

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 The Bank of Tokyo-Mitsubishi UFJ, 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 its Corporate Vision.

MUFG transitioned from being a company with a board of corporate auditors to a company with three committees following approval at its General Meeting of Shareholders held on June 25, 2015. The shift to a company with three committees is part of efforts to enhance Group management and aims to strengthen the Board of Directors' supervisory functions through the separation of execution and oversight at the holding company level, to construct an effective and efficient governance framework, and to construct a corporate governance framework that is more comprehensible for overseas stakeholders, as befits a G-SIFI*. Additionally, MUFG Corporate Governance Policies have been formulated and their outline released publicly, explaining MUFG's corporate governance philosophy and framework as guidelines for the actions of directors and managers.

*G-SIFI is an abbreviation for Global Systemically Important Financial Institution.

The Corporate Vision below has been formulated in order to clearly define MUFG's Group mission and what kind of company it aims to be, and it will serve as a common guide for meeting the expectations of customers and society. Officers and employees at MUFG have three common values: "Integrity and Responsibility," "Professionalism and Teamwork," and to "Challenge Ourselves to Grow" and through these it aims to "be the world's most trusted financial group." It has also established "Principles of Ethics and Conduct" as specific standards for decision-making and conduct which adhere to the Corporate Vision.

Corporate Vision

Our Mission

To be a foundation of strength, committed to meeting the needs of our customers, serving society, and fostering shared and sustainable growth for a better world.

Our Vision

– Be the world's most trusted financial group –

Work together to exceed the expectations of our customers

Provide reliable and constant support to our customers

Expand and strengthen our global presence

Our Values

Integrity and Responsibility

Professionalism and Teamwork

Challenge Ourselves to Grow

Principles of Ethics and Conduct

These Principles of Ethics and Conduct establish clear and consistent standards for all MUFG employees to guide decisions and actions. They reflect and support the MUFG Corporate Vision. The principles are organized in three sections.

Chapter 1 Customer Focus

We place our customers at the center of our thinking and act to meet their trust and confidence. MUFG is able to thrive today because of the trust and confidence that customers have placed in us -the result of years of fair, transparent, and honorable dealings. Our business culture is not driven by the prospect of short-term, immediate gains. Instead, we place a premium on supporting long-term, sustainable relationships with our customers to help them meet their goals.

Chapter 2 Responsibility as a Corporate Citizen

MUFG conducts business globally and seeks to act honorably, with honesty and integrity, and comply at all times with laws, regulations, rules, and internal policies in Japan and overseas. We strive to maintain stability and confidence in the global financial system, contribute to the sound growth and development of society and act in a fair and transparent manner that supports and strengthens the trust and confidence of society in MUFG which has built up over the years.

Chapter 3 Ethical and Dynamic Workplace

We are committed to creating a working environment that fosters mutual respect among MUFG employees, supports the full expression of our individuality as professionals, promotes the power of teamwork, honors diversity, transcends differences, and embraces new challenges.

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

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⁽¹⁾ 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⁽²⁾, taking into account shareholding risk, capital efficiency and international financial regulations, shall reduce the amount of shares held for the purpose of strategic investment⁽³⁾, 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.

Note:

⁽¹⁾ "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.

⁽²⁾ "Group banks" refers to The Bank of Tokyo-Mitsubishi UFJ, Ltd. and Mitsubishi UFJ Trust and Banking Corporation, consolidated subsidiaries of MUFG.

⁽³⁾ "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, the most important strategic shareholdings⁽⁴⁾ are examined by MUFG's Board of Directors.

Economic rationale is examined based on MUFG's overall business RORA, which is based on its ROE target, as a target value.

The results of these examinations have been as follows:

- The significance of the relevant shareholdings has been confirmed, with the holdings meeting the objective of increasing the medium- to long-term economic profits of MUFG and Group banks. Regarding economic rationale, the total amount of overall business RORA of the relevant shareholdings has exceeded the target value.
- On a company by company basis, the target value has been exceeded for approximately 80 percent of the relevant corporate business clients⁽⁵⁾. For the approximately 20 percent falling below the target value, we will aim to improve profitability but will consider selling these shareholdings if profitability does not improve within a set period of time.

Note:

⁽⁴⁾ The total market value of the relevant shareholdings that have been the subject of the examination as of March 31, 2015, was approximately 3.8 trillion yen (book value: approximately 1.9 trillion yen), which covers approximately 70 percent of the total market value of listed shares held by Group banks for the purpose of strategic investment.

⁽⁵⁾ Approximately 80 percent of listed shares that were not the subject of the examination have also exceeded the target value on an individual company level.

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

The status of the exercise of voting rights of the most important strategic shareholdings will be reported to MUFG's Board of Directors.

[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 executive officers (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 executive officers, 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 officer shall not participate in that deliberation.

The “MUFG Guidelines for Related Party Transactions” can be viewed here:
(<http://www.mufg.jp/english/profile/governance/structure/appendix.html#jump01>)

[Principle 3.1 i)]

Corporate vision and medium-term business plan

MUFG has formulated and announced a corporate vision and medium-term business plan.

- Corporate vision (www.mufg.jp/english/profile/philosophy/)
- Medium-term business plan (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 (www.mufg.jp/english/profile/governance/structure/policy.html) 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 (www.mufg.jp/english/profile/governance/structure/policy.html) for the policies and procedures for determining the compensation of directors.

[Principle 3.1 iv)]

Policies and procedures for appointing directors

See “7-2. Nominating and Governance Committee” of MUFG Corporate Governance Policies (www.mufg.jp/english/profile/governance/structure/policy.html) for the policies and procedures for appointment of senior management and nomination of directors.

