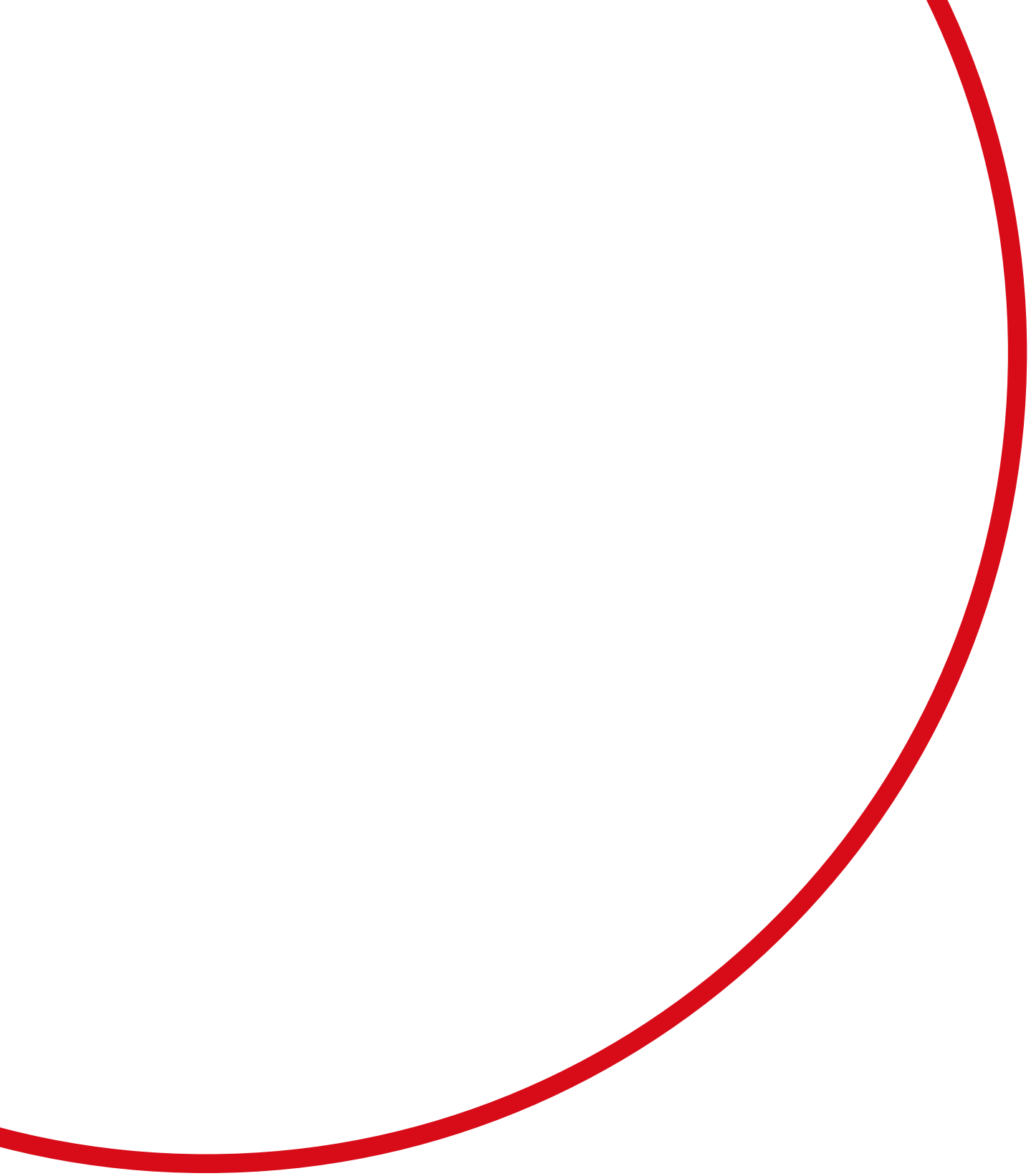

unless we substantively support customers' decarbonization efforts through our initiatives. But obviously, the challenge is not exclusive to MUFG; it calls universally on each company and sector, and a number of our corporate clients have begun addressing the challenge. We will work with clients and share business risks that may arise in the course of decarbonization. We

Message from the CEO

Structural Reforms—Expense Control
To establish a more tangible pro it / loss structure, we aim to reduce overall expenses, except for revenue-linked items, over the course of the three-year period under the MTBP.

