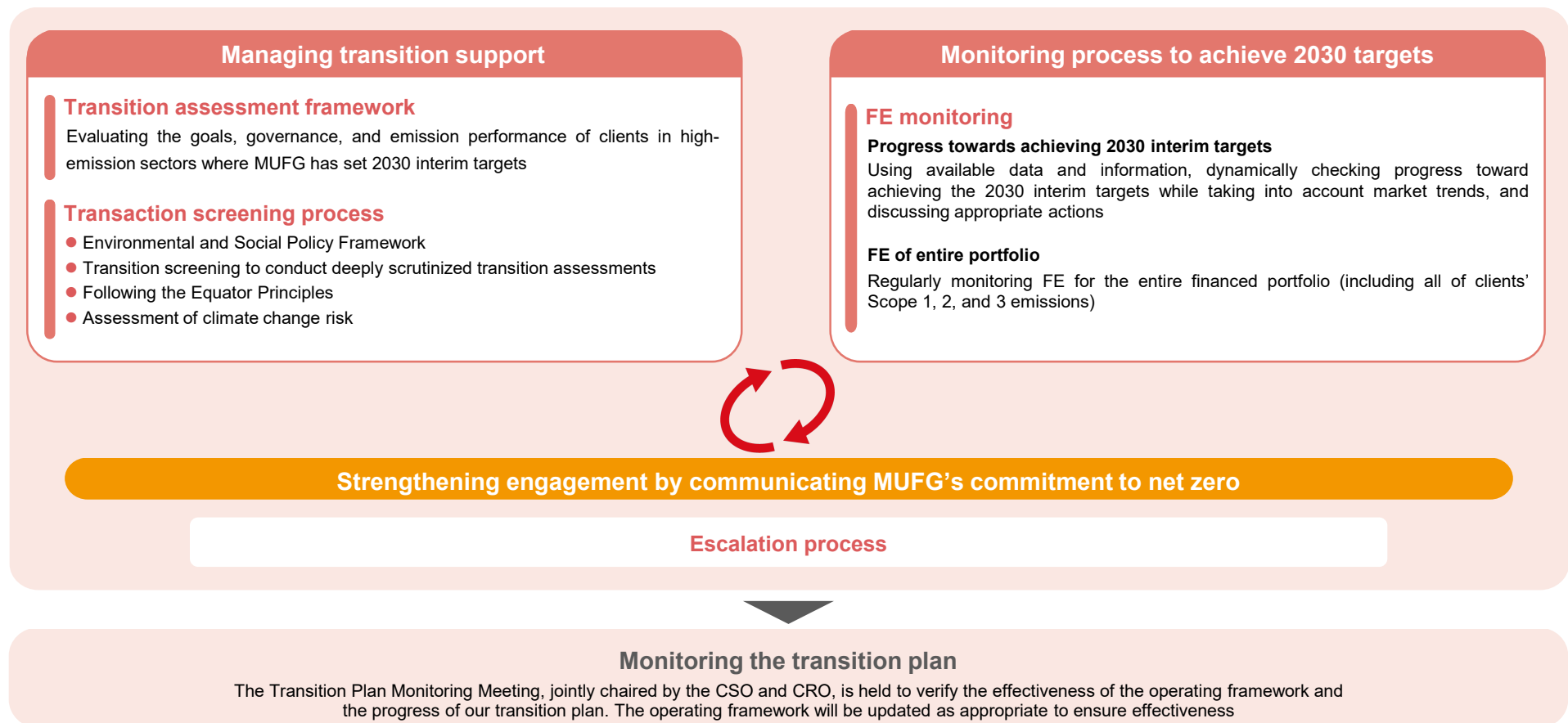
*3. Due to the revision of the PCA calculation formula of the Poseidon Principles, the PCA Minimum for FY2022 was revised from 26.2% to 24.3%, and the PCA Striving was revised from 30.9% to 28.9%

*4. Due to the revision of the PCA methodology in 2023, our baseline was changed from FY2021, the year we established our shipping sector target, to FY2022

Sustainable Society — Achievement of Carbon Neutral Society [Managing our financed portfolio (2/2)]

- MUFG has implemented a transition assessment framework, which evaluates our clients' transition status, and a transaction screening process in order to provide managed transition support. We monitor the progress toward achieving our 2030 interim targets as we strengthen our client engagement activities through these activities. The Transition Plan Monitoring Meeting, jointly chaired by the CSO (Chief Strategy Officer) and CRO (Chief Risk Officer), will verify the effectiveness of these frameworks and the progress of our transition plan.

Operating framework for effective management



Sustainable Society – Achievement of Carbon Neutral Society [Risk management and governance]

- MUFG recognizes the importance of identifying and assessing climate change related risks and information disclosure. We have positioned risks arising from climate change as top risk in our Top Risk Management. MUFG acknowledges that transition risks and physical risks arising from climate change can become risk drivers that could impact major risk categories in the medium to long term via transmission channels. Considering the nature of climate change risks, MUFG manages these risks at the credit portfolio, sector, client, and transaction levels within its risk management framework.
- Regarding governance, established an effective decision making governance structure with carbon neutral related meeting bodies under the supervision of the Board of Directors. Additionally, we reflect evaluation of ESG and sustainability initiatives, including climate change measures, in the executive compensation system.
- MUFG is also committed to developing employee capabilities to achieve carbon neutrality by 2050. In addition to fostering awareness among all staff, we are implementing measures tailored to employees' roles, including knowledge development and strengthening of engagement skills.

	Key initiatives	Overview
Risk management 	Scenario analysis	Conduct scenario analysis aimed at identifying risks across the entire credit portfolio. (Transition risks up to 2050 and physical risks up to 2100.)
	Sector-specific risk analysis	Use a heat map to break down the transition risks and physical risks for each sector recommended for disclosure by TCFD.
	Environmental and Social Policy Framework	Apply the MUFG Environmental and Social Policy Framework to appropriately identify and manage environmental and social risks, and confirm the implementation status of clients' environmental and social considerations.
Governance 	Governance structure	Under the supervision of the Board of Directors, establish a governance structure that ensures appropriate decision-making through various committees aimed at achieving carbon neutrality.
	Compensation system	In the executive compensation system, evaluate efforts contributing to ESG and sustainability, including climate change.
Capability building 	Knowledge development and sharing	Implement knowledge development and sharing for relationship managers, including making sustainability-related qualifications mandatory for large corporate relationship managers and adopting a tool to visualize emissions for companies covered by MUFG's interim targets.
	Education and awareness-raising	To ensure that each MUFG employee has a basic knowledge of sustainability and internalizes it, we conduct internal seminars, provide e-learning for all employees, and support the acquisition of related qualifications.

Sustainable Society — Achievement of Carbon Neutral Society [Next steps]

- While strengthening existing initiatives for each of our key strategies, MUFG will also pursue new initiatives that will contribute to achieving carbon neutrality.

Core initiatives

1 Reducing emissions from own operations

- Promote GHG emissions reduction initiatives domestically and internationally to achieve the FY2026 interim targets
- Contribute to reduction of environmental impact by advancing the procurement of renewable energy with additionality
- Realize and promote various business co-creations through partnerships with clients

3 Managing our financed portfolio

- Enhance the framework for the evaluation and management of the progress through transition plan monitoring
- Improve portfolio emissions forecast based on real economy trends, including policy, sector, and technology
- Periodically review sector-specific interim targets based on the latest energy supply and demand trends, as well as updated NDCs and national policies

2 Engagement and support

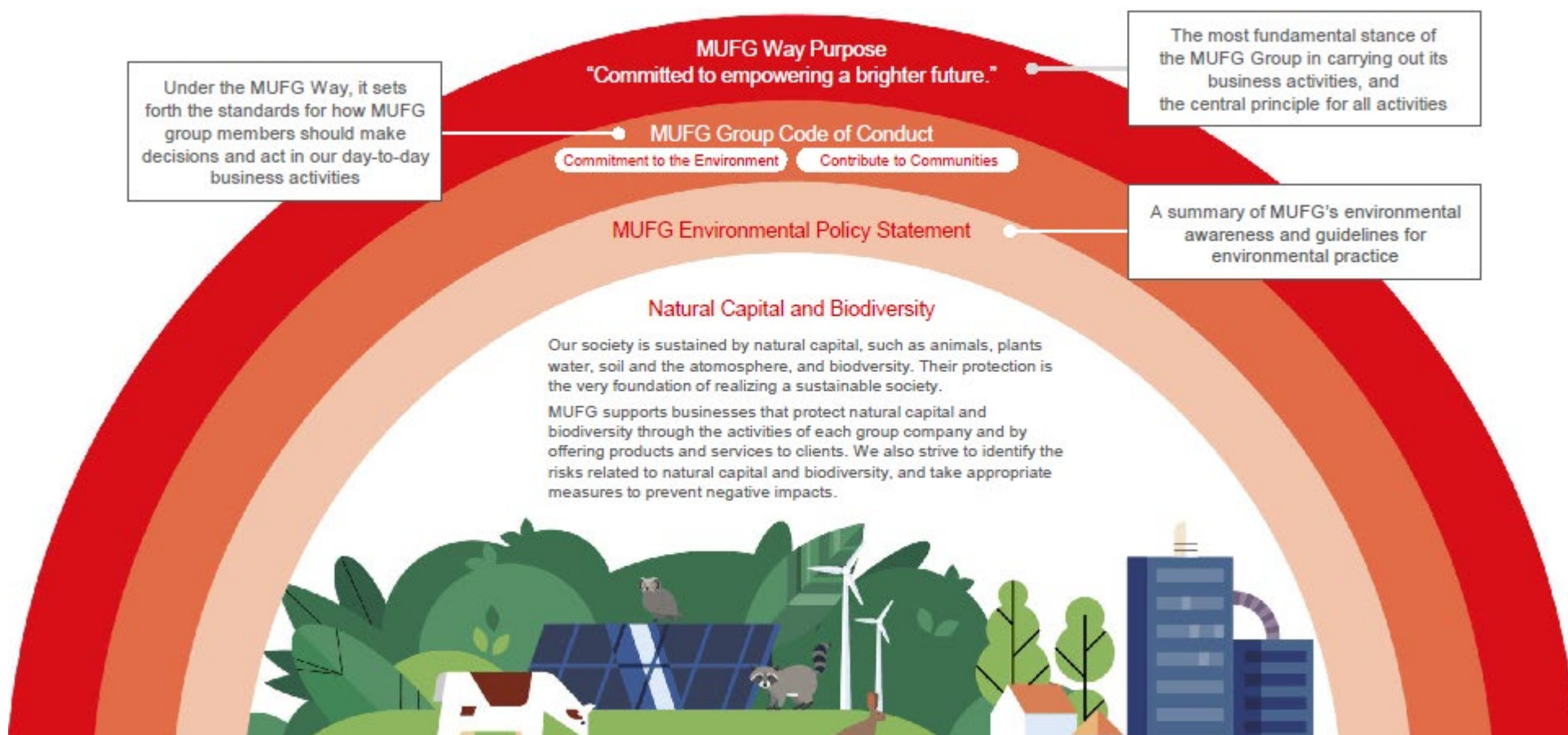
- Further promote renewable energy-related businesses and transition support
- Pursue effective engagement and promote blended finance through activities such as transition whitepapers and policy proposals
- Strengthen communication to promote transition in Japan and Asia
- Implement integrated initiatives for natural capital, circular economy, and human rights

4 Risk management and governance

- Regularly review the climate change risk management framework
- Respond to sustainability information disclosure regulations and strengthen internal controls
- Enhance climate change-related data management
- Continue to strengthen capabilities to improve engagement

Sustainable Society — Natural Capital and Biodiversity Restoration [MUFG's Approach to Natural Capital]

- The MUFG Group Code of Conduct, established under the MUFG Way, integrates “Commitment to the Environment” and “Contribute to Communities” into our business activities. In addition, the MUFG Environmental Policy Statement outlines MUFG’s environmental awareness and principles for environmental practice. According to the Statement, we support projects that conserve natural capital and biodiversity, while striving to identify risks and take appropriate measures to avoid negative impacts on natural capital and biodiversity.



Sustainable Society — Natural Capital and Biodiversity Restoration [TNFD Disclosure]

- "In light of the importance of early disclosure to promote the TNFD (Taskforce on Nature-related Financial Disclosures), MUFG registered as one of the TNFD Early Adopters in January 2024 and is advancing its efforts and disclosures in line with the TNFD framework.

1. Governance

- Established a governance structure in which the Board of Directors oversees initiatives related to sustainability promotion, including natural capital
- Discussions between management and outside experts, and regularly exchanged opinions between management and external advisors
- Promoted governance and initiatives that respect human rights, including consideration for stakeholders such as indigenous peoples and local communities with close ties to natural capital

3. Risk & impact management

- Establish and use the MUFG Environmental and Social Policy Framework to identify and manage environmental and social risks, including natural capital
- Conducted environmental and social due diligence based on the Equator Principles when financing large-scale projects such as infrastructure and natural resources development

2. Strategies

- Focus on and engage in five areas where the MUFG group can leverage its strengths: consulting, partnerships, startup support and collaboration, financial support, and initiatives in the field of food
- Sector and location analysis to assess dependencies and impacts on natural capital at the portfolio level
- Initiatives to manage dependencies and impacts at our sites

4. Metrics and targets

- Logic model for creating impact to solve social issues
- In investments and loans, we have set a quantitative target for sustainable finance, aiming for a cumulative total of 100 trillion yen by FY2030
- Set the expansion of support for startups related to natural capital and biodiversity as a short-term indicator for social impact
- The targets set for our business activities are recycling rates exceeding 90% (at the Bank's headquarters in Tokyo, Nagoya, and Osaka) and achieving net zero GHG emissions from our operations by 2030

Sustainable Society — Natural Capital and Biodiversity Restoration [Five Focus Areas] (1/3)

- Among the various business opportunities related to natural capital, MUFG focused on five areas where MUFG Group can leverage its strengths. In addition to promoting dialogue with a wide range of stakeholders, we support our clients' initiatives for natural capital and collaborate with various companies and startups.

Focus area (1)

Consulting

Provide consulting services according to the stage of our clients' response to natural capital



Focus area (2)

Financial support (Blue finance, etc.)

Support ocean and water resources through blue finance and sustainable finance for natural capital preservation



Focus area (3)

Partnership

Develop solutions and create businesses through collaboration with various companies



Focus area (4)

Startup support and collaboration

Collaboration with startups and enhancement of value to promote innovation



Focus area (5)

Initiatives in the field of food

Contribute to solve social issues, including natural capital, related to food



Dialogues with stakeholders

Sustainable Society — Natural Capital and Biodiversity Restoration [Five Focus Areas] (2/3)

- MUFG recognizes business opportunities according to the client's stage of response to natural capital. We support our clients' initiatives by developing and providing diverse solutions that address their challenges and needs.

1. Consulting

- We provide a wide range of consulting services, including support for the formulation and implementation of strategies related to natural capital and TNFD disclosure.

Examples: Initiatives of KAGOME CO., LTD. and MURC



- For Kagome, whose main ingredients are agricultural products, the affinity between climate risk, water risk, and nature-related risk is high, and since these risks are interrelated in complex ways, an integrated analysis was conducted.
- In addition, for the analysis related to the TNFD, the evaluation focused on tomatoes, using the LEAP approach.
- MURC provided support in analysis, screening of priority areas, offering expert advice, and preparing disclosure materials.

2. Financial Support

- MUFG actively supports its clients' initiatives to achieve nature positive through green finance, blue finance, and sustainability linked loans (SLL).
- In November 2024, we launched the "Natural Capital Management Evaluation Loan," which integrates regular loans with evaluations of clients' natural capital management practices and provides feedback.
- Our evaluation on the client's effort will be confirmed by Japan Credit Rating Agency, Ltd., and feedbacks will be provided to the client.



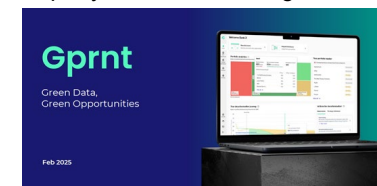
3. Partnership

- MUFG is working with stakeholders, including national and local governments and companies, to develop solutions and create businesses for achieving nature positive.

Examples:

Participation in Green Print's sustainability data platform building project

- The Monetary Authority of Singapore has launched a project to build a platform for centrally managing sustainability data such as GHG emissions and water usage. MUFG has been involved as a partner company since its founding.
- In November 2024, we released Disclosure and Marketplace Tools and launched the service for Singaporean companies. In the future, we aim to expand our business mainly in the APAC region.



