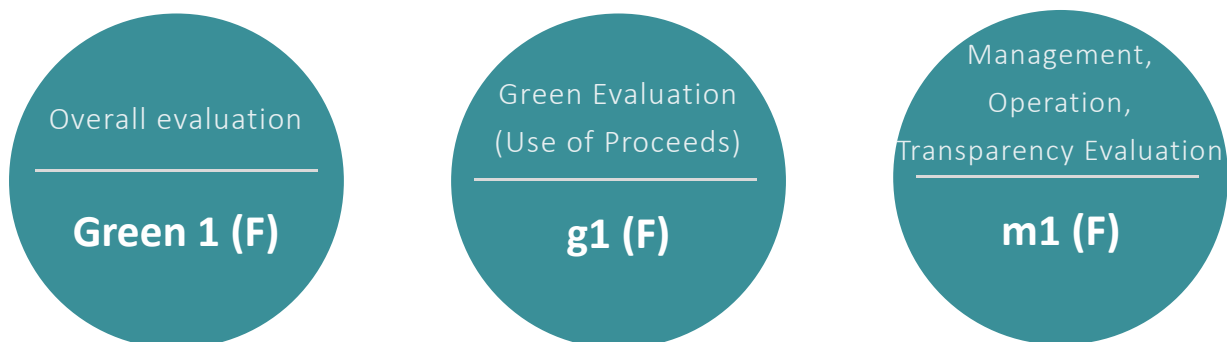


Japan Credit Rating Agency, Ltd. (hereinafter referred to as "JCR") publishes the results of the Green Finance Framework Evaluation as follows:

Mitsubishi UFJ Financial Group, Inc.

Green Finance Framework

Assignment



Issuer/Borrower	Mitsubishi UFJ Financial Group, Inc. (Securities code: 8306)
Evaluation Target	Mitsubishi UFJ Financial Group, Inc. Green Finance Framework

Evaluation Overview

▶▶▶ 1. Overview of Mitsubishi UFJ Financial Group, Inc.

Mitsubishi UFJ Financial Group Inc. (hereinafter referred to as "MUFG") is a financial holding company that was founded through a business merger on October 1, 2005 and is the largest domestic bank holding company that provides financial services domestically and internationally. MUFG has MUFG Bank, Mitsubishi UFJ Trust and Banking Corporation, Mitsubishi UFJ Morgan Stanley Securities Co., Ltd., Mitsubishi UFJ NICOS Co., Ltd. and ACOM CO., LTD. under its umbrella.

MUFG has 7 business groups, including Digital Service Business Group, Retail & Commercial Banking Business Group, Japanese Corporate & Investment Banking Business Group, Global Commercial Banking Business Group, Asset Management & Investor Services Business Group, Global Corporate & Investment Banking Business Group, and Global Markets Business Group. In

order to meet a wide range of customer needs, MUFG has planned strategies or managed measures, which combine strengths of each group company and has built a solid business foundation domestically and internationally.

▶▶▶2. MUFG's ESG Management and Decarbonization Initiatives

MUFG formulated MUFG Way, which provides policy for activities in April 2021 in which MUFG defined its purpose as being "committed to empowering a brighter future." Since then, MUFG has been promoting sustainability initiatives in conjunction with management strategies, led by a heightened commitment to helping resolve 10 environmental and social issues, one of the most vital concerns MUFG will work on as its priorities.

In the 10 priority environmental and social issues that MUFG especially focuses on is "climate change measures and environmental protection" and it announced the "MUFG Carbon Neutrality Declaration" in May 2021. MUFG formulated a roadmap, aiming to achieve net zero greenhouse gas (hereinafter referred to as "GHG") emissions from the financed portfolio by 2050 and net zero GHG emissions from its own operations by 2030 and are making various efforts.

MUFG is the first domestic financial institution that joined the Net Zero Banking Alliance (hereinafter referred to as "NZBA"), an alliance of private financial institutions in June 2021, aiming for net zero GHG emissions in its investment and loan portfolio by 2050, convened by the United Nations Environment Programme Finance Initiative (hereinafter referred to as "UNEP-FI") in April 2021 and launched by 43 worldwide banks. MUFG led discussions with 30 or more participating financial institutions and formulated minimum standards or guidelines to which financial institutions can refer in considering transition finance in the Asia Transition Finance Study Group (hereinafter referred to as "ATFSG"), an initiative led by private financial institutions launched in October 2021. In response to social responsibility as a financial institution and requests from the international community and in order to contribute to the realization of a sustainable society, MUFG also has participated in and endorsed various initiatives such as TCFD (Task Force on Climate-related Financial Information Disclosure.)

