

The Corporate Governance of Mitsubishi UFJ Financial Group is described below.

## [Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information](#)

### 1. Basic Views

Mitsubishi UFJ Financial Group, Inc. (MUFG) is a holding company that encompasses several subsidiaries including MUFG Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, and Mitsubishi UFJ Securities Holdings Co., Ltd. MUFG's management has determined that designing and executing a corporate governance framework is one of the most important issues in achieving its medium- to long-term goal of being "the world's most trusted financial group," as outlined in "MUFG Way" below.

Since its establishment, MUFG has worked to build a stable and effective corporate governance structure, putting emphasis on ensuring external oversight. As the company with three committees, MUFG aims to strengthen the board of directors' oversight functions through the separation of execution and oversight at the holding company level, to construct an effective and efficient governance framework, that is more comprehensible for overseas stakeholders, as befits a G-SIBs (Global Systemically Important Banks).

With the pledge to contribute to society, customers, employees, and to help all our stakeholders take the next step forward, MUFG established the "MUFG Way" and defines its purpose as "Committed to empowering a brighter future." along with its shared values and medium- to long-term goals. Under the "MUFG Way", MUFG will actively contribute to the realization of a sustainable society and will aim for sustainable growth and increase of corporate value over the medium- to long-term. MUFG will aim to realize effective corporate governance through fair and highly transparent management based on the guidance provided by these Policies.

#### MUFG Way

<Purpose> Empowering a brighter future.

<Values> 1.Integrity and Responsibility 2.Professionalism and Teamwork 3.Challenge Ourselves to Grow

<Vision> Be the world's most trusted financial group

#### Code of Conduct

The Code of Conduct encapsulates the standards that guide employees' conduct and decision-making in our day-to-day business activities under "MUFG Way". It is designed to provide guidance in times of doubt, or when we find it difficult to know if we are making the right choice. The Code of Conduct is organized into three chapters.

#### Chapter 1 Customer Focus

Our customers are at the center of everything we do, and should always be the focus of our thoughts. Our aim should be to win the trust and confidence of our customers at all times. MUFG exists today because of the trust and confidence that customers have placed in us over many years. Our role is to increase and strengthen this bedrock of trust and confidence. Our activities are not driven by the prospect of short-term gains. Instead, we look to build ongoing relationships with our customers to support their long-term growth.

#### Chapter 2 Responsibility as a Corporate Citizen

As we develop our business globally, we comply with all the domestic and international laws and rules that may apply. We do all we can to maintain stability and confidence in the global financial system, and contribute to the sound and healthy growth of society. Aware of the responsibility and accountability each of us has as a member of MUFG, we carry out fair and transparent corporate activities with honesty and integrity, in a manner that supports and strengthens the trust and confidence MUFG has earned from society over many years.

#### Chapter 3 Attitudes and Behaviors in the Workplace

We strive to respond and adapt promptly to the diversifying and evolving needs of our customers and the rapidly changing environment in which we work. The working environment at MUFG fosters mutual respect, enables individuals to make the most of their abilities as professionals, and maximizes the power of teamwork across regions and different areas of business, encouraging all staff members to embrace new challenges. We work always to protect and maintain the tangible and intangible assets and property that MUFG has accumulated.

In light of the growing awareness of environmental and social issues, we have identified 10 prioritized issues such as response to climate change & environmental protection, response to aging population & low birthrate, Inclusion and Diversity, and are promoting sustainability management. With regard to climate change, we will strengthen our efforts as stated in the MUFG Carbon Neutrality Declaration. ([https://www.mufg.jp/dam/pressrelease/2021/pdf/news-20210517-003\\_en.pdf](https://www.mufg.jp/dam/pressrelease/2021/pdf/news-20210517-003_en.pdf))

## [Reasons for Non-compliance with the Principles of the Corporate Governance Code]

The contents are based on the Corporate Governance Code revised in June 2021. MUFG has determined that the design and operation of a corporate governance framework based on the concepts outlined above is one of its most important issues. MUFG implements all of these individual principles in compliance with MUFG Corporate Governance Policies.

## [Disclosure Based on the Principles of the Corporate Governance Code]

[Principle 1.4]

### 1. Strategic shareholdings policy

The circumstances surrounding strategic shareholdings<sup>(1)</sup> have changed greatly in recent years due to, among other things, the tightening of international financial regulations and the introduction of the Corporate Governance Code in Japan.

Based on these changes, MUFG has adopted a basic policy that its Group banks<sup>(2)</sup>, taking into account shareholding risk, capital efficiency and international financial regulations, shall reduce the amount of shares held for the purpose of strategic investment<sup>(3)</sup>, following sufficient consultation with the relevant corporate business clients.

Shares held for the purpose of strategic investment will be examined for their significance and economic rationale from the perspectives of our corporate business clients' growth and earnings and the strengthening of business relations. We shall proceed with selling those shareholdings for which there is insufficient rationale, after securing an understanding of the relevant corporate business clients. Even where there is sufficient rationale, we may sell those shareholdings in accordance with our basic policy of reducing strategic shareholdings, taking into account, among other things, the market environment and our business and financial strategy.

In fiscal year 2022, MUFG sold approximately 154 billion yen of its strategic shareholdings (simple combined revenue of Group banks, acquisition cost basis). MUFG aims to sell 500 billion yen of its strategic shareholdings over three years from fiscal year 2021 to 2023.

Note:

<sup>(1)</sup> "Strategic shareholdings" refers to shares excluding trading investments (shares of subsidiaries and affiliates are not included). These are classified into three categories: 1. strategic investments, 2. business strategy and 3. revitalization support, with most falling under 1.

<sup>(2)</sup> "Group banks" refers to MUFG Bank, Ltd. and Mitsubishi UFJ Trust and Banking Corporation, consolidated subsidiaries of MUFG.

<sup>(3)</sup> "Shares held for the purpose of strategic investment" refers to shares held for the purpose of increasing the medium- to long-term economic profits of MUFG and Group banks through maintaining and expanding comprehensive business relations with our corporate business clients.

### 2. Examination of significance and economic rationale of shareholdings

At each Group bank, all shares held for the purpose of strategic investment are being confirmed for their significance and economic rationale (risk-return) over the medium- to long-term from the perspectives of our corporate business clients' growth and earnings and the strengthening of business relations. Based on Principle 1-4 of the Corporate Governance Code, individual strategic shareholdings<sup>(4)</sup> are examined by MUFG's Board of Directors.

Economic rationale is examined based on overall business RORA<sup>(5)</sup> target value, which is set based on MUFG's capital costs.

The results of the March 31, 2022 validations are as follows.

- We confirmed the validity of the significance of these shareholdings as most of the validation targets were held with the aim of enhancing the medium- to long-term economic interests of MUFG and Group banks.
- Regarding economic rationality, the overall business RORA of all of the verification targets as a whole exceeded 1.2 times larger than the target value. 81% of the business partners exceeded the target value on company number basis, the sum total of the said shares MUFG held accounts for 87% on book value basis and 77% on market value basis.<sup>(6)</sup> We aim to improve profitability from business with the business partners which do not meet the target value and, if the profitability is not improved within a certain time of period, may consider selling their shares.

Note:

<sup>(4)</sup> The aggregate market value held as of March 31, 2022 was approx. 4.6 trillion yen (book value: approx. 1.8 trillion yen).

<sup>(5)</sup> Overall business RORA (Return on Risk-Weighted Assets) is calculated by dividing Profit (Income from banking transactions and trust banking transactions with a concerned business partner group as well as stock dividends from the said group - Expected loss - Expenses etc.) by risk assets (total value of credits and shares) which are based on the internal rating based approach in comply with the capital adequacy requirements. In addition, risk asset shares are calculated based on market values.

<sup>(6)</sup> The profitability is determined by whether overall business RORA of a concerned business partner group exceeded a target value or not.

### 3. Standards with respect to the exercise of voting rights

In order to ensure the appropriate exercise of voting rights of shares held for the purpose of strategic investment, MUFG and Group banks will make comprehensive decisions on every proposal for the agenda of a shareholders meeting after confirming the following two points:

(1) Will it increase the medium- to long-term corporate value and lead to continuous growth including ESG<sup>(7)</sup> elements of the relevant corporate business client?

(2) Will it increase the medium- to long-term economic profits of MUFG and Group banks?

Significant agenda of a shareholders meeting that could have material impact on medium- to long-term improvement of corporate value of the relevant corporate business client and economic benefit for MUFG and Group banks will be determined through communication with the relevant corporate business client, etc. as necessary. Following agendas are considered significant by MUFG and Group banks:

- Agenda on disposal of surplus (when disposal significantly lacks balance with financial soundness and retained earnings)
- Agenda on election of directors or corporate auditors (when the relevant corporate business client has caused a disgraceful affair, posted a loss for a certain consecutive period, Return on Equity is sluggish, or not had multiple independent officers, etc)
- Agenda on election of outside directors or outside corporate auditors (when a concerned outside director or outside corporate auditor does not

satisfy a required attendance rate or the independence standards, etc)

- Agenda on retirement benefits for corporate auditors, etc
- Agenda on organizational restructure
- Agenda on takeover defense, etc.

The status of the exercise of voting rights of the most important strategic shareholdings<sup>(8)</sup> will be reported to MUFG's Board of Directors.

Note:

<sup>(7)</sup> Environment (E), Society (S), and Governance (G)

<sup>(8)</sup> Regarding the most important strategic shareholdings, the aggregate market value held as of March 31, 2022 was approx. 3.3 trillion yen (book value: 1.2 trillion yen), covering approx. 70 percent of the total market value of the (listed) equities held by Group banks for the purpose of strategic investment.

[Principle 1.7]

Related party transactions

MUFG has established “MUFG Guidelines for Related Party Transactions” to ensure that transactions between MUFG and its related parties, such as directors and corporate executives (related party transactions), do not harm the interests of MUFG. The Guidelines provide, among other things, that transactions with related parties, such as directors and corporate executives, require the approval of the board of directors, and that when the board of directors deliberates granting such approval, the relevant director or corporate executive shall not participate in that deliberation.

The “MUFG Guidelines for Related Party Transactions” can be viewed here:  
(<https://www.mufig.jp/english/profile/governance/report/index.html#jump01>)

[Supplementary Principle 2.4.1\*1]

#### ■ Approach to Ensure Diversity

With the purpose above, we have positioned the three-year term of this new Medium-term Business Plan as three years of new challenges and transformation, and set the goal at the end of this three-year period to leverage our financial and digital capabilities to be the leading business partner that pioneers the futures. As the needs of society and customers change rapidly, it is increasingly important to engage in innovation that creates new services and customer experiences. Diversity is essential for generating innovation. We value individual employees with various personalities, abilities, and knowledge, encourage them to continuously learn grow, and leverage their diversity to create ideas and innovative actions that transcend conventional boundaries. In addition, we will create a foundation where personnel with diverse individuality, abilities, and experience, regardless of gender, nationality, etc. can thrive through the evaluation and reward based on the demonstrated abilities, which will lead to initiatives that contribute to our sustainable growth.

#### ■ Status of Voluntary and Measurable Goals for Ensuring Diversity

##### (1)Female employees

With the commitment of top management, MUFG Bank, Mitsubishi UFJ Trust and Banking Corporation, and Mitsubishi UFJ Morgan Stanley Securities initially set a joint numerical target of 18% for the ratio of women in line management or higher positions in Japan by March 31, 2024, aiming to reflect diverse perspectives and values in areas closer to management by targeting the ratio of women in senior managerial positions. As we made steady progress in this initiative, last year, we raised the ratio of women in line management or higher positions in Japan to 20%. As of March 31, 2023, the ratio is at 19.6% and with this, we have further raised the target to 22%, which we aim to achieve by March 31, 2024. As of March 2023, a total of 19 women, including two foreign nationals, are serving as directors or executive officers at MUFG, MUFG Bank, Mitsubishi UFJ Trust and Banking Corporation, Mitsubishi UFJ Morgan Stanley Securities or NICOS. For women in senior management positions such as branch managers and deputy general managers, we provide special training programs for selected employees while maintaining a mentoring program. In this way, we help raise women's awareness of the possibility of becoming officers and encourage the acquisition of sophisticated management skills.

##### (2)Overseas employees

Today, the MUFG Group has expanded into more than 50 countries around the globe, and approximately 57% of its entire workforce is accounted for by overseas employees (as of March 31, 2023). As we aim to secure and nurture professionals in a variety of fields at home and abroad, we are employing a globally unified human resources platform supporting robust processes for title management, employee evaluation, wage determination and other human resources practices that are consistent with market standards. Also, we began implementing job-level based training programs on a global basis to ensure all Group members understand the MUFG Way and embrace a shared culture. For example, we provide the Global Leaders Forum targeting those in managerial positions at MUFG Bank, Mitsubishi UFJ Trust and Banking Corporation, Mitsubishi UFJ Morgan Stanley Securities, Krungsri, and other Group companies to help such individuals acquire essential leadership knowledge as well as necessary perspectives and in-depth expertise on global operations. Today, a growing number of individuals hired overseas have been promoted to managerial posts. For example, 8 of these individuals, including one woman, have assumed executive officer positions at MUFG Bank (as of March 31, 2023). Currently, the percentage of foreign nationals in middle managerial positions is 25.9% (as of March 31, 2023, calculated by the number of overseas employees in-house human resources with competencies in operational fields that require highly sophisticated specialist expertise and are commonly handled by multiple Group subsidiaries (“MUFG Direct Employment System”). Under this framework, candidates are offered wages linked with external market benchmarks. There has been a progress in hiring specialists mainly in the field of governance and wealth management.

##### (3)Mid-career hires

MUFG is pushing ahead with nurturing and securing genuine professionals equipped with sophisticated skills and strengths in their areas of specialty. As the expansion into new business fields requires a robust pool of employees who have specialist competencies and are ready to operate in such fields, we are also active in hiring external human resources. In fiscal 2019, MUFG, as the holding company, launched an employment framework aimed at directly hiring in-house human resources with competencies in operational fields that require highly sophisticated specialist expertise and are commonly handled by multiple Group subsidiaries (“MUFG Direct Employment System”). Under this framework, candidates are offered wages linked with external market benchmarks. There has been a progress in hiring specialists mainly in the field of governance and wealth management. Since fiscal 2020, we also have been using this system as a framework for recruiting highly qualified outside specialists, who could not be acquired under the existing compensation system.