4. Startup Support and Collaboration

- MUFG actively invests in startups that develop technologies to reduce environmental impacts and achieve nature positive outcomes, thereby supporting the promotion of innovation within each company.
- innovation within each company. In FY 2024, we invested in six new startups. Additionally, we collaborate with various functions within our Group to enhance the value of the companies in which we invest.

Examples of Investment Recipients: ASTRA FOOD PLAN Co.,



[Business description]

We develop and sell superheated steam drying machine, which we named "JOSEN", a technology dries and sterilizes food in just 10 seconds. Our technology upcycles "hidden food loss" food remnants or out of spec products that are otherwise disposed into edible food powder "GULURICO®".

Sustainable Society — Natural Capital and Biodiversity Restoration [Five Focus Areas] (3/3)

5. Initiatives in the Field of Food

- Food-related businesses are built on the blessings of nature throughout the supply chain, and it is increasingly important to conserve, restore and regenerate natural capital, in order to enhance the sustainability of business. We are working with stakeholders from industry, government, academia, and financial sector, to build sustainable food value chains and create international frameworks.

Examples: Initiatives with nakamori agroindustry, Inc.

- In order to ensure a stable food supply for Japan, it is important to promote sustainable agriculture by reducing environmental impact while improving productivity.
- In March 2025 we signed an MOU (Memorandum of Understanding) for collaboration in agricultural production with nakamori agroindustry, Inc a large scale organic farmer of rice and other crops.
- This MOU aims to promote sustainable agriculture and the digitalization of farming by leveraging nakamori agroindustry, Inc.'s expertise in agricultural production and MUFG's client network.

Major promotion items

- ✓ Building a "food and agriculture innovation consortium" that brings together numerous players from industry, government, academia and agricultural players
- ✓ Digitalizing agricultural production and challenging to create new business models

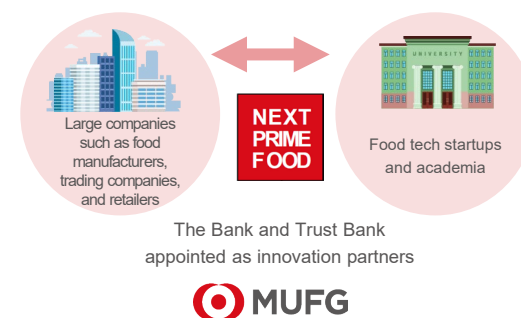
Examples: Initiatives with AEON AGRI CREATE Co., Ltd.

- MUFG signed a Memorandum of Understanding (with AEON AGRI CREATE Co Ltd to collaborate on promoting sustainable agriculture.



Examples: Appointed as innovation partner of Next Prime Food

- Next Prime Food is a platform for industry government academia collaboration aimed at solving issues and creating new growth opportunities in the agrifood tech industry.
- In December 2024, the Bank and Trust Bank became innovation partners of Next Prime Food.



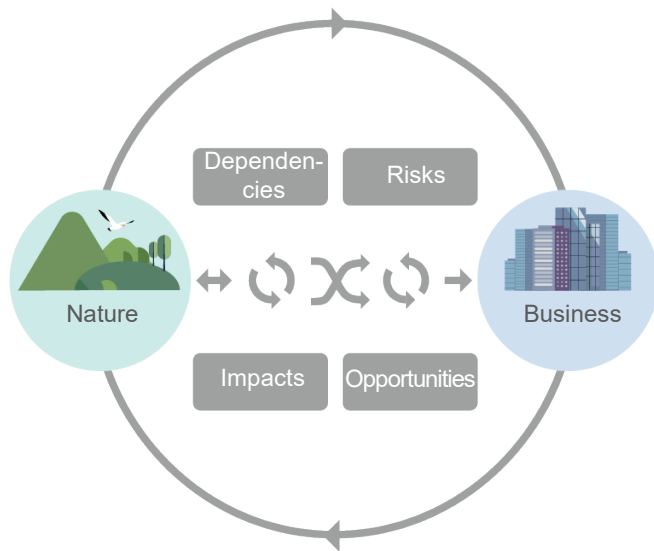
Examples: Accelerator program for startups

- In June 2024, we collaborated with Inclusion Japan, Inc. (ICJ) to implement a venture business support program focused on the development of a sustainable food ecosystem. The purpose of this program is to provide a forum for connecting large companies and venture companies.
- This will enhance MUFG's presence in the fields of sustainable food and biodiversity and expand business opportunities.

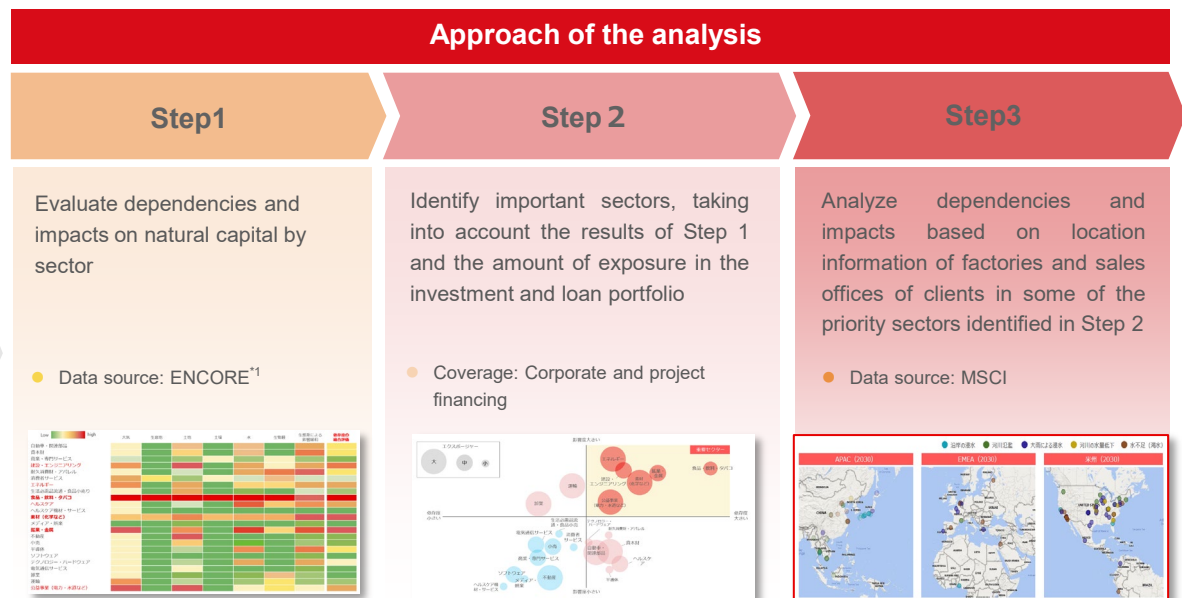


Sustainable Society — Natural Capital and Biodiversity Restoration [Analysis of Dependencies and Impacts: Overview]

- In order to identify opportunities and risks related to natural capital in business, it is important to analyze dependencies and impacts. MUFG is working to identify key sectors in terms of opportunities and risks by analyzing dependencies and impacts of each sector in its investment and loan portfolio. In addition, for some sectors, we conducted analysis based on client location information (location analysis).



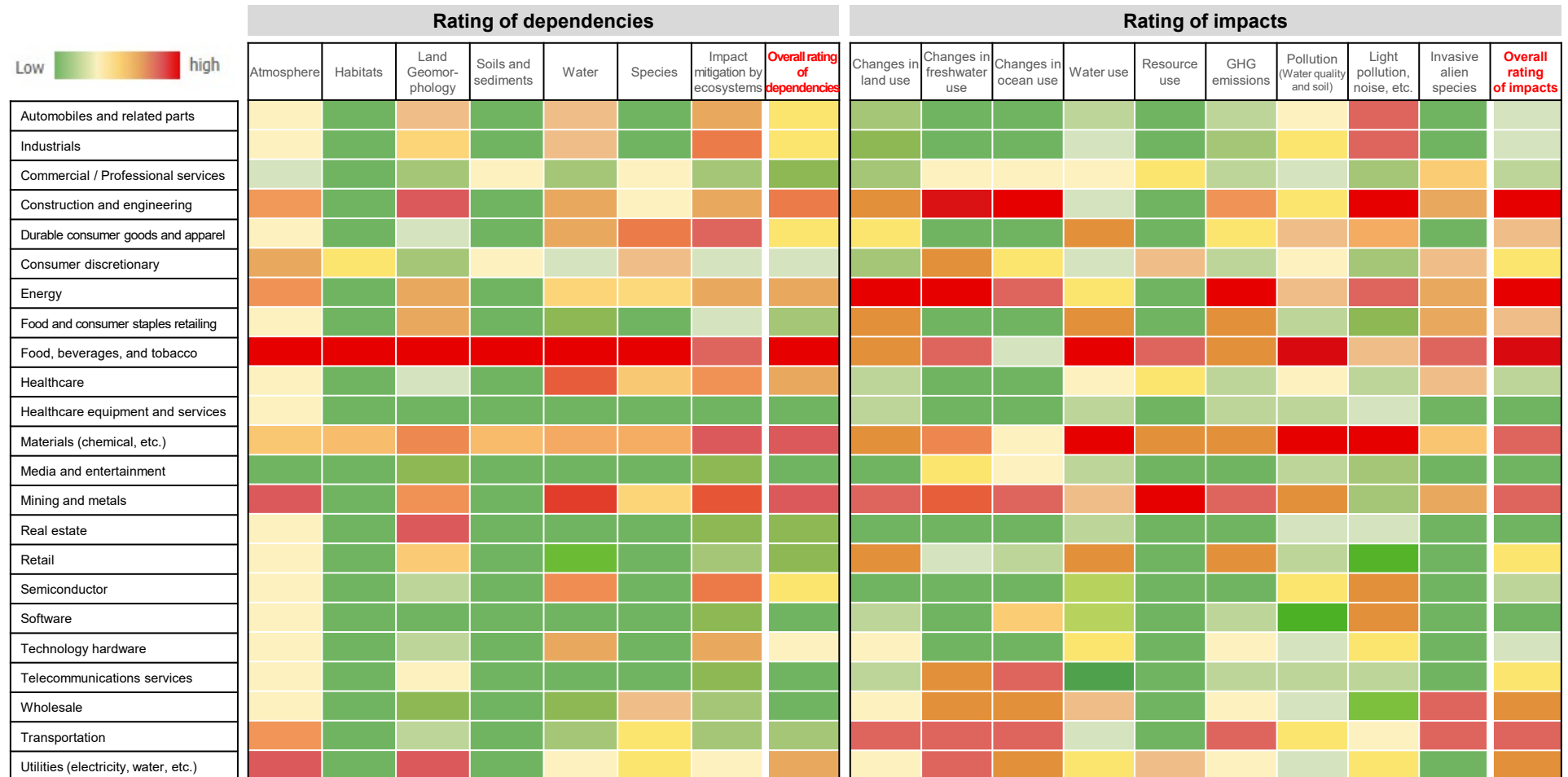
Source: Created by MUFG based on the final version of the TNFD recommendations



*1. Exploring Natural Capital Opportunities, Risks and Exposures

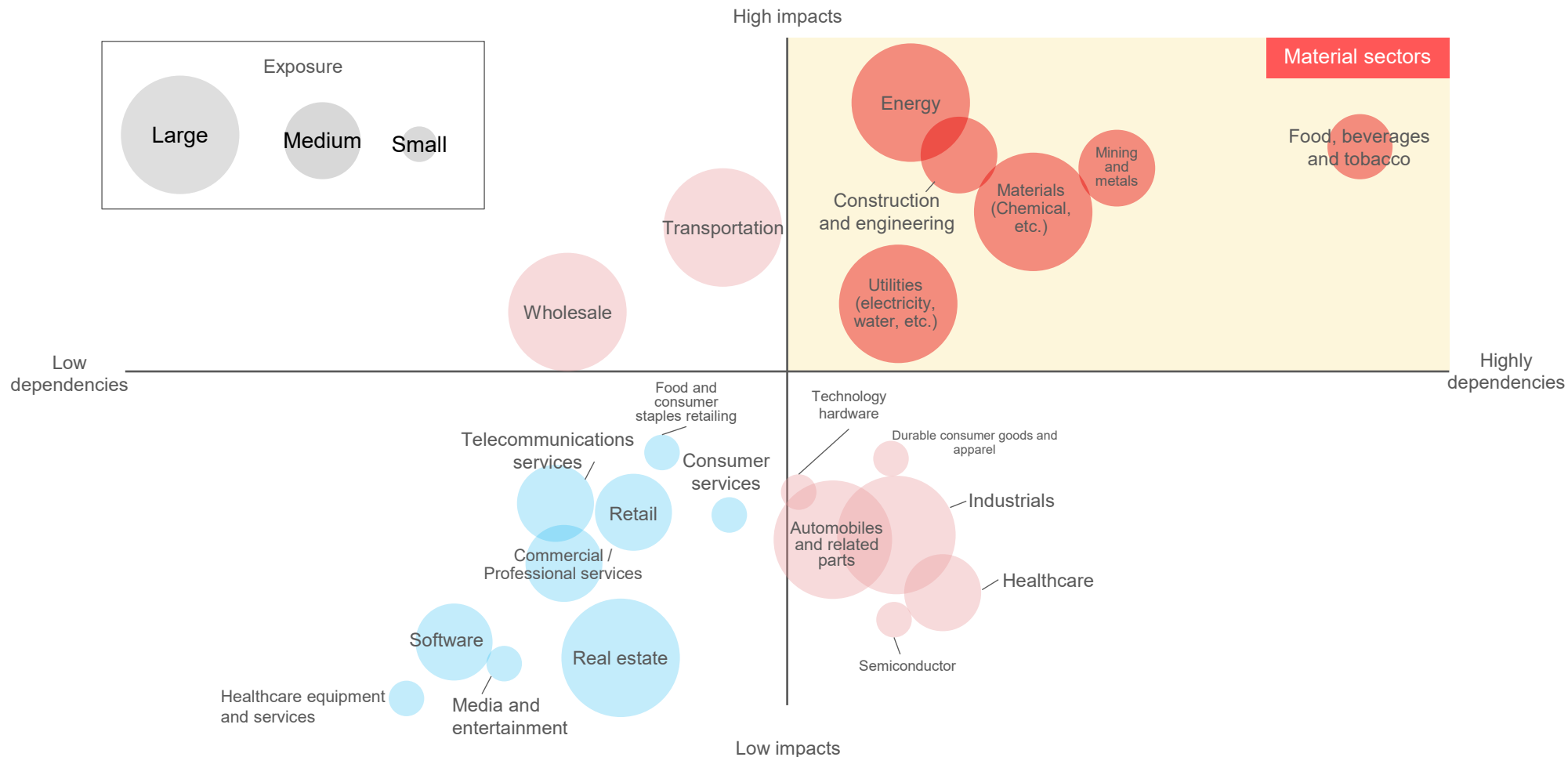
Sustainable Society — Natural Capital and Biodiversity Restoration**[Analysis of Dependencies and Impacts: Step 1.
Evaluating Dependencies and Impacts by Sector]**

- Using “ENCORE”, we analyzed each sector’s degree of dependencies on natural capital, and found that sectors such as construction and engineering ; energy; food, beverages , and tobacco; healthcare ; materials chemical, etc.) ; mining and metals; and utilities (electricity, water, etc.) are the most highly dependent on natural capital.
- We analyzed each sector's impacts on natural capital and biodiversity and found that sectors such as construction and engineering; energy; food, beverages , and tobacco; materials (chemical, etc.) ; mining and metals; wholesale ; transportation; and utilities (electricity, et c.) have large impacts on natural capital and biodiversity.



Sustainable Society — Natural Capital and Biodiversity Restoration [Analysis of Dependencies and Impacts: Step 2. Consideration of Exposure]

- We are in the process of identifying material sectors by analyzing dependencies and impacts on natural capital by sector while taking into account the amount of exposure in our investment and loan portfolio.



Sustainable Society — Natural Capital and Biodiversity Restoration [Analysis of Dependencies and Impacts: Step 3. Location Analysis]

- For the food, beverages, and tobacco sectors, which have high dependencies and impacts, we are working on location analysis based on the location of our clients' manufacturing sites. As a case study, we identified areas that are likely to experience water shortages (droughts) and flooding in the future. Through analyses like this, we aim to understand the impact of environmental changes and other factors on the businesses of our clients, and to identify nature-related opportunities and risks.

