

世界が進むチカラになる。



MUFG's Initiatives and Key Findings from Pilot

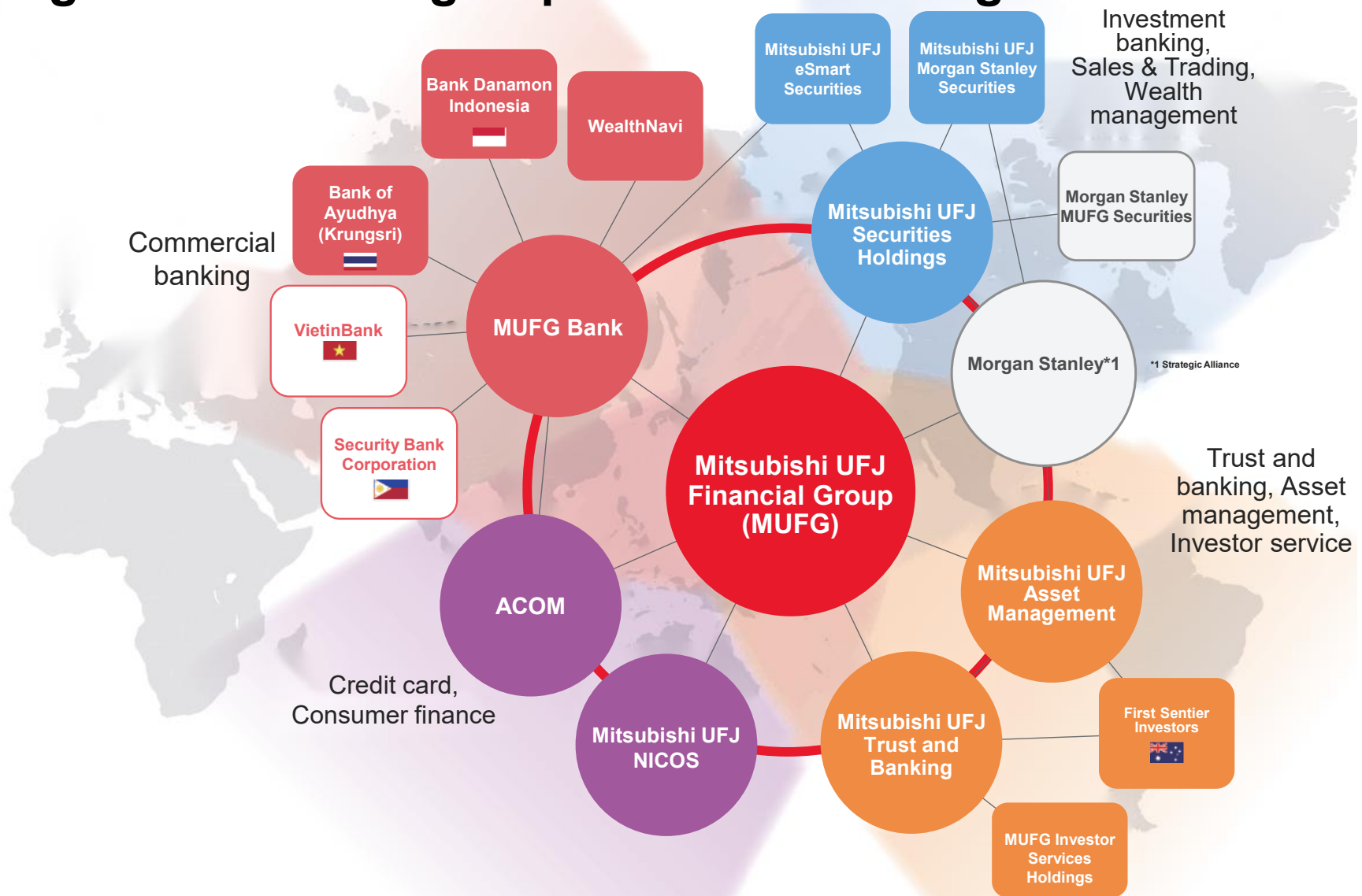
Mitsubishi UFJ Financial Group, Inc.