[Principle 3.1 v)]

Grounds for appointment of senior management and nomination of director candidates

Explanation on appointment and nomination of individual senior management and director candidates based on iv) above can be viewed here:

(<http://www.mufg.jp/english/profile/governance/structure/appendix.html#jump02>)

[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 (www.mufg.jp/english/profile/governance/structure/policy.html) for a summary of the scope of delegation to management.

[Principle 4.8]

Policy to have independent outside directors compose at least one third of the board

See “5-1. Composition” of MUFG Corporate Governance Policies (www.mufg.jp/english/profile/governance/structure/policy.html) for the policy to have independent outside directors compose at least one third of the board.

[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

See “5-1. Composition” and “5-2. Election of Directors” of MUFG Corporate Governance Policies (www.mufg.jp/english/profile/governance/structure/policy.html) 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 72-77 of Notice of Convocation of the 10th Annual General Meeting of Shareholders (www.mufg.jp/english/stock/meeting/pdf/convocation1506_e.pdf) for information on directors and outside directors who have concurrent posts.

[Supplementary Principle 4.11.3]

Evaluation of the board of directors

- MUFG has performed annual evaluation of the board of directors since 2013.
- MUFG has interviewed all directors on their self-evaluation, analyzed the results and prepared evaluation reports based on those results.
- Based on the reported results of the evaluation of the board of directors, the Governance Committee* has deliberated means of maintaining and improving the effectiveness of the board of directors and reported on its deliberations to the board of directors.

*Since MUFG changed to a company with three committees in June 2015, this function has been performed by the Nominating and Governance Committee.

- The summary of the results of the evaluation of the board of directors for the Fiscal Year 2014 is as follows:

(1) The degree of achievement by the board of directors of its aims has improved since last year through the increase in the number of outside directors to five and their participation in the discussions at the committees as well as the board of directors.

- (2) Further limitation of agenda items to facilitate essential debate, production of materials and definition of issues for debate to contribute to more productive deliberation by the board of directors, and improvement of explanation on business performance and ways of structuring discussions are expected.

[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 Corporate Communications Division Media Relations Office. 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 policies, 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 visits 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 President & CEO, etc.
 - (5) Biannual meetings to explain financial results to analysts and institutional investors, conducted by President & CEO and Group CFO
- 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.

2. Capital Structure

Percentage of Foreign Shareholders	More than 30%
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[Status of Major Shareholders]

Name/Company Name	Number of Shares Owned (shares)	Percentage (%)
JAPAN TRUSTEE SERVICES BANK, LTD. (TRUST ACCOUNT)	708,726,700	5.00
THE MASTER TRUST BANK OF JAPAN, LTD. (TRUST ACCOUNT)	584,067,000	4.12
THE BANK OF NEW YORK MELLON SA/NV 10	258,797,592	1.82
STATE STREET BANK AND TRUST COMPANY	214,368,448	1.51
THE BANK OF NEW YORK MELLON AS DEPOSITARY BANK FOR DR HOLDERS	193,969,291	1.36
STATE STREET BANK AND TRUST COMPANY 505223	188,874,919	1.33
STATE STREET BANK WEST CLIENT - TREATY 505234	186,750,578	1.31

NIPPON LIFE INSURANCE COMPANY	182,072,553	1.28
JAPAN TRUSTEE SERVICES BANK, LTD. (TRUST ACCOUNT 9)	175,585,600	1.23
THE MASTER TRUST BANK OF JAPAN, LTD. (MEIJI YASUDA LIFE INSURANCE COMPANY/EMPLOYEE PENSION TRUST ACCOUNT)	175,000,000	1.23

Controlling Shareholder (except for Parent Company)	—
Parent Company	—

Supplementary Explanation

Sumitomo Mitsui Trust Bank, Ltd submitted a substantial shareholding report (change report) to the Director General of the Kanto Finance Bureau dated March 6, 2013
BlackRock Japan Co., Ltd. submitted a substantial shareholding report to the Director General of the Kanto Finance Bureau dated May 11, 2015.

3. Corporate Attributes

Listed Stock Markets and Market Sections	Tokyo Stock Exchange/First Section, Nagoya Stock Exchange/First Section
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

A degree of independence of companies within the MUFG Group that are listed companies, including ACOM CO., LTD. is maintained as required for such companies.

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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[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	17 persons

[Outside Directors]

Number of Outside Directors	6 persons
Number of Independent Directors	6 persons

Outside Directors' Relationship with the Company (1)

Name	Attribute	Relationship with the Company ^(*)										
		a	b	c	d	e	f	g	h	i	j	k
Haruka Matsuyama	Lawyer											
Kunie Okamoto	From another company											
Tsutomu Okuda	From another company											
Hiroshi Kawakami	From another company											
Yukihiro Sato	From another company									*2		
Akira Yamate	Certified Public Accountant											

* 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			
Haruka Matsuyama	*	*		*	---	Given her broad experience and deep insight in a wide range of legal matters as a lawyer, she has been appointed as an outside Director to oversee the management of MUFG. Ms. Matsuyama satisfies the criteria put in place by the Tokyo Stock Exchange and MUFG for determining the independence of outside Directors. Although she is currently a Partner at Hibiya Park Law Offices, there is no consulting agreement between it and MUFG Group, and the value of transactions between it and MUFG Group in fiscal 2014 amounted to less than one percent of its sales and MUFG's annual consolidated gross profits (no transactions). Based on the above, MUFG determined that this Outside Director would have no conflict of interest with ordinary shareholders, and she was thus appointed as an Independent Director.
Kunie Okamoto	*	*		*		Having been a manager at leading financial institutions in Japan, given his broad experience and deep insight he has been appointed as an outside Director to oversee the management of MUFG. Mr. Okamoto satisfies the criteria put in place by the Tokyo Stock Exchange and MUFG for determining the independence of outside Directors, and we therefore believe