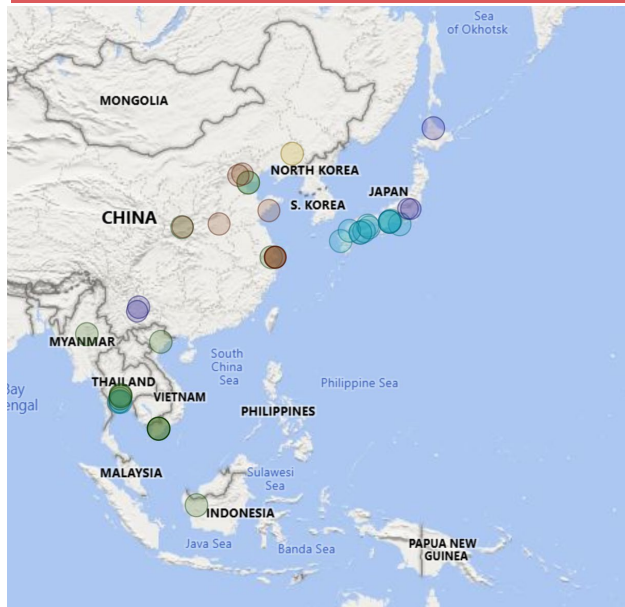
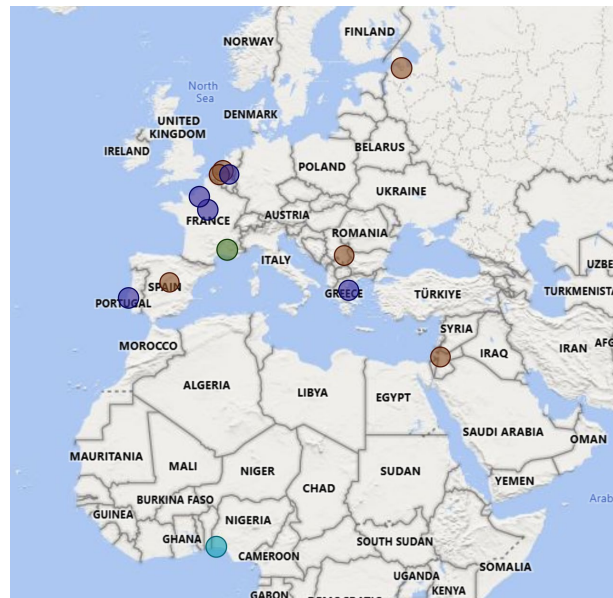
Focus

Manufacturing sites (factories, farms, etc., 538 locations) of the top 50 companies with the highest exposure to the food, beverages, and tobacco sectors

Method

Analysis of environmental changes in the relevant locations between now and 2030 based on the "NGFS^{*1} 1.5 Orderly Transition Scenario"

● Water scarcity
 ● River low flow
 ● Coastal flooding
 ● Fluvial flooding
 ● Pluvial flooding

APAC (2030)**EMEA (2030)****Americas (2030)**

Created by MUFG based on MSCI data as of the end of January 2025.

*1. Network for Greening the Financial System

Sustainable Society — Natural Capital and Biodiversity Restoration [Process for Risk Management of Investments and Loans]

- MUFG has designated businesses with a high likelihood of existing negative impacts on natural capital and biodiversity as transactions of high caution. When considering financing, we confirm our clients' implementation of environmental and social considerations through a process of identifying and evaluating environmental and social risks or impacts. In April 2025, fisheries and aquaculture businesses, which are highly dependent on and have an impact on natural capital, were newly designated as businesses to be considered.

Transactions of high caution related to natural capital and biodiversity

Cross - business



Businesses that have a negative impact on high conservation value areas

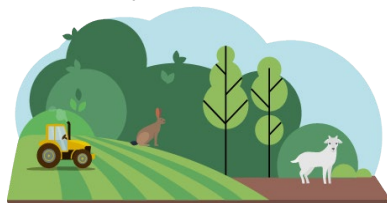
- Recognizing national parks and habitats of endangered and rare species as areas of high conservation value
- Conducting risk and impact assessments of businesses with negative impacts on the region through interviews, assessments by independent consultants, and on site inspections to ensure consistency with international standards such as the IFC^{*1} Performance Standards

By business

Forests and large scale farms

Key points of risk and impact assessment

- Acquiring or planning to acquire
- FSC^{*2}, PEFC^{*3} certification, etc.
- Establishing NDPE^{*4} Policy
- Requiring stronger supply chain management and improved traceability



Fisheries and aquaculture

Key points of risk and impact assessment

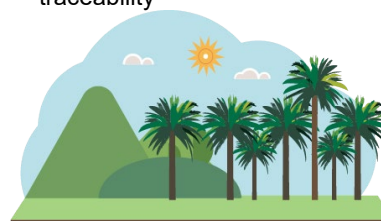
- Not fall under illegal, unreported, and unregulated fisheries
- The status of third party certifications



Palm oil

Key points of risk and impact assessment

- Acquiring or planning to acquire RSPO^{*5} certification
- Compliance with NDPE Policy
- Requiring stronger supply chain management and improved traceability



Other businesses

- Checking whether the following businesses have any negative impacts on the ecosystem

Mining

Oil and gas

Large hydropower

Biomass power generation

*1. International Finance Corporation *2. Forest Stewardship Council
*3. Programme for the Endorsement of Forest Certification

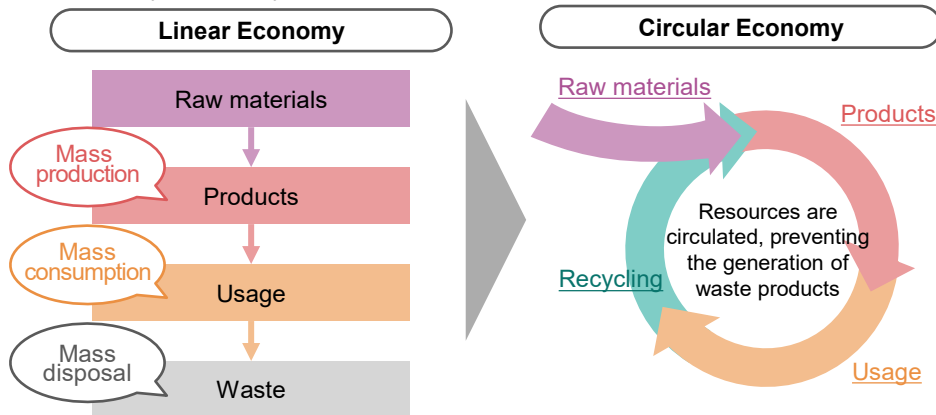
*4. No Deforestation, No Peat, No Exploitation
*5. Roundtable on Sustainable Palm Oil

Sustainable Society – Promotion of Circular Economy

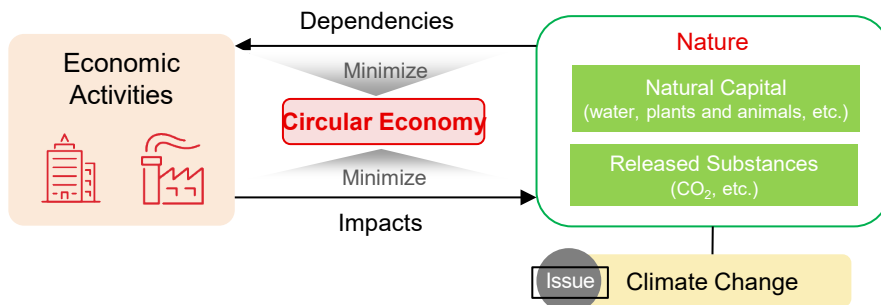
- A circular economy describes economic activity that aims to create added value by minimizing resource input and consumption, effectively utilizing stock, and innovating product usage methods. It seeks to maximize the value of resources and products while reducing the generation of waste.
- MUFG supports the promotion of a circular economy through various initiatives aimed at transforming business models and supply chains.

The Importance and Significance of a Circular Economy

- It is becoming increasingly important to transition from a linear economy of mass production, consumption, and disposal to a circular economy that uses resources efficiently and in a cyclical manner.



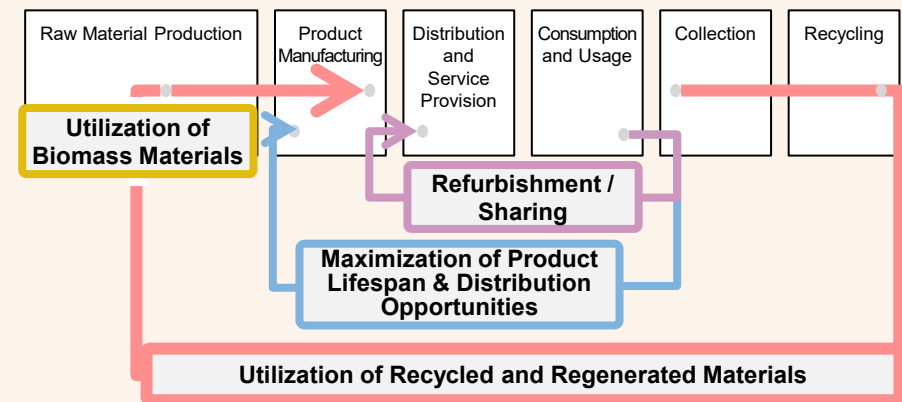
- Efforts to realize a circular economy contribute to minimizing dependencies and impacts on nature, thereby supporting nature-positive initiatives and carbon neutrality.



Circular Economy Value Chain

- To support the promotion of a circular economy, MUFG participates in initiatives related to various processes in the value chain.

An Example of Circular Economy Initiatives in the Value Chain



Created by MUFG referencing "Circular Economy Playbook" by Sitra (the Finnish Innovation Fund), under the jurisdiction of the Finnish Parliament.

Key Business Areas Making Advances in Circularity

Automotive	Architecture and Construction	Apparel and Textiles
Batteries	Containers and Packaging	Solar Panels
Electrical and Electronics	Food and Beverages	Plastics
Ferrous and Non-Ferrous Metals	Chemicals	...

Sustainable Society — Promotion of Circular Economy

- MUFG is actively collaborating with other companies to create businesses that support the circular economy, including promoting the widespread use of storage batteries and extending product lifespans.

Promoting the use of storage batteries and maximizing their lifetime and value, including secondary use

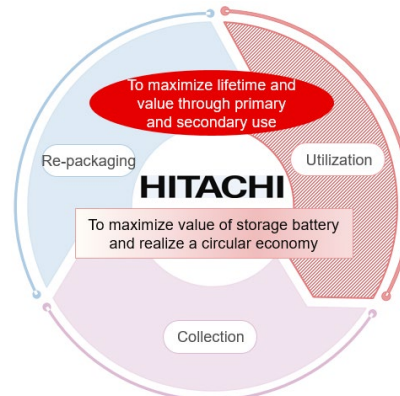
Maximization of Product Lifespan
& Distribution Opportunities

×

Battery

■ Investment for business co-creation with Hitachi / Hitachi ZeroCarbon

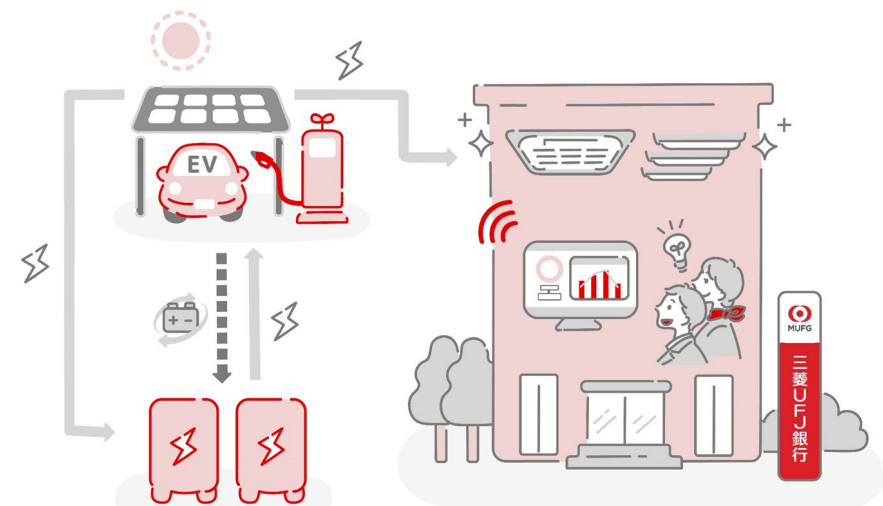
- In December 2023, the bank entered into a business collaboration agreement with Hitachi ZeroCarbon Limited (H2C), a UK subsidiary of Hitachi, Ltd. (Hitachi), regarding the Battery as a Service business. Additionally, the bank has invested in a project initiated by Hitachi to deploy 1,000 electric buses in the UK market.
- This project not only involves the introduction of EVs but also provides advanced battery charging management services (an integrated management platform for EVs) utilizing H2C's technology for monitoring and managing storage batteries. Through the provision of finance solutions aimed at leveling the costs of electrification and maximizing the residual value of storage batteries, MUFG is working together with Hitachi and H2C to advance efforts towards realizing a decarbonized society.



- Hitachi possesses technology that allows for the repurposing of used automotive storage batteries for stationary use, and is advancing the reuse of these batteries as distributed power sources for commercial facilities. By maximizing the lifetime utilization and value of storage batteries through their secondary use, Hitachi is contributing to the realization of a circular economy.

■ Bank branch operation utilizing used storage batteries

- The capacity of automotive storage batteries decreases over time and with use.
- These used batteries, despite their reduced capacity, can still be repurposed for other applications, making their collection and effective utilization important.
- MUFG, in collaboration with Hitachi, aims to establish a system for environmentally conscious operation, by introducing battery reuse technology at its Nerima branch. They have integrated solar power generation and EVs with Hitachi's Battery Cube, a mobile storage system that utilizes reused EV batteries, and are currently verifying its effectiveness.
- A solar carport has been installed in the parking lot, where electricity generated from solar power is stored in the Battery Cube. This renewable energy is then used to power company EVs and the bank branch itself.



Sustainable Society – Promotion of Circular Economy

- MUFG is engaging in various initiatives to transition towards a circular economy, in light of the growing international awareness of resource circulation, the worsening waste problem, and the importance of resource conservation.

Horizontal Recycling of Plastic Bottles and Promotion of Paper Containers

Utilization of Recycled and Regenerated Materials × Plastic

- As part of MUFG's efforts to reduce, reuse, and recycle plastics and make the transition to renewable resources, we are promoting the horizontal recycling of plastic bottles and the use of paper beverage containers.

"Bottle-to-Bottle" Recycling

- MUFG and the Suntory Group are promoting "bottle-to-bottle" horizontal recycling, which transforms used plastic bottles discarded from six large MUFG buildings into new plastic bottles. MUFG contributes to the horizontal recycling of plastic bottles by delivering used bottles to processors designated by the Suntory Group through collection and transportation companies.



Utilization of Paper Beverage Containers

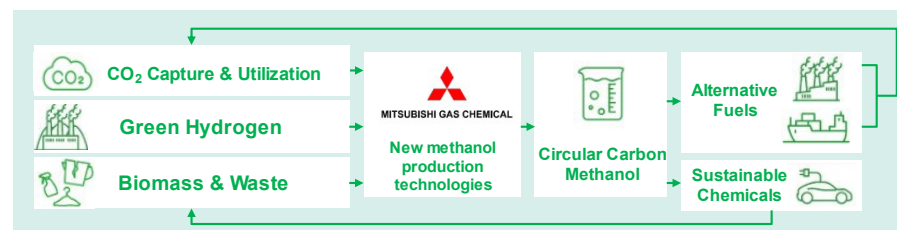
- In July 2025, the Bank began providing "MUFG Water" at its headquarters buildings, primarily in Tokyo, in paper-based containers called Cartocan®, produced by TOPPAN Inc. These containers not only contribute to reducing plastic usage and CO₂ emissions, but also support resource circulation, as used Cartocan® containers can be recycled into paper.



Promotion of Green Methanol Implementation

Utilization of Biomass Materials
Utilization of Recycled and Regenerated Materials × Chemicals

- In December 2024, the Bank signed a memorandum of understanding with Mitsubishi Gas Chemical Company, Inc. (MGC) regarding the promotion of a circular economy utilizing methanol.
- Methanol is a key raw material for essential chemicals such as plastics, synthetic fibers, and adhesives. Methanol produced from CO₂ and waste is attracting attention as a raw material that contributes to a circular economy, serving as an alternative to conventional fossil resource-derived methanol. MGC possesses the technologies and business know-how to produce methanol using CO₂, waste, and biomass, and convert it into green fuels. Through cross-sector partnerships with local governments and related industries, MGC is working to establish a platform that promotes the realization of a decarbonized society and circular economy through methanol.
- Leveraging its network infrastructure that facilitates business matching and its knowledge and expertise in commercializing business ventures, the Bank is working together with MGC to expand the green methanol value chain and create new industries.