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Tsuyoshi Yamaguchi

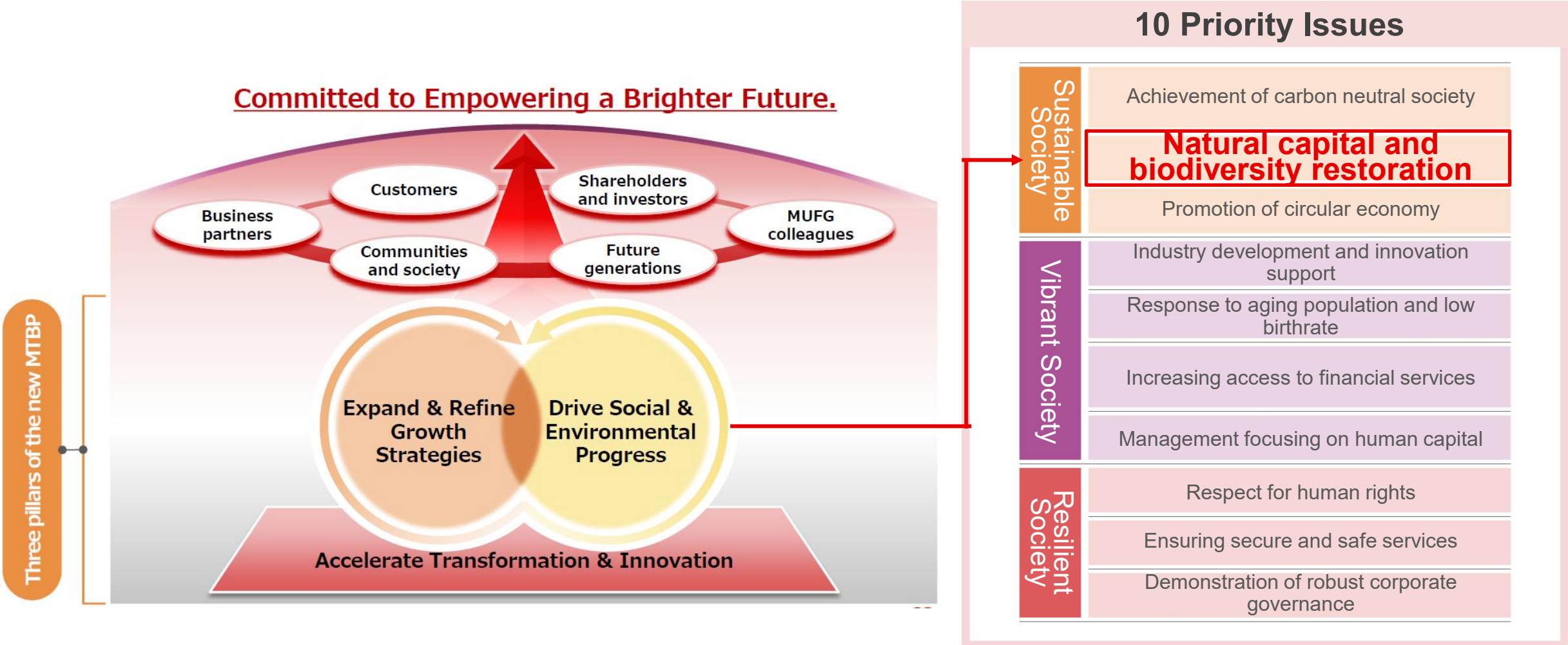
Overview of MUFG

MUFG is a global financial group with a broad range of financial functions



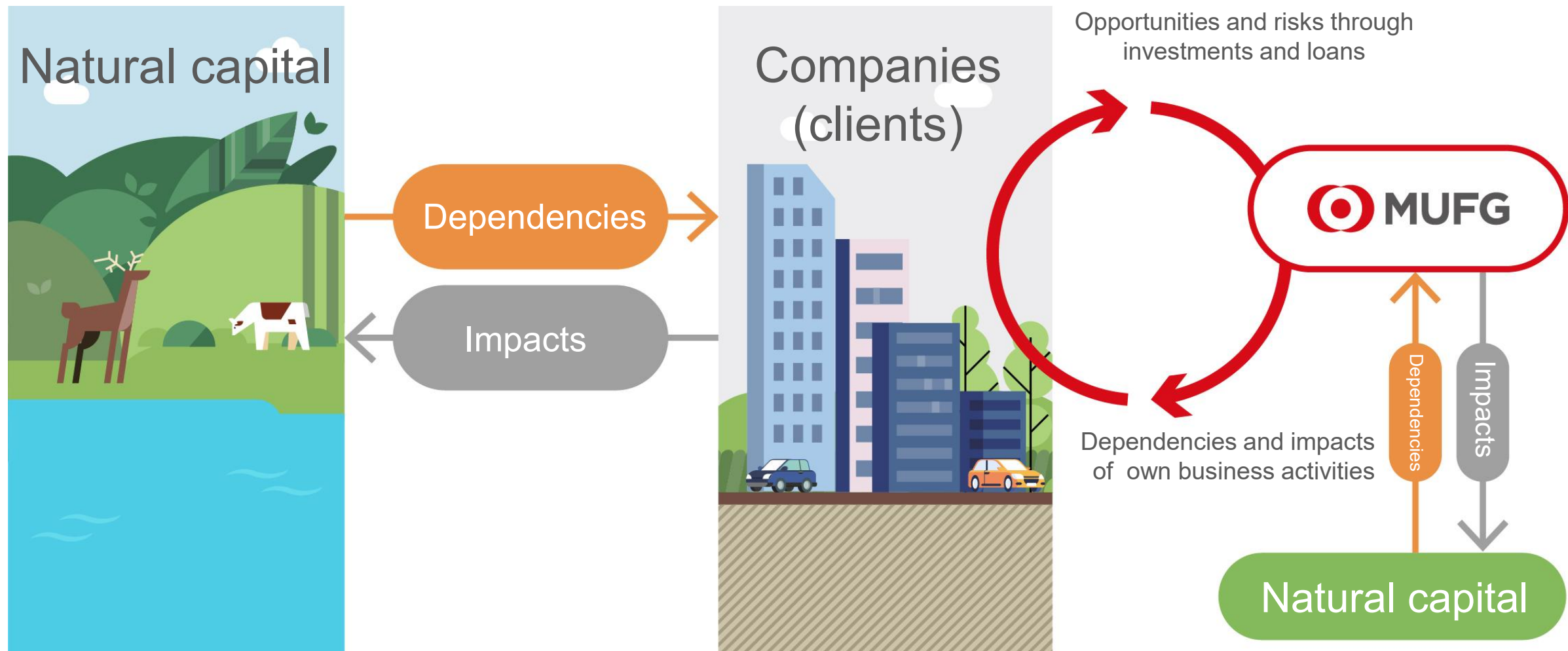
Natural Capital as One of MUFG's Priority Issues

In this MTBP, MUFG sets priority issues for achieving a sustainable environment and society, including “Natural Capital and Biodiversity Restoration”



Interaction between Financial Institutions and Natural Capital

Our financing activities create connections to natural capital through the business activities and supply chains of our clients



Analysis of Dependencies and Impacts: Overview

Identify material sectors in terms of opportunities and risks by analyzing dependencies and impacts