					<p>he is sufficiently independent as an outside Director. Although he is currently Chairman of Nippon Life Insurance Company, the value of transactions between it and MUFG Group in fiscal 2014 amounted to less than one percent of its sales and MUFG's annual consolidated gross profits. Based on the above, MUFG determined that this Outside Director would have no conflict of interest with ordinary shareholders, and he was thus appointed as an Independent Director.</p>
Tsutomu Okuda	*	*		*	<p>Having been a corporate manager at leading distribution businesses in Japan, given his broad experience and deep insight he has been appointed as an outside Director to oversee the management of MUFG. Mr. Okuda satisfies the criteria put in place by the Tokyo Stock Exchange and MUFG for determining the independence of outside Directors, and we therefore believe he is sufficiently independent as an outside Director. Although he is currently a Senior Advisor at J. Front Retailing Co., Ltd., the value of transactions between it and MUFG Group in fiscal 2014 amounted to less than one percent of its sales and MUFG's annual consolidated gross profits. Based on the above, MUFG determined that this Outside Director would have no conflict of interest with ordinary shareholders, and he was thus appointed as an Independent Director.</p>
Hiroshi Kawakami	*	*	*	*	<p>Given the broad experience and deep insight he has from having participated in corporate management in global manufacturing, he has been appointed as an outside Director to oversee the management of MUFG. Mr. Kawakami satisfies the criteria put in place by the Tokyo Stock Exchange and MUFG for determining the independence of outside Directors, and we therefore believe he is sufficiently independent as an outside Director. Although previously a Senior Director of Toyota Motor Corporation, more than six years have passed since he resigned his Directorship in June 2008, and he has not participated in the management nor been involved in the business execution of the company since. Also, the value of transactions between it and MUFG Group in fiscal 2014 amounted to less than one percent of its sales and MUFG's annual consolidated gross profits. Based on the above, MUFG determined that this Outside Director would have no conflict of interest with ordinary shareholders, and he was thus appointed as an Independent Director.</p>
Yukihiko Sato			*	*	<p>Mr. Y. Sato is from Mitsubishi Electric Corporation, which has an Officer with a relationship of cross-Directorship, however, due to the reasons stated to the right, this has no impact on his independence.</p> <p>Having been a corporate manager and held public positions as Corporate Finance Committee Chairman at the Ministry of Economy, Trade and Industry and on the Business Accounting Council ad hoc Committee at the Financial Services Agency, his broad experience and expert insight in corporate finance and accounting systems is reflected in his work as an outside auditor for MUFG, and having decided that we want him to oversee the management of MUFG, he has been appointed as an outside Director of MUFG. Mr. Sato satisfies the criteria put in place by the Tokyo Stock Exchange and MUFG for determining the independence of outside Directors, and we therefore believe he is sufficiently independent as an outside Director. Although he is currently a Advisor at Mitsubishi Electric Corporation, more than five years have passed since he resigned his Directorship in June 2009, and he has not participated in the management nor been involved in the business execution of the company since. Also, the value of transactions between it and MUFG Group in fiscal 2014 amounted to less than one percent of its sales and MUFG's annual consolidated gross profits. Based on the above, MUFG determined that this Outside Director would have no conflict of interest with ordinary shareholders, and he was thus appointed as an Independent Director.</p>
Akira Yamate			*	*	<p>Given his broad experience and deep insight in a wide range of accounting and auditing matters, he has been appointed as an outside Director to oversee the management of MUFG. Mr. Yamate satisfies the criteria put in place by the Tokyo Stock Exchange and MUFG for determining the</p>

						independence of outside Directors, and we therefore believe he is sufficiently independent as an outside Director. Although previously a Partner of PricewaterhouseCoopers Aarata, he resigned from that company in June 2013 and has not participated in the management of the company since. Based on the above, MUFG determined that this Outside Director would have no conflict of interest with ordinary shareholders, and he was thus appointed as an Independent Director.
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[Committees]

Committee's Composition and Attributes of Chairperson

	All Committee Members	Full-Time Members	Inside Directors	Outside Directors	Chairperson
Nominating Committee	6	0	2	4	Outside Director
Compensation Committee	6	0	2	4	Outside Director
Audit Committee	5	2	2	3	Outside Director

[Corporate Executive Officers (Shikkoyaku)]

Number of Corporate Executive Officers (Shikkoyaku)	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	
Kiyoshi Sono	Yes	Yes	No	No	No
Tatsuo Wakabayashi	Yes	Yes	No	No	No
Takashi Nagaoka	Yes	Yes	No	No	No
Nobuyuki Hirano	Yes	Yes	Yes	Yes	No
Takashi Oyamada	Yes	Yes	No	No	No
Takashi Morimura	No	No	No	No	No
Satoshi Murabayashi	No	No	No	No	No
Junichi Okamoto	No	No	No	No	No
Hidekazu Fukumoto	No	No	No	No	No
Naoto Hirota	No	No	No	No	No
Tadashi Kuroda	No	Yes	No	No	No
Saburo Araki	No	No	No	No	No
Akira Hamamoto	No	No	No	No	No
Takahiro Yanai	No	No	No	No	No
Masamichi Yasuda	No	Yes	No	No	No
Muneaki Tokunari	No	Yes	No	No	No
Yoichi Orikasa	No	No	No	No	No

[Auditing Structure]

Appointment of Directors and/or Staff to Support the Audit Committee	Appointed
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Matters related to the Independence of Such Directors and/or Staff from Corporate Executive Officers (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

A structure is in place whereby the Audit Committee receives reports from the Internal Audit Division on important matters, including the results of internal audits and basic policies for planning internal audits.