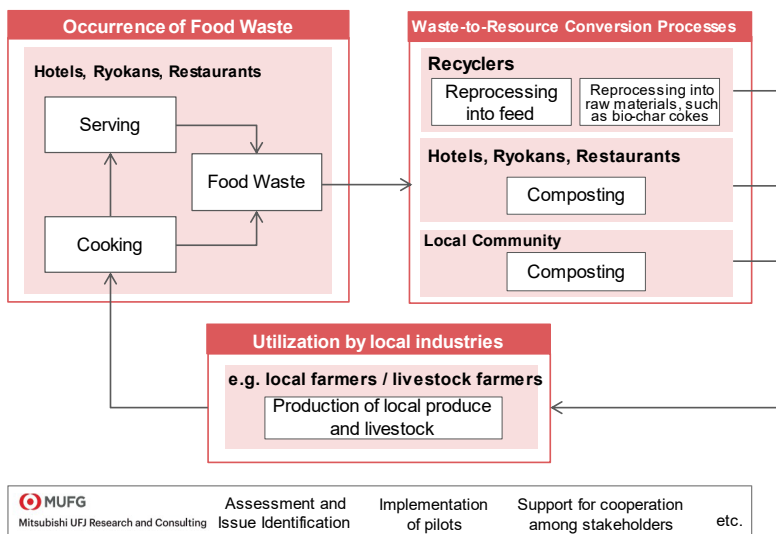
Sustainable Society – Promotion of Circular Economy

- MUFG group companies are leveraging their respective strengths to collaborate with a wide range of stakeholders, including corporations, local governments, and universities, to promote a circular economy.

Establishing a "Food and Agriculture Circulation" System for Sustainable Regional Development

Utilization of Recycled and Regenerated Materials × Food

- MURC collaborated with local governments in the Tokai region as part of a research project by the Chubu District Transport Bureau of the Ministry of Land, Infrastructure, Transport and Tourism, to explore the potential of the food and agriculture circulation business.
- Food and agriculture circulation refers to a system in which agricultural products reach consumers and food residue is reused. The key elements for establishing this system are reducing food waste by reusing food residue, and effectively utilizing the system in the local community.
- We explored the creation of a system to reuse food residue, such as kitchen scraps from hotels or restaurants, as compost or animal feed through public-private partnerships. Utilizing the insights gained from this research project, we will further examine models that consider both efficiency and profitability.



Business Alliance with Renoveru to Promote the Distribution and Utilization of Pre-owned Real Estate

Maximization of Product Lifespan & Distribution Opportunities × Real Estate

- Mitsubishi HC Capital has signed a capital and business alliance agreement with Renoveru, Inc., which operates a real estate renovation platform that promotes the distribution and utilization of pre-owned real estate.
- Leveraging Mitsubishi HC Capital's real estate revitalization investment and asset management functions, along with Renoveru's renovation and operational capabilities, we will jointly promote comprehensive projects from the acquisition of real estate to the maximization of asset value through renovation. Additionally, we will engage in real estate revitalization investment businesses, including the development of new ventures through collaboration between the two companies. Through these efforts, we aim to enhance the value and profitability of real estate while contributing to the realization of a decarbonized society and a circular economy.

* Due to the transfer of business from Mitsubishi HC Capital to a group company, Mitsubishi HC Capital Realty, the realty company is now the primary entity in the alliance with Renoveru.

MITSUBISHI HC CAPITAL **RENOVERU.**

Launch of Refurbishment Business for Used Semiconductor Manufacturing Equipment

Refurbishment / Sharing × Semiconductors

- Mitsubishi HC Capital has established MHC Semi Technologies, Inc. (MHCST), which engages in the refurbishment^{*1} of used semiconductor manufacturing equipment.
- MHCST has set up a simple clean room in an air-conditioned warehouse and established a consortium with technical partners both in Japan and overseas. Under this framework, MHCST refurbishes used semiconductor manufacturing equipment to a reusable condition and enhances the value of the equipment before providing it to customers. Through this initiative, we aim to contribute to strengthening the competitiveness of Japan's semiconductor industry and realizing a circular economy.

*1. Refurbishing and finishing to a like-new condition

Priority Issues: Vibrant Society

- Industry Development and Innovation Support
- Response to Aging Population & Low Birthrate
- Increasing Access to Financial Services
- Management Focusing on Human Capital

Vibrant Society — Industry Development and Innovation Support

- Our aim is to avoid economic stagnation and secure sustainable growth through the creation of growing industries, which are the drivers of economies, thriving startups, and the development of regional economies.

Startup Support

- MUFG has leveraged its group functions to provide various support to enhance the value of startups and collaborated to develop new services. Consequently, the total facility line, including through investment in Asian digital companies and fund origination by Mars Growth Capital, has expanded to approximately 1.1 trillion yen.
- These activities have been recognized, and MUFG was selected as the highest-ranked financial institution for the second consecutive year in the third “Startup Friendly Scoring1” by Keidanren. MUFG received the highest evaluation of “A-rank” not only for providing funds to startups, as was the case last year, but also for the first time in the procurement of products and services and talent development categories.
- As a declaration of MUFG’s commitment in this field, we have established a new tagline, “さあ、世界を驚かせに行こう！” This expression embodies our aspiration to amaze the world with innovations originating from Japan, together with all stakeholders involved with startups.

さあ、世界を驚かせに行こう！

STARTUP × MUFG



Speech by Hironori Kamezawa,
President & Group CEO

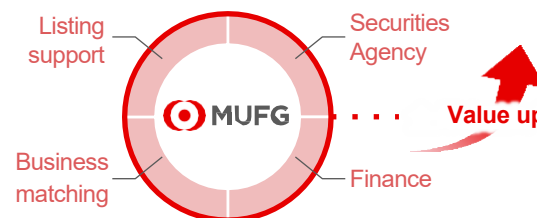


Concept Video

- MUFG supports startups that tackle industrial development and drive social and environmental progress. The ongoing target for these domestic activities is to raise the total market cap of the startups we support to 20 trillion yen by FY2026.
- In 2024, the Securities launched the JIVL^{*2}, a startup acceleration program, as part of its initiatives.

1 Value-up supported companies Collaboration in BK, TB, SC

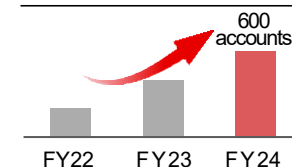
- The market cap of supported Start up was increased to ¥8tn^{*3} by expanding initiative and value-up support. MUFG’s value-up support contributed to list unicorn-sized two startups.



2 Create touch point of Start up and expand initiatives

- Create touch points with new Start up via MUCAP^{*4} and external VC.
- Discover good SU and exploring new targets via collaboration among industries, universities and communities.

No. of new account openings
for SU (cumulative)^{*5}



3 Contribution to eco system and enhance awareness

- Organize events and provide opportunities for collaboration with companies.

Event

MUFG Startup Summit

- Held in 5 cities in Japan
Approx. **4K people** participated
- Held **approx. 900 business meetings** which leads to business growth for Start up



*1. 3rd Startup Friendly Scoring <https://www.keidanren.or.jp/policy/StartUp.html>

*2. Japan Inclusive Ventures Lab (JIVL) aims to support startups led by women or individuals from diverse backgrounds, leveraging the program of Morgan Stanley, a strategic partner of MUFG.

*3. As of end Jan 2025. The MTBP target is ¥20tn

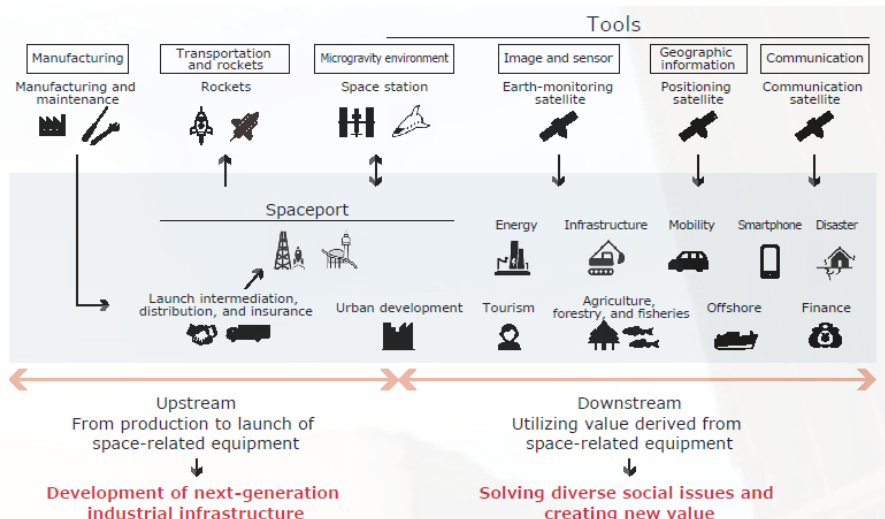
*4. Mitsubishi UFJ Capital

*5. Result since the establishment of the Startup acceleration division

Vibrant Society – Industry Development and Innovation Support

Pioneering the future of the space industry

- The market scale of the space industry is 68 trillion yen in 2023 and will be 101 trillion yen^{*1} in 2030, making it one of the fastest growing industries in the world. The utilization of satellite-based communications, location data, and earth observation data is expected to expand in more wide-ranging fields and to contribute to solutions to a variety of social issues.
- As a financial institution, we are able to help develop the Japanese space industry by performing various functions for the entire space industry value chain from upstream to downstream. For upstream, we provide financial support to build next-generation industrial infrastructure, such as transport equipment, satellites, and Spaceport. We also finance and invest in private startups specializing in **rocket** launches as well as in providers of in-orbit satellite **services** (such as space debris removal). Furthermore, we are advancing various initiatives by working closely with operating companies, government agencies, municipalities, and research institutes. For downstream, we leverage satellite data to drive both customer business applications and our own new business development. Specifically, we visualize our efforts to reduce GHG emissions and measure GHG reduction and absorption to create carbon credits.



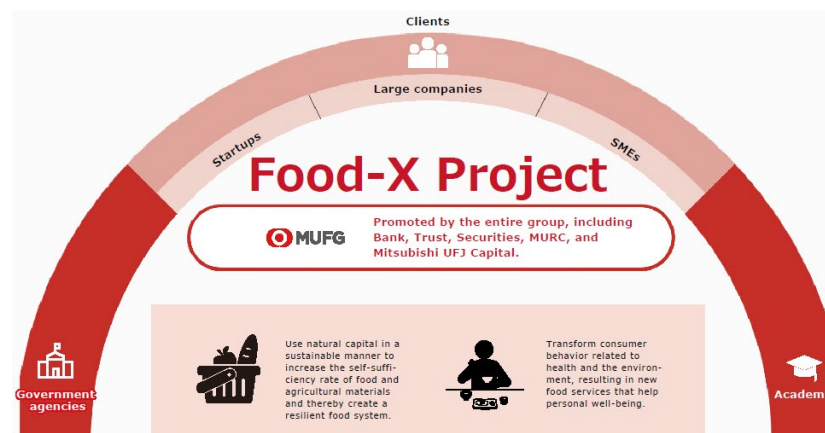
Tackling challenges faced by the food industry, Food-X Project

- The Food-X Project, launched in 2022, is an initiative aimed at addressing the structural challenges faced by Japan's food industry to establish a sustainable food system and achieve a rich and fulfilling dietary lifestyle for individuals.
- MUFG is working with a wide range of clients involved in food production, processing, retail, and food service, as well as with government agencies, academia, and other stakeholders, to shape the future of "food." We are working to rebuild the value chain from producers to consumers, strengthen Japan's international competitiveness, and support the development of new technologies and businesses that address food-related challenges.

Sponsorship and Participation in
the Global Food Tech Conference
SKS Japan 2024



"FOOD × TECH" Selected as the Theme for
the MUFG ICJ ESG Accelerator Program



Overview of the Food-X Project

*1. Estimate by Mitsubishi UFJ Research and Consulting Co., Ltd.

Vibrant Society – Response to Aging Population & Low Birthrate

- Amid a progressively aging population and low birthrate, we aim to enhance financial products and services tailored to meet the needs of elderly customers, and realize a society where asset building and succession are attainable for all generations.

Contribute to Making Japan a Leading Asset Management Center

- As a global comprehensive financial services group, we will promote investment and support asset formation through further enhancing our industry-leading asset management and investor services and providing customer-centered professional investment advisory services, diverse solutions, as well as financial and economic education.

Target / Strategy Aim

- Contribute to making Japan a leading asset management center to empower people to build more prosperous lives.

Asset management [AM]	AM Service beyond customers' expectations
Investor services [IS]	Pursue efficiency in AM industry
Sales/consulting	Contribute to expanding customer assets
Financial and economic education	Contribute to autonomous asset formulation for each generation

Succession of Businesses and Assets

- Employing functions afforded by the Group as well as networks offered by our alliance partners, we deliver proposals regarding M&A, inheritance, real estate and asset management by taking a groupwide, integrated approach. Through these endeavors, we support the succession of assets and businesses worth more than ¥1 trillion on an annual basis.

Response to the Elderly

- In response to the growing financial assets of the elderly and the increase in dementia patients, we are expanding our services to include trust products for testaments and gifts, as well as services to alleviate anxiety related to cognitive decline due to aging.

Financial and Economic Education

- Strengthened Group-based initiatives for encouraging people to design their own lives and ways of living by making clever decisions grounded on correct information.
- Increased FY2026 KPI from 500K to 800K people.

1 Expand initiatives



- Enhanced outreach classes
- (increased employee volunteers)
- Plan for new content: games and apps
- Appointed a director in charge of financial and economic education**

2 Strengthen dissemination



- Launched “Manebiya”, the dedicated financial and economic education website in Mar 2025. Centralized dissemination of related information

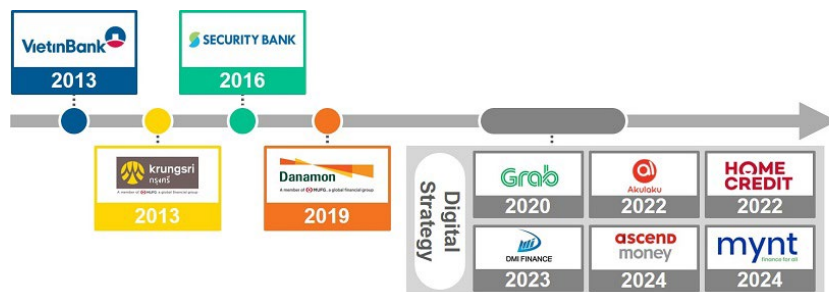
Click!

Vibrant Society — Increasing Access to Financial Services

- We aim to help establish a society in which the spread of digital technology provides all people with access to basic financial services, improving their quality of life and allowing them to achieve economic independence.

Building a Digital Financial Platform in Asia

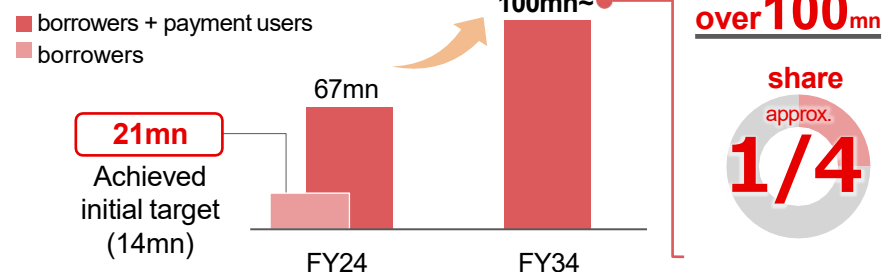
- The need for digital financial services has grown rapidly in Asia against the backdrop of the proliferation of the internet and smartphones. To capture the growth of consumer finance in Asia, which is expected to further digitalize, and to capture the future leader in the field, MUFG has started strategic investment in digital finance services providers to build a foundation for the digital financial platform.
- Under the MTBP, we will pursue strategic investment opportunities for digital finance services providers under the “Asia x Digital” strategy. By focusing on supporting the growth of investees, we will capture the development of digital financial services in Asia that could not be fully captured through conventional financial services and contribute to financial inclusion in the region.
- In addition, we will promote collaboration and knowledge sharing among the investee digital finance services providers, partner banks, and MUFG group companies, aiming to build MUFG’s unique digital economic sphere, which will also include external partners.