Under the supervision of the Board of Directors, MUFG has established a system to promote sustainability centered on the Sustainability Committee. This committee is chaired by the Group Chief Sustainability Officer (hereinafter referred to as "CSuO") who is responsible for all sustainability initiatives. In principle, MUFG convenes the Sustainability Committee at least once a year to check and discuss the status of sustainability initiatives and to report the contents to the Executive Committee and the Board of Directors, which supervise the Committee. The agenda of the Committee's deliberations are published on the website or in the integrated report. Additionally, three external advisors have been invited to exchange opinions with the members of the Board of Directors and provide advice and recommendations from their professional standpoints on sustainability issues and risks.

▶▶▶3. Green Finance Framework

This evaluation target is Green Finance Framework (hereinafter referred to as "this framework") which has been established by MUFG to allocate the proceeds financed by green bonds or green loans (hereinafter green bonds and green loans are collectively referred to as "green finance") exclusively to projects with environmental benefits.

JCR will evaluate whether this framework is aligned with the Green Bond Principles¹, Green Loan Principles², Green Bond Guidelines³ and Green Loan Guidelines⁴. Although these are principles or guidelines and are not regulations with legal evidence, JCR will make evaluation by referring to the principles and guidelines as a domestic and international unified standard at this time.

MUFG will finance or refinance the proceeds related to the construction of MUFG Headquarters Building that meet the predetermined eligibility criteria in this framework. It is regulated to consider the negative impacts on the environment and society and take appropriate measures in implementing eligible projects. Accordingly, JCR has evaluated that the use of proceeds in this framework is expected to have environmental benefits.

A process will be established to involve the management in projects that are subject to the use of proceeds. JCR has confirmed that all operation including fund management will be properly managed and controlled through external audits. In terms of reporting, predetermined items on the allocation of proceeds and environmental benefits will be disclosed on the website etc. Consequently, JCR has evaluated that the management and operation system in MUFG has been established and has transparency.

Accordingly, JCR assigned "g1(F)" to the "Green Evaluation (Use of Proceeds)," "m1(F)" to the "Management, Operation and Transparency Evaluation" and "Green 1(F)" to the "JCR Green Finance Framework Evaluation" based on the JCR Green Finance Evaluation Methodology regarding this framework. JCR has evaluated that this framework meets the criteria for the items required in the Green Bond Principles, Green Loan Principles, Green Bond Guidelines and Green Loan Guidelines.

¹ "Green Bond Principles 2021" by International Capital Market Association (ICMA) at <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>

² Loan Market Association (LMA), Asia Pacific Loan Market Association (APLMA), Loan Syndications and Trading Association (LSTA) and "Green Loan Principles 2023" at <https://www.lsta.org/content/guidance-on-green-loan-principles-glp/>

³ "Green Bond Guidelines 2022" by Ministry of the Environment at <https://www.env.go.jp/content/000062495.pdf>

⁴ "Green Loan Guidelines 2022" by Ministry of the Environment at <https://www.env.go.jp/content/000062495.pdf>

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I. Use of Proceeds Financed

JCR's Key Consideration in this Factor

In this section, JCR will firstly confirm whether the proceeds financed have been allocated to green projects that bring about clear environmental benefits. Then, in cases where a negative impact on the environment and society is assumed in the use of proceeds, JCR will confirm that the impact has been fully examined by an in-house specialized department or an external third-party organization, and necessary workarounds and mitigation measures have been taken. Lastly, JCR will confirm the alignment with the Sustainable Development Goals (hereinafter referred to as "SDGs".)

▶▶▶ Current Status of Evaluation Targets and JCR Evaluation

The use of proceeds in this framework is to finance or refinance the construction of buildings that have obtained or will obtain a certain level of certification or higher as for certification recognized locally, nationally or internationally; therefore, it is expected to have environmental benefits.

This Framework for Use of Proceeds

The proceeds of green finance will be allocated to the financing or refinancing, meeting the eligibility criteria below, for the funds related to the construction of MUFG Headquarters Building.

Green Bond/Loan Principles Project Category	Eligibility Criteria
Green Buildings (Environmental Objectives: Climate Change Mitigation)	The eligible green buildings are the buildings which have received or will receive at least one of the following certifications within last 36 months preceding the green finance execution, or the buildings for which at least one of the following certifications is still valid and which were completed to construct within last 36 months preceding the green finance execution. <ul style="list-style-type: none"> ➤ LEED: Platinum or Gold ➤ CASBEE: Rank S or Rank A ➤ ZEB Certification: ZEB, Nearly ZEB, ZEB Ready and ZEB Oriented

Evaluation by JCR to the Framework

1. Environmental Benefits of Projects

(1) Use of Proceeds 1: Green Building

The target of the use of proceeds 1 is categorized into "green buildings with standards or certification recognized for environmental performance locally, nationally or internationally" in the "Green Bond Principles" and the "Green Loan Principles", and "Project for Green Buildings" among the use of proceeds exemplified in the "Green Bond Guidelines" and "Green Loan

Guidelines." Although the MUFG Headquarters Building, the use of proceeds, is currently in the design stage, JCR has confirmed that it is highly probable to meet the eligibility criteria and to have environmental benefits based on the information received from MUFG.