We are also working on mid-career hires through MUFG Direct Employment System. The percentage of mid-career hires in managerial positions is 11.6% (as of March. 31, 2023, calculated by mid-career hires in the middle managerial positions divided by the total number of domestic managerial positions\*2). In FY2023 and beyond, we will continue to work on ensuring diversity with the aim of maintaining or improving the current level. Furthermore, in fiscal 2020, we decided to allow Group employees to voluntarily apply for inclusion in this framework. This employment framework provides yet another career path for those who aim to fully take advantage of their specialist strengths on a group-wide basis, enabling them to pursue career ambitions in a way that transcends conventional human resources practices.

■ Approach to Human Resource Development, Internal Environmental Development, and Implementation Status to Ensure Diversity

We consider diversity an essential value enabling us to maintain organizational resilience in a time of rapid change. Accordingly, MUFG has positioned “Inclusion & Diversity” as one of the 10 priority issues to be tackled via sustainability management. Thus, we are striving to develop and foster an organization and culture in which employees with diverse values, backgrounds and perceptions of work can respect and inspire each other while freely pursuing personal growth and career success.

In addition, we aim to increase employee engagement and corporate value by promoting creative and collaborative activities in which diverse opinions can be actively voiced and shared.

MUFG has positioned promoting work style reforms as one of the 10 priority issues to be addressed via sustainability management. As we aim to enable employees to realize their full potential, we have promoted the revision of administrative procedures and the streamlining of meeting practices while going paperless and developing infrastructure for remote working. By doing so, we help employees allocate more time to engaging in direct communications with customers and taking on new challenges. Looking ahead, we will support employees’ free choice of flexible work styles further, including the development and expansion of “satellite offices” that utilize vacant space in domestic branches and other facilities. Based on the assumption that remote working will gain a certain degree of popularity, we are planning to rebuild the main building of MUFG Bank and consolidate the headquarters functions of the holding company, MUFG Bank, Mitsubishi UFJ Trust and Banking Corporation and Mitsubishi UFJ Morgan Stanley Securities at this facility. This move to construct a new MUFG headquarters building is expected to enhance our group-wide, integrated management approach and serve as a place for innovation by gathering together and enabling interaction among diverse individuals.

\*1 MUFG Bank and Mitsubishi UFJ Morgan Stanley Securities cover overseas branches affiliates which are substantially treated as a branch, such as MUFG Union Bank. Mitsubishi UFJ Trust and Banking Corporation only covers overseas branches.

\*2 Managers are not limited to line managers (All employees who are in managerial positions are included).

[Principle 2.6]

Roles of Corporate Pension Funds as Asset Owners

• MUFG Group banks adopts fund-type corporate pension plan. In order to fulfill its roles to be expected as the asset owner, the pension fund declares adherence to the “Principles for Responsible Institutional Investors” (Japan’s Stewardship Code).

MUFG Bank Pension Fund (Japanese only)

<http://www.mufg-kikin.or.jp/stewardshipcode/index.html>

Mitsubishi UFJ Trust and Banking Corporation Pension Fund (Japanese only)

[https://www.mutb-kikin.jp/stewardship\\_code/stewardship\\_code.html](https://www.mutb-kikin.jp/stewardship_code/stewardship_code.html)

• Upon managing the pension fund, staffs with expertise in asset management are allocated at the secretariat. In addition, a framework has been established to realize stable asset building for the participants in the corporate pension plan and appropriate management of financial administration of pension. For instance, in Asset Management Committee, consisting of the members who are well versed in the fields of human resources, finance, risk and market trading, deliberations are made on asset allocation and management style for portfolios, as well as on composition of pension fund managers.

[Principle 3.1 i)]

“MUFG Way” and medium-term business plan

MUFG has formulated and announced “MUFG Way” and medium-term business plan.

- “MUFG Way” ([www.mufg.jp/english/profile/philosophy/](http://www.mufg.jp/english/profile/philosophy/))
- Medium-term business plan ([www.mufg.jp/english/profile/strategy/](http://www.mufg.jp/english/profile/strategy/))

[Principle 3.1 ii)]

Basic approach and key policies for corporate governance

See “2. Approach to corporate governance” (“2-1. Basic approach”, “2-2. Role as a holding company”, “2-3. MUFG’s governance structure”) of MUFG Corporate Governance Policies (<https://www.mufg.jp/english/profile/governance/policy/>) for our basic approach to, and key policies of, corporate governance.

[Principle 3.1 iii)]

Policies and procedures for determining compensation

See “7-3. Compensation Committee” of MUFG Corporate Governance Policies (<https://www.mufg.jp/english/profile/governance/policy/>) for the policies and procedures for determining the compensation of directors.

[Principle 3.1 iv)]

Policies and procedures for elect dismissal directors

See “7-2. Nominating and Governance Committee” of MUFG Corporate Governance Policies (<https://www.mufg.jp/english/profile/governance/policy/>) for the policies and procedures for elect dismissal of senior management and nomination of directors.

[Principle 3.1 v)]

Grounds for elect dismissal of senior management and nomination of director candidates

For explanation on elect dismissal and nomination of individual senior management and director candidates based on iv) see “7-2. Nominating and Governance Committee” of MUFG Corporate Governance Policies (<https://www.mufg.jp/english/profile/governance/policy/>) and here:

(<https://www.mufg.jp/english/profile/governance/report/index.html#jump02>)

[Supplementary Principle 3.1.3]

<Sustainability initiatives>

MUFG discloses its sustainability initiatives in its Integrated Report and MUFG Sustainability Report. In addition, MUFG discloses the development of its approach to achieve carbon neutrality in MUFG Progress Report.

- Integrated Report ([https://www.mufg.jp/english/ir/report/annual\\_report/index.html](https://www.mufg.jp/english/ir/report/annual_report/index.html))
- MUFG Sustainability Report (<https://www.mufg.jp/english/csr/report/sustainability/index.html>)
- MUFG Progress Report (<https://www.mufg.jp/english/csr/report/progress/index.html>)

MUFG supports the recommendations on climate-related financial disclosures formulated by the Task Force on Climate-related Financial Disclosures (TCFD). In line with these recommendations, we are disclosing information on climate change-related risks and opportunities in our Governance, Strategy, Risk Management, and Metrics and Targets. Details of our disclosures based on the TCFD recommendations can be found on pages 59-62 of our Integrated Report (MUFG Report 2022) and pages 60-119 of MUFG Sustainability Report 2022. The relevant initiatives are overseen by the board of directors.

<Investment in human capital and intellectual capital>

To develop human resources that embody the “MUFG Way”, MUFG offers a variety of human resource development programs, including those in digital and global fields, as well as systems and training to promote the success of diverse human resources, and career challenge programs that support the growth and challenge of each employee.

MUFG is also working to enhance engagement with employees through initiatives such as townhall meetings by top management members and promotion of the “MUFG Way”. Relevant specific initiatives can be found on pages 65-76 of our Integrated Report (MUFG Report 2022) and on pages 136-176 of the MUFG Sustainability Report 2022. Additionally, the number of employees, the total training hours, the number of employees using support programs and leaves, the average annual salary etc. can be found on pages 14-35 of the ESG Data Book 2022.

- Integrated Report ([https://www.mufg.jp/dam/ir/report/annual\\_report/pdf/ir2021\\_all\\_en.pdf](https://www.mufg.jp/dam/ir/report/annual_report/pdf/ir2021_all_en.pdf))
- MUFG Sustainability Report ([https://www.mufg.jp/dam/csr/report/2021/en\\_all\\_print.pdf](https://www.mufg.jp/dam/csr/report/2021/en_all_print.pdf))
- ESG Data Book 2022 (<https://www.mufg.jp/csr/report/esgdata/index.html>)

In the area of intellectual capital, MUFG is working on open innovation aimed at creating new businesses by utilizing the technologies and knowledge of startups through investment and other activities. In addition, we aim to establish our standing as a financial and digital platform operator by broadly providing a new model of financial services in collaboration with external businesses with large numbers of customer contact points. In addition, we are using digital technologies to reduce the volume of operations and to use intellectual capital in growth areas.

[Supplementary Principle 4.1.1]

Summary of scope of delegation to management

See “3-1. Role of the Board of Directors” of MUFG Corporate Governance Policies (<https://www.mufg.jp/english/profile/governance/policy/>) for a summary of the scope of delegation to management.

[Principle 4.8]

Effective Use of Independent Directors

See “5-1. Composition” of MUFG Corporate Governance Policies (<https://www.mufg.jp/english/profile/governance/policy/>) for the policy to have independent outside directors compose a majority of the board in principle.

[Principle 4.9]

Independence standards of outside directors

See 2.1 of this report (“Independent directors”) for independence standards of MUFG aimed at securing the independence of independent outside directors.

[Supplementary Principle 4.11.1]

View on the balance of knowledge, experience and skills, and diversity and size, of the board of directors as a whole

The Board of Directors of MUFG decides key management policies and is responsible for management oversight. In order for the Board of Directors to appropriately fulfill its role, it is necessary to have an appropriately balanced composition as a whole with diverse knowledge and expertise related to finance, financial accounting, risk management, compliance and so forth as well as diversity, in addition to deep knowledge of MUFG Group's business. Specifically, it is as follows.

- Independent outside directors shall have a wealth of knowledge and experience in the fields of corporate management, finance, financial accounting and law and the qualities required for oversight of the execution of duties by management from an independent and objective standpoint.
- Executive directors shall have extensive knowledge of MUFG Group's business and the ability to appropriately perform management of MUFG Group.
- In addition, the Board of Directors as a whole has directors who have the experience in "global" fields in view of the MUFG's business development and "IT and digital" and "sustainability" to lead the resolution of social issues such as the digital shift and climate change.

Current Directors		Knowledge , expertise and experience						
		Corporate MGT	Finance	Financial accounting	Law	Global	IT/Digital	Sustain ability
Outside Directors	Mariko Fujii		●			●		
	Keiko Honda		●			●		●
	Kaoru Kato	●					●	●
	Satoko Kuwabara				●	●		●
	Hirofumi Nomoto	●					●	●
	David Sneider				●	●		
	Koichi Tsuji			●		●		
	Tarisa Watanagase		●			●		
Executive Directors	Kenichi Miyanaga	Internal directors shall have extensive knowledge of MUFG Group's business and the ability to appropriately perform management of MUFG Group.				●		
	Ryoichi Shinke					●		
	Kanetsugu Mike					●	●	●
	Hironori Kamezawa					●	●	●
	Iwao Nagashima					●		●
	Junichi Hanzawa							●
	Makoto Kobayashi					●		●

See “5-1. Composition” and “5-2. Election of Directors” of MUFG Corporate Governance Policies (<https://www.mufg.jp/english/profile/governance/policy/>) for policies and procedures for election of directors outlining MUFG’s view on the balance of knowledge, experience and skills, and the diversity and size, of the board of directors as a whole.

[Supplementary Principle 4.11.2]

Information on directors and outside directors who have concurrent posts

See pages 69-70 of Notice of Convocation of the 18th Annual General Meeting of Shareholders

([https://www.mufg.jp/dam/ir/stock/meeting/pdf/convocation2306\\_en.pdf](https://www.mufg.jp/dam/ir/stock/meeting/pdf/convocation2306_en.pdf)) for information on directors and outside directors who have concurrent posts.

[Supplementary Principle 4.11.3]

Evaluation of the Board of Directors

- Every year, MUFG analyzes and evaluates the effectiveness of the Board of Directors, and then reviews and implements measures against any issues discovered. By using a PDCA cycle to review the progress in improvement, MUFG is engaged in the continual enhancement of the abilities of the Board of Directors and the Committees.
- Following the advice of a third-party external consultant, MUFG conducts questionnaires and interviews of all directors on issues relating to the Board of Directors and the committees, including their structures, managements, and contributions made, as well as how they conduct proposals and discussions. And the result is reported and discussed at the Nominating and Governance Committee and meeting of the Board of Directors.
- The summary of the evaluation for the Board of Directors for fiscal year 2022 is as follows:
  - (1) The questionnaires and interviews were conducted in February and March 2023. The fiscal year 2022 evaluation confirmed that the effectiveness of the Board of Directors continues to be ensured as proceedings at the Board of Directors meetings were made more effective and efficient, thereby enhancing the quality of discussions, as a result of working to improve the Board of Directors’ operations and provide further support for the activities of the Directors, which were issues that had been identified in the previous fiscal year. In addition, we have also determined that discussions by the Board of Directors have translated into tangible results from a business perspective, exemplified by the sale of MUB and improvements in ROE, and have had a positive impact on governance.
  - (2) Specific initiatives include the effective utilization of pre-briefing sessions before the Board of Directors meetings for the benefit of outside directors and developing ways to improve proceedings at Board of Directors meetings, further enhancing the potential for discussions by the Board of Directors. Also, we continued to support the activities of Directors through initiatives that include inviting external experts to host study sessions and providing opportunities for Directors to reflect on their own activities through the continuous implementation of self-evaluations for Directors.
  - (3) The Company has identified these efforts as being firmly connected to improving effectiveness, and based on the determination that the existing framework will function as intended in the current fiscal year, will continue to work on operational and systematic improvements in the Board of Directors.
- Based on the above, the Board of Directors continuously aims to enhance the effectiveness of its corporate governance structure, responding to the extended expectations of stakeholders, with the aim of facilitating sustainable growth of the Company and increasing its corporate value over the medium- to long-term.

[Supplementary Principle 4.14.2]

Support for directors

- MUFG has established a board of directors’ secretariat in order to provide directors, including independent outside directors, with sufficient information.
- Agenda items and discussion materials shall, in principle, be provided prior to the meetings of the board of directors to ensure that directors have an opportunity to understand the issues in advance.
- Orientation training that covers MUFG’s business and management environment is provided particularly to independent outside directors at the time of the assumption of office and on a continuous basis thereafter so that they are provided with necessary information, including information on matters other than the agenda items of the meetings of the board of directors.
- Advice from outside professionals is provided at MUFG’s expense in cases where such advice is necessary for directors to perform their duties.