Fueling the growth of Asia

- MUFG also focuses on accumulating expertise in consumer finance acquired through investments in digital finance service providers, knowledge sharing, and creating synergies among investees. This has led to the formulation of a unique ecosystem called MODE (MUFG Openly-connected Digital Ecosystem). By using these activities to expand opportunities to provide digital lending, we aim to promote financial inclusion and contribute to improving the economic stability of the unbanked population in emerging economies.
- Aiming to cover approx. 1/4 of the ASEAN adult population*¹, while creating synergies between partner banks and investees in both lending and payment areas.

of digital finance users*²



Partner Bank - Krungsri (Bank of Ayudhya)-

Provision of Microfinance through HATTHA Bank Plc. (HTB)

- Krungsri provides opportunities for customers in emerging and developing countries to access financial services through its microfinance institution in Cambodia, HTB, and others.

Issuance of Gender Bonds by Krungsri (Bank of Ayudhya)

- Krungsri has issued social bonds (gender bonds) to support the financial needs of women entrepreneurs.

*1. The proportion of digital finance users within total adult population of approximately 400mn in partner bank countries (Thailand, Indonesia, Vietnam, Philippines) (Source: UN Population Prospects)

*2. # of borrowers and payment users of investees. Initial target has been achieved. Revised target towards FY34 includes payment users (FY24 actual :67mn)

Vibrant Society — Management Focusing on Human Capital

MUFG's Approach to Human Capital Management

- MUFG aims to become a global financial group making a positive social impact and fostering a culture where our employees thrive, through the enhancement of human capital. To achieve this, our human capital management focuses on strengthening HCM foundation and structure and four key initiatives: “Embedding a culture of healthy working” and “DEI*¹ workforce”, which serve as the foundation where our employees thrive, along with “Improving employee engagement” and “Employee enablement and progression.” By addressing these key initiatives, we will promote employee holistic well-being,^{*2} and work with our employees to strengthen HCM two core pillars: “Strengthening business competitiveness” and “Creating an agile culture empowering employees to tackle challenges”. By continuing with these initiatives, we will create a virtuous cycle of reinvesting in human capital and embedding an agile culture empowering employees to tackle challenges to continuously enhance MUFG's human capital. This is MUFG's approach to human capital management.

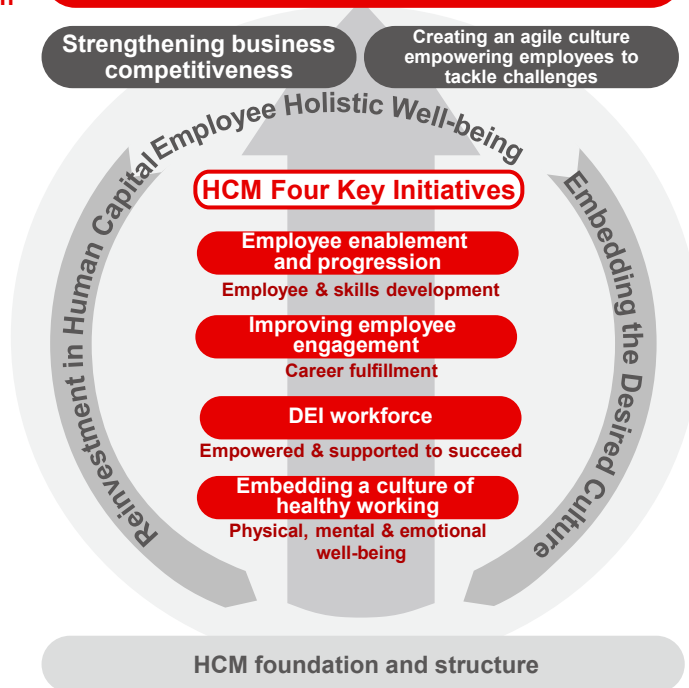
Human Capital Management (HCM) Vision

A global financial group making a positive social impact and fostering a culture where our employees thrive

HCM Core Pillars

Strengthening business competitiveness

Creating an agile culture empowering employees to tackle challenges



● “Employee enablement and progression”

Identify the required number and skillsets of talent and offer attractive systems such as extensive recruitment channels, training opportunities, and career paths and employee compensation packages for highly skilled professionals to secure talents with expertise needed to implement business strategies, assigning them to their respective specialties

● “Improving employee engagement”

Establish systems and environments where employees can gain further insight into employee policies and basic principles such as the MUFG Way and autonomously develop their career while challenging themselves to enhance career fulfillment

● “DEI workforce”

Foster an inclusive organizational and work environment and provide equal and fair opportunities and support, enabling each of our diverse employees to make the most of their strengths and thrive with confidence

● “Embedding a culture of health working”

Expand wellness benefits to improve employees' health literacy and maintain and promote their mental and physical health and optimize the workplace and systems to enhance employee career fulfillment and comfort

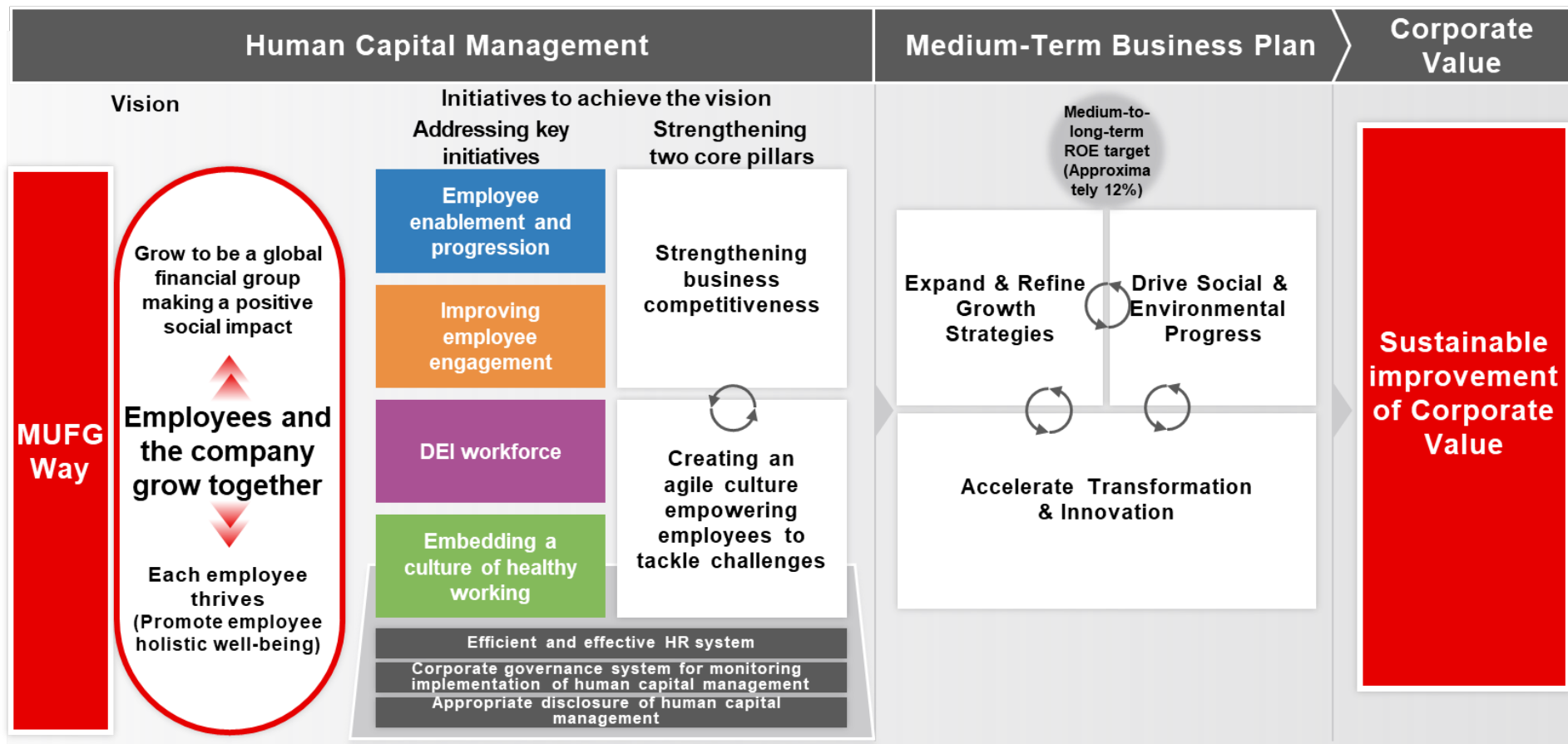
*1 DEI: Diversity, Equity, and Inclusion

*2 Employee Holistic Well-being: Medium-to-long-term life fulfillment for employees

Vibrant Society – Management Focusing on Human Capital

Enhancing Our Corporate Value by Integrating Human Capital Management with Management Strategy

- Human capital management is one of the main strategies in our Medium-Term Business Plan to “Accelerate transformation & innovation” and “Drive Social & Environmental Progress”. We will sustainably continue to improve corporate value by contributing to solving social issues while advancing our growth strategies and accelerating transformation and innovation to support these initiatives.

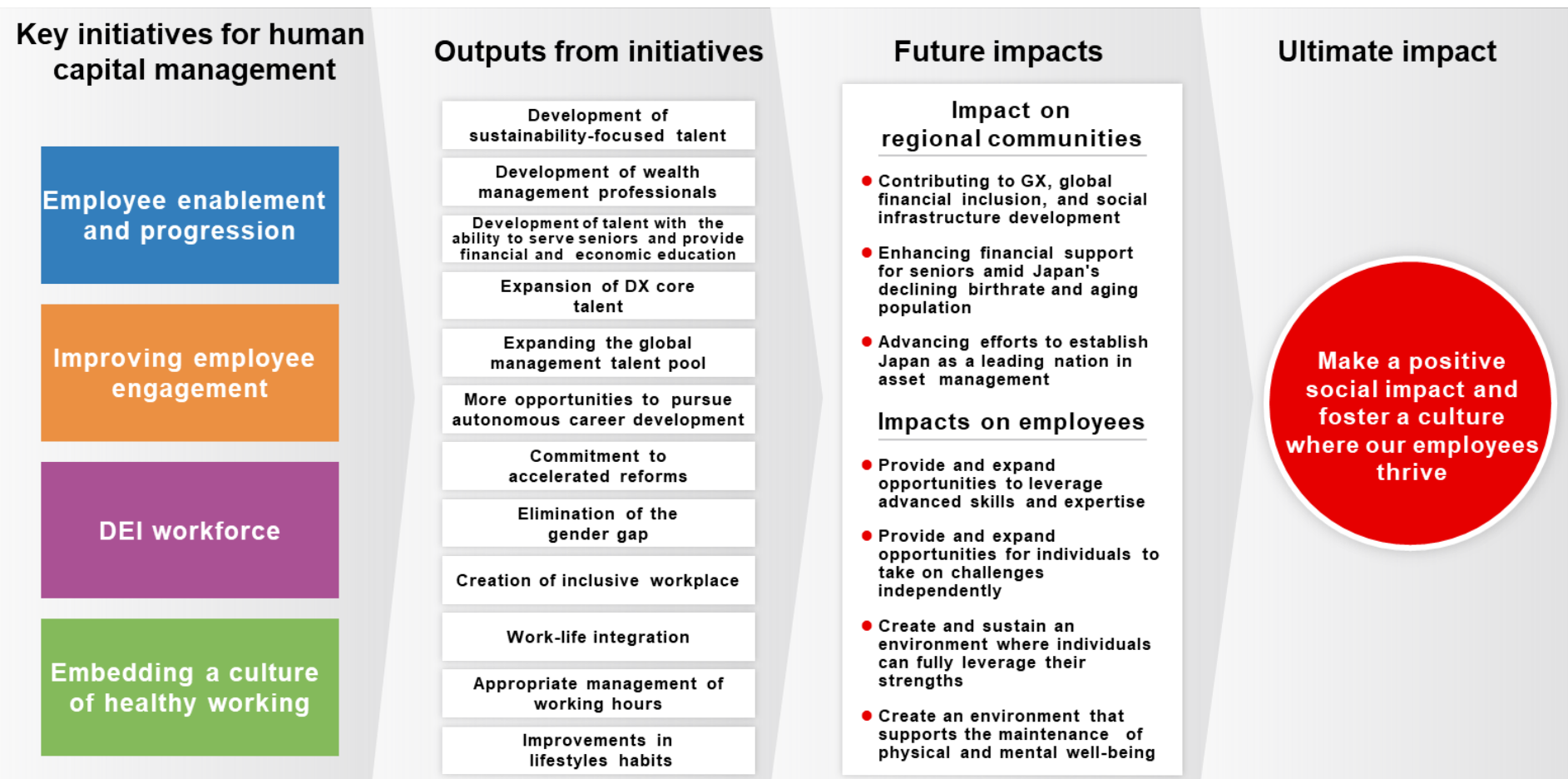


*For details of our Medium-Term Business plan, please refer to the “[MUFG Report 2025 \(Integrated Report\)](#)” on our website.

Vibrant Society – Management Focusing on Human Capital

Integrating Human Capital Management with Efforts to Solve Social Issues

- In the Medium-Term Business Plan, we have set “Management focusing on human capital” as one of the ten priorities for sustainability management, aiming to create a vibrant society through human capital management initiatives. We believe that by creating future positive impacts on communities / society and employees through addressing key initiatives, we can realize the vision of human capital management.

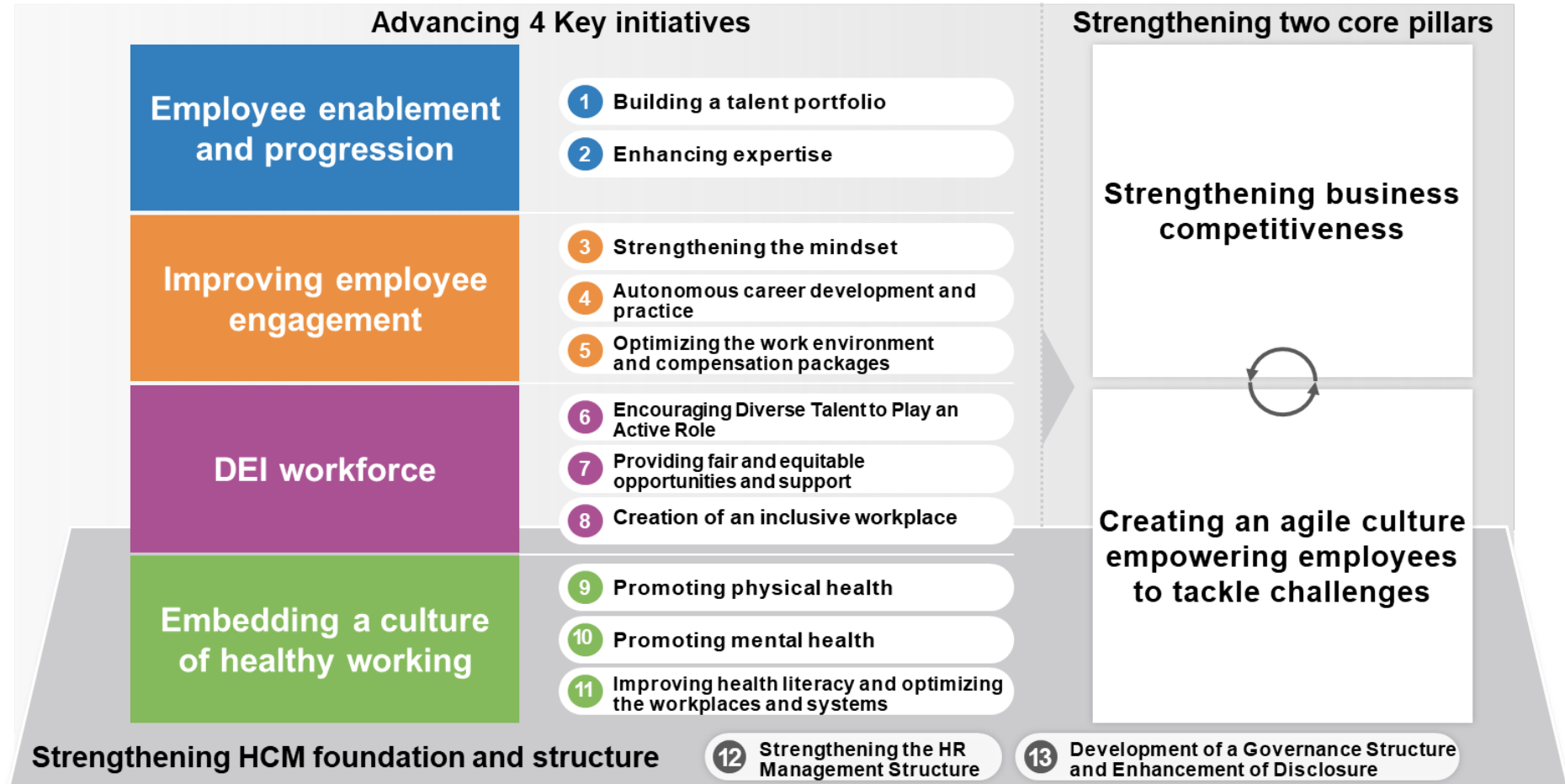


*For details about our initiatives to solve social issues, please refer to “MUFG Driving Social & Environmental Progress- for our Brighter Future-” on our website.