LEED (Leadership in Energy and Environmental Design)

LEED refers to an environmental performance evaluation system for architecture and urban environments, developed and operated by non-profit U.S. Green Building Council (USGBC.) LEED stands for Leadership in Energy and Environment Design whose draft was published in 1996 and that has been updated every few years. There are five types of certification as follows: BD+C (Building Design and Construction,) ID+C (Interior Design and Construction,) O+M (Operation and Maintenance of Existing Buildings,) ND (Neighborhood Development,) HOMES (Home) and CITIES (City.)

The certification levels are indicated with the sum of the points acquired for each item as follows: Platinum (80 points or more,) Gold (60 to 79 points,) Silver (50 to 59 points) and Certified (standard certification) (40 to 49 points) from the top to the bottom. For items on energy conservation, it is often a prerequisite for evaluation that the score is high enough or achieved, and high energy efficiency is necessary to be highly certified. Therefore, Gold or higher, which MUFG has set as eligible criteria, is deemed to reach a level for certification that can be provided for buildings that have achieved high energy efficiency and is evaluated as having environmental benefits.

CASBEE (Comprehensive Assessment System for Built Environment Efficiency)

CASBEE is an acronym standing for Comprehensive Assessment System for Built Environment Efficiency and is a method for evaluating and rating the environmental performance of buildings. In April 2001, a comprehensive environmental evaluation research committee for buildings was established as an industry-academia-government collaboration project with the support of the Housing Bureau of the Ministry of Land, Infrastructure, Transport and Tourism and has been continuously developing and maintaining since then. Evaluation tools include CASBEE for Construction, CASBEE for Cities and CASBEE for Real Estate that was developed for the real estate market to show environmental performance in an easy-to-understand manner.

CASBEE for New Construction is evaluated with the value of BEE (Built Environment Efficiency) with L as the denominator and Q as the numerator after the reconstruction from the viewpoint of environmental quality of buildings (Q refers to Quality) and environmental load of buildings (L means Load) for the evaluation items in the four areas: energy consumption, resource recycling, regional environment and indoor environment. The evaluation results are categorized into five as follows: Rank S (excellent,) Rank A (very good,) Rank B + (good,) Rank B - (slightly inferior) and Rank C (inferior.) CASBEE for Real Estate falls under four categories as follows: Rank S (excellent,) Rank A (very good,) Rank B + (good) and Rank B (satisfied with items required.) In order to be highly evaluated, consideration for indoor comfort or landscape is required in addition to consideration for the environment, such as energy saving or using equipment with low environmental burdens, and comprehensive buildings with highly quality is required.

JCR has evaluated that buildings with A or higher, which MUFG has set as eligible criteria this time, have environmental benefits with the following reasons: (1) such buildings have BEE of 1.5 or higher in CASBEE for New Construction, and their environmental quality clearly exceeds their environmental burdens and (2) such buildings are properties equivalent to Rank A in conventional CASBEE for Construction although the measurement is not based on BEE in CASBEE for Real Estate.

ZEB (Net Zero Energy Building)

ZEB (Net Zero Energy Building) is defined as "a building that achieves significant energy savings while maintaining the quality of the indoor environment by controlling energy loads via advanced architectural design, actively utilizing natural energy through the adoption of passive technologies or introducing highly efficient equipment systems. Such a building aims to achieve a zero annual primary energy consumption balance by introducing the use of renewable energy, thereby increasing energy independence as much as possible." ZEB is indicated in four stages by the degree of energy independence and the amount of energy saved. At the ZEB design stage, the design of ZEB has put particular importance on the concept of using a hierarchy approach in a manner that combines the sophistication of a building envelope which has a long service life and is difficult to repair with the sophistication of building equipment while optimizing architectural methods - passive methods, such as heat insulation, insolation shielding, utilization of natural ventilation or daylight. ZEB has four stages as follows: (i) ZEB (energy saving (50 per cent or more) and energy creation to reduce primary energy consumption by 100 per cent or more,) (ii) Nearly ZEB (energy saving (50 per cent or more) and energy creation to reduce primary energy consumption by 75 per cent or more,) (iii) ZEB Ready (to reduce primary energy consumption by 50 per cent or more) and (iv) ZEB Oriented (satisfies the requirements specified by use⁵for buildings with a total area of 10,000 square meters or more.)