[Principle 5.1]

Policies for dialogue with shareholders

- Through dialogue with shareholders, MUFG seeks their understanding of MUFG's business strategy and so forth and strives to take appropriate actions based on an understanding of shareholders' perspectives.
- Dialogue with shareholders is achieved via appropriate exchange of information and organized cooperation between the divisions, such as Financial Planning Division, Corporate Administration Division, Corporate Planning Division, and Public Relations Office in Corporate Planning Division. As the director responsible for the Financial Planning Division, Group CFO exercises comprehensive oversight over Investor Relations Office, which generally handles investor relations activities, Office of the CFO, which generally handles matters on financial and capital management, and Financial Accounting Office, which generally handles settlement and accounting.
- MUFG carries out the following initiatives in order to encourage constructive dialogue with shareholders:
  - (1) Issuance of an Integrated Report to aid deeper understanding of MUFG's strategy and values
  - (2) Individual interviews to major institutional investors, both domestic and overseas, after the announcement of financial results
  - (3) Provision of additional explanation on specific agenda items to major institutional investors, both domestic and overseas, before general meetings of shareholders
  - (4) Periodic explanatory sessions for individual investors, attended by the Group CFO, etc.
  - (5) Biannual meetings to explain financial results to analysts and institutional investors, conducted by President & CEO and Group CFO
  - (6) Annual Investors Day to explain business strategy to analysts and institutional investors, conducted by respective Head of Business Group
  - (7) Annual small meeting with outside directors
  - (8) A business strategy seminar to explain a topic selected to analysts and institutional investors
- Comments and requests provided by major shareholders and investors in the course of dialogue are reported to the board of directors and to management.
- MUFG seeks to ensure that information is disclosed in a fair and timely manner. From the perspective of ensuring the fairness and soundness of the securities market, MUFG recognizes the importance of managing the security of undisclosed material information that would influence investment decisions and practices strict information security.

[Action to Implement Management that is Conscious of Cost of Capital and Stock Price]

See Financial Highlights under Japanese GAAP for Fiscal Year Ended March 31, 2023 ([https://www.mufg.jp/dam/ir/fs/2022/pdf/highlights2303\\_en.pdf](https://www.mufg.jp/dam/ir/fs/2022/pdf/highlights2303_en.pdf)) and FY2022 IR presentation ([https://www.mufg.jp/dam/ir/presentation/2022/pdf/slides2303\\_en.pdf](https://www.mufg.jp/dam/ir/presentation/2022/pdf/slides2303_en.pdf)) for action to implement management that is conscious of cost of capital and stock price.

## 2. Capital Structure

<b>Percentage of Foreign Shareholders</b>	More than 30%
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[Status of Major Shareholders]

Name/Company Name	Number of Shares Owned (shares)	Percentage (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	1,945,291,400	16.13
Custody Bank of Japan, Ltd. (Trust account)	741,362,200	6.15
SSBTC CLIENT OMNIBUS ACCOUNT	257,748,540	2.13
THE BANK OF NEW YORK MELLON AS DEPOSITARY BANK FOR DR HOLDERS	241,322,875	2.00
STATE STREET BANK WEST CLIENT - TREATY 505234	218,331,191	1.81
The Master Trust Bank of Japan, Ltd. (Meiji Yasuda Life Insurance Company retirement benefit trust account)	175,000,000	1.45
JP MORGAN CHASE BANK 385781	166,053,638	1.37
JPMorgan Securities Japan Co., Ltd.	152,600,825	1.26
Toyota Motor Corporation	149,263,153	1.23
GOVERNMENT OF NORWAY	147,989,424	1.22

<b>Controlling Shareholder (except</b>	—
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for Parent Company)	
Parent Company	—

#### Supplementary Explanation

Sumitomo Mitsui Trust Bank, Limited. submitted a substantial shareholding report to the Director General of the Kanto Finance Bureau dated June 19,2020.

Mizuho Securities Co., Ltd. submitted a substantial shareholding report (change report) to the Director General of the Kanto Finance Bureau dated December 22,2020.

BlackRock Japan Co., Ltd. submitted a substantial shareholding report (change report) to the Director General of the Kanto Finance Bureau dated February 3,2023.

### 3. Corporate Attributes

Listed Stock Markets and Market Sections	Tokyo Stock Exchange/Prime, Nagoya Stock Exchange/Premier
Fiscal-Year End	March
Type of Business	Banks
Number of Employees (consolidated) as of the End of Previous Fiscal Year	More than 1000
Sales (consolidated) as of the End of Previous Fiscal Year	More than ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	From 100 to less than 300

### 4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

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### 5. Other Special Circumstances which may have Material Impact on Corporate Governance

Within subsidiaries of MUFG, ACOM CO., LTD. is listed on the domestic financial instruments exchange. The MUFG Group develops various businesses for achieving its medium- to long-term goal of being “the world’s most trusted financial group” as outlined in “MUFG Way”, and ACOM CO., LTD. contributes to the increase of the corporate value of the MUFG Group as the core company for the consumer finance business of the MUFG Group under the business and capital alliance with MUFG and its subsidiary, MUFG Bank, Ltd.

As a company with an Audit & Supervisory Committee, ACOM CO., LTD. works to ensure the effectiveness of its governance framework aiming to improve the transparency and the objectivity of its management by having an Audit & Supervisory Committee mainly composed of outside directors which conducts audit and supervisory functions. MUFG manages the business of ACOM CO., LTD. respecting its independence. MUFG receives the report from and consults with ACOM CO., LTD. concerning its important corporate matters under the contract relating to the business management.

## II Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management

### 1. Organizational Composition and Operation

Organization Form	Company with Three Committees (Nominating, Audit and Compensation)
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#### [Members of the Board of Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	20 persons
Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	Company Chairperson
Number of Directors	15 persons



[Outside Directors]

<b>Number of Outside Directors</b>	8 persons
<b>Number of Independent Directors</b>	8 persons

Outside Directors' Relationship with the Company (1)

Name	Attribute	Relationship with the Company <sup>(*)</sup>										
		a	b	c	d	e	f	g	h	i	j	k
Mariko Fujii	Scholar											
Keiko Honda	Scholar											
Kaoru Kato	From another company											
Satoko Kuwabara	Lawyer											
Hirofumi Nomoto	From another company											
David Sneider	Lawyer											
Koichi Tsuji	Certified Public Accountant											
Tarisa Watanagase	Other											

\* Categories for "Relationship with the Company"

\*1 when the director presently falls or has recently fallen under the category

\*2 when the director fell under the category in the past

\*3 when a close relative of the director presently falls or has recently fallen under the category

\*4 when a close relative of the director fell under the category in the past

a. Executive of the Company or its subsidiaries

b. Non-executive director or executive of a parent company of the Company

c. Executive of a fellow subsidiary company of the Company

d. A party whose major client or supplier is the Company or an executive thereof

e. Major client or supplier of the Company or an executive thereof

f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a Director/*kansayaku*

g. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)

h. Executive of a client or supplier company of the Company (which does not correspond to any of d, e, or f) (the director himself/herself only)

i. Executive of a company, between which and the Company outside directors/*kansayaku* are mutually appointed (the director himself/herself only)

j. Executive of a company or organization that receives a donation from the Company (the director himself/herself only)

k. Others

Outside Directors' Relationship with the Company (2)

Name	Assigned Committee			Independent Director	Supplementary Explanation of the Relationship	Reasons of Appointment
	Nominating	Compensation	Audit			
Mariko Fujii	*	*		*		After serving at the Ministry of Finance, Ms. Fujii has served in various important positions, including Professor of Research Center for Advanced Science and Technology of the University of Tokyo and Ambassador Extraordinary and Plenipotentiary of Japan and has built expertise and abundant experience in the areas of finance and economy through her career. The Company has appointed her as an outside director since she is expected to contribute to the effective enhancement of the board of directors' decision-making and oversight functions, with the aim of facilitating sustainable growth of the Company and increasing its corporate value over the medium- to

						<p>long-term. She does not infringe the independence criteria put in place by the Tokyo Stock Exchange and satisfies the MUFG Independence Standards for Outside Directors. Based on the above, MUFG determined that she would be an outside director with no conflict of interest with ordinary shareholders, and thus appointed her as an independent director.</p>
Keiko Honda			*	*		<p>After serving at the McKinsey &amp; Company, Inc. Japan, Ms. Honda has served in various important positions, including CEO of the World Bank Group's Multilateral Investment Guarantee Agency (MIGA) and has built expertise and abundant experience in the areas of finance and economy through her career. The Company has appointed her as an outside director since she is expected to contribute to the effective enhancement of the board of directors' decision-making and oversight functions, with the aim of facilitating sustainable growth of the Company and increasing its corporate value over the medium- to long-term.</p> <p>She does not infringe the independence criteria put in place by the Tokyo Stock Exchange and satisfies the MUFG Independence Standards for Outside Directors. Based on the above, MUFG determined that she would be an outside director with no conflict of interest with ordinary shareholders, and thus appointed her as an independent director.</p>
Kaoru Kato	*	*	*	*		<p>Having held various key positions at NTT DOCOMO Inc., including President and Chief Executive Officer and Corporate Advisor, Mr. Kato has affluent experience, knowledge and wisdom as a corporate manager. The Company has appointed him as an outside director since he is expected to contribute to the effective enhancement of the board of directors' decision-making and oversight functions, with the aim of facilitating sustainable growth of the Company and increasing its corporate value over the medium- to long-term. He does not infringe the independence criteria put in place by the Tokyo Stock Exchange and satisfies the MUFG Independence Standards for Outside Directors.</p> <p>Although he served as Senior Advisor of NTT DOCOMO Inc., he resigned from the post in June 2023, and has not been involved in its management. In addition, the Company had business accounting for less than 1% of NTT DOCOMO Inc.'s consolidated net sales and the Company's consolidated gross profit in fiscal year 2022.</p> <p>Based on the above, MUFG determined that he would be an outside director with no conflict of interest with ordinary shareholders, and thus appointed him as an independent director.</p>
Satoko Kuwabara	*	*		*		<p>Ms. Kuwabara has extensive experience as an attorney and professional insight on general legal affairs. The Company has appointed her as an outside director since she is expected to contribute to the effective enhancement of the board of directors' decision-making and oversight functions, with the aim of facilitating sustainable growth of the Company and increasing its corporate value over the medium- to long-term. She does not infringe the independence criteria put in place by the Tokyo Stock Exchange and satisfies the MUFG Independence Standards for Outside Directors.</p> <p>She currently serves as Partner of Gaien Partners, with which the Company has no consulting agreements or other transaction. In addition, although she had been Partner of Mori Hamada &amp; Matsumoto in the past, she resigned from the firm in April 2020, and has not been involved in its management. Also, the business between Mori Hamada &amp; Matsumoto and the Company accounts for less than 1% of the Mori Hamada &amp; Matsumoto's net sales in fiscal year 2022. In light of this, among other reasons, such relationship would not affect her independence from the Company. Based on the above, MUFG determined that she would be an outside director with no conflict of interest with ordinary shareholders, and thus appointed her as an independent director.</p>

Hirofumi Nomoto	*	*		*	<p>Having held various key positions at Tokyu Corporation, including President &amp; Representative Director and currently assuming the role of Chairman &amp; Representative Director, Mr. Nomoto has affluent experience, knowledge and wisdom as a corporate manager. The Company has appointed him as an outside director since he is expected to contribute to the effective enhancement of the board of directors' decision-making and oversight functions, with the aim of facilitating sustainable growth of the Company and increasing its corporate value over the medium- to long-term. He does not infringe the independence criteria put in place by the Tokyo Stock Exchange and satisfies the MUFG Independence Standards for Outside Directors. He currently serves as Chairman &amp; Representative Director of Tokyu Corporation, with which the Company had business accounting for less than 1% of the Tokyu Corporation's consolidated net sales and the Company's consolidated gross profit in fiscal year 2022. Based on the above, MUFG determined that he would be an outside director with no conflict of interest with ordinary shareholders, and thus appointed him as an independent director.</p>
David Sneider				*	<p>Mr. Sneider has extensive experience as an attorney and professional insight on the fields of corporate legal affairs and successful mergers, acquisitions divestiture and takeover transactions. The Company has appointed him as an outside director since he is expected to contribute extensive global outlook to the effective enhancement of the board of directors' decision-making and oversight functions, with the aim of facilitating sustainable growth of the Company and increasing its corporate value over the medium- to long-term. He does not infringe the independence criteria put in place by the Tokyo Stock Exchange and satisfies the MUFG Independence Standards for Outside Directors. Although he served as a Partner Simpson Thacher &amp; Bartlett LLP, he left the Firm in 2021, and has not been involved in its management after resignation. In light of this and other reasons, such relationship would not affect his independence from the Company. Based on the above, MUFG determined that he would be an outside director with no conflict of interest with ordinary shareholders, and thus appointed him as an independent director.</p>
Koichi Tsuji			*	*	<p>Mr. Tsuji has affluent experience as a certified public accountant and professional insight in accounting and auditing. The Company has appointed him as an outside director since he is expected to contribute to the effective enhancement of the board of directors' decision-making and oversight functions, with the aim of facilitating sustainable growth of the Company and increasing its corporate value over the medium- to long-term. He does not infringe the independence criteria put in place by the Tokyo Stock Exchange and satisfies the MUFG Independence Standards for Outside Directors. Although he had been Chairman &amp; CEO of Ernst &amp; Young ShinNihon LLC in the past, he resigned from the post in June 2019. Following his resignation from Ernst &amp; Young ShinNihon LLC, he served as Chairman &amp; CEO of EY Japan Godo Kaisha, but he resigned from the post in June 2021 and has not been involved in its management. In light of this, among other reasons, such relationship would not affect his independence from the Company. Based on the above, MUFG determined that he would be an outside director with no conflict of interest with ordinary shareholders, and thus appointed him as an independent director.</p>
Tarisa Watanagase				*	<p>Ms. Watanagase has extensive experience as the former Governor of the Bank of Thailand, the central bank of the country, and professional insight on finance and economics. The Company has appointed her as an outside director since she is expected to contribute extensive global outlook to the effective enhancement of the board of directors' decision-making and oversight functions, with the aim of facilitating sustainable growth of the Company and</p>