MUFG holds sessions for exchanging views between the Internal Audit Division, the Audit Committee and accounting auditors and, when required, shares 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]

Number of Independent Directors	6
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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 Officer, 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 (Note 1) as a major business partner (Note 2) 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 (Note 3).
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 (Note 4) 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 1) Major subsidiaries: The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Mitsubishi UFJ Securities Holding Co., Ltd.

(Note 2) 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).

(Note 3) Major business partner: Based on the criterion of 2% or more of annual net sales.

(Note 4) Major shareholder: Shareholder holding 10% or more of total voting rights

[Incentives]

Incentive Policies for Directors and/or Corporate Executive Officers (Shikkoyaku)	Stock Options
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Supplementary Explanation

A non-fixed compensation method (Companies Act – item (ii), paragraph (1) of Article 361), otherwise known as a “performance-based compensation system” is not implemented. However, in addition to the stock option scheme used for Inside Directors, Corporate Executive Officers and Executive Officers, directors' bonuses are linked to individual performance.

Recipients of Stock Options	Inside Directors, Corporate Executive Officers (Shikkoyaku), Subsidiaries' Directors, Others.
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By sharing with all shareholders the merits and risks associated with changes in MUFG's share price, and to generate greater-than-normal incentives for Executives, etc., to contribute to improved performance and a higher share price, MUFG introduced a stock option scheme for MUFG Directors, Corporate Executive Officers and Executive Officers along with Directors and Executive Officers of MUFG subsidiaries from FY2007 whereby they receive one stock warrant for a payment of JPY1.

[Remuneration for Directors and Corporate Executive Officers]

Disclosure of Individual Directors' Compensation	Partial disclosure
Disclosure of Individual Corporate Executive Officers' (Shikkoyaku) Compensation	Partial disclosure

Supplementary Explanation related to these Matters

1. Total amount of compensation etc. for Director class, total amount of compensation etc. by class, and number of applicable Directors (units: million yen, persons)
- (1) Total Compensation for Directors (excluding Outside Directors): 1,024; Applicable Directors: 16
 (Details) Annual Compensation: 652
 Compensation etc. related to Stock Warrants provided as Stock Options: 145
 Director Bonus: 174
 Retirement Benefits: 51
- (2) Total Compensation for Auditors (excluding external auditors): 94; Applicable Auditors: 2
 (Details) Annual Compensation: 94
 Compensation etc. related to Stock Warrants provided as Stock Options: -
 Director Bonus: -
 Retirement Benefits: -
- (3) Total Compensation for Outside Directors: 124; Applicable Directors: 9
 (Details) Annual Compensation: 115
 Compensation etc. related to Stock Warrants provided as Stock Options: -
 Director Bonus: -
 Retirement Benefits: 9
- (Note) 1. The total payments made for Director Compensation from MUFG and subsidiaries is shown.
2. Total amount of consolidated compensation, etc., by Director (units: million yen)
- (1) Kiyoshi Sono (Director) Total Consolidated Compensation: 109
 (Details) Company Classification: MUFG
 Annual Compensation: 13
 Compensation, etc., related to Stock Warrants provided as Stock Options: 2
 Director Bonus: 3
 Retirement Benefits: -
 (Details) Company Classification: The Bank of Tokyo-Mitsubishi UFJ, Ltd.
 Annual Compensation: 44
 Compensation, etc., related to Stock Warrants provided as Stock Options: 31
 Director Bonus: 14
 Retirement Benefits: -
- (2) Tatsuo Wakabayashi (Director) Total Consolidated Compensation: 102
 (Details) Company Classification: MUFG
 Annual Compensation: 17
 Compensation, etc., related to Stock Warrants provided as Stock Options: 2
 Director Bonus: 5
 Retirement Benefits: -
 (Details) Company Classification: Mitsubishi UFJ Trust and Banking Corporation
 Annual Compensation: 53
 Compensation, etc., related to Stock Warrants provided as Stock Options: 8
 Director Bonus: 14
 Retirement Benefits: -
- (3) Nobuyuki Hirano (Director) Total Consolidated Compensation: 124
 (Details) Company Classification: MUFG
 Annual Compensation: 17
 Compensation, etc., related to Stock Warrants provided as Stock Options: 2
 Director Bonus: 5
 Retirement Benefits: -
 (Details) Company Classification: The Bank of Tokyo-Mitsubishi UFJ, Ltd.
 Annual Compensation: 63
 Compensation, etc., related to Stock Warrants provided as Stock Options: 13
 Director Bonus: 23
 Retirement Benefits: -
- (Note) 1. Only those with consolidated compensation of 100 million yen or more are shown.

Policy on Determining Compensation Amounts and Calculation Methods	Established
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1. Positioning of Basic Policy

- Based on the provisions of the Companies Act relating to companies with three committees, MUFG has implemented policies related to the Compensation Committee's determining the details of individual remuneration, etc., (hereinafter, "these Policies") for Directors, Corporate Executive Officers and Executive Officers (hereinafter "Directors, etc."), and the details are outlined below. Furthermore, major subsidiaries of MUFG have implemented similar policies based on these Policies.

2. Philosophy and Purpose

- The MUFG Group and its group companies are aiming to work as one in providing exceptional products and services to meet every financial need, and the MUFG Group is aiming to "be the world's most trusted financial group" with the strong support of its customers and society at large.
- These Policies determine Director compensation targets aimed at making continuous growth and improved mid- to long-term corporate value a reality by increasing the volition of Directors etc. to contribute to both short-term and medium- to long-term company performance while suppressing excessive risk taking. These Policies also consider the performance of MUFG and its subsidiaries and their financial health, along with domestic and international regulations etc. regarding Director compensation.