Buildings with ZEB certification (the aforementioned four stages from (i) to (iv)) that are determined as eligible by MUFG will have a BEI value that is given to a building with five stars or higher in BELS based on the standard primary energy consumption. Accordingly, JCR has decided that such buildings are appropriate to use the proceeds.

Reference: BELS (Building-Housing Energy-efficiency Labeling System)

BELS is an acronym standing for Building-Housing Energy-Efficiency Labeling System and is a system in which energy-saving performance is evaluated and certified by a third-party evaluation organization for new and existing buildings. The envelope performance and primary energy consumption are subject to evaluation, and it is required to have excellent energy-saving performance for high evaluation. The evaluation results are indicated with the number of stars, and are ranked from one to five by BEI (Building Energy Index.) BEI is a criteria to measure

⁵ The following quantitative requirements in (1) or (2) shall be satisfied.

(1) To reduce the primary energy consumption specified based on the standard primary energy consumption by following use (excluding renewable energy)

i) Offices, schools or factories: 40% or more

ii) Hotels, hospitals, department stores, restaurants or meeting places: 30% or more

(2) To introduce unevaluated technology (technology not currently evaluated in WEBPRO) as a "measure for further energy saving"

energy-saving performance relative to a reference value, with design primary energy consumption as the numerator and reference primary energy consumption as the denominator. One star meets the existing energy conservation standards and two stars satisfy the energy conservation standards.

Accordingly, JCR has evaluated that the use of proceeds in this framework has high environmental benefits.

2. Negative Impacts on the Environment and Society

MUFG has responded appropriately, based on compliance with relevant laws, regulations, etc., to negative impacts such as the release of environmental pollutants, the use of soil pollutants, or noise in the vicinity of construction sites that may have environmental and social impacts from projects subject to the use of proceeds..

MUFG's plan for constructing the MUFG Headquarters Building is environmentally friendly, such as incorporating the followings into conditions of construction: the use of electricity derived from renewable energy, waste reduction/reuse/recycling.

Accordingly, JCR has confirmed that MUFG has properly considered the negative impacts on the environment and society.

3. Alignment with SDGs

JCR has evaluated that MUFG will contribute to the following SDGs goals and targets while referring to ICMA's SDGs mapping.



Goal 7: Affordable and Clean Energy

Target 7.2: By 2030, increase substantially the share of renewable energy in the global energy mix



Goal 9: Industry, Innovation and Infrastructure

Target 9.4. By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities



Goal 11: Sustainable Cities and Communities

Target 11.3: By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries

Target 11.6. By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management

I. Selection Criteria and Processes of the Use of Proceeds

JCR's Key Consideration in this Factor

In this section, JCR will confirm the objectives to be achieved through this evaluation target, the adequacy of the green project selection criteria and processes and whether a series of processes have been appropriately disclosed to investors.

▶▶▶ Current Status of Evaluation Targets and JCR Evaluation

JCR has determined that departments with specialized knowledge and the management are appropriately involved in the goals, selection criteria for green projects and processes in this framework and that transparency is also ensured.

1. Goal

MUFG is working to provide solutions to its respective customers, the society and all other stakeholders in order to stay true to the purpose of MUFG to be “Committed to empowering a brighter future”. In the medium-term business plan that has started since FY 2021, MUFG set its target to become “The premier business partner that pioneers the future through the power of finance and digital services” and to place Sustainability Management as one of three themes for change along with digitalization and new challenges and speed, which is the state it aims to achieve in three years. In Sustainability Management, MUFG will promote business strategies, risk management and social contribution activities starting with its 10 environmental and social issues that it will work on as its priorities to contribute to solving the environmental and social issues.

MUFG set forth climate change measures and environmental protection in the 10 environmental and social issues that it will work on as its priorities and announced the MUFG Carbon Neutrality Declaration in May 2021. MUFG is implementing measures, aiming to achieve net zero GHG emissions from the financed portfolio by 2050 and net zero GHG emissions from its own operations by 2030.

