Responsible Banking Progress Statement 2025

Mitsubishi UFJ Financial Group, Inc.

Principle 1: **Alignment**	Principle 2: **Impact & Target Setting**	Principle 3: **Clients & Customers**
MUFG is one of the world's largest and most diversified financial groups with total assets of ¥405.94 trillion as of March 31, 2025. The Group is comprised of MUFG Bank, Mitsubishi UFJ Trust and Banking, Mitsubishi UFJ Morgan Stanley Securities (through Mitsubishi UFJ Securities Holdings), Mitsubishi UFJ NICOS, Mitsubishi UFJ Asset Management Co., Ltd., and other subsidiaries and affiliates, for which it is the holding company. MUFG's services include commercial banking, trust banking, securities, credit cards, consumer finance, asset management, leasing and many more fields of financial services. In FY2024, MUFG launched a medium-term business plan (MTBP) covering the three-year period. We have integrated contribution to address social issues into our management strategies and positioned this as one of the three pillars of MTBP 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 to strongly promote initiatives for solution of social issues ● Achievement of carbon neutral society ● Natural capital and biodiversity restoration ● Promotion of circular economy ● Industry development and innovation support ● Response to aging population & low birthrate ● Increasing access to financial services ● Management focusing on human capital ● Respect for human rights ● Ensuring secure and safe services ● Demonstration of robust corporate governance	Our current initiatives are based the results of the impact analysis that we reported in "Status of Implementation of the Principles for Responsible Banking (PRB) 2023". As mentioned in Principle 1, MUFG has integrated contribution to address social issues into our management strategies, and we have identified ten priority issues. MUFG sets and monitors specific metrics and targets related to these issues. We have set our sustainable finance target of ¥100 trillion in cumulative financing from the fiscal year ended March 31, 2020 to the fiscal year ending March 31, 2031.Our sustainable finance currently consists of the provision of financing, including loans, equity investments in funds, arrangements of project finance and syndicated loans, underwriting of equities and bonds, and financial advisory service, with reference to the relevant external standards to businesses that are considered to contribute to the adaptation to and moderation of climate change, to the development of startups, job creation, and poverty alleviation and to the energization of local communities and regional revitalization, as well as fundamental service businesses including those involved in basic infrastructure and essential public services. We aim to achieve net zero GHG emissions from our financed portfolio by the end of 2050 and net zero GHG emissions from our operations by FY2030. These goals demonstrate our support for the goals of the Paris Agreement on Climate Change and our recognition of climate change-related risks and opportunities as a top strategic priority for the MUFG Group. In order to achieve net zero GHG emissions from our financed portfolio, we have set an interim target for FY2030, for certain sectors. For each interim target, we have considered and	**Climate Change** In order to effectively engage with our clients, MUFG has established the transition assessment framework and transition screening process under the operating framework of our transition plan. According to the transition monitoring framework, we assess the transition status of clients in carbon intensive sectors, looking at areas such as 1.5°C alignment with interim targets, transition plans, climate-related governance structure, and past emission reduction records. In addition to this assessment, other information obtained through engagement activities are reflected in the six-tier category to evaluate our clients' transition progress. In the transition screening process, we apply the MUFG Environmental and Social Policy Framework to appropriately identify and manage environmental and social risks. In addition, we implement a transition screening mechanism for projects that require specialized transition assessments where several expert departments collaborate to determine how to handle such projects. In order to effectively support the transition of the real economy and seize business opportunities, MUFG's main initiatives to support transitions are as follows: ● Facilitating transition considering the regional characteristics of Japan and Asia ● Transition finance. ● Policy Engagement: To promote transition finance and blended finance, MUFG actively engages in various private sector initiatives and articulates its perspectives while collaborating with governments and public agencies.

