

MUFG INDIA CSR ANNUAL REPORT FY 2019 - 20



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**Junsuke Koike**

MESSAGE FROM THE REGIONAL EXECUTIVE'S DESK

From humble beginnings to great endings; the year 2019-20 helped MUFG India bring fruition to our CSR journey this far. In the first half of the year, we inaugurated the second MUFG Akshaya Patra Kitchen for mid-day meals catering to 100,000 children across schools in the Union Territory of Daman and its adjoining areas. In the second half, we opened up doors to welcome residents to the new MUFG St. Jude's India Childcare Centre in Chennai for young cancer warriors undergoing treatment and their families. We were also able to support supplementary education to the less fortunate yet eager young learners through our newly instituted centres of learning created by AILSG in underprivileged pockets across multiple cities in India. Alongside, our enthusiastic MUFG India team continued to partner with these institutions through various volunteering outreach programs, enriching themselves and the beneficiary organizations.

MUFG India underwent its own journey of transformation over the last one year as we strengthened our governance structure for CSR and developed a more strategic focus towards our CSR efforts. We graduated to the next level of our CSR program, developing a vision set to empower India's youth and its future workforce, given the fact that India is set to become the world's youngest country, with 64% of the population in the working gap. In line with this, we established the MUFG India CSR Vision of '**Empowering the youth to create a sustainable impact on India's future**'. We further sought to achieve this objective by partnering with three credible organizations focused on skills development and innovation - CIIE.CO, Medha Learning Foundation and SGBS Unnati Foundation.

FY 2019-20 ended on a low with the onset of the Coronavirus pandemic; a disease that has weakened our existence and our economy alike. We express our solidarity to frontline workers, health practitioners and medical researchers who are working round the clock to ensure our health and safety. As one of the world's largest financial groups, MUFG is committed to doing our bit to extend our support to the Indian society and collaborate together in our efforts to overcome the crisis.

A handwritten signature in black ink that reads "Junsuke Koike". The signature is fluid and cursive.

Junsuke 'John' Koike
Regional Executive for India and Sri Lanka

MUFG INDIA'S CSR POLICY

At MUFG, our new India CSR vision is 'Empowering the youth to create a sustainable impact on India's future'.

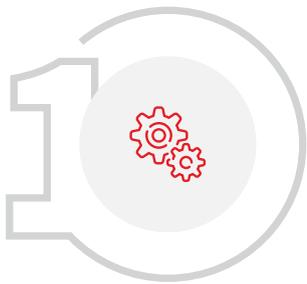
As part of our commitment to the next generation of India, we have chosen the youth of the country as the focus demographic segment of our interventions.

In 2011, youth between 15-24 years of age were nearly 20% of the Indian population. This number is poised to grow to 30% by 2020, making India the country with the largest youth population across the globe.

In order to leverage this demographic dividend, India must ensure its young population is well-equipped to seize livelihood opportunities for a brighter future. MUFG aims to support India in this endeavour through its CSR activities.

Our CSR activities will primarily focus on the development of youth by catering to their needs and enhancing their employability skills to become future-ready.

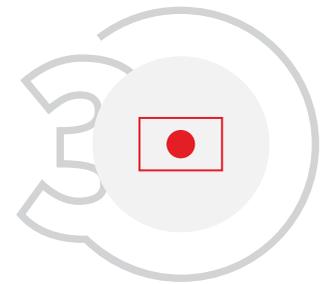
Our CSR activities are aimed to cater to their needs and enhance their employability skills through interventions in the following areas:



Supporting skill development and livelihood programs



Promoting innovative youth-centric initiatives



Leveraging Japanese culture (where possible) to create maximum social impact

MUFG INDIA'S KEY PRINCIPLES

MUFG will aim to carry out its CSR activities keeping in mind the following key principles:



1. Creating lasting social impact in the lives of youth around MUFG Bank's branches.



2. Ensuring depth of impact over breadth or scale of interventions.

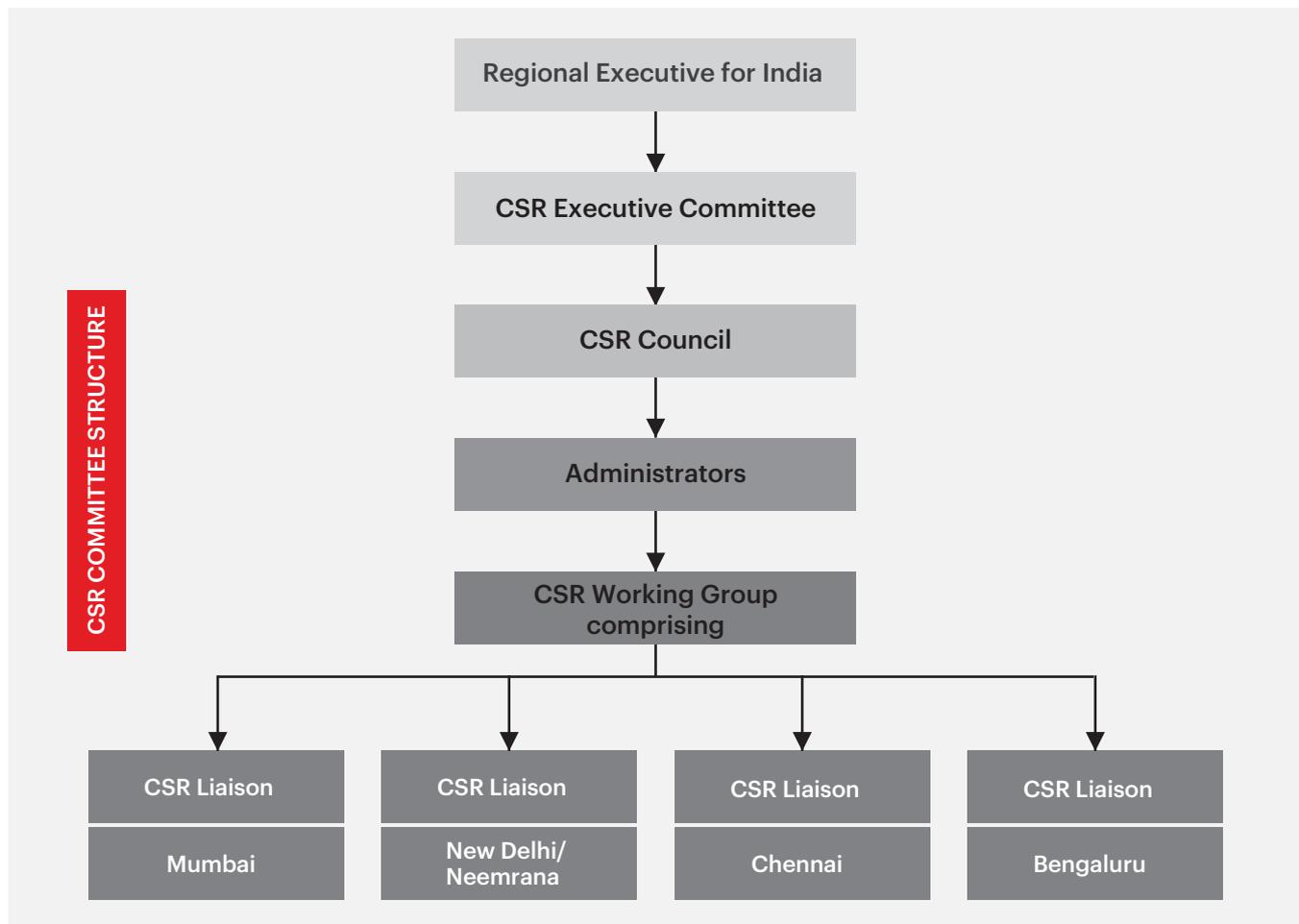


3. Funding programs through trusted partners.



4. Encouraging high level of employee engagement.

MUFG INDIA'S CSR COMMITTEE



COMMITTEE MEMBERS	DESIGNATION
Mr. Junsuke Koike	RE for India (Chairperson of the Committee)
Mr. Yuichi Shimizu	General Manager, New Delhi Branch
Mr. Yoshihide Azuma	General Manager, Mumbai Branch
Mr. Tatsuo Matsushita	General Manager, Chennai Branch
Mr. Katanori Otsuji	General Manager, Bengaluru Branch
Mr. Sanjeeva Ranjan	Chief Risk Officer
Mr. Shashank Joshi	Head of Global Corporate Banking
Mr. Gyan Harlalka	Head of Global Markets
Mr. Hayato Horikawa	Head of REO
Ms. Renu Vijayanand	Head of Human Resources
Mr. Ramanathan S	Chief Compliance Officer
Ms. Ashwini Shetye	Chief Financial Officer
Mr. Naoki Iwata	VP, Strategic Planning, REO, Mumbai
Ms. Diana D'Souza	AVP, Corporate Communications & CSR, Mumbai



NEW LAUNCH

IN PARTNERSHIP WITH



MID-DAY MEAL KITCHEN

MUFG first partnered with The Akshaya Patra Foundation (TAPF) in 2015 with the objective of improving the nutritional status of children in government schools.