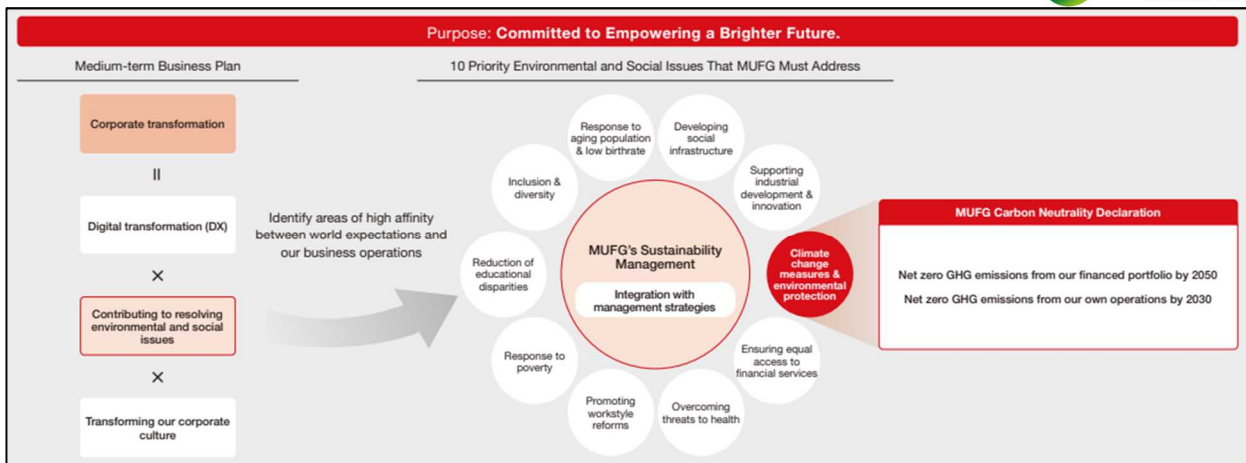


Figure 1 MUFG's Purpose and 10 Environmental and Social Issues to Prioritize⁶

The MUFG Headquarters Building which is the use of proceeds, will obtain ZEB certification and is expected to contribute to its own GHG emissions to net zero by 2030.

It is presumed that the MUFG Headquarters Building will function as a base for business activities that contribute to not only environmental benefits but also solving 10 environmental and social issues since the MUFG Headquarters Building will consolidate the functions of the headquarters of MUFG, the Bank, the Trust Bank and the Securities, aiming to deepen the integrated management of the Group and become a "symbol of MUFG" that will serve as a base for all stakeholders.

Accordingly, JCR has evaluated that the implementation of green finance based on this framework is aligned with the goals set by MUFG.

2. Selection Criteria

The eligibility criteria in this framework are as described in Evaluation Phase I in this report. JCR has evaluated that the project selection criteria are adequate.

3. Process

The financing plan for the project subjects to the use of green finance proceeds will be, as one of procurement plan, reported to the Executive Committee and the Board of Directors in advance. The individual projects will be selected centered on Corporate Administration Division of MUFG, and MUFG's Office of the CFO, Financial Planning Division will make the final decision for the eligibility selection and evaluation and will allocate proceeds.

JCR has evaluated that the management and specialized departments are properly involved and appropriate in the project selection process specified in this framework.

MUFG's project selection criteria and processes will be disclosed on this framework which is posted on its website or this report. Therefore, transparency to investors is ensured.

⁶ Source: MUFG's website at https://www.mufg.jp/dam/csr/report/progress/202304_en.pdf

II. Management of Proceeds

JCR's Key Consideration in this Factor

It is usually assumed that how to manage the proceeds financed widely vary depending upon a fundraiser. JCR will confirm that the proceeds financed based on this evaluation target is surely allocated to green projects, and that a structure and internal system are in place so that the appropriation can be easily tracked and managed.

JCR will also give importance on whether the proceeds financed through this evaluation target will be early used for green projects and on the evaluation of the management and operation methods of unappropriated proceeds.

▶▶▶ Current Status of Evaluation Targets and JCR Evaluation

JCR has evaluated that MUFG's financing management system has been properly established, and that how to manage proceeds financed is highly transparent since it is disclosed in this evaluation report and the framework is disclosed on its website.

This Framework for Management of Proceeds

MUFG will monitor and track the allocation of proceeds to eligible green projects using MUFG Bank's internal expenses and investments management system at least annually.

While the finance will be executed by MUFG, proceeds will be loaned to MUFG Bank, a wholly-owned subsidiary of MUFG. As soon as MUFG receives the proceeds of the finance, MUFG will remit an amount equivalent to the proceeds to MUFG Bank, based on a loan agreement made between MUFG and MUFG Bank. Pending allocation of an amount equal to the net proceeds to eligible green projects, MUFG Bank is expected to manage and hold an amount equal to any unallocated balance of such net proceeds in cash, cash equivalents or highly secured and liquid securities such as short-term financial assets.

Evaluation by JCR to the Framework

The proceeds financed through green finance will be loaned to MUFG Bank and will be allocated based on the time of payment for construction work. MUFG Financial Planning Division annually tracks and manages proceeds financed with MUFG Bank's internal expenses and investments management system. Unallocated net proceeds are basically held in cash or cash equivalents; however, unallocated net proceeds will be managed and held in highly secured and liquid securities such as government bonds as needed in line with the overall investment policy.

