

Empowering communities

**MUFG IN THE AMERICAS
CORPORATE SOCIAL RESPONSIBILITY REPORT**

April 1, 2016 – March 31, 2017



**MUFG Union Bank, N.A.
MUFG Americas Holdings Corporation**
Members of MUFG, a global financial group



At MUFG, we believe our strength comes from enriching the communities where we do business. As a lender, partner, employer, and neighbor, we remain committed to building a strong, sustainable future where all of us can thrive.

On the cover

Thomas Jean-Baptiste is a graduate of the Brooklyn Workforce Innovations job training program, which helps jobless and working poor New Yorkers establish careers that offer opportunities for advancement. Mr. Jean-Baptiste got a job with a design firm building sets for film and television, putting his new woodworking skills to good use. The MUFG Foundation has supported BWI for more than 20 years.

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Volunteer Sarah Gustafson helped beautify San Francisco's iconic Golden Gate Park at an event co-hosted by the Student Conservation Association.



OUR BUSINESS

365

retail and commercial branches in the United States

24

wholesale locations in 9 countries

15,078

staff members in the Americas

\$150 billion*

total assets

\$78 billion*

total loans

\$87 billion*

total deposits

1 million

regional bank customers in the United States

8,000+

wholesale customers in the Americas

*Totals as of March 31, 2017, for MUFG Americas Holdings Corporation (MUAH), which is a financial holding company and bank holding company. Its main subsidiaries are MUFG Union Bank, N.A., and MUFG Securities Americas Inc. MUAH also supervises the Americas operations of The Bank of Tokyo-Mitsubishi UFJ, Ltd (BTMU). These totals do not include BTMU, which is based in Japan and whose parent holding company issues public financial statements on a global, but not an Americas, basis.

A MESSAGE FROM STEVE CUMMINGS



We're proud to be part of MUFG, one of the world's largest financial institutions. And we're proud of our vision—to become the world's most trusted financial group. The way to earn that trust is to be the bank you can count on to do the right thing, without fail. We understand that, because responsible banking has been an MUFG in the Americas hallmark for more than 150 years. Nothing's more gratifying than being rewarded with the honor of becoming trusted advisors to those who depend on us—our customers, colleagues, and communities. Building trust one relationship at a time—and earning it again every day—is the heart of who we are.

The signature of Steve Cummings, written in black ink, is a cursive script that reads "Steve Cummings".

Steve Cummings
Chief Executive Officer for the Americas
Mitsubishi UFJ Financial Group, Inc.