						<p>increasing its corporate value over the medium- to long-term. Although she has not been directly involved in the management of a corporation, except as outside director or outside corporate auditor, the Company believes that she is well qualified to act as an outside director because of the reason stated above.</p> <p>She does not infringe the independence criteria put in place by the Tokyo Stock Exchange and satisfies the MUFG Independence Standards for Outside Directors.</p> <p>Based on the above, MUFG determined that she would be an outside director with no conflict of interest with ordinary shareholders, and thus appointed her as an independent director.</p>
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#### [Committees]

##### Committee's Composition and Attributes of Chairperson

	All Committee Members	Full-Time Members	Inside Directors	Outside Directors	Chairperson
<b>Nominating Committee</b>	5	0	1	4	Outside Director
<b>Compensation Committee</b>	5	0	1	4	Outside Director
<b>Audit Committee</b>	5	2	2	3	Outside Director

#### [Corporate Executives (Shikkoyaku)]

<b>Number of Corporate Executives (Shikkoyaku)</b>	17 persons
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##### Status of Additional Duties

Name	Representative Authority	Additional Duties as Director			Additional Duties as Employee
			Nominating Committee Member	Compensation Committee Member	
Kanetsugu Mike	No	Yes	No	No	No
Hironori Kamezawa	Yes	Yes	Yes	Yes	No
Yoshitaka Shiba	No	No	No	No	Yes
Tetsuya Yonehana	Yes	No	No	No	No
Takayuki Yasuda	No	No	No	No	No
Yasushi Itagaki	No	No	No	No	No
Seiichiro Akita	Yes	No	No	No	No
Hiroshi Mori	No	No	No	No	No
Yutaka Miyashita	Yes	No	No	No	No
Keitaro Tsukiyama	No	No	No	No	No
Fumitaka Nakahama	No	No	No	No	No
Toshiki Ochi	No	No	No	No	No
Hiroyuki Seki	No	No	No	No	No
Hideaki Takase	Yes	No	No	No	No
Shuichi Yokoyama	No	No	No	No	No
Kenji Horikawa	No	No	No	No	No
Tadashi Yamamoto	No	No	No	No	No

**[Auditing Structure]**

<b>Appointment of Directors and/or Staff to Support the Audit Committee</b>	Appointed
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Matters related to the Independence of Such Directors and/or Staff from Corporate Executives (Shikkoyaku)

The Audit Committee Office was established to assist the Audit Committee in performing its duties and is under the control of the Audit Committee.

Matters including the assigning of employees to provide assistance to the Audit Committee in performing its duties and the independence of those employees are considered in a manner that respects the intention of the Audit Committee.

Cooperation among Audit Committee, Accounting Auditors, and Internal Audit Departments

The internal audit divisions at the Company and directly owned subsidiaries of the Company shall, as required, build a collaborative relationship with the Audit Committee (Audit & Supervisory Committee or Corporate Auditor at directly owned subsidiaries of the Company) and Independent Auditors and work towards efficient implementation of internal audit.

The internal audit divisions at the Company and directly owned subsidiaries of the Company shall support the oversight function of the board of directors by collaborating and working together under the guidance of the internal audit division at the Company.

The Company has been holding sessions for exchanging views between the internal audit divisions and the Audit Committee, between the internal audit divisions and the Independent Auditor when required, sharing information related to audit measures and audit results.

Also, the relationship between Internal Audit, Audit Committee audits and accounting audits, and departments with internal control functions is such that the Internal Audit Division, Audit Committee and accounting auditors conduct audits from a standpoint that is independent of the departments with internal control functions. However, departments with internal control functions cooperate during these audits so that they can be conducted efficiently and appropriately.

**[Independent Directors]**

<b>Number of Independent Directors</b>	8 persons
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Matters Relating to Independent Directors

MUFG has designated all outside directors who fulfil independent director requirements as Independent Directors. The “Independence Standards for Outside Directors” as stipulated by MUFG are described below.

**MUFG Independence Standards for Outside Directors**

1. (1) The person does not serve as a Director, Corporate Executive, Executive Officer, Manager or other employee (hereinafter “Executive”) of the Company or its subsidiaries, and has not served as an Executive of the Company or its subsidiaries in the 10 years prior to his or her appointment.  
 (2) If the person at some time during the 10 years prior to his or her appointment had served as a Director, Accounting Advisor or Corporate Auditor (excluding a person who served as an Executive) of the Company or its subsidiaries, he or she had not served as an Executive in the 10 years prior to his or her appointment as such Director, Accounting Advisor or Corporate Auditor.
2. (1) The person is not a person or an Executive thereof who deals with the Company or its major subsidiaries <sup>(1)</sup> as a major business partner <sup>(2)</sup> and has not been an Executive thereof in the last 3 years.  
 (2) The person is not a major business partner or an Executive thereof of the Company or its major subsidiaries, and has not been an Executive thereof in the last 3 years.
3. If the person is a consultant, accounting expert or legal expert, he or she has not received more than an average of 10 million yen per year in monetary or other assets from the Company excluding executive compensation, in the last 3 years, and is not an employee or other member of an accounting and law firms which deals with the Company as a major business partner <sup>(3)</sup>.
4. The person is not a spouse or a relative within the second degree of kinship of a Director, Executive Officer, Corporate Officer of the Company or its subsidiaries or a person whose independence from the Company has not been deemed to be assured by reason of Requirements 2 and 3 above.
5. The person is not a current major shareholder <sup>(4)</sup> of the Company or an Executive thereof.
6. The person is not an audit corporation or an employee or other member of such audit corporation of the Company or its subsidiaries, and has not engaged in the audit operations of the Company or its subsidiaries as such employee in the last 3 years.

Note:

- <sup>(1)</sup> Major subsidiaries: MUFG Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Mitsubishi UFJ Securities Holding Co., Ltd.
- <sup>(2)</sup> Major business partner: Based on the criterion of 2% or more of annual consolidated net sales (annual consolidated gross profits in the case of the Company).
- <sup>(3)</sup> Major business partner: Based on the criterion of 2% or more of annual net sales.
- <sup>(4)</sup> Major shareholder: Shareholder holding 10% or more of total voting rights

**[Incentives]**

<b>Incentive Policies for Director and/or Corporate Executives (Shikkoyaku)</b>	performance-based stock compensation plan
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Supplementary Explanation

A performance-based stock compensation plan using a trust structure was implemented in fiscal year 2016 as a new incentive plan in place of the previous stock compensation type stock option plan. In addition, cash bonuses are linked to individual performance.

<b>Recipients of Stock Options</b>	
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Supplementary Explanation

**[Remuneration for Directors and Corporate Executives]**

<b>Disclosure of Individual Directors' Compensation</b>	Partial disclosure
<b>Disclosure of Individual Corporate Executive s' (Shikkoyaku) Compensation</b>	Partial disclosure

Supplementary Explanation related to these Matters

1. Total amount of compensation etc. for Officers, total amount of compensation etc. by class, and number of applicable persons (units: million yen, persons)

(1) Total Compensation for Directors (excluding Outside Directors): 721; Applicable persons: 6  
 (Details) Annual Base Salary, etc. (Cash/Non-Adjustable): 337  
 Cash Bonuses (Adjustable): 217  
 Performance-based Stock Compensation (Non-Adjustable): 58  
 Performance-based Stock Compensation (Adjustable): 107

(2) Total Compensation for Corporate Executives: 1,967; Applicable persons: 18  
 (Details) Annual Base Salary, etc. (Cash/Non-Adjustable): 1,045  
 Cash Bonuses (Adjustable): 415  
 Performance-based Stock Compensation (Non-Adjustable): 318  
 Performance-based Stock Compensation (Adjustable): 188

(3) Total Compensation for Outside Directors: 244; Applicable persons: 9  
 (Details) Annual Base Salary, etc. (Cash/Non-Adjustable): 244  
 Cash Bonuses (Adjustable): -  
 Performance-based Stock Compensation (Non-Adjustable): -  
 Performance-based Stock Compensation (Adjustable): -

Note:

1. The total payments made for director and corporate executives from MUFG and subsidiaries is shown.

2. See "1.-(2) Total Compensation for corporate executives" for the total payments made for corporate executives also serving as directors.

3. On July 1, 2016, MUFG introduced a performance-based stock compensation plan using a trust structure called Board Incentive Plan as Non-cash compensation. Total compensation in the table above includes expenses associated with the right to receive shares granted under the plan and the amounts of compensation provided during the fiscal year 2022.

2. Total amount of consolidated compensation, etc., by Officers (units: million yen)

(1) Kanetsugu Mike (Corporate Executive) Total Consolidated Compensation: 162  
 (Details) Company Classification: MUFG  
 Annual Base Salary, etc. (Cash/Non-Adjustable): 51  
 Cash Bonuses (Adjustable): 66  
 Performance-based Stock Compensation (Non-Adjustable): 20  
 Performance-based Stock Compensation (Adjustable): 23

(2) Hironori Kamezawa (Corporate Executive) Total Consolidated Compensation: 257  
 (Details) Company Classification: MUFG  
 Annual Base Salary, etc. (Cash/Non-Adjustable): 70  
 Cash Bonuses (Adjustable): 98  
 Performance-based Stock Compensation (Non-Adjustable): 23  
 Performance-based Stock Compensation (Adjustable): 39

(Details) Company Classification: MUFG Bank, Ltd.  
 Annual Base Salary, etc. (Cash/Non-Adjustable): 18  
 Cash Bonuses (Adjustable): -  
 Performance-based Stock Compensation (Non-Adjustable): 6  
 Performance-based Stock Compensation (Adjustable): -

(3) Iwao Nagashima (Director) Total Consolidated Compensation: 194  
 (Details) Company Classification: MUFG  
 Annual Base Salary, etc. (Cash/Non-Adjustable): 34  
 Cash Bonuses (Adjustable): 36  
 Performance-based Stock Compensation (Non-Adjustable): 8  
 Performance-based Stock Compensation (Adjustable): 17

(Details) Company Classification: Mitsubishi UFJ Trust and Banking Corporation

- Annual Base Salary, etc. (Cash/Non-Adjustable): 34  
Cash Bonuses (Adjustable): 30  
Performance-based Stock Compensation (Non-Adjustable): 14  
Performance-based Stock Compensation (Adjustable): 17
- (4) Junichi Hanzawa (Director) Total Consolidated Compensation: 250  
(Details) Company Classification: MUFG  
Annual Base Salary, etc. (Cash/Non-Adjustable): 41  
Cash Bonuses (Adjustable): 49  
Performance-based Stock Compensation (Non-Adjustable): 10  
Performance-based Stock Compensation (Adjustable): 19  
(Details) Company Classification: MUFG Bank, Ltd.  
Annual Base Salary, etc. (Cash/Non-Adjustable): 46  
Cash Bonuses (Adjustable): 49  
Performance-based Stock Compensation (Non-Adjustable): 13  
Performance-based Stock Compensation (Adjustable): 19
- (5) Makoto Kobayashi (Director) Total Consolidated Compensation: 113  
(Details) Company Classification: MUFG  
Annual Base Salary, etc. (Cash/Non-Adjustable): 18  
Cash Bonuses (Adjustable): 24  
Performance-based Stock Compensation (Non-Adjustable): 3  
Performance-based Stock Compensation (Adjustable): 10  
(Details) Company Classification: Mitsubishi UFJ Securities Holdings Co., Ltd.  
Annual Base Salary, etc. (Cash/Non-Adjustable): 9  
Cash Bonuses (Adjustable): 12  
Performance-based Stock Compensation (Non-Adjustable): 1  
Performance-based Stock Compensation (Adjustable): 5  
(Details) Company Classification: Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.  
Annual Base Salary, etc. (Cash/Non-Adjustable): 9  
Cash Bonuses (Adjustable): 12  
Performance-based Stock Compensation (Non-Adjustable): 1  
Performance-based Stock Compensation (Adjustable): 5
- (6) Yoshitaka Shiba (Corporate Executive) Total Consolidated Compensation: 100  
(Details) Company Classification: MUFG  
Annual Base Salary, etc. (Cash/Non-Adjustable): 60  
Cash Bonuses (Adjustable): 16  
Performance-based Stock Compensation (Non-Adjustable): 13  
Performance-based Stock Compensation (Adjustable): 9
- (7) Naomi Hayashi (Corporate Executive) Total Consolidated Compensation: 141  
(Details) Company Classification: MUFG  
Annual Base Salary, etc. (Cash/Non-Adjustable): 44  
Cash Bonuses (Adjustable): 19  
Performance-based Stock Compensation (Non-Adjustable): 10  
Performance-based Stock Compensation (Adjustable): 7  
(Details) Company Classification: MUFG Bank, Ltd.  
Annual Base Salary, etc. (Cash/Non-Adjustable): 25  
Cash Bonuses (Adjustable): 12  
Performance-based Stock Compensation (Non-Adjustable): 16  
Performance-based Stock Compensation (Adjustable): 4
- (8) Atsushi Miyata (Corporate Executive) Total Consolidated Compensation: 141  
(Details) Company Classification: MUFG  
Annual Base Salary, etc. (Cash/Non-Adjustable): 44  
Cash Bonuses (Adjustable): 19  
Performance-based Stock Compensation (Non-Adjustable): 10  
Performance-based Stock Compensation (Adjustable): 7  
(Details) Company Classification: MUFG Bank, Ltd.  
Annual Base Salary, etc. (Cash/Non-Adjustable): 25  
Cash Bonuses (Adjustable): 12  
Performance-based Stock Compensation (Non-Adjustable): 16  
Performance-based Stock Compensation (Adjustable): 4
- (9) Teruyuki Sasaki (Corporate Executive) Total Consolidated Compensation: 116  
(Details) Company Classification: MUFG  
Annual Base Salary, etc. (Cash/Non-Adjustable): 38  
Cash Bonuses (Adjustable): 10  
Performance-based Stock Compensation (Non-Adjustable): 7  
Performance-based Stock Compensation (Adjustable): 5  
(Details) Company Classification: MUFG Bank, Ltd.  
Annual Base Salary, etc. (Cash/Non-Adjustable): 21  
Cash Bonuses (Adjustable): 6  
Performance-based Stock Compensation (Non-Adjustable): 23  
Performance-based Stock Compensation (Adjustable): 3

Note:

1. Only those who serve as Members of the Board Directors and Corporate Executives with consolidated compensation of 100 million yen or more are shown.