All operations including fund management of proceeds financed are subject to internal and external audits. Documents on financing are properly stored on internal server and in a lockable environment.

Accordingly, JCR has evaluated that MUFG's financing management system is appropriate.

III. Reporting

JCR's Key Consideration in this Factor

In this section, JCR will evaluate whether the disclosure system to investors before and after financing based on this evaluation target is planned in a detailed and effective manner.

▶▶▶ Current Status of Evaluation Targets and JCR Evaluation

JCR has evaluated that both of the allocation of proceeds and the environmental benefits regarding MUFG's reporting will be appropriately disclosed to investors.

This Framework for Reporting

Allocation Reporting

MUFG has confirmed that it will, at least annually until full allocation and in a timely manner, in case of material developments, provide information on below:

- Allocation of proceeds financed
- Amount of unallocated proceeds and planned allocation period
- In case of refinancing, the ratio of financing and refinancing

MUFG will disclose the allocation reporting on the MUFG's website (in case of the loans, MUFG will report to the lender) within three months (by June), from the fiscal year end of March.

Impact Reporting

MUFG has confirmed to publishing an impact reporting on MUFG's website*3 (in case of the loans, MUFG will report to the lender) annually, while the finance proceeds remain, to the extent practicable, containing the following impact metrics:

- (Before the completion of construction) CO2 emission reduction in MUFG Headquarters Building
- (After the completion of construction) CO2 emission in MUFG Headquarters Building
- Status of receiving green building certifications (when the certifications have been provided, or will be provided, and the type / level of the certifications)

Evaluation by JCR to the Framework

Reporting on the appropriation of proceeds

MUFG will annually disclose the contents specified in this framework on its website (in case of the loans, MUFG will report to the lender). If there is any significant change in the financing situation after the full amount of the proceeds financed has been allocated, its details will be disclosed on the website.

Reporting on Environmental Benefits

MUFG will annually disclose the contents specified in this framework on its website as reporting on environmental benefits of green projects (in case of the loans, MUFG will report to the lender). These disclosure items include quantitative indicators such CO₂ emission reduction before completion and CO₂ emission in the MUFG Headquarters Building after completion and qualitative contents such as obtaining green buildings.

The amount of CO₂ emission reduction in the MUFG Headquarters Building before completion is an estimated value based on the results of annual energy consumption calculated with the "Program in accordance with energy conservation standards for non-residential buildings" in the BELS evaluation. On the other hand, the CO₂ emission in the MUFG Headquarters Building after completion will be an actual value based on the measured annual energy consumption; however, for electricity, which accounts for the majority of energy used, the introduction of electricity derived from renewable energy sources will offset the CO₂ emission generated, which are expected to be zero.

Accordingly, JCR has evaluated that reporting made by MUFG is adequate.

IV. Organizational Sustainability Initiatives

JCR's Key Consideration in this Factor

In this section, JCR will evaluate whether the management of fundraisers positions sustainability-related issues as important challenges with a high management priority or whether the sustainable finance policy/process and green project selection criteria are clearly positioned by establishing a department that specializes in sustainability-related areas or collaborating with external organizations.

▶▶▶ Current Status of Evaluation Targets and JCR Evaluation

JCR has highly evaluated that MUFG has positioned sustainability issues as important management challenges, that it has a meeting body on sustainability issues and that it has been working from a practical and management perspective while incorporating the knowledge of internal and external experts.

MUFG is the largest domestic bank holding company through a business merger founded on October 1, 2005 and one of the largest financial institutions in the world. In April 2021, MUFG formulated MUFG Way, which provide policy for all activities in which MUFG defined its purpose as being "committed to empowering a brighter future." Since then, MUFG has been promoting sustainability initiatives in conjunction with management strategies, led by a heightened commitment to helping resolve 10 environmental and social issues, one of the most vital concerns MUFG will work on as its priorities.

In the 10 priority environmental and social issues that MUFG especially focuses on is "climate change measures and environmental protection" and it announced the "MUFG Carbon Neutrality Declaration" in May 2021. MUFG formulated a roadmap, aiming to achieve net zero GHG emissions from the financed portfolio by 2050 and net zero GHG emissions from its own operations by 2030 and are making various efforts.