2016 CSR highlights*

\$41 billion in total commitments

under our 5-year Community Service Action Plan

Ranked #1

Global Clean Energy Lead Arranger,
Bloomberg New Energy Finance
calendar 2016

\$16.7 million in donations

supporting nonprofit organizations
in targeted sectors

\$10.5 billion in environmentally sustainable finance

\$1.3 billion+ in loans

to support small businesses
and farms

20% reduction in absolute greenhouse gas emissions

\$172 million of discretionary spending

to Diverse Business Enterprises

150+ graduates

of our 5 high school student-run
branches since 2011

\$2.3 billion+ in lending and investments

to support affordable housing

Best Places to Work for LGBT Equality

for the fourth year in a row by the Human Rights Campaign Foundation

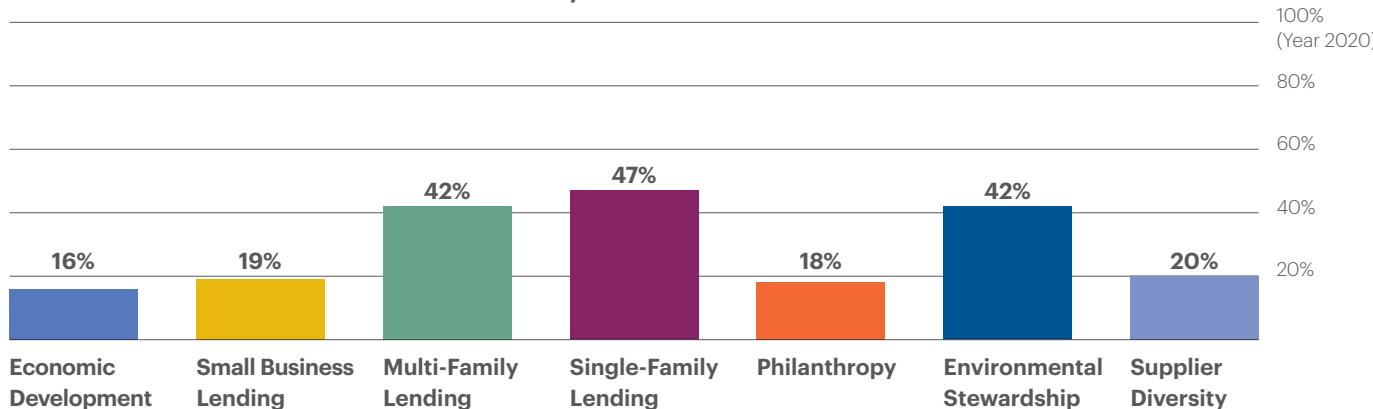
*Calendar year

CSR in action

AN OUTSTANDING GRADE FOR SERVING OUR COMMUNITIES

MUFG has a Community Reinvestment Act (CRA) rating of “Outstanding,” the highest rating possible from the Office of the Comptroller of the Currency. The CRA aims to expand access to financial services for low- and moderate-income neighborhoods—individuals or families—by evaluating banks’ performance in meeting the needs of borrowers in all segments of their communities.

Our First Year Results: On Track to Meet our 5-year 2020 Commitment



The 2016–2020 (5-year) Community Service Action Plan (CSAP) is our roadmap for community reinvestment. The plan, which was developed with critical input from a wide range of customers and partners, outlines specific, measurable goals in key areas of community investment and support. Every year we are accountable for reporting back to the community on our progress toward meeting this commitment.

CSR ADVISORY BOARD

More than two decades ago, we established our industry’s first Community Advisory Board (CAB). To stay at the forefront of an increasingly global industry, the CAB’s mandate was expanded in 2016. We also added seven new members to support that increased complexity along with changing the name to the CSR Advisory Board.

“MUFG is doing what they’ve always done, which is to be leaders in this space. Not every financial institution has this kind of body or spends the time engaging with community organizations. I’m proud to be part of an institution that does such a fine job of Corporate Social Responsibility.”

Gabe del Rio, Chair, CSR Advisory Board

Meet the CSR Advisory Board*

Gabe del Rio, Chair
President, Springboard CDFI

Tunua Thrash-Ntuk, Vice Chair
Executive Director, Local Initiatives Support Corporation of Los Angeles

Thomas FitzGibbon
Chairman of Strategic Planning Committee,
Chicago Community Loan Fund

Susan Howard
Western District Community Affairs Officer (Retired), Office of the Comptroller of the Currency

Hyepin Im
President and Founder, Korean Churches for Community Development

Vivienne Lee
Principal Consultant, VP Strategic Partnerships
Regional Director, Southern California Roberts Enterprise Development Fund

David Lizarraga
Founder and Chairman, The East Los Angeles Credit Union (TELACU)

Kristy Ollendorff
Chief Commercial Credit Officer and Director of Commercial Lending, Clearinghouse CDFI

Beth Sirull
President/CEO, Jewish Community Foundation of San Diego

Claudia Viek
CEO, California Association of MicroEnterprise Opportunity (CAMEO)

Robert Villarreal
Executive Vice President, CDC Small Business Finance

*As of August 1, 2017

For communities



"It is a privilege to be part of an organization that expresses its commitment to neighborhoods by not only funding community-based efforts, but also by donating our time and talent to support causes that mean something to each and every one of us."

Wendy Breuder, MUFG Union Bank Foundation Board Member

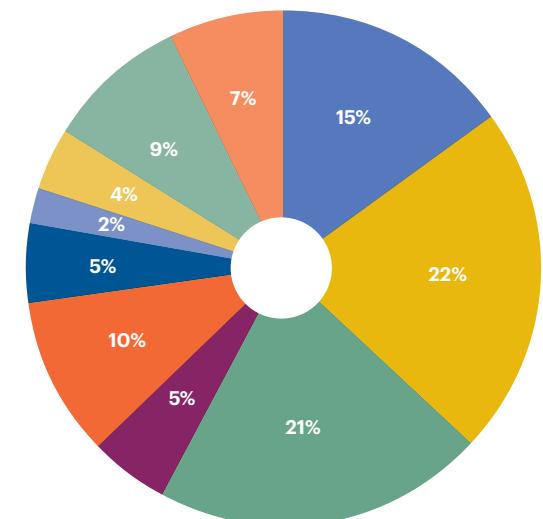
Branch Manager Brian Ellis (left) and Regional Manager Jason Bowser help install solar panels at a GRID Alternatives volunteer event in San Diego.