In order to appropriately identify sustainability risks and opportunities, we reference international frameworks and regulatory reporting requirements, including: ● Sustainability Development Goals (SDGs) ● Paris Agreement ● Kunming-Montreal Global Biodiversity Framework (GBF) ● UN Guiding Principles on Business and Human Rights ● International Labour Organization fundamental conventions ● UN Global Compact ● Task Force on Climate-related Financial Disclosures (TCFD) ● Taskforce on Nature-related Financial Disclosures (TNFD) ● Modern Slavery Act 2015 and Commonwealth Modern Slavery Act 2018 In addition, we have endorsed and are participating in the following initiatives: ● Partnership for Carbon Accounting Financials (PCAF) ● Principles for Responsible Investment (PRI) ● The Poseidon Principles ● The Equator Principles ● Glasgow Financial Alliance for Net Zero (GFANZ)	reflected, among other factors, the relevant characteristics of decarbonization pathways as well as the uniqueness of our financed portfolio for each sector.	Examples of projects in these areas and our expanded solution offerings can be found on MUFG Climate Report 2025. We also implement measures to strengthen staff's client engagement skills, which are also presented on the report. **Natural capital and biodiversity** In MUFG Environmental and Social Policy Framework, we have designated businesses with a high likelihood of negative impacts on natural capital and biodiversity as transactions of high caution. In April 2025, fisheries and aquaculture businesses, which are highly dependent on and have an impact on natural capital, were added to the Framework. MUFG supports clients' efforts toward nature positive through activities in the following five areas. ● Consulting: consulting services tailored to the stage of our clients' response to natural capital ● Financial support: blue finance and sustainable finance for natural capital preservation ● Partnership: development of solutions and businesses through collaborations with various companies ● Startup support and collaboration: collaboration with startups to promote innovations ● Initiatives in the field of food: solutions to conserve, restore and rehabilitate natural capital to build sustainable food value chains Examples of projects in these five areas can be found on MUFG TNFD Report 2025.
Links & references SEC Filings - Form 20 Fiscal Year Ended Mar. 2025 MUFG Sustainability Highlights 2025 MUFG Report 2025 MUFG Human Rights Report 2024 MUFG Climate Report 2025 MUFG TNFD Report 2025 Participation to Initiatives	***Links & references*** Status of Implementation of the Principles for Responsible Banking (PRB) 2023 Sustainable Finance MUFG Climate Report 2025	***Links & references*** MUFG Climate Report 2025 MUFG TNFD Report 2025

Principle 4: **Stakeholders**	Principle 5: **Governance & Culture**	Principle 6: **Transparency & Accountability**
MUFG categorizes the stakeholders involved with its business activities into the following categories: customers, business partners, employees, shareholders and investors, communities and society. Through constructive dialogue with each stakeholder, we gain new insights and they will deepen their understanding of MUFG, and by taking into account the interests of our stakeholders and the social issues they face, we will strive to build a relationship of trust and cooperation that will lead to the sustainable growth of MUFG and the improvement of our corporate value over the medium to long term. MUFG also participates in and endorses a variety of initiatives to meet our social responsibilities as a financial institution, meet the demands of the international community, and contribute to the realization of a sustainable society. In addition, we have engaged four external experts in the environmental and social fields as permanent external advisors. Board members exchange views with the advisors and use advice and recommendations based on their expertise in MUFG's sustainability initiatives. For the details of our stakeholder engagement activities in each thematic areas, please refer to the following resources: • Climate change: MUFG Climate Report 2025 • Natural capital and biodiversity: MUFG TNFD Report 2025 • Human rights: Respecting Human Rights (website) • Human capital: Human Capital (website)	Sustainability-related issues are managed by the Executive Committee with various management sub-committees, subject to the oversight of the Board of Directors. One of the key sub-committees is the Sustainability Committee, which is chaired by the Chief Sustainability Officer. It 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. In addition, for the management of our portfolio emissions, the Transition Plan Monitoring Meeting, jointly chaired by the Chief Strategy Officer and Chief Risk Officer, checks progress toward achieving the 2030 interim targets while taking into account market trends and discussing appropriate actions. From the perspective of objectively evaluating the effectiveness of our wide-ranging sustainability initiatives, sustainability elements have been incorporated into executive compensation. MUFG is also committed to developing employees' capabilities and implementing measures to foster awareness among all staff. Further information on MUFG's sustainability governance structure can be found on our Sustainability Report, Climate Report, TNFD Report and Human Rights Report.	'Limited assurance engagement,' as defined by International Standards on Assurance Engagements was performed for environment and society data and indices contained MUFG's WEB information. The scope of the assurance procedure is indicated in the report "Key Sustainability Performance Indicators of Environment of the Company and its Consolidated Subsidiaries". In addition to disclosure on MUFG's website, we also report CDP.
Links & references Participation to Initiatives MUFG Sustainability Highlights 2025 Human Capital Report 2025	***Links & references*** SEC Filings - Form 20 Fiscal Year Ended Mar. 2025 MUFG Climate Report 2025 MUFG Report 2025 MUFG Sustainability Highlights 2025 MUFG TNFD Report 2025 Human Capital Report 2025 MUFG Human Rights Report 2024	***Links & references*** Scope of Assuance/Independent Assurance Report (GHG Emissions / Electricity) Key Sustainability Performance Indicators of Environment of the Company and its Consolidated Subsidiaries

Please note that all initiatives mentioned in this report are subject to compliance with local laws and regulations.