The Akshaya Patra Foundation strives to eliminate classroom hunger by implementing the Mid-Day Meal Scheme in government and government-aided schools.

As the implementing partner of the Government of India's Mid-Day Meal Scheme, Akshaya Patra has collaborated with 12 State Governments across the country for the programme. MUFG and Akshaya Patra first collaborated in August 2017 with the launch of the first high-tech kitchen in Narsingi, Telangana to provide mid-day meals to over 35,000 children in the state.



60,000+ safe and nutritious meals provided daily

In August 2019, The Akshaya Patra Foundation commenced its mid-day meal feeding in Silvassa, the capital of the UT of Dadra and Nagar Haveli facilitated by the newly constructed and launched kitchen supported by MUFG. It aims to serve hot, safe and nutritious meals for 60,000+ children in 338 government and government-aided schools in the UT Administrations of Dadra & Nagar Haveli and Daman & Diu.

Like all the other Akshaya Patra kitchens, the Silvassa kitchen follows world-class manufacturing practices and the highest standards of hygiene, food safety, and quality to ensure that a diverse and nutritious school lunch, tailored to match the local palate, is delivered to children every day.



NEW LAUNCH

PEDIATRIC CANCER AID

IN PARTNERSHIP WITH



In November 2019, MUFG inaugurated a new St. Jude India ChildCare Centre in Chennai.

The Centre is a residential facility for children seeking cancer treatment at The Cancer Institute (WIA) Adyar, Apollo Cancer Centre in Teynampet, Sri Ramachandra Medical College and Research Institute, Porur, and Sankara Nethralaya, Nungambakkam.



Childhood cancers have a high rate of cure but need adequate treatment, and patients need a cheerful environment with proper nourishment. Parents from rural India bring their ailing children to cities hoping for low or zero cost treatment, which may last as long as two years. Clean and safe accommodation is beyond their means.

St. Judes has an innovative model of holistic care, and provides much-needed comfort to its residents. This centre, supported by MUFG, will further enable St. Judes to extend its services and provide quality care to a larger number of children suffering from cancer.

Quality care for young cancer warriors

NEW LAUNCH

INTEGRATED WATER MANAGEMENT



In 2016-17, as the Bank’s Chennai branch completed 20 years of establishment and operations in the city, we decided to commemorate the same by contributing towards building an asset for the community that would be utilized for years to come.

Over the next 2 years, MUFG’s grant would be used to build and maintain an integrated water management system in the premise of the iconic Chennai Museum. The facility is aimed at providing visitors and tourists safe drinking water and sanitation facilities, thus attracting more tourists to the Chennai Museum.

In September 2019, Mr. Pandiarajan, Honorable Minister for Tamil Official Language and Tamil Culture inaugurated various projects at the Chennai Museum, including the integrated water management system supported by MUFG.

Senior executives including Mr. Tatsuo Matsushita (General Manager – Chennai) from MUFG Chennai Branch were invited to the event as the Guest of Honour. Honorable Minister released a research book on ‘Keezhadi’– a locale in interior Tamil Nadu of archeological importance, the first copy of which was unveiled and gifted to Mr. Matsushita.

Speaking on the occasion, Hon. Minister expressed his appreciation and gratitude to MUFG for the gesture and support via the grant. He added that other companies had emulated MUFG’s actions and have extended their support to the Museum as well.





ONGOING PROJECT

AIILSG

In 2019-20, we set out to impact the existing education system by introducing an impactful intervention via our CSR partners – All India Institute of Local Self-Government (AIILSG). The plan was to build a sustainable model where students starting age 5 years to 12 years would be encouraged to attend classes at the Shikshan Ranjan Kendra (learning centers) within the community for three hours a day to help them cope with their studies, enrich their learning experience and deliver better quality education.