Driving positive change

MUFG is committed to being a catalyst for change in the places where we live, work, and play. Through the MUFG Union Bank Foundation, we make philanthropic investments across the Americas with an eye toward expanding access to economic opportunity and bolstering the long-term prosperity of low- and moderate-income communities.

In 2016, MUFG's charitable contributions totaled nearly \$16.7 million.

- Affordable Housing 15%
- Community Economic Development 22%
- Education 21%
- Environment 5%
- Human Services 10%
- Financial Education 5%
- International Relations 2%
- Culture & Arts 4%
- Health 9%
- Emergency Services 0%
- Matching Gifts (company portion) 7%



We also encourage employees to support causes important to them by matching their donations up to \$2,500 per year. In 2016, combined employee donations and company matches totaled nearly \$2.5 million.

Measuring our impact

Each year we evaluate our foundation grants to gain a clear understanding of their true impact—how a project helped change the lives of beneficiaries in meaningful, quantifiable ways. Researchers recently completed analysis of partner outcomes associated with our 2016 investments in Affordable Housing and Community Economic Development.

AFFORDABLE HOUSING

64 organizations received a total of nearly \$1 million

TO HELP ACHIEVE THE FOLLOWING OUTCOMES:

6,681 for sale
and rental housing units developed

766 individuals
purchased affordable housing

70,155 individuals
achieved housing stability through
rental housing programs

132,410 shelter
bed-nights provided

COMMUNITY ECONOMIC DEVELOPMENT

89 organizations received a total of \$1.5 million

TO HELP ACHIEVE THE FOLLOWING OUTCOMES:

18,489 jobs
retained and 2,823 new jobs created

6,871 new businesses created

7,177 individuals
with low and moderate incomes hired
by participating organizations

2,850 loans
made to small businesses totaling
\$108 million

As part of our commitment to responsive and effective philanthropy, the MUFG Union Bank Foundation commissioned the University of San Diego's Caster Family Center for Nonprofit and Philanthropic Research to evaluate grant applicants' overall experience with the Foundation and with our new online application. The new application, launched in 2015, was designed to improve the applicant experience and better facilitate outcomes analysis.

Of those grantees surveyed, 86% reported they were "satisfied" or "very satisfied" with the new online application.

A place to call home

Homeownership is a central pillar of the American Dream. To help more families achieve this goal, the MUFG Union Bank Foundation awarded multi-year grants through its Advancing Communities Forward Program (ACFP) to 12 homeownership counseling nonprofits on the U.S. West Coast. The grants, provided annually over three years, support programs that help potential buyers broaden their knowledge of the home purchasing and financing process, and begin taking steps toward buying a home.

This is the second funding initiative since ACFP launched in 2013. Key achievements of the 2013–2015 round of homeownership counseling grants include:

23,127 participants
in homeownership workshop

5,307 participants
obtained loan modifications

5,314 new homes
purchased by participants

56% of participants
improved their credit score

AFFORDABLE RENTAL HOUSING DEVELOPMENT "BOOTCAMP"

In 2016, for the first time the bank was the presenting sponsor of the California Affordable Housing and Community Development Training Institute, an intensive, two-week skills training program launched by our long-time partner the Local Initiatives Support Corporation (LISC) to provide real-world training to developers committed to creating affordable housing. The comprehensive, hands-on training includes a combination of instruction and simulated projects to help nonprofit developers learn the complexities of affordable home development.



Participants of the 2016 California Affordable Housing and Community Development Training Institute.

"The LISC training provides assistant and new project managers an in-depth training unavailable in any other context."

Thomas Lauderbach, Associate Director of Housing Development at the Tenderloin Neighborhood Development Corporation, San Francisco

2016–2018 HOMEOWNERSHIP COUNSELING GRANTEES

Affordable Housing Clearinghouse
ASIAN, Inc.
Community Housing Development
Corporation

Housing Opportunities Collaborative
Los Angeles Neighborhood
Housing Services
Neighborhood House Association

Neighborhood Housing Services
of Orange County
New Economics For Women
San Francisco Housing Development
Corporation

Shalom Center for T.R.E.E. of Life
Springboard CDFI
West Angeles Community Development
Corporation

MUFG gives back

EMBRACING VOLUNTEERISM ACROSS THE AMERICAS

Our employees are passionate about making meaningful change in underserved communities, often rolling up their sleeves to address urgent needs. From providing meals to the hungry, to helping build a house for a homeless family, our team members are invested in making a positive impact.