Therefore, we are taking a more disciplined approach to expense control in line with the new MTBP. To this end, we have classi ied expenses into three categories: (1) expenses for business growth; (2) expenses linked to revenues; and (3) all other expenses,

Message from the CFO

Business Portfolio

Message from the CFO

Further Enhancement of Shareholder Returns

Further enhancing shareholder returns remains an important management issue for MUFG.

In line with our B

MUFG's Sustainability Management

Integration with management strategies

(FY)

To meet diverse customer needs, our business groups are engaged in the formulation of strategies and the implementation of measures in a way that integrates capabilities a orded by individual Group companies in their areas of strength.

Value Delivered to Stakeholders

Key stakeholder groups	Policies feocm 0 ving corpoeate v10 (eaue Dand iscl r2) (o01 0ache)-0 (evcm 0 emen)-5 (a)]TJ 1-8.4611 0cep3ur94tate v1holde1.Kstnrs

Progress under the Medium-Term Business Plan (MTBP)

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FOCUS

Contribution to Addressing Environmental and Social Issues

Strengthening Scenario Analysis

Based on the TCFD recommendations, MUFG is engaged in the analysis of multiple scenarios in order to assess how its credit portfolio could be affected by climate change-related risks.

Inclusion of Climate Change-Related Risks in the Risk Appetite Statement

In iscal 2021, we included climate change-related risks in our Risk Appetite Statement. This move is intended to help develop, maintain and upgrade our structure for appropriately managing climate change-related risks.

Positioning of Climate Change-Related Risks in Enterprise Risk Management

MUFG has positioned climate change-related risk as one of the Top Risks that it must pay close attention to for the year ahead and going forward (for more details, please re20 (d .lp M) 1 (or)1 (or)1)sks.

Arima: My views on MUFG has not changed at all since the time I was working outside the Group. I have always felt that MUFG's culture is based on diligence and sincerity. After

Busikul* is a “problem-solving” platform offered by Business Tech Co., Ltd, which was made a consolidated subsidiary of MUFG in

To incentivize efforts to improve MUFG's earnings power,
capital ef iciency and pro it structure, each of which is considered

Global Advisory Board

MUFG has established the Global Advisory Board to function as an advisory body to the Executive Committee, and the Board holds regular meetings. The Global Advisory Board is made up of members from the Americas, Europe, Asia and Japan who are

Risk Management

Basic Policy

MUFG aims to strengthen its Group risk management through the diffusion of a risk culture that strengthens the structure of Group business management as well as enterprise risk management. Our goal is effective risk governance that is

Cyber Security

Basic Policy

Main Initiatives to Counter Cyber Security Threats

Outline of Embezzlement Incidents at the Trust Bank and the Status of Correction Measures

Internal Audit

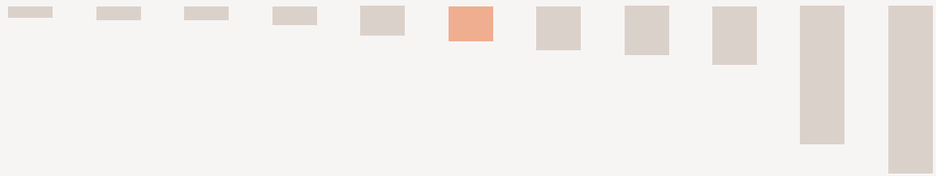
Basic Policy

Internal Audit Framework

Implementing Effective and Ef icient Internal Auditing

Conducting Groupwide, Cross-Regional Audits

Total Capital



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