Approach of our analysis

Step1

Evaluate dependencies and impacts on natural capital by sector

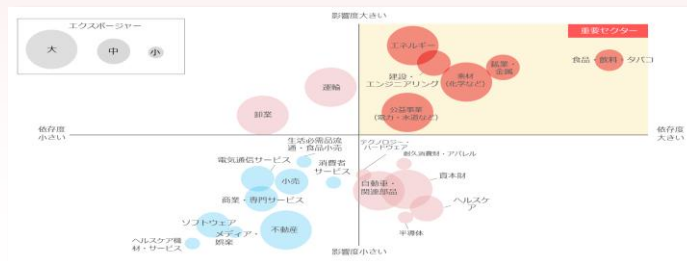
● Data source: ENCORE^{*1}



Step 2

Identify material sectors,
based on the amount of
exposure in loan portfolio

- Coverage: Corporate and project financing



Step3

Analyze dependencies and impacts based on location data

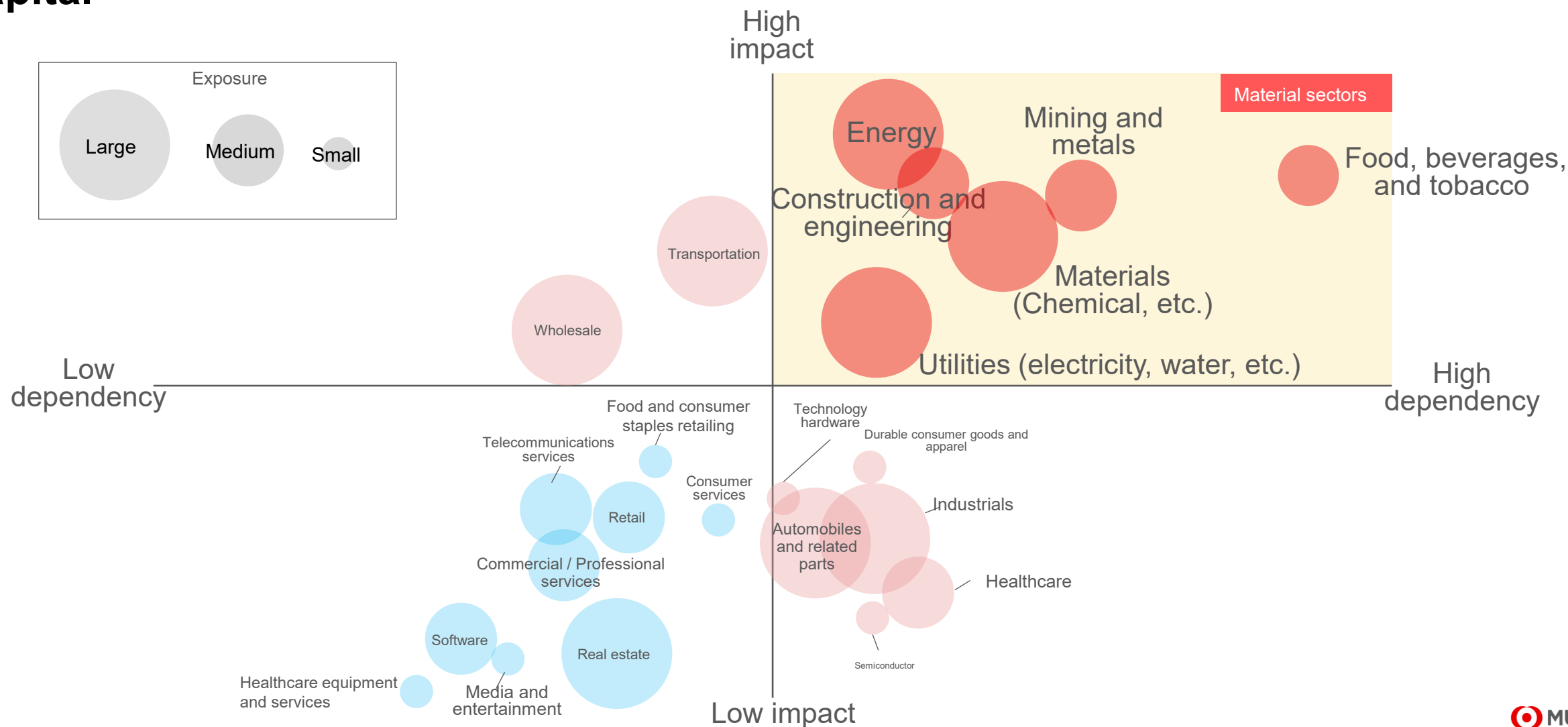
- Data source: MSCI



*1 Exploring Natural Capital Opportunities, Risks and Exposures

Step2 : Identifying Material Sector

Identified material sectors by analyzing dependencies and impacts on natural capital

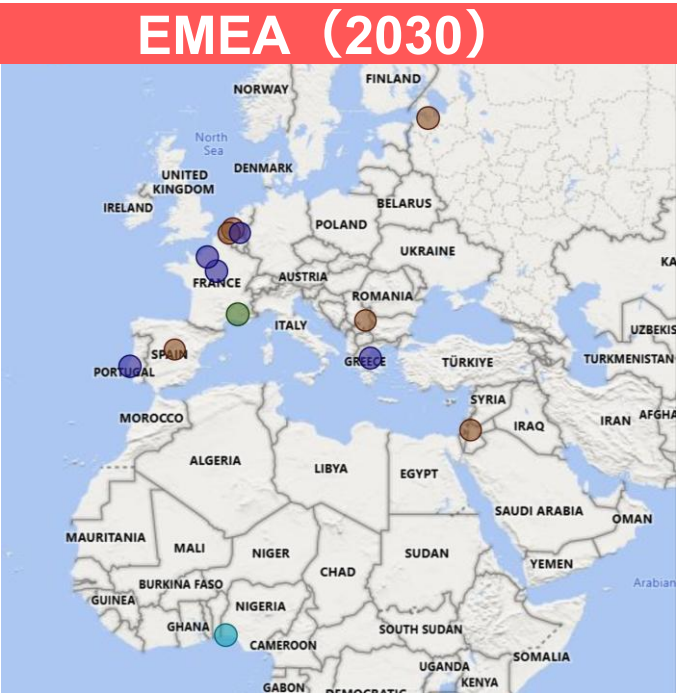


Step3 : Location Analysis (Food, Beverages and Tobacco Sector)

Identified locations that are likely to experience water scarcity and flooding in the future

Focus	Manufacturing sites (factories, farms, etc., 538 locations) of the top 50 companies with the highest exposure to the food, beverages, and tobacco sectors
Method	Analysis of environmental changes in the relevant locations between now and 2030 based on the "NGFS*1 1.5°C Orderly Transition Scenario"

- Water scarcity
- River low flow
- Coastal flooding
- Fluvial flooding
- Pluvial flooding



Pilot Test of Nature-Related Transition Planning

Through the pilot, we assessed the alignment of our initiatives with nature-related transition planning and gained insights into progress across other sectors and companies

Theme for Nature in Transition Plans



Purpose of Pilot Participation



Understand how MUFG's TNFD response connects to transition planning



Understand transition planning efforts across diverse sectors and regions

Source: TNFD, Guidance on nature in transition plans

Key Takeaways from the Nature-Related Transition Plan Pilot

Lessons Learned from the Nature-Related Transition Plan Pilot Test : Key Challenges in Nature-Related Transition Planning