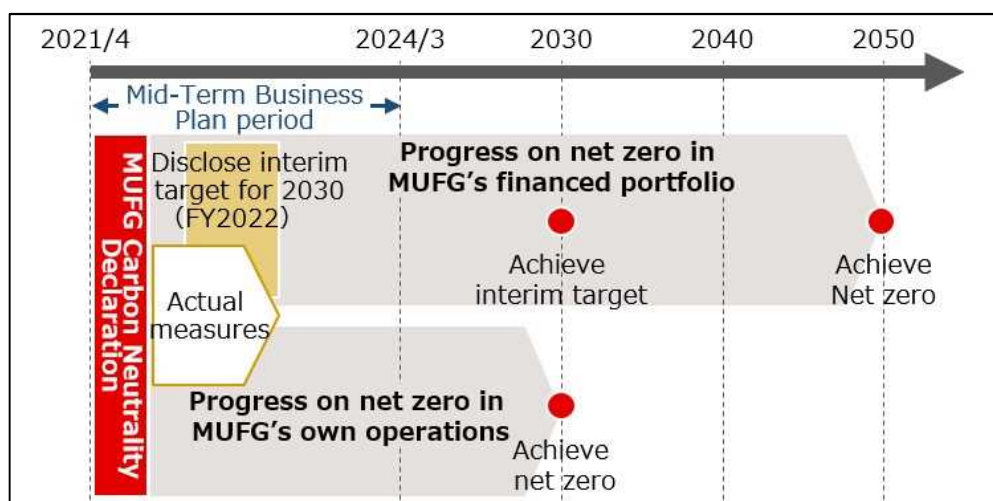


Figure 2 Roadmap for achieving carbon neutrality⁷

⁷Source: MUFG's website at <https://www.mufg.jp/english/csr/environment/cnd/index.html>

MUFG is the first domestic financial institution that joined the NZBA, an alliance of private financial institutions in June 2021, aiming for net zero GHG emissions in its investment and loan portfolio by 2050, convened by the UNEP-FI in April 2021 and launched by 43 worldwide banks. MUFG led discussions with 30 or more participating financial institutions and formulated minimum standards and guidelines to which financial institutions can refer in considering transition finance in the ATFSG, an initiative led by private financial institutions launched in October 2021.

In response to social responsibility as a financial institution and requests from the international community and in order to contribute to the realization of a sustainable society, MUFG also has participated in and endorsed various initiatives such as TCFD (Task Force on Climate-related Financial Information Disclosure.)

Under the supervision of the Board of Directors, MUFG has established a system to promote sustainability centered on the Sustainability Committee. This committee is chaired by the Group's CSuO who is responsible for all sustainability initiatives. Under the leadership of the Group Chief Strategy Officer (hereinafter referred to as "CSO"), CSuO continues the work closely with CSO to promote sustainability initiatives in conjunction with management strategies.

MUFG, in principle, convenes the Sustainability Committee at least once a year to check and discuss the status of sustainability initiatives and to report the contents to the Executive Committee and the Board of Directors, which supervise the Committee. Additionally, three 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 Board of Directors and provide advice and recommendations from their professional standpoints on MUFG's sustainability initiatives.

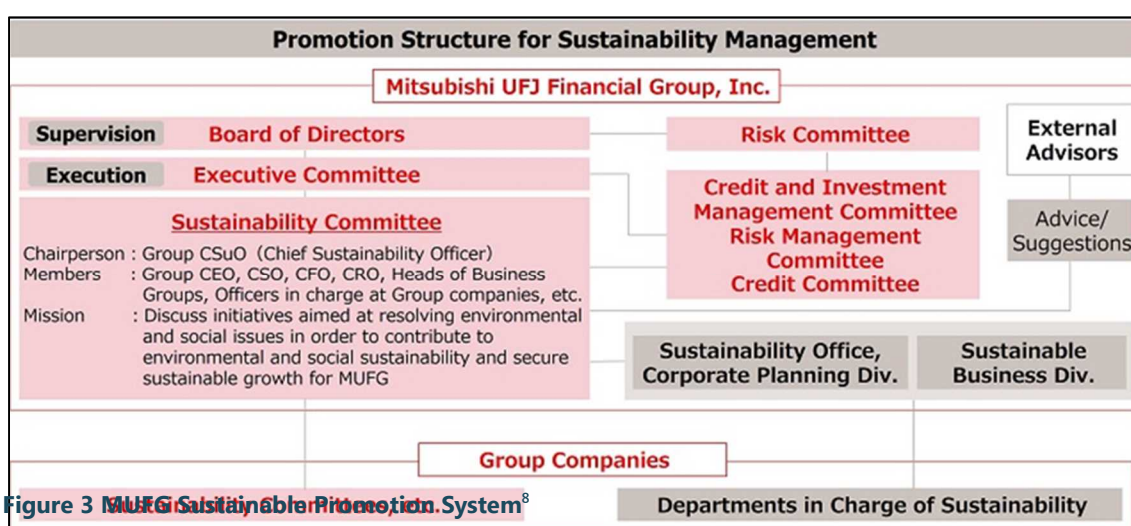


Figure 3 MUFG Sustainable Promotion System⁸

Accordingly, JCR has highly evaluated that MUFG has positioned sustainability issues as important management challenges, that it has a meeting body on sustainability issues and that

⁸Source: MUFG's Framework

it has been working from a practical and management perspective while incorporating the knowledge of internal and external experts.