Colombia

In coordination with TECHO, a nonprofit in Latin America dedicated to fighting poverty, employees in Bogotá worked alongside community members to build a transitional home for a family in need. Because TECHO uses pre-manufactured housing, volunteers built the home in just two days.



Brazil

Nearly all employees and their families volunteered at Borore, a social services center in São Paulo, Brazil. They helped the staff of Borore provide a wide range of services—from painting walls and building a library to planting trees and a vegetable garden. Employees also donated toys, clothes, and shoes to be sold at a bazaar held at the institution to raise money in support of its work.

In 2016, employees across the Americas volunteered a total of 37,197 hours to help those in need.



San Francisco

Members of the Controllers and Tax Services team volunteered at the San Francisco–Marin Food Bank prepping breakfast items for distribution to families without enough food. Over the past two decades, the bank has donated \$450,000 to the food bank.



Canada

At Quest Food Exchange in Vancouver, Canada, bank volunteers sorted food donations to be sent to nonprofit grocery markets in support of Quest's mission to reduce hunger by redirecting surplus foods to the poor.

A MESSAGE FROM TIM WENNES



Truly vibrant communities emerge when public–private partnerships work together on creative solutions. Strategic collaboration across local businesses, community-based organizations, nonprofit groups, and local leaders is foundational to building healthy communities. At MUFG Union Bank, N.A., we take that responsibility seriously and are deeply committed to the strong alliances we've forged across a broad range of stakeholders. We also recognize that innovative thinking with our partners will maximize the positive impacts of our significant community outreach on behalf of current and future generations. Together, we are creating important new opportunities for our neighborhoods to thrive and succeed. And when that happens, everyone wins.

A handwritten signature in black ink that reads "Tim Wennes".

Tim Wennes
West Coast President
MUFG Union Bank, N.A.

Support for arts education

CARNEGIE HALL'S MUSICAL EXPLORERS

The MUFG-sponsored Musical Explorers program helps New York City public school students express themselves creatively and develop musical skills at a young age. The 4,600 participating elementary school students practice singing and dancing to musical genres ranging from hip-hop to Armenian folk and are encouraged to make personal connections through music to their own and other cultures. The school year is capped by a concert at Carnegie Hall (photo, right), where the students greet the musicians they have been studying all year like rock stars.



Photo credit: Stephanie Berger



SÃO PAULO SYMPHONY ORCHESTRA

MUFG is a proud supporter of the São Paulo Symphony Orchestra (OSESP), one of the world's leading orchestras. Our sponsorship helps preserve this important center of art and culture in Brazil, and further the orchestra's social initiatives to enhance public education through classical music. Notably, we supported OSESP's recent production of "Juntos em Perfeita Harmonia," or "Together in Perfect Harmony" (photo, left).

"With our support for the orchestra, MUFG is helping to enhance public education through classical music and to preserve one of the most important icons of art and culture in Brazil and Latin America."

Junsuke "John" Koike, Regional Head for Latin America
The Bank of Tokyo-Mitsubishi UFJ, Ltd.



Our McLane High School branch was recently renamed in honor of Jan Woolsey (pictured center), the retired MUFG Union Bank, N.A. Head of CRA Strategy and Operations and original architect of the bank's student-run branch program. Matthew Martin (pictured front row, far right) is a graduate of the first student-run Union Bank branch at McLane High School and is now the Branch Service Officer of the Jan Woolsey Student Branch at McLane High. Since 2011, the bank has also hired 17 of the students as tellers in our regular branches.

Offering real-world lessons in financial education

Since 2011, MUFG Union Bank, N.A., has promoted financial literacy and college readiness for young adults in low-income communities through its high school student branches. Each year, groups of students at five participating high schools are selected for a year-long internship at their high school's branch, where they practice essential customer service skills and undergo much of the same training given to full-time tellers, under the supervision of veteran managers. Students are also responsible for teaching basics of personal finance to their classmates and teachers. Upon completion of the program, students receive a \$1,000 college scholarship. Roughly 150 students have completed the program, and nearly all have gone on to college. The bank is expected to open its sixth student-run branch in 2018 in Oakland, California.

CALIFORNIA HIGH SCHOOL BRANCH LOCATIONS

Anaheim

Loara High School

El Monte

Mountain View High School

Fresno

McLane High School

Los Angeles

Crenshaw High School
Lincoln High School

Oakland

MetWest High School
(opening in 2018)

"It was thanks to you and the wonderful team behind the program that I was able to have a clear understanding of what I wanted to pursue in college... I am sincerely thankful for the opportunities that this program gave me."

