

Establishment of Policy for Conflicts of Interest Management

Policy for Conflicts of Interest Management

Mitsubishi UFJ Financial Group (“MUFG”) and its subsidiaries and affiliates (collectively, “MUFG Group”) shall establish the following policy for conflicts of interest management and take all necessary actions to ensure all officers and employees to comply with the policy and not to falsely harm clients’ interest.

1. Conflicts of Interest

A conflict of interest means the situation where an MUFG client’s interest conflicts with MUFG Group’s or one MUFG client’s interest conflicts with other MUFG clients’.

While such conflicts of interest occur on a day-to-day basis as a result of conglomerations of financial institutions and diversification of financial trading, MUFG Group shall establish appropriate business management and compliance system to prevent adverse effects from conflicts of interest within the Group.

2. Identifying Transactions with Potential Risk of Adverse Effects from Conflicts of Interest

MUFG Group shall identify in advance businesses, which require special management (“Managed Businesses”), from businesses in the following situations. MUFG shall intensively manage transactions with potential risk of adverse effects from conflicts of interest in performing the Managed Businesses, taking into consideration reputation risk.

- 1) Situations where a client reasonably expects MUFG Group to prioritize the client’s best interest (e.g. advisory service)
- 2) Situations where MUFG Group could inappropriately benefit in the market using information obtained from transactions with clients
- 3) Situations where high reputation risk resulting from transactions between MUFG Group and clients could arise

Examples for Managed Businesses include:

M&A advisory, Securitization of Assets/Receivables,
Loan Syndication, Principal Investment,

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Equity and Debt Underwriting, and Bond Management

3. Companies with Requirement for Conflicts of Interest Management

MUFG Group companies conducting Managed Businesses shall be required to develop appropriate management system for conflicts of interest.

Examples of companies with requirement for conflicts of interest management include:

The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Mitsubishi UFJ Securities Co., Ltd.,
The Senshu Bank, Ltd., The Taisho Bank, Ltd., The Chukyo Bank, Ltd., and The Gifu Bank, Ltd.

4. Management System for Conflicts of Interest

MUFG Group shall centralize the management of conflicts of interest by establishing divisions responsible for management and control of conflicts of interest at each company under a legal duty to establish management system for conflicts of interest.

MUFG shall comply with applicable laws and regulations related to conflicts of interest and maintain appropriate management for conflicts of interest.

5. Measures for Management of Conflicts of Interest

With the following measures MUFG Group shall prevent adverse effects from conflicts of interest issues and avoid falsely damaging clients' interest.

- 1) Separating a division/company conducting a transaction with potential risk of adverse effects by conflicts of interest from other divisions/companies
- 2) Changing the conditions/methods of either/both transactions with potential risk of adverse effects by conflicts of interest
- 3) Terminating either one of transactions with potential risk of adverse effects by conflicts of interest
- 4) Notifying clients of potential risk of adverse effects by conflicts of interest