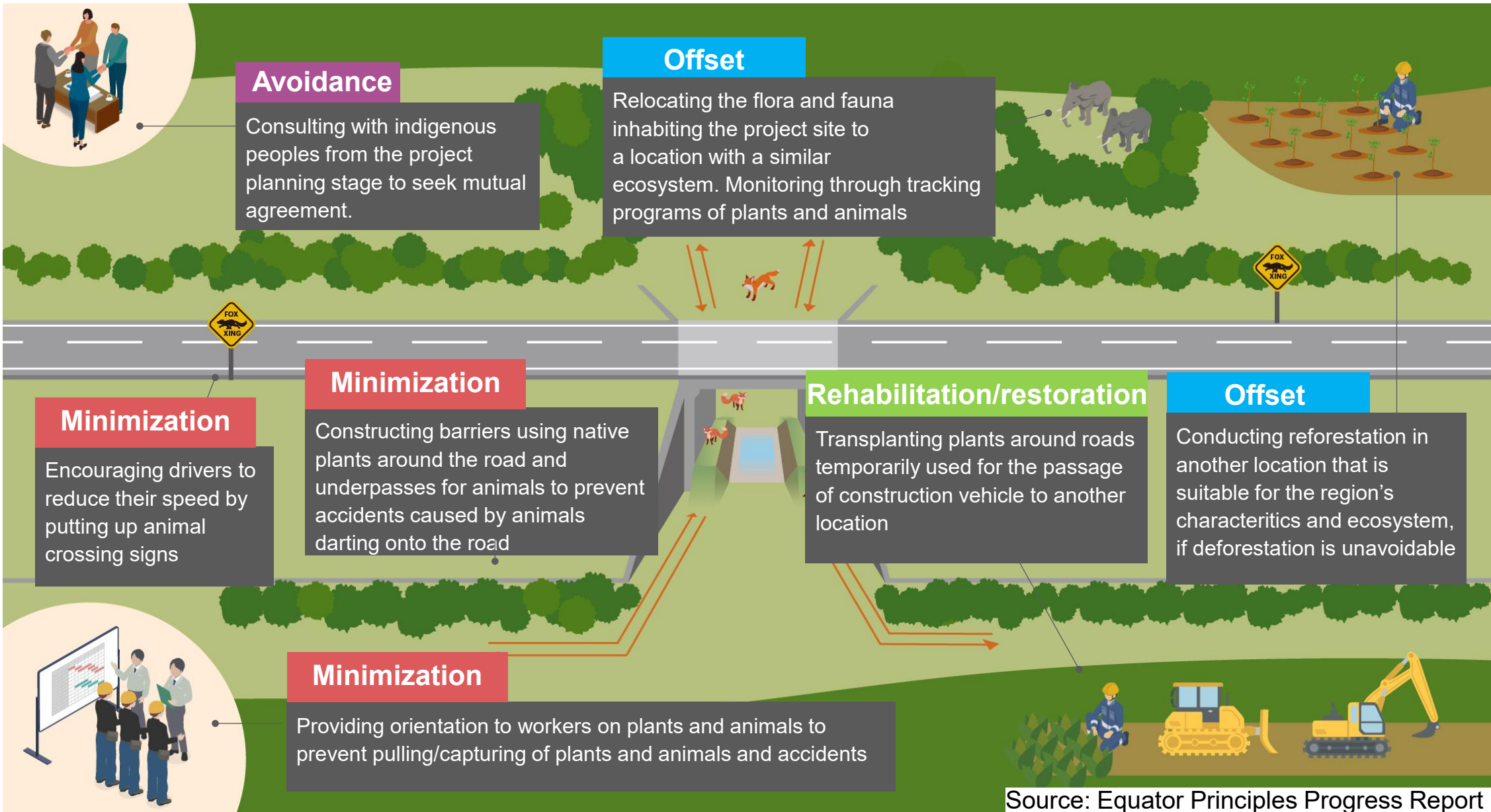
No “One-Size-Fits-All” Approach to Nature

- Companies' relationships with nature vary significantly across clients, sectors, and geographies
- This makes a one-size-fits-all approach ineffective and highlights the need for tailored engagement and support

Developing Transition Pathways

- Remains challenging due to the highly location-specific nature of dependencies and impacts
- The lack of a universally accepted Metrics to measuring progress

Case Study : Road Construction and Expansion Projects



Thank you for your attention