Fernanda Vasquez, Abraham Lincoln High School graduate

BRINGING HOMEOWNERSHIP WORKSHOPS TO PARENTS

Our Loara High School branch partnered with the Affordable Housing Clearing House to offer a series of homeownership workshops to parents of Loara High students. The goal of this collaboration was to help families learn essential information about the homebuying and financing process.

For customers and partners

Financing affordable housing

We originated **875 community development loans and investments totaling \$1.6 billion in 2016**. Our program helped support affordable housing, small business, and economic development in low- and moderate-income areas primarily in six states.

**CA**

Anaheim
Apple Valley
Aptos
Bakersfield
Baldwin Park
Bell Flower
Berkeley
Burbank
Burlingame
Calabasas
Camarillo

Campbell
Carlsbad
Chula Vista
Costa Mesa
Covina
Culver City
Cypress
Dana Point
Desert Hot Springs
El Cajon
El Cerrito
El Monte
Escondido
Foster City
Fresno
Gardena
Hanford
Hawthorne
Hayward
Huntington Beach
Imperial Valley

Inglewood
Irvine
Isla Vista
La Mesa
Long Beach
Los Angeles
Lynwood
Madera
Modesto
Monrovia
Montebello
Morgan Hill
National City
Oakland
Ontario
Orange County
Oxnard
Pacific Palisades
Pacoima
Palo Alto
Panorama City

Pasadena
Pico Rivera
Point Reyes Station
Ramona
Redding
Riverside
Sacramento
Salinas
San Diego
San Fernando
San Francisco
San Gabriel
San Geronimo
San Jose
San Leandro
San Luis Obispo
San Lorenzo
San Marcos
San Mateo
San Rafael
San Ramon
Santa Ana

Santa Barbara
Santa Cruz
Santa Monica
Santa Rosa
Signal Hill
Sonoma
Stockton
Temecula
Tustin
Ukiah
Vallejo
Van Nuys
Ventura
Visalia
Vista
Walnut Creek
Watsonville
West Hollywood
Westminster
Wilmington
Yorba Linda
Yuba City

**IL**

Chicago

**NY**

New York

**OR**

Albany
Portland
Milwaukie
Oakridge

**TX**

Dallas
Plugerville

**WA**

Auburn
Everett
Kirkland
Lynnwood
Seattle
Tacoma



"Financially it feels great," says Mauricio Huerta (pictured center).
"I can sleep in peace."

THE HUERTA FAMILY (STOCKTON, CA)

The Huerta family recovered from foreclosure with the help of our community partner Visionary Home Builders of California's lease-to-own program, which was created in response to the financial crisis. The Huertas completed financial education classes, repaired their damaged credit, and saved for a down payment, all while renting the home in Stockton they would ultimately purchase. Through the bank, the family also enrolled in the Federal Home Loan Bank of San Francisco's Individual Development and Empowerment Account (IDEA) homeownership program, which matches 3-to-1 every dollar saved toward a down payment. After three years of saving, the Huertas received the maximum IDEA grant of \$15,000.

Empowering small businesses

The bank lent more than \$1.3 billion to small businesses and farms in 2016, surpassing our CSAP goal by 23%. We also provided multi-year grants to 18 nonprofits serving small and micro businesses throughout the West Coast through our Advancing Communities Forward Program. These grants help businesses create jobs and encourage technical assistance providers to expand services that fuel economic growth in low- and moderate-income communities.

KEY ACHIEVEMENTS FROM OUR 2013–2015 ROUND OF SMALL BUSINESS TECHNICAL ASSISTANCE GRANT MAKING

16,645

businesses received technical assistance

20,673

jobs created or retained

2,321

new businesses created

63%

average increase in business revenues for participants

We partnered with PeopleFund, a community development financial institution and nonprofit small- and micro-business lender and business education provider, to open a women's business assistance center to serve the greater Dallas-Fort Worth community. The center, made possible through a three-year \$300,000 grant from MUFG Union Bank, N.A., supports women-owned businesses by offering education programs, access to capital, and individual advising and mentorship.



Carolyn Phillips, owner of Alchemy Pops in Texas, received support from PeopleFund to increase production and purchase new equipment to expand her popular handmade ice pop business that uses only fresh, local ingredients.