3. Compensation Standards

- These Policies aim to determine appropriate standards for Director compensation at MUFG and its subsidiaries by considering the economic and social environment, and human resource market conditions, etc., in the country where the Director is employed.

4. Decision Making Bodies

- As a company with three committees, MUFG has a Compensation Committee composed of Independent Outside Directors (Note) and the President and CEO as committee members, with an Independent Outside Director as Chairperson to determine the following matters related to the compensation, etc., of Directors, etc.
 - ◆ These Policies.
 - ◆ Details of the establishment and abolishment of systems related to the compensation, etc., of Directors, etc.
 - ◆ Details of individual compensation, etc., for Directors and Corporate Executive Officers of MUFG in line with these Policies (If the Director is in a joint role at an MUFG subsidiary, the total compensation including the compensation, etc., determined by the subsidiary will be determined in the same manner (however, bonuses will be the standard amount)).
- Furthermore, the Compensation Committee will deliberate and provide recommendations to the Board of Directors on the following matters.
 - ◆ Details of the establishment and abolishment of systems related to compensation, etc., of Directors, etc., at major subsidiaries of MUFG
 - ◆ Compensation, etc., for the Chairmen, Deputy Chairmen, and Presidents and CEOs of major subsidiaries of MUFG.
- Also, MUFG decides the details of individual Executive Officers of the company at Executive Committees.
(Note) As used in these Policies, Independent Outside Directors include Directors with a high degree of independence who are not also Executive Officers.

5. Details of Compensation, etc.

- As a general rule, compensation, etc., received by Directors, etc., at MUFG consists of three components—annual compensation, compensation related to stock warrants provided as stock options, and Director bonuses—with payments made separately for each component. However, Outside Directors and Directors who are members of the Audit Committee are not eligible to receive compensation related to stock warrants provided as stock options or Director bonuses due to the nature of their employment duties.
- As a general rule, annual compensation is determined according to the rank, location, etc., of each of the Directors, etc., and is paid in cash monthly.
- Compensation related to stock warrants provided as stock options aims to increase the incentive for Directors, etc., to contribute to an increased share price and improved medium- to long-term business performance and is provided after being determined based on the rank of each Director, etc., Also, the system for compensation related to stock warrants provided as stock options allows for stock warrants to be provided once annually, and those stock warrants can be exercised from the day after the Director, etc., ceases to be in that position.
- Director bonuses aim to increase the desire for Directors, etc., to contribute to improved business results by being incentive based and are determined and paid depending on the business results for the previous fiscal year of the MUFG Group and on the manner in which the individual Director, etc., performed their duties.
- Regardless of the above, compensation, etc., for Directors, etc., hired locally outside of Japan, is designed on an individual basis to ensure that there is no excessive risk taking and in consideration of compensation regulations, common practice, and market standards, etc., in the country of employment.

[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.

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 Executive Officers; provided, however, that 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 17 members (15 men and two women).

(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 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 Executive Officers 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 Executive Officers 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, matters regarding significant compliance cases (such as top risk cases), and any other material matters that require discussion by the Risk Committee.
- The Committees are composed of the following members.

[Nominating and Governance Committee]

(Chairperson)

Tsutomu Okuda (Outside Director)

(Committee Members)

Yuko Kawamoto (see note)
Haruka Matsuyama (Outside Director)
Kunie Okamoto (Outside Director)
Hiroshi Kawakami (Outside Director)
Nobuyuki Hirano (President & CEO)

[Compensation Committee]

(Chairperson)

Kunie Okamoto (Outside Director)

(Committee Members)

Yuko Kawamoto (see note)
Haruka Matsuyama (Outside Director)
Tsutomu Okuda (Outside Director)
Hiroshi Kawakami (Outside Director)
Nobuyuki Hirano (President & CEO)

[Audit Committee]

(Chairperson)

Akira Yamate (Outside Director)

(Committee Members)

Yukihiro Sato (Outside Director)
Hiroshi Kawakami (Outside Director)
Takashi Mikumo (Director, Non-Executive Officer)
Takehiko Shimamoto (Director, Non-Executive Officer)

[Risk Committee]

(Chairperson)

Yuko Kawamoto (see note)

(Committee Members)

Tsutomu Okuda (Outside Director)
Akira Ariyoshi (External Expert, University Professor)
Kenzo Yamamoto (External Expert)

(As of October 31, 2015)

(Note) As Ms. Yuko Kawamoto previously worked for the Bank of Tokyo (currently the Bank of Tokyo-Mitsubishi UFJ), she does not fulfill the requirements of outside director. However, during the more than 25 years that have passed since her employment at Bank of Tokyo she has gained a wealth of experience and discernment as a business consultant and university professor, and we therefore believe that her

independence from MUFU is equivalent to that of an outside director.

(3) Corporate Executive Officers

- There are 17 Corporate Executive Officers 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, etc., 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) Advisory Board

- The Advisory Board meets regularly, providing an advisory function to the Executive Committee. It consists of the following external experts who debate vigorously from an independent standpoint on MUFU's overall management in light of management conditions and issues within the Group, then provides meaningful direction and recommendations. The Advisory Board consists of three members, (three men).