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Disclosure Policy Determining Remuneration Amounts and Calculation Methods

### 1. Context of the Policy

The Company's Compensation Committee has prescribed this policy on decisions on the contents of compensation for individual directors, corporate executive officers and executive officers ("Officers, etc.") (the "Policy") in accordance with the provisions of the Companies Act with regard to a company with three committees, etc. The contents of the Policy are as below. In addition, major subsidiaries of the Company have each prescribed a similar policy based on the Policy of the Company.

### 2. Philosophy and Objective

The MUFG Group has redefined its purpose as "Committed to empowering a brighter future" and has set the goal at the end of this three-year period of leveraging its financial and digital capabilities to be the "leading business partner that pioneers the future," as well as upholding the medium- to long-term goal of "being the world's most trusted financial group." Furthermore, with the conviction that environmental and social sustainability are essential to achieving sustainable growth for MUFG, the Group will engage in the further enhancement of value creation employing an integrated approach in which the execution of management strategies goes in tandem with the pursuit of solutions of social issues.

In an effort to realize such a management policy, we have decided on this Policy on compensation for officers in order to strengthen our business resilience and competitiveness, prevent excessive risk-taking and raise motivation of Officers, etc., to contribute not only to the short-term but also to the medium- to long-term improvement of financial results, thereby enabling sustainable growth and the medium- to long-term enhancement of the enterprise value of the MUFG Group, as well as the further enhancement of sustainability management, while also promoting efforts for "challenges for reform." In addition, this Policy has been prescribed in accordance with economic and social conditions, the business performance and financial soundness of the Company and the MUFG Group and applicable Japanese and overseas regulations regarding compensation of officers and is designed to ensure high objectivity and transparency in the determination process of compensation for officers.

### 3. Compensation Level

We determine the level of compensation for officers that is competitive and appropriate for the Company and its subsidiaries taking into consideration the economic and social context, business trend, business environment and financial results of MUFG Group, and human resources markets in the country where the Officers, etc. are appointed and other important factors and also in reference to objective research data provided by external experts.

Compensation for officers by position (excluding outside directors and directors who are audit members) is determined in accordance with the following rules: The President & CEO receives the highest compensation and the amount of compensation decreases gradually from there based on position in the order of the chairman, deputy chairman, deputy president, senior managing corporate executive, managing corporate executive, and non-senior officers, separately by type of compensation. Various allowances, such as "director/corporate executive officer allowance" and "committee member (chairperson) allowance," are also added as applicable in accordance with the roles, duties, etc., of each officer.

### 4. Decision-Making Organizations and Authorities, etc.

The Company, as a company with three committees, etc., has established a Compensation Committee. The Compensation Committee comprises two or more independent outside directors (\*1) and a director who is the president & group CEO (a majority of committee members are independent outside directors) and is chaired by an independent outside director appointed by the Board of Directors.

(\*1) In this Policy, including directors who are not in a concurrent position as executive officer and are highly independent from the execution of the Company's business

The following matters are determined by the Committee in relation to compensation of Officers, etc. A resolution of the Committee is passed by a majority of the votes of the committee members present at the meeting, provided that a majority of the voting committee members are present:

- ① The Policy
- ② Contents of the establishment, revision and abolition of the compensation system for the Company's Officers, etc.
- ③ Contents of compensation for individual directors and corporate executive officers in accordance with the Policy (when they concurrently serve as an officer and an employee of a subsidiary of the Company, a determination must be made on the total amount including the compensation determined by the subsidiary; however, the bonus is the standard amount).

Furthermore, the Compensation Committee deliberates and makes proposals to the Board of Directors on the following matters:

- ① Contents of the establishment, revision and abolition of the system regarding compensation for Officers, etc., of the Company's subsidiaries (\*2)
- ② Compensation of the chairman, deputy chairman, president & CEO of the Company's subsidiaries
- ③ Compensation for locally hired Officers, etc. of the Company and its subsidiaries and overseas subsidiaries (excluding directors and corporate executive officers of the Company)

(\*2) MUFG Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Mitsubishi UFJ Securities Holdings Co., Ltd., and Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. (the same shall apply hereinafter)

We deliberate and implement measures to remedy issues that have been identified based on the evaluation of the Compensation Committee in the analysis and evaluation of board effectiveness conducted each year by utilizing third-party, outside consultants.

### 5. Composition, System and Contents of Compensation, etc.

#### (1) Composition and System

In principle, compensation for the Company's Officers, etc. is comprised of three types: "annual base salary (fixed)", "performance-based stock compensation" (based on share price and medium/long-term business performance) and "cash bonuses" (based on short-term business performance). Compensation is paid individually by type. The proportion of each compensation type is properly specified based on the philosophy and objective above as well as the contents of the duties of Officers, etc.

As for the proportion of each compensation type in the President & CEO's compensation, the three compensation types are balanced with each other at the following ratio: "annual base salary: performance-based stock compensation: cash bonuses = 1: 1: 1". (Case in which the standard amount is paid with respect to performance-based stock compensation and cash bonuses)

The composition of compensation for officers by position is determined in accordance with the following rules: The President & CEO's compensation has the highest percentage of performance-based portion (meaning performance-based stock compensation + cash bonuses in this context) (approximately 67%) and the percentage decreases gradually from there based on position in the order of the chairman and



deputy chairman (approximately 60%), deputy president (approximately 50%), senior managing corporate executive, managing corporate executive, and non-senior officers.

As outside directors and directors who are audit members are responsible for performing the management supervision and monitoring functions, they are not eligible to receive performance-based stock compensation and cash bonuses in consideration of the contents of the duties of such officers.

## (2) Contents of Each Type of Compensation, etc.

### ① Annual Base Salary

In principle, "annual base salary" is determined by the position, roles/duties and place of residence of individual Officers, etc. and other related factors. It is paid monthly in cash.

Various allowances, such as "director/corporate executive officer allowance" "committee member (chairperson) allowance," "housing allowance" and "overseas assignment allowance" are also added as applicable based on the amount of compensation by position of each Officer.

### ② Performance-based Stock Compensation

"Performance-based stock compensation" was implemented in fiscal year 2016 as a new medium- to long-term incentive plan common within the Group. We aim to further raise the motivation of Officers, etc., to contribute to the medium- to long-term improvement of the financial results of the MUFG Group and share a common interest with our shareholders, etc.

In the performance-based stock compensation plan, the Company's shares are issued to Officers, etc. using the trust structure shown below:

#### (a) Performance-Based Portion

The Company's shares (\*3) corresponding to the "base amount determined depending on the position × performance factor (within the range of 0 to 150%) based on the degree of attainment of performance targets of the medium-term business plan" are issued, in principle, upon the termination of the medium-term business plan every three years.

(\*3) Calculated based on the average acquisition cost of the Company's shares through the trusts.

Indicators and method of evaluating the degree of attainment of performance targets are as follows, based on the medium-term business plan, etc.

##### (i) Portion of evaluation based on the comparison with competitors (evaluation weight: 50%)

Comparison of the rate of increase in the following indicators from the previous fiscal year with that of competitors

- Consolidated net business profits (evaluation weight: 25%)

- Profits attributable to owners of parent (evaluation weight: 25%)

The growth rates of "consolidated net business profits" and "profits attributable to owners of parent," which are indicators of profitability of main business and final results of operation, respectively, are compared with those of our major competitors (Mizuho Financial Group, Inc. and Sumitomo Mitsui Financial Group, Inc.). In this manner, management's contribution in a single fiscal year excluding factors attributable to external environment such as market conditions is evaluated as a milestone for the year. The upper limit of the performance factor is 150%. If it is below our competitors by more than a certain margin, share issuance points will not be granted.

##### (ii) Portion of based on the degree of achievement of the Mid-term Business Plan (evaluation weight: 50%)

Rate of attainment of targets of the following indicators in the medium-term business plan

- Consolidated ROE (based on MUFG's standard) (evaluation weight: 30%)

- Consolidated expense reduction amount (excluding performance-linked expenses) (evaluation weight: 15%)

- ESG assessment organization's evaluation (evaluation weight: 5%)

The degree of attainment of both indicators i.e., consolidated ROE and Consolidated expense reduction amount, is compared on an absolute basis with the levels set forth in the medium-term business plan to drive improvements in profitability, capital efficiency, and revenue structure, which are among the most important management challenges of the MUFG Group.

Additionally, to support the further enhancement of sustainability management and to assess the extensive initiatives toward ESG of MUFG from an objective standpoint, absolute evaluation is carried out on the degree of improvement of third-party assessments by the five major ESG assessment agencies (\*4).

(\*4) The five agencies: CDP, FTSE, MSCI, S&P DJI, and Sustainalytics

The upper limit of the performance factor is 150%. If it is below targets by more than a certain margin, share issuance points will not be granted.

#### (b) Non-Performance-Based Portion

The Company's shares corresponding to the "base amount determined depending on position" are issued, in principle, at the time of the retirement of Officers, etc.

#### (c) Malus and Clawback Policy

In regards to performance-based stock compensation, share issuance points that have already been granted may be forfeited or repayment of the amount equivalent to shares that have already been issued, etc. may be demanded, in the event that a serious violation has been committed regarding the delegation agreement, etc. between the Bank and Officers, etc. in relation to the duties of Officers, etc., a person resigns during his or her term of office due to personal circumstances against the wishes of MUFG, and situations such as when modifications to the financial statements after-the-fact due to significant accounting error or fraud are resolved by the Board of Directors.

#### (d) Shareholding Policy

In principle, the Company's shares acquired by an officer while holding office, regardless of the number of shares acquired, must be retained in whole by him/her until he/she leaves office.

### ③ Cash bonuses

"Cash bonuses" are provided with the aim to raise the motivation of Officers, etc., to contribute to the improvement of financial results for each fiscal year. As short-term performance-based compensation, the amount is determined based on the financial results of the MUFG Group and the status of the execution of the duties of the Officers, etc., for the previous fiscal period, using the "Overall Evaluation Sheet," etc. (within the range of 0 to 150% from the base amount by position). In principle, cash bonuses are paid annually in cash immediately after the performance evaluation has been completed.

The weight given to each item of evaluation of the President & CEO, chairman, and deputy chairman ("President & CEO, etc.") is 60% for quantitative evaluation and 40% for qualitative evaluation. The indicators of quantitative evaluation and the evaluation method are as below

- Consolidated net operating profits (evaluation weight: 20%)
- Profits attributable to owners of parent (evaluation weight: 10%)
- Consolidated ROE (evaluation weight: 20%)
- Consolidated expense (evaluation weight: 10%)

In order to drive improvements in profitability, capital efficiency, and revenue structure, which are among the most important management challenges of the MUFG Group, the Company evaluates the above four indicators for one-year business performance, by using the “increase/decrease ratio from the previous year” and “achievement ratio against the target” (the ratio of the year-on-year comparison and the comparison with the target being 1:1).

An overall qualitative evaluation of the President & CEO, etc. is given on an eight-point scale after the separate evaluation of KPIs (Key Performance Indicators) regarding five or so evaluation areas, which may include, for example, “profitability improvements in customer departments,” “promotion of structural reform/enhancement of business foundation”, “responses to various risks” and “strengthening efforts to ESG/the enhancement of sustainability management”. The bonus evaluations of executive officers will also incorporate ESG elements, depending on the business strategies and other factors of the operations for which they are responsible.

An overall evaluation of all corporate executive officers including the President & CEO, etc. and the President & CEO, etc. of major subsidiaries, which combines quantitative evaluation and qualitative evaluation, is given on a nine-point scale (for securities subsidiaries, a score evaluation is given).

All evaluation prescribed above is determined and deliberated exclusively by independent outside directors at the Compensation Committee.

### (3) Other

Notwithstanding the foregoing, compensation for Officers, etc., who are hired locally outside Japan is individually designed in order to prevent excessive risk taking, taking into account compensation regulations, compensation practice, the local market rate and other related factors in the relevant overseas region, as well as the job contents and characteristics of the duties of such Officers, etc.

#### [Supporting system for Outside Directors]

- Management is obligated to provide sufficient information to Directors that relates to Directors’ execution of duties. Management shall in principle distribute the board of directors meeting agenda and materials for deliberation prior to meetings to ensure that directors have the opportunity to understand the content in advance. Management shall conduct training and the like on an ongoing basis, including training about the business activities and management environment of MUFG, particularly for independent outside directors, including at their time of appointment, in order to provide necessary information in addition to the board of directors’ meeting agenda.
- The Corporate Administration Division will also provide the required support to outside directors including delivery of materials prior to the board of directors meetings, etc., advance explanations, and provision of various information.

#### [Status of retired CEOs, Presidents, etc.]

Names and other details of Senior Advisors who are former CEOs, Presidents, etc.