Vibrant Society – Management Focusing on Human Capital

13 HR Measures to Reinforce Our Two Core Pillars

- We focus on 13 HR measures to further reinforce our two core pillars of “Accelerate transformation & innovation” and “Drive Social & Environmental Progress”. These ongoing HR measures focus on strengthening the human capital management foundation and structure and advancing the four key initiatives.



Vibrant Society — Management Focusing on Human Capital [Employee enablement and progression]**Key Initiative 1****Employee enablement and progression**

Main measures

- Building a talent portfolio
- Enhancing expertise

KPIs for human capital management

Target (FY2026)

Develop core DX specialists	▶	Develop 1,200 DX leaders
Build employee IT capabilities	▶	Achieve 100% rate for completion of IT Passport-related e-learning courses and IT-related qualifications. Improve IT skills through integrated operations across the Bank, the Trust Bank, and Securities
Develop wealth management personnel	▶	Double the number of wealth management professionals who possess both knowledge and practical expertise during the Medium-Term Business Plan period
Develop sustainability personnel	▶	Improve the sustainability literacy of all employees and expand the pool of highly skilled talent
Secure a candidate pool for key overseas posts	▶	Maintain a candidate pool that is at least three times the number of available posts

Background and Current Challenges

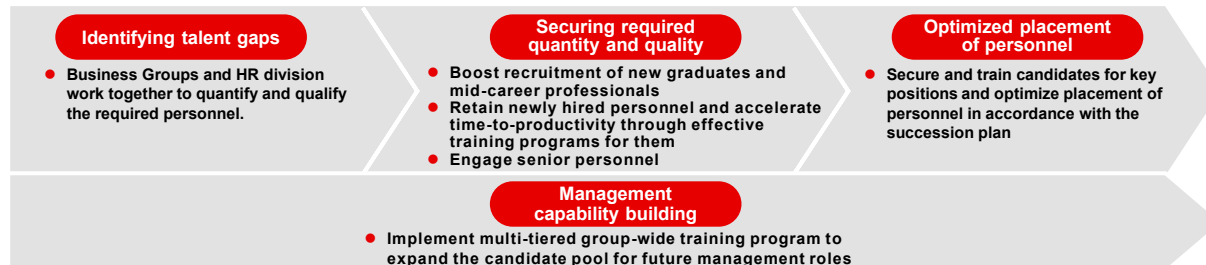
As the external environment changes at an accelerating pace, MUFG has defined seven growth strategies to drive our growth. Business Groups and HR division need to identify required number and skillsets of personnel to execute business strategies, and secure qualified personnel through various initiatives, including recruitment, talent development, and compensation programs. In some business domains, securing highly skilled professionals is particularly essential for business expansion.

To address this situation, we have identified both quantitative and qualitative talent gaps (discrepancies between talent demand and supply) and implemented two measures: “Building a talent portfolio” and “Enhancing expertise” by securing highly skilled professionals.

These talent gaps have been identified through close collaboration between Business Groups and HR division. However, there is still room for improvement in visualizing required skillsets of talents and expanding the successor pool for key positions. While mid-career recruitment to enhance our pool of highly skilled professionals is progressing, efforts to improve retention and establish development systems vary across business domains. To tackle these challenges, we aim to establish an agile and sustainable talent management framework that enables optimal placement of personnel across MUFG Group and around the globe.

Overview of Measures**● Building a talent portfolio**

Business Groups and HR division work together to identify talent gaps and secure the required number and skillsets of personnel through recruitment and senior personnel engagement initiatives. In addition, they identify key positions and implement candidate training and optimal staffing in accordance with the succession plan. They regularly hold group-wide training sessions for future executive candidates, who will lead group management in the medium-to-long-term.

**● Enhancing expertise**

We are optimizing specialist development and compensation programs to lay the foundation underpinning success of highly skilled personnel. In particular, we focus on expanding specialist talent in the following strategically critical areas: digital technology, system, wealth management (WM), sustainability, global and quants.

Implementation of specialist development and compensation programs**Strategically critical specialists**Digital
SpecialistSystem
SpecialistWM
SpecialistSustainability
SpecialistGlobal
SpecialistQuantitative
Specialist

Vibrant Society — Management Focusing on Human Capital [Improving employee engagement]**Key Initiative** 2**Improving employee engagement**

Main measures

- Strengthening the mindset
- Autonomous career development and practice
- Optimizing the work environment and compensation packages

KPIs for human capital management

Target (FY2026)

Engagement score

Improvement over FY2023 result

Holding MUFG Way Employee Sessions

Continue to hold MUFG Way Employee Sessions

Satisfaction with office environment

Improvement over FY2025 result

Background and Current Challenges

Enhancing employee's career fulfillment and engagement is essential for advancing human capital management. Improving employee's engagement requires efforts from both employees and the company.

Employees are working to strengthen their mindset by internalizing the purpose of the MUFG Way and deepening their understanding of the principles and core values that guide MUFG employees.

The company, in turn, supports and provides opportunities for employees to autonomously build and pursue their career paths, while also offering optimized work environments and compensation packages to encourage their challenges.

Going forward, it will be necessary to continuously review and promote the core mindsets of employees, such as a commitment to solving social issues, in response to external environmental changes. In addition, we will continue to promote autonomous career development and practice through internal job postings, improve compensation programs to strengthen recruitment competitiveness, and further develop workplace environments.

Overview of Measures**● Strengthening the mindset**

Internalizing the purpose	Each year, we hold MUFG Way Employee Sessions to help employees to discover how their personal values align with MUFG Way, thereby encouraging them to internalize the purpose. In this process, we help them better understand the vision and increase awareness of diverse stakeholders, nurturing a group and global mindset. Moving forward, we will work to promote awareness of the significance of solving social issues and insights into well-being.
Nurturing a group and global mindset	
Nurturing a DX mindset	We are utilizing DX projects as opportunities to accelerate development of digital professionals, and nurturing a DX mindset through such means as externally disclosing KPIs for employee IT skill attainment.
Understanding DEI	We are cultivating a mindset to accept diverse individuals who have various attributes and values and create new values together.

● Autonomous career development and practice

Talent and career development support from the company, supervisors, and senior staff	We have a comprehensive support system, including one-on-one meeting with the supervisor, mentorship programs with senior staff, career advisory desks, and self-development tools.
Providing internal and external opportunities to apply learnings	We provide broad opportunities for motivated employees to actively contribute across the Group globally and even at external organizations, including open-enrollment, side-job, and secondment programs.
Autonomous career paths	We provide extensive options of work locations and assignments so that our employees can autonomously select their career paths during recruitment, onboarding, and throughout their careers.

● Optimizing the work environment and compensation programs

Expanding compensation and benefits programs	Each Group company is enhancing its compensation and benefits programs to improve employee's career fulfillment.
Optimizing the work environment	We value employee satisfaction with the office environment and continuously work on improving it to increase employee engagement. In particular, under the current Medium-Term Business Plan, we have formulated and are implementing workplace improvement strategies based on "comfort", "selectivity", and "versatility".
Promoting success of young employees	We provide opportunities for employees to challenge themselves, including promotions to management positions based on ability regardless of age.

Vibrant Society — Management Focusing on Human Capital [DEI Workforce]

Key Initiative 3

DEI Workforce

..... Main measures

- Encouraging Diverse Talent to Play an Active Role
- Providing Fair and Equitable Opportunities and Support
- Creation of an Inclusive Workplace

..... KPIs for human capital management

Ratio of women in management position

Ratio of male employees who took childcare leave

Inclusion score

Ratio of employees with disabilities

Target (FY2026)

27% (30% by FY2030)*

100%

Maintain 75% or more

Maintain statutory employment ratio or higher

*Target is the Bank, the Trust Bank, and MUMSS.

Background and Current Challenges

In our “DEI Statement,” we declared that employees with diverse backgrounds and values can thrive and empower each other to perform at their best, create new value, and contribute to all stakeholders. We are committed to creating an organizational and workplace environment for this purpose.

Specifically, we are working on the creation of an organization and environment where each one of our diverse employees plays an active role with peace of mind while leveraging their strengths. Therefore, we provide support group-wide and globally to employees raising children, providing caregiving, and receiving medical treatment to assist with their work life balance. Through these initiatives, we are making steady progress for the KPIs of eliminating the gender gap and diverse employees playing an active role.

On the other hand, we also recognize the need to do more for employees so they can continuously be their authentic best at work regardless of life stage or background. Therefore, we will work on more support for employees to balance both childcare or caregiving and career development and further correct the long work hours. We will create an environment where diverse employees can create new value with their colleagues by enhancing support for employees raising children regardless of gender^{*1} and accelerating work style reform.

Overview of Measures

● Encouraging Diverse Talent to Play an Active Role

To incorporate various perspectives and values in management and organizational operations, we encourage diverse talent to play an active role. By setting the ratio of women in management position and ratio of employees with disabilities in KPIs, we work on the creation of a better work environment and training as well as awareness activities.

Gender

Disabilities

LGBTQ

Nationalities
and culture

Age, etc.

● Providing Fair and Equitable Opportunities and Support

We try to realize the continual active roles played by employees regardless of life events. Therefore, we provide systems and financial assistance to employees so they can work flexibly while raising children, providing caregiving, or undergoing medical treatment.

Support for employees
raising children

Caregiving

Fertility treatment

Health issues, etc.

● Creation of an Inclusive Workplace

MUFG supports the creation of employee communities beyond the borders of departments in addition to the implementation of training and awareness activities so every single employee recognizes, leverages, and enhances each other's strengths.

Training

Awareness activities

Community creation support

*1 Support for employees raising children regardless of gender: Support for employees raising children so they can spend time with their children and raise children in cooperation with their partners.

Vibrant Society — Management Focusing on Human Capital [Embedding a Culture of Healthy Working]**Key Initiative** 4**Embedding a Culture of Healthy Working**

Main measures

- Promoting physical health
- Promoting mental health
- Improve health literacy
Optimize workplaces and systems

KPIs for human capital management

Target (FY2026)

Absenteeism	▶	1% or lower
Presenteeism	▶	15% or lower
Regular health checkup completion rate	▶	100% at each company

Background and Current Challenges

To realize our Purpose, “Committed to empowering a brighter future,” it is important for our employees to work with vitality and a sense of fulfillment in a healthy workplace environment that supports their well-being. Based on this belief, MUFG practices health and productivity management to help employees perform at their best, contribute to all stakeholders, and drive further growth as a Group.

To promote it, the Group CEO has issued the MUFG Health Management Declaration, and we have formulated the MUFG Health and Productivity Management Strategy Map. This map guides the implementation of necessary initiatives such as improving health literacy, promoting physical and mental health, and optimizing workplaces and systems. We have also introduced a framework to set and continuously measure KPIs, enabling us to clarify the effectiveness of initiatives and identify challenges, which in turn allows us to take appropriate countermeasures. As a result, MUFG has received excellent external evaluations including certification in the Certified Health & Productivity Management Organization Recognition Program and selection as a Certified Health Productivity & Management Organization (White 500).

While efforts are underway to standardize indicators and measurement methods across the Group, further acceleration of these initiatives is needed. Additionally, for common themes such as women's health issues and smoking cessation, we will strengthen information sharing and promote unified Group-wide initiatives.

Overview of Measures**● Main Measures**

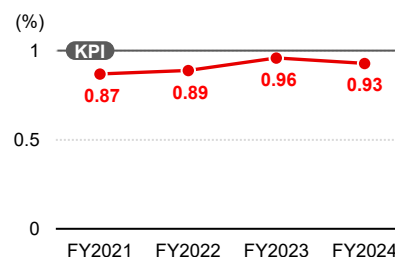
Based on the MUFG Health and Productivity Management Strategy Map (Details are on the following page), we aim to improve the health literacy of employees and maintain and promote both physical and mental health (including preventing the development of health issues) as well as optimize the workplaces and systems. The improvement of the workplace environment contributes to improving the well-being of employees through the formulation and execution of our office strategy.

**● KPI Measurement and Countermeasures**

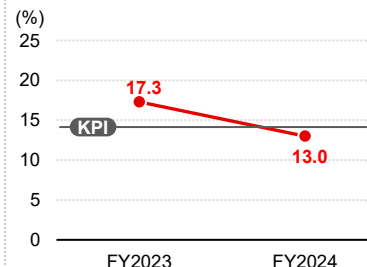
We set absenteeism, presenteeism, and regular health checkup completion rate for KPIs and continuously measure the results. By doing so, we recognize issues and take countermeasures.

- Absenteeism^{*1}

This KPI indicates long term absence due to physical or mental illness. It has fallen below the KPI Target of 1%.

**- Presenteeism^{*1}**

This KPI indicates performance decline due to poor health. The KPI is set at 15% or lower and various measures are being taken.

**- Regular health checkup completion rate**

This KPI is set at 100% and various measures are being taken. The most recent results are as follows.

	FY2024 Results
MUFG Bank	98.8 %
Mitsubishi UFJ Trust and Banking Corporation	100 %
Mitsubishi UFJ Morgan Stanley Securities	100 %
Mitsubishi UFJ NICOS	100 %
ACOM	100 %
Mitsubishi UFJ Asset Management	100 %

^{*1} Total of the Bank, the Trust Bank, and MUMSS

Vibrant Society — Management Focusing on Human Capital [Strengthening HCM Foundation and Structure]

Strengthening HCM Foundation and Structure

..... Main measures

- Strengthening the HR Management Structure
- Development of a Governance Structure and Enhancement of Disclosure

Background and Current Challenges

The promotion of measures for human capital management requires an enhanced organizational structure, strengthened data platform, and appropriate governance structures on both the execution and supervision sides. In addition to actively disclosing various initiatives, we also need to incorporate feedback from both inside and outside of the Group, which we hear through dialogue with stakeholders after the disclosure, into timely improvements of these initiatives.

We are working to enhance its human resources management structure such as strengthening coordination between HR departments and Business Groups, and establishing a human resources management structure across regions and countries as well as enhancing systems and data platforms.

As a governance structure, the Group CHRO is serving as the responsible officer under the support from the Group CEO to formulate policies and execute initiatives. These efforts are regularly reviewed and reported through key committees and meetings, and are subject to supervision and advice from the Board of Directors. Progress on various initiatives and the achievement status of KGIs and KPIs are disclosed through official publications. After that, we will communicate with stakeholders to obtain their feedback on these and continue both developing a governance structure and enhancing disclosures.

While we have already deepened collaboration across the Group and globally in HR management structure, the development of data platform remains a work in progress. Disclosure practices also have room for improvement, particularly in effectively communicating with stakeholders including our employees. These areas will continue to be addressed going forward.

Overview of Measures

● Strengthening the HR Management Structure

For promotion of the main human capital management measures including “Building a talent portfolio” and “Enhancing expertise”, HR departments and Business Groups are working more closely. In addition, human resource administration work, which was carried out by each region or country overseas, was streamlined and integrated globally to increase efficiency and enhance functionality. Moreover, the strengthening and establishment of systems and a data platform that supports HR management structure are taking place groupwide and globally toward the establishment of a more efficient and more effective system.

Strengthening the HR Management Structure

Strengthening the Organization and Management Structure

- Coordination between HR departments and Business Groups
- Global Human Resource Organization and Management Structure

Establishment of System and Data Platform

- Group HR Data Platform
- Global HR Data Platform

● Development of a Governance Structure and Enhancement of Disclosure

Progress in human capital management is periodically reported to and discussed by key meeting bodies and various committees to ensure proper oversight by them. While supported by this corporate governance structure, we are continuing to improve our strategies and measures. We will also continue to enhance communication through communication tools including this report to effectively communicate our initiatives on human capital management with stakeholders inside and outside of the Group. Moreover, based on feedbacks from stakeholders, we review measures and KPIs in an agile manner and grow human capital management further.