Toshio Iwamoto (President and CEO, NTT Data Corporation)

Toru Nagashima, (Advisor, Teijin Limited)

Akio Mimura (Advisor Honorary Chairman, Nippon Steel & Sumitomo Metal Corporation)

(As of October 31, 2015)

(6) Global Advisory Board

- MUFU has established a Global Advisory Board composed of members from Europe, America, and Asia who are experts in areas such as corporate management, financial regulation, and government policy. MUFU's management will seek to benefit from the global perspective of their advice and recommendations provided from an independent standpoint on global governance, business strategy, and other management goals. The Global Advisory Board consists of six members (By region: Europe two, U.S. two, Asia two; five men and one woman)

Mr. John C. Dugan

Partner, Covington Burling LLP

Former Comptroller of the Currency, United States Treasury Department

Dr. Victor K Fung

Group Chairman, Fung Group, Hong Kong

Chairman of the Advisory Board, Asia Global Institute

Former Honorary Chairman, the International Chamber of Commerce

Ambassador John V. Roos

Former United States Ambassador to Japan

Lord (James) Sassoon, Kt

Director, Jardine Matheson Holdings Limited

Former Commercial Secretary to the Treasury, United Kingdom

Associate Professor Simon S.C. Tay

Chairman of the Singapore Institute of International Affairs

Former Member of Parliament, Singapore

Dr. Gertrude Tumpel-Gugerell

Member of Supervisory Board, Österreichische Bundesbahnen- Holding AG

Former Member of Executive Board, European Central Bank

(As of October 31, 2015)

(7) Executive Officers

- A executive officer system has been introduced whereby 24 Managing Officers and 45 Executive Officers are engaged in their duties as heads and deputy heads of business groups, as well as major line heads, etc.

[Group Governance framework]

- In order to enhance the group governance and implement sound business management as a holding company, group-wide risk management, compliance and internal audit frameworks have been established and Directors are seconded from MUFU to oversee operations at subsidiaries, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, and Mitsubishi UFJ Securities Holdings Co., Ltd.
- All of these subsidiaries have established Audit Committees as optional board committee, in addition to appointing Outside Directors and working towards invigorating the Board of Directors and improving management transparency.
- As at MUFU, a majority of the members of these Audit Committees are Outside Directors or experts from legal and accounting fields with their division responsible for internal audit acting as secretariats.
- At subsidiary companies, a structure is in place whereby the Internal Audit Division will report to the Audit Committee on important matters, including the results of internal audits and basic policies for planning internal audits. Following deliberation, the Audit Committee will report to the Board of Directors.

[Accounting Audit]

- Accounting audit operations at MUFU are performed by certified public accountants from Deloitte Tohmatsu LLC.

3. Reasons for Adoption of Current Corporate Governance System

MUFG shifted from being a company with a board of corporate auditors to a company with three committees following approval at the General Meeting of Shareholders held on June 25, 2015.

MUFG has already worked to enhance its governance framework with a focus on external viewpoints by appointing Outside Directors and establishing a Global Advisory Board and an Advisory Board composed of experts from overseas and Japan with the function of advising the Executive Committee.

The shift to a company with three committees is part of efforts to enhance Group management and 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-SIFI*. Additionally, MUFG Corporate Governance Policies have been formulated and released publicly to set out the policy and framework of the corporate governance of MUFG.

* G-SIFI is an abbreviation of Global Systemically Important Financial Institution.

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
Early Notification of General Meeting of Shareholders	Notice of Convocation for the 10 th General Meeting of Shareholders held on June 25, 2015 was sent on June 8, 2015 (two business days prior to the legal requirement).
Scheduling of the General Meeting of Shareholders Avoiding the Peak Days	10 th General Meeting of Shareholders: Held on June 25, 2015
Allowing Electronic Exercise of Voting Rights	Voting rights can be exercised via the Internet.
Participation in Electronic Voting Platform	MUFG participates in a voting platform operated by ICJ, Inc.
Providing Convocation Notice in English	The Notice of Convocation is prepared in English and uploaded onto the MUFG website.
Other	Prior to the Notice of Convocation (Japanese and English) being sent, it is disclosed to the Tokyo Stock Exchange and uploaded on the MUFG website.

2. Investor Relations Activities

	Supplementary Explanations	Personal explanation from the CEO
Preparations and Publication of Disclosure Policy	<ul style="list-style-type: none"> ● URL: http://www.muflg.jp/english/ir-policy/ ● Basic policy for investor relations is established and released on the MUFG website 	
Regular Investor Briefings for Individual Investors	<ul style="list-style-type: none"> ● Regular meetings for individual investors are held with attendance by the President & CEO, etc., (held in Tokyo and Osaka in FY2014). 	Yes
Regular Investor Briefings for Analysts and Institutional Investors	<ul style="list-style-type: none"> ● Meetings to explain financial results are held twice annually following release of the full year and half year financial statements (explanations are provided by the President & CEO and the CFO). ● Separate web conferences are held on the day financial statements are released (explanations are provided by the CFO). ● In addition to the above, individual visits to major domestic institutional investors are made following release of financial statements. ● The MUFG Business Strategy Seminars (1. Securities Strategy Seminar; 2. Inspection Tour of consumer finance subsidiary's call center; 3. Business Strategy for Bank of Ayudhya Public Company Limited) were held. Explanations were provided by Directors within the MUFG Group and the General Manager of the IR Office, etc. ● Participates in various conferences held by securities companies. 	Yes
Regular Investor Briefings for Overseas Investors	<ul style="list-style-type: none"> ● Twice annually, management conducts individual visits to major institutional investors overseas. ● Participates in conferences held by securities companies overseas. (Participated in Hong Kong in FY2014) 	Yes
Posting of IR Materials on Website	<ul style="list-style-type: none"> ● URL: http://www.muflg.jp/english ● Uploaded materials: Consolidated Summary Report, IR Presentation Materials, Annual Report, Fact Book, Corporate Review, Road Map to Risk Disclosure, MUFG Communications, SEC Filings, Ratings and Bond Information, Analysts Coverage, IR Calendar, Message from Management, Company Overview, Business Strategy, Corporate Governance, Stock Price Information, Press Releases, etc. ● In addition to the above, on website targeting individual investors, guide for first time users of MUFG, television commercials and printed advertisements and video are uploaded along with a collection of links to content aimed at individual investors ● Mutual communication continues through the IR Inquiries Contact Point. 	