Name	Title	Work performed	Conditions (Full-time/Part-time, Compensation)	Date of retirement as CEO, etc.	Term of Office
Takamune Okihara	Senior Advisor, MUFG Bank	Activities contributing to the financial world, society, etc. (No involvement in management)	Part time, with compensation	2014/06/27	1 year
Takashi Oyamada	Senior Advisor, MUFG Bank	Activities contributing to the financial world, society, etc. (No involvement in management)	Part time, with compensation	2017/06/14	1 year
Nobuyuki Hirano	Senior Advisor, MUFG Bank	Activities contributing to the financial world, society, etc. (No involvement in management)	Part time, with compensation	2021/04/01	1 year
Kiyoshi Sono	Senior Advisor, MUFG Bank	Activities contributing to the financial world, society, etc. (No involvement in management)	Part time, with compensation	2021/04/01	1 year
Toyoo Gyohten	Honorary Advisor, MUFG Bank	Activities contributing to the financial world, society, etc. (No involvement in management)	Part time, no compensation	1996/03/31	1 year
Ryosuke Tamakoshi	Honorary Advisor, MUFG Bank	Activities contributing to the financial world, society, etc. (No involvement in management)	Part time, no compensation	2010/06/29	1 year
Nobuo Kuroyanagi	Honorary Advisor, MUFG Bank	Activities contributing to the financial world, society, etc. (No involvement in management)	Part time, no compensation	2012/04/01	1 year
Shintaro Yasuda	Senior Advisor, Mitsubishi UFJ Trust and Banking	Activities contributing to the financial world, society, etc. (No involvement in management)	Part time, with compensation	2010/06/28	1 year
Haruya Uehara	Senior Advisor, Mitsubishi UFJ Trust and Banking	Activities contributing to the financial world, society, etc. (No involvement in management)	Part time, with compensation	2012/04/01	1 year
Tatsuo Wakabayashi	Senior Advisor, Mitsubishi UFJ Trust and Banking	Activities contributing to the financial world, society, etc. (No involvement in management)	Part time, with compensation	2020/4/1	1 year

Toshiro Toyozumi	Senior Advisor, Mitsubishi UFJ Securities Holdings	Activities contributing to the financial world, society, etc. (No involvement in management)	Part time, with compensation	2018/04/01	1 year
Takashi Nagaoka	Senior Advisor, Mitsubishi UFJ Securities Holdings	Activities contributing to the financial world, society, etc. (No involvement in management)	Part time, with compensation	2022/04/01	1 year

Total number of Senior Advisors who are former Representative Directors, CEOs, etc.	12 persons
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Other items

- Following deliberations by MUFG's Nominating and Governance Committee (which has a majority of outside directors), MUFG Bank, Mitsubishi UFJ Trust and Banking, and Mitsubishi UFJ Securities Holdings ('the three companies') had revised their systems related to senior advisors, and a new Senior Advisors System was implemented in July, 2018. (Note: MUFG has no such system)
- Former Chairmen, Deputy Chairmen, and Presidents of the three companies may engage in external activities in addition to their activities in contributing to the financial world and society as a senior advisor.
- The maximum length of term of office as a senior advisor is in principle a maximum of six years, and contracts will be renewed every year as necessary in accordance with the status of activities, and reported to the Nominating and Governance Committee. However, certain transitional measures will be taken for senior advisors, etc. appointed before the implementation of the new system.
- An advisory contract as an honorary advisor (no compensation) may be entered into if, upon retirement as a senior advisor, it is necessary to continue such external activities. For term of office, contract renewal is annual, as necessary, based on activity status reported to the Nominating and Governance Committee. In addition, even in cases where advisory contracts are not signed by the three companies due to a small number of activities being maintained, the title of Honorary Advisor may be used.
- Senior advisors and honorary advisors will not be involved in management decision making, and regular reporting to senior advisors and honorary advisors by the management team will not be carried out.
- When senior advisors carry out important external activities for the Group, an annual maximum of 20 million yen may be payed as compensation for carrying out the duties. No compensation will be paid for honorary advisors. In addition, secretaries, company cars, and offices (outside head office) may be used as necessary.

## 2. Matters on Functions of Business Execution, Auditing, Oversight, Nominating and Compensation Decisions (Overview of Current Corporate Governance System)

1. Below is an overview of the main management structures.

### (1) Board of Directors and Directors

- The Board of Directors decides key management policies and is responsible for management oversight. Decisions on matters of business execution other than specific matters stipulated by laws and regulations shall in principle be delegated to Corporate Executives; provided, however, those decisions on particularly important matters of business execution shall be made by the board of directors.
- The Board of Directors as a whole has an appropriately balanced composition that provides a deep understanding of MUFG Group's business and a wealth of knowledge and expertise on finance, financial accounting, risk management and compliance and so forth, and consists of 15 members (11 men and 4 women). In particular, outside directors accounting for the majority of the Board of Director membership attach importance to diversity, including foreign national and gender (2 foreign nationals and 4 women out of 8 outside directors).
- The members of the Board of Directors and the frequency and the attendance of the Board of Directors meetings are as follows:

[Board of Directors and Directors / 10 meetings in FY2022]

Mariko Fujii (Member of the Board of Directors/ outside director): 10/10 (100%)  
Keiko Honda (Member of the Board of Directors/ outside director): 10/10 (100%)  
Kaoru Kato(Member of the Board of Directors/ outside director): 9/10 (90%)  
Satoko Kuwabara (Member of the Board of Directors/ outside director): 10/10 (100%)  
Hirofumi Nomoto (Member of the Board of Directors/ outside director): 10/10 (100%)  
David Sneider (Member of the Board of Directors/ outside director) : (New member)  
Koichi Tsuji (Member of the Board of Directors/ outside director): 10/10 (100%)  
Tarisá Watanagase (Member of the Board of Directors/ outside director): 10/10 (100%)  
Kenichi Miyanaga(Member of the Board of Directors/ non-executive) : 10/10 (100%)  
Ryoichi Shinke (Member of the Board of Directors/ non-executive) : (New member)  
Kanetsugu Mike (Member of the Board of Directors, Chairman): 10/10 (100%)  
Hironori Kamezawa (Member of the Board of Directors, President & Group CEO) : 10/10 (100%)  
Iwao Nagashima(Member of the Board of Directors) : 10/10 (100%)  
Junichi Hanzawa(Member of the Board of Directors) : 10/10 (100%)  
Makoto Kobayashi(Member of the Board of Directors) : 9/9 (100%)

(There were 9 meetings held after the appointment of Mr. Kobayashi.)

### (2) Committees

- In addition to the establishment of a Nominating and Governance Committee (a Nominating Committee under the Companies Act), a Compensation Committee and an Audit Committee as provided under the Companies Act, a Risk Committee shall also be established as an optional board committee. Moreover, in order to comply with the final rules for Enhanced Prudential Standards for Foreign Banking Organizations, U.S. Risk Committee shall be established as follows:

#### (a) Nominating and Governance Committee

Decides the content of proposals that are submitted to general meetings of shareholders regarding the election and removal of directors and

discusses and makes recommendations to the board of directors on personnel matters regarding key management positions of MUFG and its subsidiaries and MUFG's policy and framework for corporate governance.

(b) Compensation Committee

Establishes a policy for regarding decisions on compensation for corporate Executives and directors, decides the details of individual compensation and discusses and makes recommendations to the board of directors on the establishment, revision and abolition of systems pertaining to compensation for officers, etc. of MUFG and its key subsidiaries.

(c) Audit Committee

Audits the execution of duties by corporate executives and directors, prepares auditing reports, decides the content of proposals pertaining to the election, removal and non-reappointment of accounting auditor to be submitted to general meetings of Shareholders, and performs investigations including fieldwork, into the business and finance of MUFG and its subsidiaries.

(d) Risk Committee

Discusses and makes recommendations to the board of directors on various matters regarding risk management in general pertaining to the entire Group as well as material matters regarding risk management in general, issues relating to the top risk matters and any other material matters that require discussion by the Risk Committee.

(e) U.S. Risk Committee

Decides risk management policies of all MUFG's U.S. operations and liquidity risk management important matters, discusses the status, control and management of all types of risk on a group basis in the U.S. and makes recommendations to MUFG Risk Committee.

- The Committees members and the frequency and the attendance of the Committees meetings are as follows:

[Nominating and Governance Committee/ 11 meetings in FY2022]

(Chairperson)

Hirofumi Nomoto (Member of the Board of Directors/ outside director): 11/11 (100%)

(Committee Members)

Mariko Fujii (Member of the Board of Directors/ outside director): 11/11 (100%)

Kaoru Kato (Member of the Board of Directors/ outside director): 11/11 (100%)

Satoko Kuwabara (Member of the Board of Directors/ outside director): 11/11 (100%)

Hironori Kamezawa (Member of the Board of Directors, President & Group CEO): 11/11 (100%)

[Compensation Committee/ 7 meetings in FY2022]

(Chairperson)

Satoko Kuwabara (Member of the Board of Directors/ outside director): 7/7 (100%)

(Committee Members)

Mariko Fujii (Member of the Board of Directors/ outside director): 7/7 (100%)

Kaoru Kato (Member of the Board of Directors/ outside director): 7/7 (100%)

Hirofumi Nomoto (Member of the Board of Directors/ outside director): 7/7 (100%)

Hironori Kamezawa (Member of the Board of Directors, President & Group CEO) : 7/7 (100%)

[Audit Committee/16 meetings in FY2022]

(Chairperson)

Koichi Tsuji (Member of the Board of Directors/ outside director): 16/16 (100%)

(Committee Members)

Keiko Honda (Member of the Board of Directors/ outside director): 15/16 (94%)

Kaoru Kato (Member of the Board of Directors/ outside director): 14/16 (88%)

Kenichi Miyanaga (Member of the Board of Directors/non-executive): 16/16 (100%)

Ryoichi Shinke (Member of the Board of Directors/non-executive): (New member)

(As of July 3, 2023)

[Risk Committee/4 meetings in FY2022]

(Chairperson)

Mariko Fujii (Member of the Board of Directors/ outside director): 4/4 (100%)

(Committee Members)

David Sneider (Member of the Board of Directors/ outside director): (New Member)

Tarisa Watanagase (Member of the Board of Directors/ outside director): 4/4 (100%)

Hideaki Takase (Managing Corporate Executive and Group CSO): (New Member)

Shinichi Koide (External expert): 2/2 (100%)

Atsushi Miyanoya (External expert): 4/4 (100%)

Kazuhiko Ohashi (External expert): 4/4 (100%)

Takeo Hoshi (External expert): (New Member)

[U.S. Risk Committee/8 meetings in FY2022]

(Chairperson)

Linda Cunningham (Outside Director, MUAH (MUFG Americas Holdings Corporation)): 8/8 (100%)

(Committee Members)

Suneel Kamlani (Outside Director, MUAH): 7/8 (88%)

Michael Fraizer (Outside Director, MUAH): 3/3(100%)

Masatoshi Komoriya (Chairman MUAH): 6/6 (100%)

Kevin Cronin (CEO, MUAH): 7/8 (88%)

Shuichi Yokoyama (Managing Corporate Executive and Group CRO): 8/8 (100%)  
Nobuki Hatano (Executive Officer): (New Member)

(As of July 3, 2023)

### (3) Corporate Executives

- There are 17 corporate executives who are appointed via a resolution of the board of directors and they make decisions regarding execution of business and other matters delegated to them by the board of directors.

### (4) Executive Committee

- The Executive Committee is established as a body to make decisions regarding the execution of business, and deliberates and makes decisions based on the basic policies decided by the board of directors on important general matters related to management.
- Also, various committees are established as advisory bodies to the Executive Committee, and these committees, etc., deliberate and report to the Executive Committee on various matters under their jurisdiction, thereby contributing to the deliberations of the Executive Committee.

### (5) Global Advisory Board

- MUFG has established the Global Advisory Board as an advisory body to the Executive Committee.

The Global Advisory Board is made up of members from Americas, Europe, Asia, and Japan, who are external experts in areas such as corporate management, financial regulation, and government policy. They provide advice and recommendations from an independent standpoint on MUFG's group-wide management, global governance, business strategy, and other management issues.

The Global Advisory Board consists of nine members, three from Americas, two from Europe, two from Asia, and two from Japan (four women out of nine members).

Professor Merit E. Janow

Dean Emerita, School of International and Public Affairs (SIPA), Professor of Professional Practice, Columbia University/ Former Member of Appellate Body, World Trade Organization

Mr. William Coen

Chairman, IFRS Foundation's Advisory Council/ Former Secretary General of the Basel Committee on Banking Supervision

Ms. Virginia M. Rometty

Former Chairman, President and Chief Executive Officer, IBM

Ms. Anne Le Lorier

Former First Deputy Governor at Banque de France

Mr. John M Flint

Chief Executive, UK Infrastructure Bank/ Former Group Chief Executive, HSBC

Dr. Victor K. Fung

Group Chairman, Fung Group, Hong Kong/ Former Honorary Chairman, the International Chamber of Commerce

Mr. George Yeo

Former Singaporean Minister for Foreign Affairs

Professor Emi Osono

Dean, Professor, Hitotsubashi Business School, School of International Corporate Strategy

Mr. Masamichi Kono

Former Deputy Secretary General of OECD/ Former Vice Minister for International Affairs, Financial Services Agency, Japan

(As of April 3, 2023)

### (6) Executive Officers

- Executive officer system has been introduced whereby 34 managing executive officers and 55 executive officers are engaged in their duties as deputy heads of business groups, as well as major line heads, etc.

[Group Governance framework]

- In order to enhance group governance and implement sound business management as a holding company, group-wide frameworks for risk management, compliance and internal audit have been established. Moreover, MUFG has concluded management control agreements with its key subsidiaries, MUFG Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, and Mitsubishi UFJ Securities Holdings Co., Ltd, and developed the system to deliberate and receive reports from each subsidiary in accordance with the segregation of duties.
- The key subsidiaries transitioned to a company with the Audit & Supervisory Committee aiming to further strengthen the corporate governance structure through building effective supervisory functions by the board of directors, and to streamline decision-making on important business matters through broad delegation from the board of directors to corporate management. In addition the Audit & Supervisory Committee of each key subsidiary has a majority of outside directors as members and performs audit and supervisory functions to improve transparency and objectivity of management.
- The key subsidiaries have a structure where the Internal Audit Division reports to the Audit & Supervisory Committee and the board of directors on important matters, including the results of internal audits and basic policies on internal audit plan, and the Audit & Supervisory Committee and the board of directors deliberate on such matters.

[Internal Audit]

•MUFG's Internal Audit mission is to provide an objective assurance, advice and opinion on a risk-focused basis, thereby contributing to enhancement of group value and to the achievement of "MUFG Way". Internal Audit must evaluate and improve the effectiveness of governance, risk management and control processes through a systematic and disciplined approach.

•Basic policies for the mission, purpose, roles, and position etc. of Internal Audit are defined in the policies relating to Internal Audit and the policies set the Internal Audit Division to control the Internal Audit within MUFG Group. The Internal Audit Division consists of 251 staffs (those of 229 are the company main double-hat staffs with subsidiary banks etc.) as of the end of March, 2023.

In addition to having primary responsibility for initiating and preparing plans and proposals related to internal audits of the Group, the Internal Audit Division at the Company monitors and, as necessary, guides, advises, and administers the internal audit divisions of subsidiaries and affiliated companies, and also performs internal audits to each division within the Company.