Priority Issues: Resilient Society

- Respect for Human Rights
- Ensuring Secure and Safe Services
- Demonstration of Robust Corporate Governance

Resilient Society— Respect for Human Rights [Respecting Human Rights as a Financial Institution]

- MUFG understands that our business activities may cause or contribute to adverse impacts on human rights, and we strive to prevent such impacts. If adverse impacts occur, we will strive to address them in accordance with the forms of involvement described in ① through ③ below.

① When MUFG Causes Adverse Impacts

The company's own business activities directly cause adverse impacts on human rights



MUFG **Rights holders**

e.g. Wage discrimination based on national origin, gender, or other factors, and labor standards violations in the company's operations

② When MUFG Contributes to Adverse Impacts

Business activities substantially cause human rights abuses by third parties and contribute to adverse impacts on human rights



MUFG **Third parties** **Rights holders**

e.g. Making requests that are not economically rational and inducing or encouraging labor standards violations at the outsourced company

③ When MUFG is Directly Linked to Adverse Impacts through Business Relationships

It has a adverse impact on human rights through third parties connected through business relationships, etc.



Third parties **MUFG** **Rights holders**

e.g. A borrower company engages in business activities that abuse human rights, and being in violation with its own agreement with MUFG

Addressing adverse impacts on human rights

Use leverage to prevent and mitigate adverse impacts on human rights

Examples of Negative Impacts	Employees	Customers	Suppliers	Borrowers / Investees	Suppliers
	MUFG's adverse impacts on its own employees e.g. Power harassment or sexual harassment in the company. Unfair treatment in employment based on personal Characteristics	MUFG's adverse impacts on customers through the provision of financial services e.g. Violation of privacy rights due to inappropriate management of customers' personal Information	MUFG's adverse Impacts on suppliers e.g. Requesting a large amount of work with a short delivery time, inducing long working hours for the external contractors' employees	Adverse impacts of borrowers/ investees on their employees and surrounding residents through investments and loans provided by MUFG e.g. Loans to companies that force migrant workers to Work	Adverse impacts of suppliers on employees and the surrounding community through MUFG's procurement operations e.g. Purchase of goods produced by child labor
MUFG's Major Response	- Preparation of power harassment / sexual harassment prevention manual^{*1} - Regular monitoring of working conditions and reduction of overtime work - Promotion of DEI	- Consideration of adverse impacts on human rights when introducing products and services - Establishment of personal information protection rules and systems - Establishment of AI Management Procedures - Universal Design Initiatives - Money laundering prevention	- Clearly stating respect for human rights of suppliers in the "Approach to Purchasing Activity" - Description of the consultation service on the "Guidelines for Purchasing Activity" distributed to suppliers	- Establishing MUFG Environmental Social Policy Framework, conducting due diligence on human rights issues related borrowers / investees^{*2} - Compliance with the Equator Principles^{*1}	- Respect for human rights is stipulated in the "Approach to Purchasing Activity" requirements for suppliers - Distribution of "Approach to Purchasing Activity" addressing respect for human rights^{*2} - Regularly check for severe human rights abuses at key suppliers^{*2}

*1. Initiatives of the Bank

*2. Initiatives of the Bank, Trust Bank and Securities

Resilient Society— Respect for Human Rights [Human Rights Issues Map]

- We identified salient human rights issues highly relevant to MUFG, assessed their severity and likelihood of occurrence, and created a human rights issues map (FY2023). Based on the results, the Sustainability Committee discussed future policies for addressing salient human rights issues. We are continually considering ways to strengthen our response, giving priority to the highly severe human rights issues. This map of human rights issues will be reviewed on an ongoing basis in light of changes in the business environment and the results of stakeholder engagement.

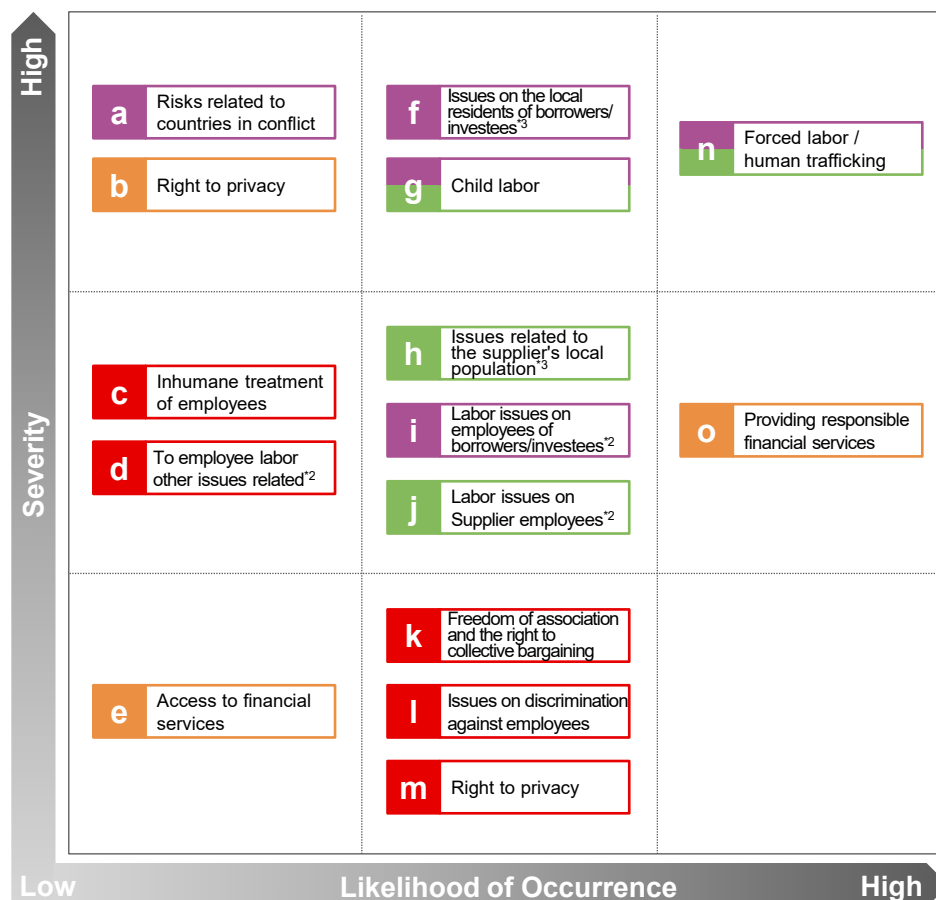
Methodology for Creation of Human Rights Issues Map	
Identification of Human Rights Issues	Referring to international principles for human rights such as the International Bill of Human Rights and the ILO Declaration, as well as issues at other financial organizations, we ascertained salient human rights issues highly relevant to MUFG
Assessment of Severity	- We assessed the severity of each human rights issue based on the following three criteria: 1) Severity of adverse impact (e.g. the degree to which human rights abuses affect lives), 2) Extent of adverse impact (e.g. the number of people affected), and 3) Difficulty of remedy (e.g. the possibility of remedy through compensation) - Based on UNDP guidance, we make use of outside consultants' knowledge
Assessment of Likelihood of Occurrence	- Scoring risks by country and industry based on external data^{*1} - Combining data on MUFG's number of employees by country, amount of credit per country / sector, etc. with the above scores to assess the likelihood of occurrence
Creation of Human Rights Issues Map	Mapping of each salient human rights issue for MUFG, with severity on the vertical axis and likelihood of occurrence on the horizontal axis

- Issues on Employees
- Issues on Customers
(Issues on ours in providing financial service)
- Issues on Borrowers / Investees
- Issues on Suppliers

*1. Data published by the World Bank, United Nations, etc. (e.g., Global Slavery Index, etc.) and data from the Business and Human Rights Resource Center

*2. Working hours, wages, industrial safety and health, treatment of migrant workers, etc.

*3. Health of nearby residents, land issues, etc.



Resilient Society— Respect for Human Rights [Due Diligence Process (1/3)]

- MUFG is committed to respecting the human rights of its employees by preventing discrimination and harassment, and by reducing overtime work.
- MUFG is committed to protecting and respecting the privacy of our customers by properly managing their personal information. Additionally, we are promoting various initiatives to provide financial services that take human rights into consideration.

Initiatives for Employees

Prevention of Discrimination and Harassment

- MUFG Group companies have established consultation desks within the company for sexual harassment and power harassment. The Bank has established a Harassment Prevention Manual and conducts ongoing training to prevent harassment.

Respect for Freedom of Association and Collective Bargaining Rights

- MUFG is committed to respecting workers' freedom of association and collective bargaining rights in accordance with its Human Rights Statement, and ensures its compliance through awareness raising activities.

Protection of Employees' Personal Information

- At MUFG, each company is committed to the appropriate protection and use of employees' personal information in accordance with the "Act on the Protection of Personal Information" and the "Act on the Use of Number to Identify Specific Individuals in Administrative Procedures", and other relevant laws and regulations.

Compliance with laws and regulations regarding working conditions

- MUFG Group companies comply with the laws and regulations of the countries and regions in which they operate, and provide salaries exceeding minimum wage and fully implement the concept of equal pay for equal work.

Reducing Overtime

- MUFG complies with the laws and regulations of the countries and regions in which our group companies operate in respect of further improving the workplace environment, including the reduction of long working hours while ensuring that our employees can stay healthy and improve their work life balance. For example, in Japan, in addition to accurately ascertaining each employee's work status, management operates with an awareness of limits set on working hours and the intervals within which employees work. Overtime hours for employees are also being reduced by optimizing operations through the use of RPA (robotic process automation), setting target times for leaving the office, and establishing early finish days.

Initiatives for Customers

Management of Our Customers' Information

- Since MUFG believes it is our social responsibility to handle customers' personal information properly, we established and published the Personal Information Protection Policy. In addition, in order to realize a unified management system within the Group companies, we have established the "MUFG Personal Information Protection Principle" (the "Principle") and each Group company has established its own "Personal Information Protection Procedure", etc. based on the Principle.

Identifying Human Rights Impacts in the Planning and Development of Products and Services and The Publication of Advertising Materials

- Group companies constantly check whether sufficient measures have been taken at the planning and development stages of products and services from the "customer's perspective," and risk assessments are conducted for new products and services, including customer protection and the customer's viewpoint. When publishing advertising materials, we check for problematic expressions from the perspective of respect for human rights.

Consideration for Human Rights in the Safe and Secure Utilization of AI

- As a business entity engaged in the utilization of AI, MUFG recognizes the importance of AI governance in correctly managing AI risks and maximizing its benefits. To this end, we have established and published the MUFG AI Policy, and MUFG group companies have set related regulations. Additionally, we are a member of Japan's AI Governance Association and are actively promoting initiatives for the social implementation of AI governance.

Support for Opening Bank Accounts for Foreign Technical Interns

- The Bank has launched a service that allows Indonesian individuals coming to Japan as technical interns to receive product explanations, verify their identity, and apply to open an MUFG Bank account in their native language at Bank Danamon prior to their arrival in Japan.

Increasing Access to Financial Services

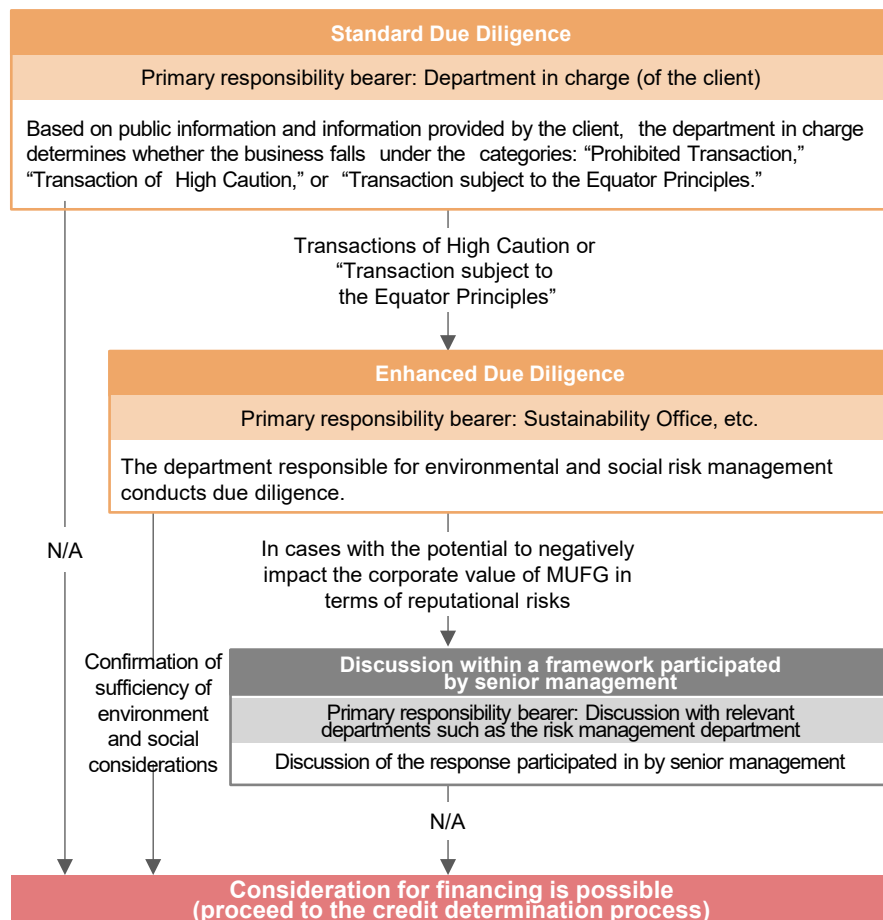
- In the Asian region, ensuring equal access to financial services is a challenge due to the lack of bank branches and ATMs in remote and rural areas, and ignorance of the existence and use of available services. MUFG contributes to ensuring equal access to financial services in Asia by providing opportunities to access financial services and working to improve financial literacy.

Resilient Society— Respect for Human Rights [Due Diligence Process (2/3)]

- MUFG has implemented a due diligence process to identify and assess environmental and social risks or impacts of financed projects, based on the MUFG Environmental and Social Policy Framework and the Equator Principles.

Initiatives for Borrowers / Investees

Due Diligence Process



*1. Due diligence was completed in or after April 2024

*2. In or after April 2024

*3. Due diligence is yet to be completed as of the end of May 2025

Status of Implementation of Human Rights Due Diligence

Identified Human Rights Issues	Number of Transactions
Forced Labor, Human Trafficking	5
Child Labor	2
Impact on Indigenous People's Rights and Communities	5
Involuntary Displacement	2
Issues Related to the Working Environment and Other Employee Rights	1
Total	15

Status of the Response to Issues	Number of Transactions
Confirmed that Appropriate Actions or Measures to Prevent Recurrence Have been Taken* ¹	12
Credit Transactions Have been Called Off* ²	0
Confirming the Identified Issues and the Status of Response by the Client* ³	3
Total	15

※ Human rights issues identified in accordance with MUFG Environmental and Social Policy Framework and the Equator Principles from April 2024 to May 2025. Transactions for which due diligence was implemented due to multiple human rights issues are double counted. There are 20 transactions in total other than those above, for which due diligence was completed in or before March 2023 and monitoring continues to be conducted.

Resilient Society— Respect for Human Rights [Due Diligence Process (3/3)]

- MUFG is committed to respecting human rights in our supply chain through the revision of “Approach to Purchasing Activity” and the implementation of human rights due diligence.
- MUFG Asset Management is committed to providing investment returns to our clients, and is taking actions that promote sustainable value enhancement and provide solutions to environmental and social issues faced by investees through our stewardship activities.

Initiatives for Suppliers

Formulating and Publicizing “Approach to Purchasing Activity”

- ‘Approach to Purchasing Activity’ clarifies MUFG’s approach and expectations for its suppliers, including respect for human rights and environmental considerations.
- Domestic offices of the Bank, the Trust Bank and the Securities hand deliver and explain the “Guidelines for Purchasing Activity” based on the “Approach to Purchasing Activity” to suppliers*¹ to seek their understanding of MUFG’s policy.

Implementation of Human Rights Due Diligence

- Major suppliers*² were screened for highly severe human rights issues (child labor, forced labor, and human trafficking) using external vendor data. The latest screening did not identify any adverse media related to serious human rights issues.

Risk Identification and Assessment	
New Transactions	• Check for risks related to human rights with respect to important external contractors*³ • Check through adverse media screening*⁴
Existing Transactions	• Regular checks of major suppliers*² are conducted at the Sustainability Office and other sections to determine if there are any highly severe human rights issues (child labor, forced labor, and human trafficking)

Initiatives as Asset Manager

- To promote effective measures addressing human rights issues such as human rights management in the supply chain and the realization of diversity, we will prioritize dialogue with high-impact companies and work towards mutual understanding with our investee companies.