Establishment of IR Office (Director Responsible)	Department Responsible: Financial Management Division, IR Office Director Responsible: Tokunari Muneaki, Director and Managing Executive Officer, Group CFO	
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3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanations
Stipulation of Internal Rules for Respecting the Position of Stakeholders	<ul style="list-style-type: none"> ●The Corporate Vision and Principles of Ethics and Conduct adopted by the MUFG group companies stipulates that stakeholders' point of view must be respected.
Implementation of Environmental Activities, CSR Activities, etc.	<ul style="list-style-type: none"> ●In order for MUFG as a whole to take the initiative in Corporate Social Responsibility (CSR) activities, the CSR 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 fetures.
Development of Policies on Information Provision to Stakeholders	<ul style="list-style-type: none"> ●MUFG provides a wide range of information to stakeholders through its initiatives including through the disclosure publication and its website. ●Furthermore, in the basic policies for IR activities, there are provisions regarding basic stance for providing information mainly to shareholders and investors, scope of information to be disclosed, and methods of disclosure.
Other	<p>(Appointment of Women as Directors, etc.)</p> <ul style="list-style-type: none"> ●The Board of Directors at MUFG consists of 15 men and two women. Also the Global Advisory Board, which provide advice for the Executive Committee, have five men and one woman respectively. ●MUFG is placing effort into promoting Diversity and Inclusion as one of the initiatives to invigorate the organization. The company is working towards building an environment where all employees can contribute to the organization at their full potential regardless of differences in appearance, background, culture or sex. Group companies are also striving to implement initiatives and systems to enrich the company while fostering a culture which is accepting of diversity. <p>Active Appointment of Women and Support for Career Building [The Bank of Tokyo-Mitsubishi UFJ, Ltd.] In April 2015, new numerical targets were set for the appointment of women, where by March 2018 the company will aim to have at least one Excecutive Officer 6% of General Managers, 14% of Chief Managers and Senior Managers and 22% of other titled roles being filled by women. Talented women will participate in planned training and will be appointed to senior roles and be fostered to have a greater role in management through introduction to role models and support from networking activities. There is also a focus on creating an environment where those who return to work following maternity and childcare leave will be able to achieve the same level of activity as prior to their leave and on providing career building assistance to women who want to raise families while continuing to work. Details of these initiatives can be found at the following website. http://www.bk.mufg.jp/csr/employee/diversity.html</p> <p>[Mitsubishi UFJ Trust and Banking Corporation] In order to help women reach their full potential, initiatives such as an expanded childcare leave program (maximum two weeks paid leave) and a system allowing reduced working hours (maximum three hours' reduction) have been introduced and their use is promoted. Additionally, seminars continue to be held aiming to support career development. Women are also being actively recruited and initiatives are designed so that women are able to form a more realistic image of their future careers, including the distribution of a magazine which reports on female employees' daily lives and how they achieve a work-life balance. As a result of this, women made up approximately half of the new hires in FY2015, which is leading to women participating in a greater range of activities within the bank. Refer to the bank's website below for details of these initiatives. http://www.tr.mufg.jp/ippan/csr/tayousei.html</p> <p>[Mitsubishi UFJ Securities Holdings Co., Ltd.] Promotion of women's activities is considered to be the most important issue in the company and an expanded and enhanced system to support work while raising children has been introduced. In order to further maximize women's potential, activities are being developed with a focus on educating female employees in a planned fashion and fostering company culture with a target of steadily increasing the ratio of women in management positions.</p> <p>[Major Initiatives]</p> <ol style="list-style-type: none"> 1. Conduct career building seminars targeting young female employees 2. Holding training sessions and networking sessions with role models within the company for managerial candidates 3. Implement training sessions to reform awareness on the management side 4. Enlighten all employees through specialist magazines and internal newsletters <p>Details of initiatives can be found at the following websites. http://www.sc.mufg.jp/company/csr/diversity/index.html http://www.hd.sc.mufg.jp/csr/diversity.html</p>

IV Matters Relating to the Internal Control System

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

MUFG complies with the Companies Act and the associated Ordinance of Enforcement and has ratified the following framework (internal controls framework) to ensure appropriate operations are being conducted within the company. The company 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 the company.

The companies listed below are directly invested in by MUFG and have been designated directly owned subsidiaries^(Note). The MUFG Group is designated as a business group comprised of MUFG and its subsidiaries as provided in Article 416, (1), 1 of the Companies Act.

^(Note) The Bank of Tokyo-Mitsubishi UFJ, 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 a Corporate Vision and Principles of Ethics and Conduct in order to ensure operations befitting the MUFG Group.
- (2) In addition to stipulating the MUFG Group basic policies for business management, MUFG shall also stipulate individual sets of company rules for customer protection management, risk management, compliance, internal audits, etc., along with concluding business management agreements with directly owned subsidiaries.
- (3) In order to manage its business, MUFG shall deliberate on or reported from and conduct appropriate management of directly owned subsidiaries in line with each company's rules and in adherence to the separation of duty.
- (4) Companies subject to direct business management by MUFG are stipulated as being those subsidiaries in which MUFG has direct investment, and the management of subsidiaries in which MUFG does not have direct investment shall be directly managed by the subsidiary which holds the said direct investment. MUFG shall provide direction and advice regarding business management to the subsidiary that holds the direct investment as required.
- (5) MUFG shall stipulate company rules regarding internal controls and disclosure management and procedures for financial reporting and shall establish an accounting audit hotline (internal reporting framework whereby matters regarding accounting at the MUFG Group can be reported by the public as well as MUFG Group Officers and employees) as part of this.