- Within the holding company and each of the major subsidiaries, the internal audit division reports to the committee, Board of Directors on important matters including the results of the internal audits and basic policies for planning internal audits.
  - To ensure that internal audit processes use available resources with optimal effectiveness and efficiency, the internal audit divisions implement risk-focused internal audits in which the nature and magnitude of the associated risks are considered in determining audit priorities and the frequency and depth of internal audit activities.
  - The internal audit divisions at the Company and directly owned subsidiaries of the Company shall, as required, build a collaborative relationship with the Audit Committee (Audit & Supervisory Committee or Corporate Auditor at directly owned subsidiaries of the Company) and Independent Auditors and work towards efficient implementation of internal audit.
  - The internal audit divisions at the Company and directly owned subsidiaries of the Company shall support the oversight function of the board of directors by collaborating and working together under the guidance of the internal audit division at the Company.
  - The Company has been holding sessions for exchanging views between the internal audit divisions and the Audit Committee, between the internal audit divisions and the Independent Auditor when required, sharing information related to audit measures and audit results.
- Internal Audit of the Company and directly-owned companies of the Company work to establish collaborative relationships
- Also, the relationship between Internal Audit, Audit Committee audits and accounting audits, and departments with internal control functions is such that the Internal Audit Division, Audit Committee and accounting auditors conduct audits from a standpoint that is independent of the departments with internal control functions. However, departments with internal control functions cooperate during these audits so that they can be conducted efficiently and appropriately.

#### <Accounting Audit>

We have signed an Accounting Audit contract with Deloitte Touche Tohmatsu LLC since its inception in 2005. In the fiscal year ended March 31, 2023 (the 18th fiscal year), we had four certified public accountants: Hiroharu Nakamura, Yukihiro Otani, Akihiko Uchida, and Kentaro Mizushima who perform Accounting Audit operations. There are 59 public certified accountants, 54 accountants who passed CPA exam, and 53 others involved in Accounting Audit.

(NOTE) The Mitsubishi Bank, Ltd. signed an Accounting Audit contract with Deloitte Touche Tohmatsu LLC in 1976 (at that time Tohmatsu-Aoki Audit Corporation.). Since then, we, the Bank of Tokyo-Mitsubishi, Ltd. which was formed by the merger between Mitsubishi Bank, Ltd. and Tokyo Bank, Ltd., Mitsubishi Tokyo Financial Group which was established by the stock transfer between Bank of Tokyo-Mitsubishi, Ltd., Nippon Trust Bank Limited and MUTB, and the company which was formed by the merger between Mitsubishi Tokyo Financial Group, Inc. and UFJ Holdings, Inc., have continuously signed an Accounting Audit contract with Deloitte Touche Tohmatsu LLC.

### 3. Reasons for Adoption of Current Corporate Governance System

MUFG adopt a company with three committees governance structure aiming to strengthen the board of directors' oversight functions through the separation of execution and oversight at the holding company level, to construct an effective and efficient governance framework, that is more comprehensible for overseas stakeholders, as befits a G-SIBs(Global Systemically Important Banks).

## III Implementation of Measures for Shareholders and Other Stakeholders

### 1. Measures to Vitalize the General Meeting of Shareholders and Smooth Exercise of Voting Rights

	Supplementary Explanations
<b>Early Notification of General Meeting of Shareholders</b>	Notice of Convocation for the 18 <sup>th</sup> General Meeting of Shareholders held on June 29, 2023 was sent on June 8, 2023 (three weeks before the meeting). And prior to be sent, the notice was disclosed through the Tokyo Stock Exchange and uploaded onto the MUFG website on May 31,2023.
<b>Scheduling of the General Meeting of Shareholders Avoiding the Peak Days</b>	
<b>Allowing Electronic Exercise of Voting Rights</b>	Voting rights can be exercised via the Internet.
<b>Participation in Electronic Voting Platform</b>	MUFG participates in a voting platform operated by ICJ, Inc.
<b>Providing Convocation Notice in English</b>	The Notice of Convocation is prepared in English and disclosed through the Tokyo Stock Exchange and uploaded onto the MUFG website.
<b>Other</b>	Livestreaming and preliminary questions using the Internet have been implemented. The video of report items, the summary of questions and answers, the result of exercise of voting right, etc. are uploaded onto MUFG website.

### 2. Investor Relations Activities

	Supplementary Explanations	Personal explanation from the CEO
<b>Preparations and Publication of Disclosure Policy</b>	<ul style="list-style-type: none"> <li>● URL: <a href="https://www.mufg.jp/english/ir/ir_policy/">https://www.mufg.jp/english/ir/ir_policy/</a></li> <li>● MUFG Group Disclosure Policy is established and released on the MUFG website</li> </ul>	

<b>Regular Investor Briefings for Individual Investors</b>	<ul style="list-style-type: none"> <li>● Seminars for individual investors are held with the Group CFO as speaker.</li> </ul>	Yes
<b>Regular Investor Briefings for Analysts and Institutional Investors</b>	<ul style="list-style-type: none"> <li>● Web conferences are held on the day of full year and interim financial results announcement with the Group CFO as speaker.</li> <li>● Investor meetings on financial results are held after announcing full year and interim financial statements, where presentations are provided by the Group CEO and the Group CFO.</li> <li>● Senior Managements have dialogues with major domestic institutional investors following full year and interim financial results announcement.</li> <li>● Investors Day, a business strategy seminar and a small meeting with outside directors are held.</li> </ul>	Yes
<b>Regular Investor Briefings for Overseas Investors</b>	<ul style="list-style-type: none"> <li>● Senior Managements have dialogues with major institutional investors overseas twice a year.</li> <li>● Participates in conferences held by securities companies.</li> </ul>	Yes
<b>Posting of IR Materials on Website</b>	<ul style="list-style-type: none"> <li>● URL: <a href="https://www.mufg.jp/english/">https://www.mufg.jp/english/</a></li> <li>● Uploaded materials: Consolidated Summary Report, IR Presentation Materials, Annual Report, Integrated Report, Fact Book, Integrated Report, Road Map to Risk Disclosure, SEC Filings, Ratings and Bond Information, Analysts Coverage, Message from Management, Company Overview, Business Strategy, Corporate Governance, Stock Price Information, Press Releases, etc.</li> <li>● Video of the latest seminar on financial results is provided with English translation.</li> <li>● Presentation video of Investors Day is provided with English translation.</li> </ul>	
<b>Establishment of IR Office (Director Responsible)</b>	Department Responsible: Financial Planning Division, IR Office Director Responsible: Tetsuya Yonehana, Representative Corporate Executive, Senior Managing Corporate Executive, Group CFO	

### 3. Measures to Ensure Due Respect for Stakeholders

	<b>Supplementary Explanations</b>
<b>Stipulation of Internal Rules for Respecting the Position of Stakeholders</b>	<ul style="list-style-type: none"> <li>● The contents of the “MUFG Way” and our “Code of Conduct” respects all of our various stakeholders.</li> </ul>
<b>Implementation of Environmental Activities, CSR Activities, etc.</b>	<ul style="list-style-type: none"> <li>● In order for MUFG as a whole to take the initiative in Corporate Social Responsibility (CSR) activities, the Sustainability Committee has been established to promote these activities in the Group, and CSR Promotion Units have been established in the major group companies. Under this framework each companies engage in their own CSR activities, making use of their own features.</li> </ul>
<b>Development of Policies on Information Provision to Stakeholders</b>	<ul style="list-style-type: none"> <li>● MUFG provides a wide range of information to stakeholders through its initiatives including through the disclosure publication and its website.</li> <li>● Furthermore, in MUFG Group Disclosure Policy, there are provisions regarding basic stance for providing information mainly to shareholders and investors, scope of information to be disclosed, and methods of disclosure.</li> </ul>

## IV Matters Relating to the Internal Control System

### 1. Basic Views on Internal Control System and the Progress of System Development

Mitsubishi UFJ Financial Group, Inc. (“MUFG”) complies with the Companies Act and Enforcement Regulations of the Companies Act and has ratified the following system (Internal Control System) to ensure appropriate operations are being conducted within MUFG. MUFG is working to ensure that a sound and robust management structure is in place by creating company policies, establishing departments in charge, building plans and policy and other structures that are all in line with the details of what has been ratified by MUFG.

The directly owned subsidiaries as referred to below are major subsidiaries in which MUFG directly holds equity interests<sup>(Note)</sup>. The “MUFG Group” means a corporate group comprised of MUFG and its subsidiaries as provided in Article 416, Paragraph 1, Item 1 of the Companies Act.  
<sup>(Note)</sup> MUFG Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Mitsubishi UFJ Securities Holdings Co., Ltd., Mitsubishi UFJ NICOS Co., Ltd., ACOM CO., LTD.

#### 1. Group Management Framework

- (1) MUFG shall formulate the MUFG Way as guidelines for all group activities, and the Code of Conduct as standards for decision making and conduct for all directors, officers and employees, in order to ensure appropriateness of the business conducted by the MUFG Group.
- (2) In addition to stipulating the MUFG Group basic policies for management control, MUFG shall also stipulate individual sets of company rules in respect of customer protection management, risk management, compliance, internal audits, etc., along with concluding management control agreements with subsidiaries in which MUFG directly holds equity interests.
- (3) In order to manage its business, MUFG shall deliberate with and receive reports from subsidiaries in which MUFG directly holds equity interests, and conduct appropriate management of subsidiaries in which MUFG directly holds equity interests in line with rules of MUFG and in adherence to the allocation of duties.
- (4) Companies subject to direct management control by MUFG are stipulated as being those subsidiaries in which MUFG directly holds equity interests and the management of subsidiaries in which MUFG does not directly hold equity interests shall be directly managed by the

subsidiaries which directly holds the said equity interests. MUFG shall provide direction and advice regarding management control to the subsidiaries which directly holds the said equity interests as required.

- (5) MUFG shall stipulate company rules regarding internal controls for financial reporting and shall establish an Accounting Audit Hotline (internal reporting system whereby matters regarding accounting at the MUFG Group can be reported by the public as well as directors, officers and employees of the MUFG Group) as part of this.
- (6) MUFG shall define policies on information disclosure of the MUFG Group, thereby establishing a structure for information disclosure in a fair, equitable and appropriate manner.

## 2. Legal and Regulatory Compliance Framework

- (1) MUFG and directly owned subsidiaries of MUFG shall stipulate or adopt the MUFG Way, the Code of Conduct and equivalent to these so as to ensure that the execution of duties by directors, officers and employees conforms to laws and regulations, and the Articles of Incorporation.
- (2) MUFG and directly owned subsidiaries of MUFG shall create and circulate various company rules and compliance manuals to build a system to ensure that directors, officers and employees comply with laws and regulations, etc.
- (3) MUFG and directly owned subsidiaries of MUFG shall create committees, etc., employ a director responsible for compliance (Chief Compliance Officer) and establish management divisions in order to promote and manage compliance.
- (4) MUFG and directly owned subsidiaries of MUFG shall formulate compliance programs (specific plans to ensure directors, officers and employees comply with laws and regulations, etc., including training for directors, officers and employees) and implement follow-ups on the progress of these programs.
- (5) MUFG and directly owned subsidiaries of MUFG shall establish internal reporting systems to receive reports of fraudulent activities from directors, officers or employees.
- (6) MUFG and directly owned subsidiaries of MUFG shall sustain a resolute stance against anti-social forces which are a threat to the peace and stability of civil society and work towards preventing transactions with such forces.
- (7) MUFG and directly owned subsidiaries of MUFG shall be aware of the possibility that services they offer may be used for various criminal activities, including money laundering and terrorism financing and will work to detect, deter, and prevent financial crimes.

## 3. Management Framework for Customer Protection, etc.

- (1) In order to achieve strong customer standards in line with the MUFG Way and the Code of Conduct, MUFG and directly owned subsidiaries of MUFG shall create basic policies and company rules regarding management of customer protection, etc., establish administration and management divisions, and enable the provision of explanations and the creation of support systems for customers, information management and conflict of interest management by increasing awareness among directors, officers and employees.
- (2) Based on the Personal Information Protection Policy that was created to encompass the information management system, MUFG and directly owned subsidiaries of MUFG shall create systems to appropriately protect and manage personal information.
- (3) Based on the Conflicts of Interest Management Policy that was created as a basic policy for management of conflicts of interest, MUFG and directly owned subsidiaries of MUFG shall establish systems to manage conflicts of interest, which will ensure that customer interests are not unfairly prejudiced.

## 4. Information Storage Management Framework

- (1) Important documents including minutes and materials for meetings such as the board of directors and executive committee shall be stored and managed as stipulated in company rules.
- (2) When requested by the Audit Committee or a member of the Audit Committee, the division responsible shall provide access to viewing of, or actual copies of, the documents requested.

## 5. Risk Management Framework(\*)

- (1) MUFG and directly owned subsidiaries of MUFG shall implement an integrated risk management and control system to secure stable business management by using a standard that is unified to the maximum extent possible to gain a comprehensive understanding of the various risks which may arise during the course of business while striving for maximum shareholder value.
- (2) MUFG and directly owned subsidiaries of MUFG shall classify risk as shown below, and establish risk management basic policies for those risk categories in order to verify the design and execution status of these policies.
  - 1 Credit Risk;
  - 2 Market Risk;
  - 3 Liquidity Risk;
  - 4 Operational Risk;
  - 5 Reputational Risk;
  - 6 Model Risk.
- (3) MUFG and directly owned subsidiaries of MUFG shall establish an integrated risk management system. They shall establish committees for risk management and control, and an executive and establish dedicated divisions etc. responsible for risk management.
- (4) MUFG and directly owned subsidiaries of MUFG shall appropriately manage risk through risk management processes consisting of risk identification, measurement, control and monitoring.
- (5) MUFG shall create a system to manage capital allocation system (system whereby the consolidated business groups and important subsidiaries allocate capital for each subsidiary by individual risk category using overall MUFG Group economic capital (capital matched to the amount of risk)).
- (6) MUFG and directly owned subsidiaries of MUFG shall prepare a system necessary to limit the economic loss or erosion of credibility from the crisis event to the minimum while ensuring the continuation of service as well as the prompt restoration of normal operations in a crisis event.