Evaluation Phase 3: Evaluation Results (Conclusion)

Green 1 (F)

Accordingly, JCR assigned "g1(F)" to the "Green Evaluation (Use of Proceeds)" and "m1(F)" to the "Management, Operation and Transparency Evaluation." As a result, JCR assigned "Green 1(F)" to "JCR Green Finance Framework Evaluation" based on JCR Green Finance Evaluation Methodology regarding this framework. JCR has evaluated that this framework meets the criteria for the items required in the Green Bond Principles, Green Loan Principles, Green Bond Guidelines and Green Loan Guidelines.

		Management/Operation/Transparency Evaluation				
		m1(F)	m2(F)	m3(F)	m4(F)	m5(F)
Greenness evaluation	g1(F)	Green 1 (F)	Green 2 (F)	Green 3 (F)	Green 4 (F)	Green 5 (F)
	g2(F)	Green 2 (F)	Green 2 (F)	Green 3 (F)	Green 4 (F)	Green 5 (F)
	g3(F)	Green 3 (F)	Green 3 (F)	Green 4 (F)	Green 5 (F)	N/A
	g4(F)	Green 4 (F)	Green 4 (F)	Green 5 (F)	N/A	N/A
	g5(F)	Green 5 (F)	Green 5 (F)	N/A	N/A	N/A

(Responsible Analyst) Fuyuki Tamagawa, Daisuke Sato

Important Explanation on this Evaluation

1. Assumptions, Significance and Limitations of JCR Green Finance Framework Evaluation

JCR Green Finance Framework Evaluation, which is granted and assigned by Japan Credit Rating Agency, Ltd. (hereinafter referred to as "JCR") covers the policies set out in the Green Finance Framework and expresses the overall opinion of JCR at present regarding the appropriateness of Green Projects as defined by JCR and the extent of management, operation and transparency initiatives on the use of proceeds. Therefore, it is not intended to evaluate the specific environmental benefits, management/operation systems and transparency of individual bonds or borrowings to be executed based on these policies concerned. In cases where an individual bond or borrowing based on the said framework is subject to a green finance evaluation, a separate assessment is required. JCR Green Finance Framework Evaluation neither demonstrates environmental benefits of individual bonds or borrowings executed under the framework concerned nor assumes responsibility for environment benefits. JCR, in principle, does not directly measure environmental benefits of proceeds financed under the Green Finance Framework although JCR confirms items measured quantitatively and qualitatively by the issuer and/or borrower (hereinafter collectively referred to as "a fundraiser") or a third party requested by the fundraiser. Green equity may also be included in the evaluation only if all assets, in cases of investment corporations, fall under green projects.

2. Methodology Used in this Evaluation

The methodology used to make this evaluation is posted as "JCR Green Finance Evaluation Methodology" in the "Sustainable Finance/ESGs" section on the JCR's website at <https://www.jcr.co.jp/en/>.

3. Relation with Conduct of Credit Rating Activities

The conduct of assigning and providing JCR Green Finance Framework Evaluation is performed by JCR as its related business and is different from the conduct of credit rating activities.

4. Relation with Credit Rating

This evaluation is different from a credit rating and is not committed to providing a predetermined credit rating or make available for inspection.

5. Impartiality in Evaluating JCR Green Finance Framework

There are neither capital ties nor personnel relationships that could create a conflict of interest between this evaluation and JCR.

■Points to Consider

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■Terminology

JCR Green Finance Framework Evaluation: The assessment of the extent to which proceeds financed based on the Green Finance Framework are allocated to green projects as defined by JCR and of the degree of management, operation and transparency on the use of proceeds for the said Green Finance. The evaluation is made on a scale of five in the order from top to bottom with evaluation symbols of Green 1 (F), Green 2 (F), Green 3 (F), Green 4 (F) and Green 5 (F)

■Status of Registration as an External Evaluator of Sustainability Finance

- Ministry of the Environment: Registered as an external reviewer for Green Finance
- ICMA (observer registration as an external evaluator with the International Capital Markets Association)
- UNEP FI Positive Impact Financial Principles Working Group Member
- Climate Bonds Initiative Approved Verifier

■Other Registration Status as Credit Rating Agency

- Credit Rating Agency: the Commissioner of Financial Services Agency (Credit Rating) No. 1
- EU Certified Credit Rating Agency

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