2. Legal and Regulatory Compliance Framework

- (1) MUFG and its directly owned subsidiaries shall stipulate a Corporate Vision and Principles of Ethics and Conduct so as to ensure that the execution of duties by Officers and employees conforms with laws and regulations, and the Articles of Incorporation.
- (2) MUFG and its directly owned subsidiaries shall create and circulate various company rules and compliance manuals to build a framework to ensure that Officers and employees comply with laws and regulations, etc.
- (3) MUFG and its directly owned subsidiaries 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 its directly owned subsidiaries shall formulate compliance programs (specific plans to ensure Officers and employees comply with laws and regulations, etc., including training for Officers and employees) and implement follow-ups on the progress of these programs.
- (5) MUFG and its directly owned subsidiaries shall establish internal reporting frameworks to receive reports of fraudulent activities from Officers or employees.
- (6) MUFG and its directly owned subsidiaries 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 its directly owned subsidiaries shall be aware of the possibility that funds transacted through financial institutions may be used for various criminal activities and/or terrorism and will work towards preventing money laundering.

3. Management Framework For Customer Protection, etc.,

- (1) In order to achieve strong customer standards in line with the Corporate Vision and the Code of Ethics and Conduct, MUFG and its directly owned subsidiaries 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 frameworks for customers, information management and conflict of interest management by increasing awareness among Officers and employees.
- (2) Based on the Personal Information Protection Policy that was created to encompass the information management framework, MUFG and its directly owned subsidiaries shall create frameworks 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 its directly owned subsidiaries shall establish frameworks 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 an Audit Committee member, the division responsible shall provide access to viewing of, or actual copies of, the documents requested.

5. Risk Management Framework

- (1) MUFG and its directly owned subsidiaries shall implement an integrated risk management and control framework 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 its directly owned subsidiaries 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
- (3) MUFG and its directly owned subsidiaries shall establish an integrated risk management framework. They shall establish committees for risk management and control, and a Director and establish dedicated divisions etc. responsible for risk management.
- (4) MUFG and its directly owned subsidiaries shall appropriately manage risk through risk management processes consisting of risk identification, measurement, control and monitoring.
- (5) MUFG shall create a framework to manage allocated capital (framework 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 its directly owned subsidiaries 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 its directly owned subsidiaries 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 Executive Officers 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 Executive Officers, etc., they shall create various committees to provide advisory functionality to the Executive Committee.
- (3) Subsidiaries directly owned by MUFG shall establish Executive Committees, etc., which will be delegated predetermined tasks from the Board of Directors. These Executive Committees, etc., 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 Committees, etc.
- (4) MUFG and its directly owned subsidiaries shall, in order for Corporate Executive Officers (Board of Directors, etc., for 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 its directly owned subsidiaries shall ensure the soundness and appropriateness of operations by building an internal audit framework which has high specialization and independence to assume the function of verifying and assessing the appropriateness and effectiveness of risk management, internal controls and governance processes.
- (2) MUFG and its directly owned subsidiaries shall set company rules to identify basic matters concerning internal audit.
- (3) MUFG and its directly owned subsidiaries shall establish a division responsible for internal audit.
- (4) The divisions responsible for internal audit at MUFG and its directly owned subsidiaries shall support the oversight function of the Board of Directors by collaborating and working together under the guidance of the division responsible for internal audit at MUFG.
- (5) The division responsible for internal audit at MUFG and its directly owned subsidiaries shall, as required, build a collaborative relationship with the Audit Committee (the Corporate Auditor at subsidiaries directly owned by MUFG) and accounting 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 invested by MUFG in line with prescribed company rules)
 - 2 Matters that may cause significant damage to the company (including matters deliberated on or reported by subsidiaries directly invested by MUFG in line with prescribed company rules)
 - 3 Implementation status and results of internal audits within the MUFG Group
 - 4 Critical violations of laws or regulations within the MUFG Group
 - 5 Status of reporting and details of cases reported to the MUFG Group Compliance Helpline as well as the Accounting Audit Hotline, results of use of internal reporting frameworks, etc., at directly invested subsidiaries
 - 6 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 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 Audit Committee.

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

- (1) Representative Corporate Executive Officers and the division responsible for internal audit shall conduct regular sessions to share opinions with the Audit Committee.
- (2) The Audit Committee shall provide specific directives to the division responsible for internal audit as required based on the plan for internal audit and internal audit reports received from that division.
- (3) Members of the Audit Committee shall be entitled to attend the Executive Committee and other important committees, etc.
- (4) Officers and employees shall cooperate with surveys or interview requests received from the Audit Committee or its members.
- (5) Officers and employees shall give utmost respect to other matters as stipulated in the Audit Committee rules and the Audit Committee Audit Standards.

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 a Corporate Vision 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, the Principles of Ethics and 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 Principles of Ethics and Conduct.

[Principles of Ethics and Conduct] 2-1 Adherence to Laws and Regulations

Public Disclosure

- To maintain MUFG's reputation and credibility, disclosure of our corporate information, including financial reports, must be timely, clear, and accurate so that it can be properly understood and evaluated.
- If we become aware of an inaccurate or misleading statement or nondisclosure of material information, we immediately consult with our supervisors to undertake appropriate measures and correct inaccuracies.

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, Deputy Presidents, 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, Media Relations Office in Corporate Communications Division, and Financial Planning Division conduct deliberations and make a decision. Media Relations Office in the Corporate Communications 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