## 6. Framework to Ensure Efficient Execution of Duties

- (1) MUFG and directly owned subsidiaries of MUFG shall set management targets and create management plans to manage business based on appropriate methods.
- (2) MUFG's board of directors shall, as a general rule, delegate to corporate executives decision making power for the execution of business for matters other than those which require the discretion of the board of directors as deemed in laws and regulations. Also, in addition to establishing an executive committee which consists of corporate executives, etc., they shall create various committees to provide advisory functionality to the Executive Committee.
- (3) MUFG and directly owned subsidiaries of MUFG shall establish the executive committee, etc., which will be delegated predetermined tasks from the board of directors. The executive committee shall make decisions regarding the matters they have been delegated and conduct preliminary consideration of matters which are to be deliberated by the board of directors so that the board of directors may make decisions



regarding such matters. Also various committees shall be established to provide advisory functionality to executive committee.

- (4) MUFG and directly owned subsidiaries of MUFG shall, in order for corporate executives (directors, etc., at directly owned subsidiaries) to execute their duties efficiently, build and employee rank framework and organizational structure, etc., in line with company rules and assign the execution of duties.

#### 7. Internal Audit Framework

- (1) MUFG and directly owned subsidiaries of MUFG shall build the internal audit framework which has high specialization and independence to assume the function of evaluating and improving the effectiveness of governance, risk management, and control processes, contributing to the enhancement of the MUFG Group's value and to the achievement of the MUFG Way.
- (2) MUFG and directly owned subsidiaries of MUFG shall set company rules to identify basic matters concerning internal audit.
- (3) MUFG and directly owned subsidiaries of MUFG shall establish internal audit divisions..
- (4) The internal audit divisions at MUFG and directly owned subsidiaries of MUFG shall support the oversight function of the board of directors by collaborating and working together under the guidance of the internal audit division at MUFG.
- (5) The internal audit divisions at MUFG and directly owned subsidiaries of MUFG shall, as required, build a collaborative relationship with the Audit Committee (Audit & Supervisory Committee or Corporate Auditor at directly owned subsidiaries of MUFG) and Independent Auditors and work towards efficient implementation of internal audit.

(Framework for Ensuring Effective Audit by the Audit Committee)

#### 8. Framework related to persons employed to support the duties of the Audit Committee.

- (1) The Audit Committee Office shall be established as an organization to assist the Audit Committee to perform its duties and shall be placed under the direction of the Audit Committee.
- (2) Matters regarding personnel arrangements for persons employed to support the duties of the Audit Committee shall be made in a manner that respects the wishes of the Audit Committee.

#### 9. Framework for Reporting to the Audit Committee

- (1) The following matters shall be reported to the Audit Committee:
  - 1 Matters regarding decisions by or reports made to the executive committee (including matters deliberated on or reported by subsidiaries directly owned by MUFG in line with prescribed company rules)
  - 2 Matters that may cause significant damage to MUFG (including matters deliberated on or reported by subsidiaries directly owned by MUFG in line with prescribed company rules)
  - 3 Information necessary for the Audit Committee to monitor and oversee matters regarding financial reporting, risk control, internal control, compliance and internal audits of the MUFG Group's execution of business
  - 4 Status of reporting and details of cases reported to the MUFG Group Compliance Helpline as well as the Accounting Audit Hotline and the actual usage results of the internal reporting systems of the directly owned subsidiaries of MUFG
  - 5 Other matters for which the Audit Committee requests reporting
- (2) Structures shall be implemented to protect persons who report to the MUFG Group Compliance Helpline or the Accounting Audit Hotline from receiving unfair treatment because they made such reports.

#### 10. Policy regarding expenses or liabilities arising from the execution of duties of the Audit Committee

- (1) Expenses or liabilities which arise due to the Members of the Audit Committee exercising their duties (restricted to items regarding the execution of Audit Committee duties) shall be paid or processed otherwise in line with the requests of the Members of the Audit Committee.

#### 11. Other Frameworks to Ensure Effective Audits by the Audit Committee

- (1) Representative corporate executives and the internal audit divisions shall conduct regular sessions to share opinions with the Audit Committee.
- (2) Important personnel affairs concerning the divisions responsible for internal audit shall be decided based on the resolution at the Audit Committee.
- (3) Internal audit divisions shall report to the Audit Committee on the internal audit plans and internal audit results, and receive specific instructions from the committee.
- (4) Members of the Audit Committee shall be entitled to attend the executive committee and other important committees, etc.
- (5) Executives and employees shall cooperate with surveys or interview requests received from the Audit Committee or its members.
- (6) Executives and employees shall give utmost respect to other matters as stipulated in the Audit Committee Charter, the Audit Committee rules and the Audit Committee Audit Standards.

(\*) Outline of the establishment of the policy for the risk appetite

•MUFG and directly owned subsidiaries of MUFG uphold the basic policy of strengthening group-based management control and comprehensive risk management through the diffusion of a Risk Culture, and are working to enhance risk governance through strengthening the integrated operations across regions and subsidiaries and the holding company. Furthermore, the MUFG Group has adopted the Risk Appetite Framework in order to conduct risk management that effectively supports its business strategies and financial plan, and has been strengthening the MUFG Group's overall risk-return management. In addition, the MUFG Group has formulated a "Risk Appetite Statement" which articulates the basic policy for the application of the "Risk Appetite Framework", its application process, business plans and the risk appetite, etc.. Also the MUFG Group has established a "Risk Appetite Statement" specific to each business group, as a tool for operating the business group while each business group takes risk ownership.

## 2. Basic Philosophy on Eliminating Anti-Social Forces and Status of Measures

### 1. Basic philosophy (basic policies) for the elimination of anti-social forces

MUFG has stipulated basic policies for dealing with anti-social forces which detail handling as an organization, cooperation with outside expert organizations, ban on any relations including transactions, legal responses both civil and criminal in an emergency, and prohibition of backdoor transactions and provision of funds.

## 2. Implementation status of measures to eliminate anti-social forces

- (1) Implementation of Company Rules
  - The MUFG Group has stipulated company rules with specific details in line with the above-mentioned basic policy.
- (2) Division in charge of Handling Anti-Social Forces and Undue Demands Prevention Officer
  - The MUFG Group has established a division in charge of handling anti-social forces, and the division implements planning and management measures related to preventing transactions with anti-social forces.
  - The MUFG Group has deployed Undue Demands Prevention Officers in branches and offices to handle such demands made by anti-social forces.
- (3) Cooperation with Outside Expert Organizations
  - The MUFG Group works closely with outside expert organizations to handle anti-social forces, such as regular contact and visits to police departments from major branches, reports to the police in emergencies, consultation with lawyers, etc.
- (4) Collection and Management of Information regarding Anti-Social Forces
  - In the MUFG Group, the division in charge of handling anti-social forces collects and manages information regarding anti-social forces in a centralized way
- (5) Manuals for Handling Anti-Social Forces
  - MUFG and its major subsidiaries have stipulated handling of anti-social forces in their Compliance Manuals, and specified precise details in operations manuals as necessary.
- (6) Implementation of Training Activities
  - The MUFG Group positions the handling of anti-social forces as a critical matter and conducts compliance training.

## V Others

### 1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted
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Supplementary Explanation

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### 2. Other Matters Concerning Corporate Governance Framework, etc.

#### Outline of Framework for Timely Disclosure

The internal framework to ensure timely disclosure of MUFG company information is outlined below.

#### 1. Basic Concept

MUFG has created “MUFG Way” which shows all of the basic values the company has in conducting its business and which forms the high level policy for all its activities.

Also, MUFG Group Code of Conduct provide an abstract of common ethics within the Group and have been created as a basic policy for the Group’s Officers and employees.

As for timely disclosure of company information, the following is shared with Group Officers and employees in the Code of Conduct.

#### [MUFG Group Code of Conduct] 2-1 Adherence to Laws and Rules

##### Accurate Recording and Appropriate Disclosure

- We must ensure our business activities (including communication records), as well as financial information, are accurately recorded and properly maintained and managed.
- To ensure that MUFG is properly understood and evaluated in the wider society, it is incumbent on us to ensure that company information is disclosed in a timely and appropriate manner, including financial reports. Concealment or nondisclosure of information damages our trust and reputation. We will not be involved in any inaccurate or inappropriate disclosure of information, or in any attempt to conceal information.

Moreover, MUFG define policies on information disclosure, the MUFG Group Disclosure Policy.

#### 2. Internal Framework

##### (1) Disclosure Committee

Disclosure Committee is established under Executive Committee and deliberates on the appropriateness of information disclosure and the effectiveness of internal controls and procedures. Members of Disclosure Committee include Group CFO, who acts as chairperson, Group CSO, Group CRO, Group CAO and related General Managers and is in principle held six times per year.

A framework is in place whereby the details, revision and operating status of company rules regarding timely disclosure, and the details, timing and methods of disclosure of information relating timely disclosure are reported to Disclosure Committee, in principle, once every six months. Results of deliberations are reported to Executive Committee.

##### (2) Company Rules regarding Timely Disclosure

MUFG has stipulated Timely Disclosure Rules to comply with related laws and regulations as well as stock exchange rules and ensure the timely disclosure of company information which may have a critical impact on investment decisions made by investors. The Standards and processes, etc., for timely disclosure are defined by Timely Disclosure Rules.

##### (3) Division in Charge

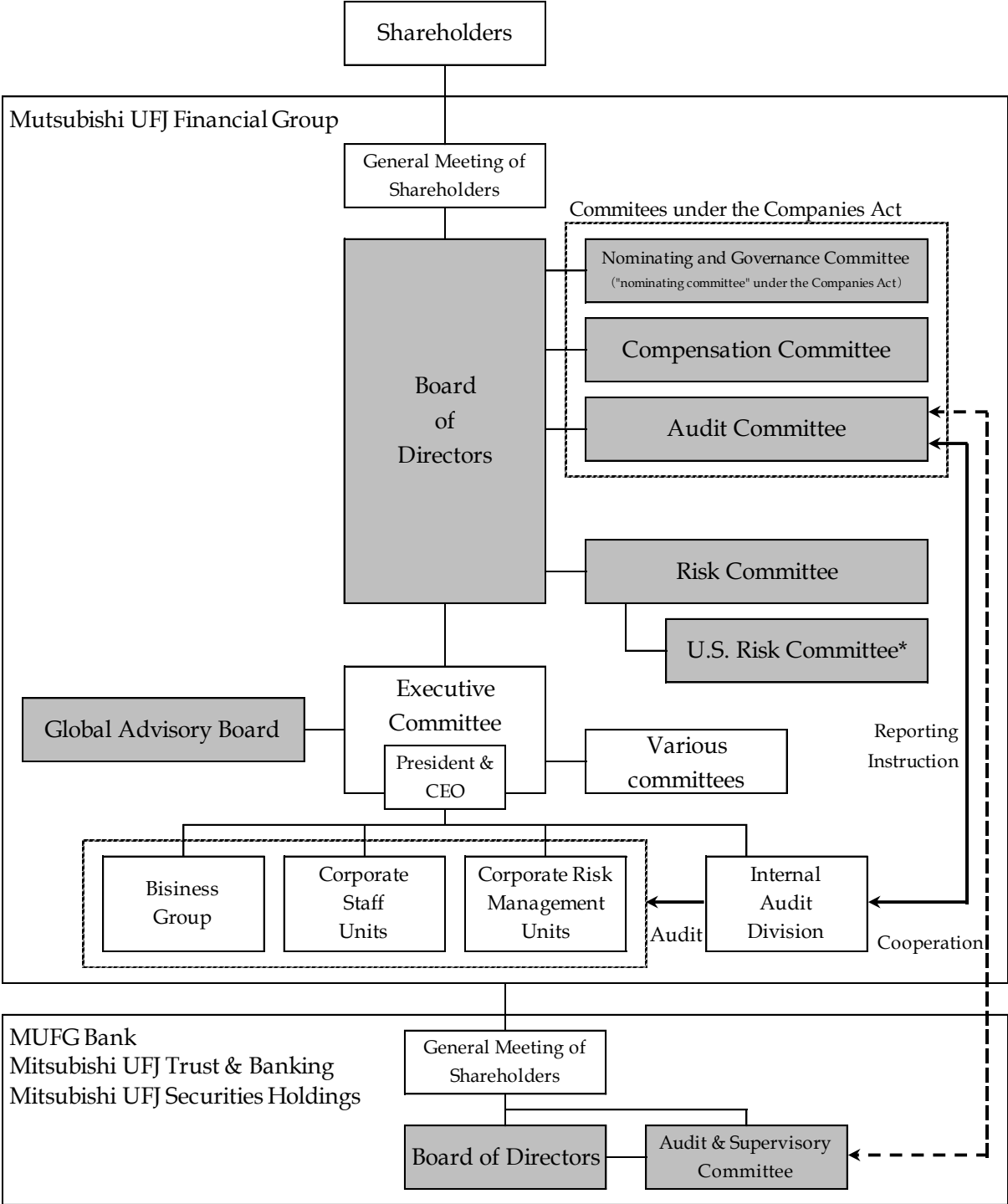
Corporate Administration Division is responsible for implementing timely disclosure. In addition to timely disclosure, Corporate Administration Division is also responsible for managing material information, and submitting financial statements, quarterly statements and extraordinary

reports, etc., based on the Financial Instruments and Exchange Act. Corporate Administration Division implements timely disclosure using methods defined in the rules and regulations of stock exchanges. Also, Corporate Administration Division update company rules regarding timely disclosure and review insignificance criteria which are stipulated in the rules and regulations of stock exchanges and send notification internally and to group companies.

In determining if timely disclosure is required and what information is to be disclosed, the division which owns the information, Corporate Administration Division, Public Relations Office in Corporate Planning Division, and Financial Planning Division conduct deliberations and make a decision. Public Relations Office in Corporate Planning Division is responsible for responding to the media and Financial Planning Division is responsible for overall IR activities.

Information of MUFG subsidiaries is reported from the departments in charge of directly owned subsidiaries to Corporate Administration Division.

Corporate governance structure of MUFG



Membership includes external members

\* Established based on the US.Prudential Regulations

Timely Disclosure structure of MUFG