Photo credit: Alchemy Pops

2016–2018 SMALL BUSINESS TECHNICAL ASSISTANCE GRANTEES:

ACCION San Diego

Centro Community Partners

CSU Fullerton Auxiliary Services Corporation

CSUSB Philanthropic Foundation

Hispanic Chamber of Commerce of Orange County Education Foundation

Homesight

Inner City Advisors

Koreatown Youth and Community Center

Long Beach City College Foundation

Pacific Asian Consortium In Employment

Pacific Community Ventures

Rancho Santiago Foundation

Riverside Community College District Foundation

San Diego Regional Small Business Development Corporation

San Diego SCORE

Seattle Chinatown International District Preservation and Development Association

Valley Small Business Development Corporation

Women's Economic Ventures

Strengthening diversity

To promote innovation and drive economic growth in all communities, MUFG Union Bank, N.A., is committed to purchasing our goods and services from a diverse group of suppliers, including companies that are majority-owned and operated by ethnic minorities, women, and veterans to include service-disabled veterans of the armed forces. In 2016, the bank expanded the program to include all veterans, not only those who are service-disabled.

In 2016, our expenditures with diverse suppliers totaled \$172 million, representing 13.2% of the bank's total discretionary spending and surpassing our CSAP goal. Our Business Diversity Lending program is designed to help Diverse Business Enterprises (DBEs) get the financing they need to grow their business. Under this program, in 2016 the bank provided 433 loans, averaging \$72,537, for a total commitment of \$31,408,521.

The bank hosted a series of supplier diversity conferences in Anaheim, Los Angeles, Oakland, and San Diego entitled "Let's Do Business." These conferences gave a combined

total of 560 diverse suppliers an opportunity to match their products and services with the Bank and with local, state, and federal government agencies.

We were also proud to sponsor a veteran listening tour with 20 veteran support-group organizations. Together with the California head of the U.S. Veterans Administration, the bank arranged a series of meetings with nonprofit veteran's organizations around the state to learn how the bank could help them and their many local chapters.

MUFG Union Bank sponsored 10 diverse suppliers to attend the Management Development for Entrepreneurs (MDE) program offered by the Harold and Pauline Price Center for Entrepreneurial Studies at the UCLA Anderson School of Management. The MDE program is a premiere educational opportunity that enables entrepreneurs to develop essential management skills and strengthen their ability to build and manage effective and profitable organizations. An additional three diverse suppliers attended a similar program at the University of Washington.

2016 HONORS

Corporation of the Year

Latin Business Association

Best of the Best

Top Veteran-Friendly Company by
U.S. Veterans Magazine



"Our supplier diversity initiative has become the standard bearer for our peer banks as well as other major nonfinancial corporations."

Richard Chacon, Director of Supplier Diversity and Development
MUFG Union Bank, N.A.

STRATEGIC ALLIANCES

California State Commanders
Veterans Council

Financial Services Roundtable for
Supplier Diversity

National and Regional Minority Supplier
Development Councils

Disabled Veterans Business Alliance

The Elite Service-Disabled Veteran-
Owned Business (SDVOB) Network

Veterans Business Network
National Veterans Foundation

For our workforce

Committed team, inspiring workforce

Our diversity initiatives are designed to attract and develop top talent, improve employee satisfaction, and better serve our customers by reflecting the increasingly diverse communities where we operate.

51%
of all employees in
the Americas are women

28%
of senior managers* in
the U.S. are people of color

22%
of senior managers* in
the Americas are women

44%
of U.S. employees who took
paid parental leave were men

AN INCLUSIVE AND DIVERSE INSTITUTION

- In 2016, the Leadership Council for Inclusion and Diversity established a robust governance framework, enterprise-wide objectives, and key performance indicators that are regularly reviewed.
- Employees across global MUFG participated in unifying events, such as International Day of Pink, that celebrated diversity and inclusiveness.
- The Human Rights Campaign Foundation honored us as one of the Best Places to Work for LGBT (lesbian, gay, bisexual, transgender) Equality for the fourth year in a row.

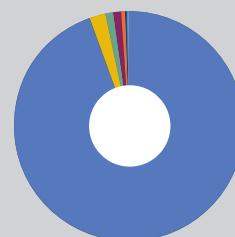
*Managing Directors and above.