Stewardship Activities

- Conducting engagement activities, exercising voting rights, and taking other initiatives for addressing sustainability challenges including human rights issues.

Thematic Engagement



- Selecting priority themes from the investment universe MUFG AM has identified, and engaging with investees highly relevant to those themes

Collaborative Engagement



- Engaging with investees in collaboration and coordination with domestic and international initiatives and investment agencies

Public Engagement



- Working with market participants, and making direct and indirect policy recommendations to regulators, initiatives, academia, among others

*1. The Bank: suppliers with ongoing transactions; The Trust Bank and the Securities: major suppliers.

*2. Major suppliers of the Bank, the Trust Bank, and the Securities.

*3. Implemented by the Bank and the Trust Bank.

*4. Implemented at the Banks’s European and Americas offices. etc.

Resilient Society— Respect for Human Rights [Grievance Mechanism / Remedy for Human Rights Abuses]

- If it becomes clear that employees of group companies, or the products or services we provide, are causing, contributing to, or directly linked to adverse human rights impacts, we will work to remediate the situation. In addition to establishing contact points for employees and customers, we have joined the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER) to provide grievance mechanisms for employees of our borrowers/investees and suppliers, as well as for communities and neighborhood residents, addressing negative human rights impacts across the entire value chain.

Initiatives for Employees

- "Compliance Helpline" and consultation service for issues such as sexual and power harassment are established at each Group company to ensure a pleasant and positive working environment. It responds to reports submitted in person or via phone, email, etc., while considering the individual's anonymity and privacy.

MUFG Compliance Helpline

Employee Consultation Desk

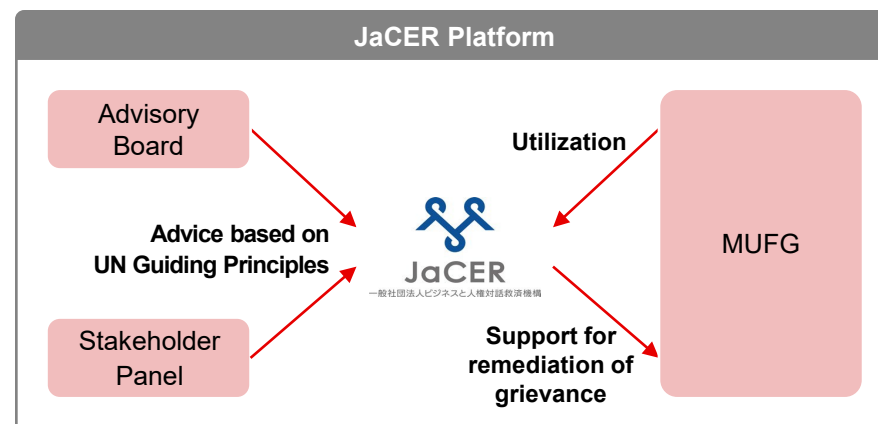
DEI Consultation Desk

Initiatives for Customers

- MUFG has established a system to appropriately respond to opinions and complaints, including human rights issues, from customers and other stakeholders, while ensuring confidentiality and anonymity.
- If it becomes clear that employees of group companies, or the products or services we provide, are causing, contributing to, or directly linked to adverse human rights impacts, we will work to remediate the situation. At the bank, customer feedback, including opinions, requests, and complaints, is regularly reported to the Audit and Supervisory Committee and the Board of Directors. Based on recommendations including customer protection related matters, we are committed to making improvements.

Initiatives throughout the Value Chain

- JaCER is an organization that receives reports of grievances related to human rights through the Engagement and Remedy Platform and aims to act in a professional capacity to support and promote remediation of grievances by member companies. By utilizing JaCER platform, MUFG established a remedial contact points for adverse human rights impacts that occur throughout the value chain, including employees of borrowers/investees and suppliers, as well as community and neighborhood residents, and making an effort to improve our grievance mechanisms.



- In FY2024, we received one complaint regarding the negative impact on indigenous peoples through loans and held a dialogue with the indigenous peoples. We have been working with management and relevant departments to discuss the direction of our response to the opinions we received, and also engage with the business operator to encourage constructive dialogue.

Resilient Society— Ensuring Secure and Safe Services

- Aiming to provide reliable financial infrastructure that supports a resilient and sustainable economy and society, we are rebuilding our deposit and foreign exchange systems, training next-generation engineers, strengthening our systems and training to prepare for potential disasters or large-scale failures, and enhancing our cybersecurity countermeasures.

Cyber Security

Basic Policy

- MUFG is well aware of its social responsibilities regarding securing the assets entrusted to it by its customers and its obligation to provide secure and stable financial services. MUFG has positioned risk and threats posed by cyber-attacks and other relevant events as one of the Top Risks and enacted the Cyber Security Management Declaration with the intention of strengthening the cyber security measures under the direct supervision of top management.

Cyber Security Management Structure

- MUFG has established cyber security standards that refer to international guidelines and is engaged in the development of relevant strategies and organizational structures as well as the planning and implementation of initiatives aimed at enhancing its cyber security measures. Furthermore, MUFG has set up the MUFG-CERT as an umbrella organization to prepare for the occurrence of a cyber security incident and act in cooperation with the Computer Security Incident Response Teams (CSIRTs)^{*1} of Group companies. MUFG is also involved in collaborative activities with government agencies, other companies in the financial industry and security communities, including the Financials ISAC^{*2} Japan.

Rebuilding of Deposit & Remittance Host System, and Development of Next-Generation Engineers

- To establish a stable and competitive system over the medium to long term, we are working on rebuilding our deposit and remittance host system. Through this initiative, we aim to provide a highly reliable financial system that supports the economy and society.
- In the rebuilding project, we are creating opportunities for young and mid-career employees to take charge of the internal structural design and development of critical systems, thereby fostering the growth of next-generation engineers. Additionally, by transitioning to standard technologies, we are establishing an environment that facilitates long-term talent development.
- To smoothly advance cross-segment, long-term, and large-scale projects, we have established an internal office jointly managed by the Corporate Planning Division and the Information Systems Planning Division. This organization aims for company-wide optimization based on architectural principles and will continue to oversee architectural governance.

Strengthening Systems and Trainings for Disasters and System Troubles

- To protect our customers' valuable assets and to provide secure, safe, and stable financial services, our system development and operation structure has been continuously strengthened.
- Specifically, the backup center has been established to prepare for large-scale disasters. MUFG ensures its recovery structure which can quickly provide financial services in any emergencies. Additionally, disaster drills have been regularly conducted to enhance the effectiveness of our disaster recovery systems.
- Meanwhile, the systems for our financial services have been continuously improved and upgraded to ensure their stable operation, and we have established an organizational structure to respond quickly to any system troubles. Our operational resilience has been reinforced through implementing preventive measures based on lessons learned from past system troubles, conducting risk analysis and clarifying processes for recovery from large-scale troubles of critical systems.

^{*1}. A team tasked with receiving first-hand reporting on security incidents and conducting investigations into and making responses to such incidents

^{*2}. A framework of collaborative activities undertaken by its more than 400 member financial institutions to protect Japan's financial infrastructure from the threat of cyberattacks

Resilient Society— Demonstration of Robust Corporate Governance

- We aim to provide financial services with honesty and integrity to support a resilient and sustainable economy and society. To this end, we are making every effort to ensure that our initiatives practice a customer-oriented approach, implementing the controls that underpin the provision of financial services, and establishing globally unified procedures and infrastructure for detecting and preventing financial crimes based on regulations and best practices.

Initiatives for Practicing a Customer-Oriented Approach: Pursuing Customers' Best Interests

Basic Policy

- With the aim of ensuring the thoroughgoing practice of customer-oriented approach, the MUFG Group Code of Conduct addresses the importance of "Customer Focus" in Chapter 1, while the MUFG Basic Policy for Fiduciary Duties is publicized to provide unified guiding principles for the Group. In line with this policy, all Group entities are committed to practicing customer-oriented approach and endeavor to improve their products and services.

Pursuing Customers' Best Interests

Main Initiatives in Financial Products Sales

- Based on the MUFG Basic Policy for Fiduciary Duties, we declared our five commitments and engage in customer-oriented asset management proposals.
- In accordance with the MUFG investment management Business Policy (internal guidelines that the headquarters of MUFG Group companies must comply with for instilling customer-oriented approach in operations), we are committed to pursuing our customers' best interests by striving to improve their investment performance while applying the "MUFG Investment Management Advice Chain Model"¹ to secure "discipline," "transparency," and "consistency," which are critical to investment management and providing value-added advice and appropriate information under the goals-based approach.

Main Initiatives in Financial Product Development

- We established the Product Governance Policy, which puts together our core belief and focus from the three aspects of product value, asset management, and disclosure by attaching importance to customer perspectives. Under this policy, we will further strive to improve quality in pursuit of customers' best interests.

<Product Governance Policy>



*Japanese only



Compliance

Basic Policy

- We have established the MUFG Group Code of Conduct as a set of guidelines for how the Group's directors and employees should make decisions and act on a daily basis to realize the MUFG Way, considering compliance as one of the most important management issues. The code expresses our commitment to complying with laws and regulations globally, to acting with honesty and integrity, and to behaving in a manner that supports and strengthens the trust and confidence of society. In addition, as we expand the geographic scope of our business globally, we are committed to keeping abreast of developments in laws and regulations of the jurisdictions in which we operate, including anti-money laundering and antibribery rules as well as competition laws, while paying attention to trends in financial crimes.

Reporting System on Compliance-Related issues

- Development of Whistle-Blowing System
- Setting Up the MUFG Accounting Auditing Hotline

Enhancement of Global Financial Crimes Compliance Framework

- MUFG has established the Global Financial Crimes Division (GFCD) to maintain a global framework to prevent, detect, and deter financial crimes effectively across the firm. Headquartered in New York, GFCD is responsible for Anti-Money Laundering, Counter-Terrorist Financing, Sanctions Compliance, and Anti-Bribery and Corruption efforts (collectively referred to as "financial crimes" or "FC"). Since its inception in 2017, GFCD has supported consistent and efficient operations through the creation of shared services functions, investment in its FC experts, and, more recently, the promotion of offshoring. In addition, GFCD is upgrading its FC compliance systems and data warehouse to bolster MUFG's FC compliance program. This enhancement will help the Bank detect more complex and sophisticated forms of financial crimes.
- We continue our efforts to enhance FC compliance and promote societal trust and confidence by aligning with the requirements and expectations of international organizations, country-specific regulators, and the Financial Action Task Force (FATF)²

*1. A comprehensive framework incorporating research, investment strategy, product strategy, sales system, and follow-up in results.

*2. FATF: Financial Action Task Force on money laundering. Inter-governmental body that advocates for taking a coordinated international response in AML and counterterrorist financing

Appendix

- Policies and Guidelines
- MUFG's Related Organizations and Position Abbreviations

Policies and Guidelines (1/2)

Environment

- MUFG Environmental Policy Statement
<https://www.mufg.jp/english/csr/policy/>
- MUFG AM Sustainable Investing Policy
<https://www.mufg.jp/english/csr/policy/>
- MUFG Environmental and Social Policy Framework
<https://www.mufg.jp/english/csr/policy/>

Social

- MUFG Human Rights Policy Statement
<https://www.mufg.jp/english/csr/policy/>
- MUFG AM Sustainable Investing Policy
<https://www.mufg.jp/english/csr/policy/>
- Diversity, Equity & Inclusion (DEI)
<https://www.mufg.jp/english/csr/social/id/01/>
- Personal Information Protection Policy
<https://www.mufg.jp/privacy/>
- Cyber Security Management Declaration
<https://www.mufg.jp/english/csr/policy/>
- Modern Slavery Act 2015 and Commonwealth Modern Slavery Act 2018
<https://www.mufg.jp/english/csr/policy/>
- MUFG Environmental and Social Policy Framework
<https://www.mufg.jp/english/csr/policy/>
- Human Resources Principles
<https://www.mufg.jp/english/csr/policy/>
- MUFG Policy on Customer Harassment
<https://www.mufg.jp/english/csr/policy/>
- MUFG AI Policy
<https://www.mufg.jp/english/csr/policy/>
- Approach to Purchasing Activity
<https://www.mufg.jp/english/csr/policy/>
- Activities against Cluster Bombs
<https://www.mufg.jp/english/csr/policy/>

Policies and Guidelines (2/2)

Governance

- MUFG Group Code of Conduct
<https://www.mufg.jp/english/profile/governance/ethics/>
- Basic Policy regarding Anti-Social Elements
<https://www.mufg.jp/english/csr/policy/>
- MUFG Basic Policy for Fiduciary Duties
<https://www.mufg.jp/english/profile/governance/fd/>
- Risk Management: Basic Policy
<https://www.mufg.jp/english/profile/governance/risk/>
- Global Financial Crimes Policy Statement
<https://www.mufg.jp/english/csr/governance/financialcrimes/>
- MUFG Tax Policy
<https://www.mufg.jp/english/csr/governance/tax/>
- Policy for Conflicts of Interest Management
<https://www.mufg.jp/english/csr/policy/>
- Efforts to Prevent Bribery
<https://www.mufg.jp/english/csr/policy/>
- MUFG Corporate Governance Policies
<https://www.mufg.jp/english/profile/governance/policy/>
- Compliance: Basic Policy
<https://www.mufg.jp/english/profile/governance/compliance/>
- MUFG Group Disclosure Policy
<https://www.mufg.jp/privacy/>
- Personal Information Protection Policy
<https://www.mufg.jp/english/privacy/>

MUFG's Related Organizations and Position Abbreviations

Related organizations		Abbreviation of position name	
Organization	Official name / remarks	Abbreviation	Official name
MUFG	Mitsubishi UFJ Financial Group	CEO	Chief Executive Officer
Bank	MUFG Bank	CSO	Chief Strategy Officer
Trust Bank	Mitsubishi UFJ Trust and Banking Corporation	CFO	Chief Financial Officer
Security	Mitsubishi UFJ Securities Holdings CO., Ltd.	CRO	Chief Risk Officer
MUMSS	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	CHRO	Chief Human Resources Officer
NICOS	Mitsubishi UFJ NICOS	CSuO	Chief Sustainability Officer
MUFG AM	MUFG Asset Management - MUFG Asset Management (MUFG AM) is a brand name formed by Mitsubishi UFJ Trust and Banking Corporation, an asset management company of Mitsubishi UFJ Financial Group (MUFG), Mitsubishi UFJ Asset Management Co., Ltd., Mitsubishi UFJ Real Estate Asset Management Co., Ltd., Mitsubishi UFJ Asset Management (UK) Ltd., and Mitsubishi UFJ Alternative Investments Co., Ltd.		
Krungsri (Bank of Ayudhya)	Krungsri (Bank of Ayudhya) - MUFG's consolidated subsidiary in Thailand		
Bank Danamon	Bank Danamon Indonesia - MUFG's consolidated subsidiary in Indonesia		



Disclaimer

This report (the “Subject”) is intended to comply with the general principles related to the environment, human rights, nature, biodiversity or corporate responsibility. However, please be aware that environmental, social and governance(ESG) standards, laws, regulatory requirements and practice may vary significantly across different jurisdictions. As such, depending on your country of residence or incorporation, there may be specific local requirements or standards that the Subject does not fully address. The application of MUFG Sustainability Policies and Guidelines remains subject to compliance with local laws and regulations. We encourage you to consider your local requirements and your own ESG criteria and objectives when selecting our products and services.

It should be noted that no universally accepted global framework (legal, regulatory, or otherwise) currently exists, nor is there a market consensus in terms of what constitutes a “green”, “social”, “sustainable”, “responsible”, “traditional”, or equivalent “ESG” investment, communication, product, or offering. Furthermore, no assurance can be given that such a universally accepted framework or consensus will develop over time. Although there have been regulatory efforts in certain jurisdictions and regions (in particular, in the European Economic Area) to define such concepts, the legal and regulatory framework is still under development.

Additionally, the lack of common or harmonized definitions and labels currently regarding what is considered “green”, “ESG”, “sustainable”, “responsible”, and other similar criteria, or clear guidelines on what these monikers mean may result in different approaches being taken by different institutions.

Alongside its sustainable financing activities, MUFG and its affiliates invest in and finance projects associated with a wide range of industries, businesses and jurisdictions including in, but not limited to, high emitting and hard to abate sectors such as the energy sector.

Accordingly, no assurance, warranty or representation can be given by MUFG that any of their investments, products, communications, services or offerings will meet any or all expectations regarding “green”, “ESG”, “sustainable”, “responsible”, or other equivalently labelled objectives or that no adverse environmental, social, and/or other impacts will occur.