**Excludes temporary employees and non-employee contingent workers.

AMERICAS WORKFORCE

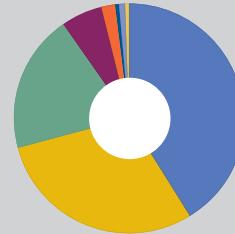
15,078 staff members, including employees, temporary employees, and non-employee contingent workers

AMERICAS EMPLOYEES BY COUNTRY



| | |
|-----------------|----------|
| United States | 12,980 |
| Brazil | 291 |
| Canada | 152 |
| Mexico | 149 |
| Chile | 64 |
| Argentina | 51 |
| Colombia | 13 |
| Peru | 6 |
| Total Employees | 13,706** |

U.S. EMPLOYEES BY RACE AND ETHNICITY



| | |
|---|-------|
| White | 41.3% |
| Asian | 29.7% |
| Hispanic or Latino | 19.4% |
| Black or African American | 5.7% |
| Two or more races | 1.9% |
| American Indian or Alaska Native | 0.7% |
| Native Hawaiian or other Pacific Islander | 0.8% |
| Did not identify | 0.4% |

Inclusion & diversity partners

ENTERPRISE RESOURCE GROUPS

Our Enterprise Resource Groups are open forums led by employees to create a sense of community and allow employees to speak out on issues that matter to them related to race, ethnicity, gender identity, sexual orientation, and generational cohort.

Adelante

Hispanic/Latino
Enterprise Resource Group

ASPIRE

Asian Pacific Islander
Enterprise Resource Group

NextGen Leaders

Generational Enterprise Resource Group

Pride Alliance

LGBTQ Enterprise Resource Group

PULSE

African American/Black
Enterprise Resource Group

SERVE

Veterans'
Enterprise Resource Group

WIN

Women's
Enterprise Resource Group

THE B.E.A.T. INITIATIVE

In a departure from the traditional "top-down approach," the Inclusion & Diversity (I&D) team recruited a group of up-and-coming millennials across the bank to identify underserved populations within MUFG markets to receive charitable donations. The Building Emerging & Aspiring Talent, or B.E.A.T. Initiative, was designed to bring new voices to the forefront and foster the growth of future leaders by giving younger workers an important decision-making role. After a vetting process, the group donated \$250,000 to nonprofits focusing on higher education scholarships for protected groups such as women, people of color, and LGBTQ, and made funding increases to selected nonprofits the bank already supports.

INTERNATIONAL WOMEN'S DAY

To commemorate International Women's Day, employees across the Americas wore purple and hosted panel discussions with senior women executives to inspire the next generation of female leaders.

EDUCATIONAL ASSISTANCE PROGRAM FOSTERS CONTINUED LEARNING

To support our employees' professional aspirations, the bank invested nearly \$810,000 in tuition reimbursements in 2016, helping 456 employees attain university and advanced degrees.



Beverly Davis, Vendor Compliance Risk Analyst for MUFG Union Bank, N.A., presents an educational award to high school student Senia McClure at the Oakland Black College Expo for her award-winning essay, "Why is a College Education Important to Me." The expo was hosted by the National College Resources Foundation, which the MUFG Union Bank Foundation has supported since 2005.



**Asian American
and Pacific Islander
Heritage Month**
Pacific Islander
employees share their
cultural heritage with
colleagues.

For the environment

Integrating sustainability into all that we do

Forterra, a Seattle-based land conservancy, secures wildlands, working farms and forests, as well as urban locations for affordable housing, parks, and the arts. Taking a holistic approach, the organization recognizes that healthy lands, great communities, and strong economies are all necessary to create a sustainable region.

The bank provided a \$25,000 grant to support Forterra's Strong Communities Program, which is working in partnership with local nonprofits to raise capital to fund the interim acquisition and land banking of community property to be developed into affordable housing. This strategy of developing higher density, affordable housing helps preserve valuable green space in city centers and ensures that new developments are built to high sustainability standards.

Visualization, courtesy of Forterra, of a compact, mixed-use neighborhood designed to be more sustainable, walkable, and supportive of biking and public transit.



"Forterra caught our attention because the conservancy supports two priority areas for MUFG Union Bank, N.A.—protecting the environment and developing long-term affordable housing. We like their approach of creating more livable, vibrant communities in a sustainable way."

Tim Otani, CSR Officer, Pacific Northwest
MUFG Union Bank, N.A.

A world leader in environmental finance

MUFG topped the 2016 Bloomberg New Energy Finance global league table for financing clean-energy and energy-smart technologies as a lead arranger. We financed 53 clean-energy and energy-smart technology projects, totaling \$2.9 billion in credits for a market share of 6.6% in 2016. *Power Finance & Risk* named us "Project Finance Lender of 2016 for Renewables."

Many of MUFG's largest deals were for wind projects, including \$627.7 million in financing for the 230 Megawatt (MW) Niagara Region Wind Farm in Ontario, Canada. *Trade Finance* magazine named it "Deal of the Year" for the Americas region.

In 2016, MUFG Securities Americas Inc. issued its inaugural Green Bond, the net proceeds from which will be used to support clients' projects that contribute to a sustainable environment, such as renewable energy and energy-efficiency projects.



The bank also led financing for SunPower's 100-MW El Pelicano photovoltaic project in Chile, which will allow the Santiago metro to be the world's first public transit system powered mostly by renewable energy.

MUFG is dedicated to sustainable economics and green initiatives, and this bond signals our commitment to both: It was the world's first green bond to meet new U.S. regulations to increase bank capital requirements known as total loss-absorbing capacity (TLAC), and it attracted high-quality investor demand on one of 2016's busiest days for investment-grade dollar borrowing.

The global Green Capital Markets team spans our Americas, Asia, and Europe, Middle East, and Africa regions. MUFG has been an active bookrunner on several green bonds in the Americas.

"This innovative product highlights MUFG's increasing focus on responsible finance and dedicated approach to a more sustainable society."

Todd Gray, Green Capital Markets for the Americas

SUSTAINABLE BANKING

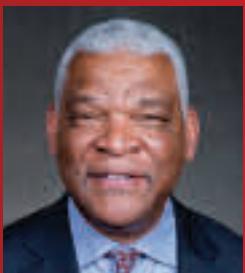
MUFG adheres to and is a signatory of the Equator Principles, a set of standards, based on the World Bank's risk framework, that financial institutions apply to ensure that the projects they finance or advise appropriately manage the risks of social or environmental harm.

Sustainable Financing Commitments (in millions)

| Group | FY 2016 | FY 2015 | FY 2014 | FY 2013 | FY 2012 |
|-------------------------------|--------------------|-------------------|-------------------|-------------------|-------------------|
| Agriculture | 520.33 | 517.42 | 203.50 | 187.39 | 210.00 |
| Community Development Finance | 238.60 | 463.92 | 300.06 | 298.26 | 222.68 |
| Environmental Services | 1,993.74 | 1,821.71 | 1,734.60 | 1,650.00 | 1,267.00 |
| Specialized Markets | 2,145.30 | 2,001.80 | 1,920.00 | 1,687.00 | 1,457.30 |
| Structured Finance | 5,605.00 | 4,468.00 | 4,281.00 | 4,337.00 | 3,251.00 |
| Total | \$10,502.97 | \$9,272.85 | \$8,439.16 | \$8,159.65 | \$6,407.98 |

Past year's results restated in green.

A MESSAGE FROM JULIUS ROBINSON



When it comes to community outreach, we believe in continual improvement and measurable outcomes, and we hold ourselves accountable to those high standards every day. We approach every community investment with innovation and the goal of maximizing our positive impacts. Our commitment is to drive systemic change across the key areas of education, environmental sustainability, affordable housing, economic development, and human services. We understand that our bank will only be as successful as the individuals, families, businesses, and communities we serve—and that's why their prosperity is our top priority.

A handwritten signature in black ink, appearing to read "Julius Robinson".

Julius Robinson
Head of Corporate Social Responsibility for the Americas
MUFG Union Bank, N.A.

About this report

This report has been produced to provide an overview of the corporate social responsibility (CSR) activities and performance across our lines of business, in our facilities, and in the communities where we operate. The report covers the fiscal year from April 1, 2016, to March 31, 2017, unless otherwise noted.

This is the third CSR report to cover the work of MUFG in the Americas, including MUFG Union Bank, N.A., and The Bank of Tokyo-Mitsubishi UFJ, Ltd., with MUFG Securities Americas Inc. and MUFG Fund Services (USA) LLC joining this year for the first time. More information on the company is available on our websites (www.mufgamericas.com, www.unionbank.com and www.mufg.jp/english).

Unless noted otherwise, all individuals named in the report are employees and/or affiliates of MUFG. Products described in this report that are offered to individuals and small businesses are not offered in Latin America and Canada.

To learn more about sustainability at MUFG in the Americas or to provide feedback on this report, contact Ryan Bjorkquist, Vice President, Environmental Stewardship Department, MUFG Union Bank, N.A., ryan.bjorkquist@unionbank.com.

Mitsubishi UFJ Financial Group, Inc. (MUFG, NYSE: MTU)

MUFG Union Bank, N.A.

MUFG Union Bank Foundation

MUFG Americas Holdings Corporation

The Bank of Tokyo-Mitsubishi UFJ, Ltd.

MUFG Securities Americas Inc.

MUFG Fund Services (USA) LLC

MUFG Union Bank, N.A., is a member of the FDIC, and its banking products are insured up to applicable FDIC insurance limits.

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