Mumbai

Volunteer conducting the WASH program



Chennai

Volunteer distributing hygiene kits to students

Our mission was successful as in Year 1 itself the milestones set by AIILSG were not just met but outdone. Below are a few statistics that enunciate the success of the program –

- From the baseline to the end of the academic year,
- the dropout rate in schools reduced to 95%
- the attendance in school increased by 90%
- 52 sessions of WASH conducted at each center by SRMs

Behavioural change was observed among students with better hygiene practices, hand washing, bathing, etc.

Having established the centers in all four cities of Delhi, Mumbai, Chennai and Bengaluru at the start of the academic year of 2019-20, AIILSG was all set to achieve its objectives. AIILSG was able to reach out to young minds in the lowest strata of the society to give them hope of a better life via education.

Their efforts to rekindle the light of knowledge showed results early on. With enrolments of 8400 children spread across 140 centers, AIILSG was able to train and employ Shikshan Rajan Mitras (SRMs - tutors/mentors) from the community and adjoining areas further easing the situation and helping parents and children develop a sense of bonding with these mentors.



Bengaluru

Volunteers commencing WASH program at the Center

AIILSG



Volunteers celebrating Children's day with the students at the Center

Active volunteerism by the Bank's staff at the grassroots was an important element related to thorough hand washing, personal hygiene and overall improvement in WASH (water, sanitation and hygiene) behaviour. By the time the Coronavirus pandemic broke out across India, MUFG volunteerism had already positively impacted not only the children's behaviour but of their parents and community too. This was owing to the dissemination and extension of the messages given through street plays and puppet shows in the community. They also carried home hygiene kit sponsored by the Bank.

While the virus was spreading rapidly in the project cities, there were no cases identified in the project areas till end of March and only 7 were reported at the end of April. Given the large population of these densely-populated slums, this number was far lower than anticipated. Also an important fact to note was that none of these cases belong to the project children or their family member, and neither progressed towards fatality.

OTHER INITIATIVES



A visit to our New Delhi branch by Japanese school students - August, 2019



MUFG Scholarship Event in New Delhi - February, 2020



OUR NEW
INITIATIVES
FY2019 - 20



SkillEd

'SkillEd' is our CSR initiative (2019-20) in partnership with CIIE.CO (the Innovation Cell of IIM Ahmedabad).

CIIE.CO Innovation Continuum was founded at IIM Ahmedabad in 2002 as an academic centre and has now grown and pivoted to include acceleration, incubation, investment, research and publication. In their journey of over ten years they have inspired over half a million entrepreneurs, accelerated 1000+ start ups, seeded 150+ start ups, partnered with 50+ corporates, implemented 10+ large program grants from national and international development agencies.

Among various initiatives, CIIE.CO has conceptualized and hosted India's first accelerator, created India's first and so far the only cleantech focused fund, accelerated over 600 entrepreneurs, and inspired over 700,000 with its publication 'Stay Hungry Stay Foolish'. All the initiatives on the innovation continuum are aimed at supporting the fearless, innovation-driven entrepreneurs. Working with like-minded partners – corporates, government agencies, investors and academia, helps them push harder towards co-creating exponential change.

With a vision to foster intelligent tech-enabled enterprises to introduce 'affordable quality education' for all and 'meaningful employable skills', MUG India's CSR initiative in partnership with CIIE.CO will accelerate development of six tech entrepreneurial solutions targeting

- (a) Quality gap reduction in public and private education in India and
- (b) Skilling gap in employment of youth

CIIE.CO will identify social enterprises with passionate founders who will address the issue of youth empowerment, to take up future jobs and sustainable livelihood. MUG will provide support by interacting with shortlisted candidates, supporting CIIE.CO in selecting the six incubates and executing volunteering sessions to share our knowledge with these budding entrepreneurs.

<p>VISION OF THE PROGRAM</p> <p>Foster Intelligent Tech (AI/ML/Emerging Tech) enterprises to catalyse affordable quality education and meaningful employable skills for all</p>		<p>STAGE SUPPORTED</p> <p>Developed MVP (or pre MVP) or test-market ready product</p>
<p>TOTAL CONTRIBUTION BY MUG</p> <p>INR 25 Mio</p>	<p>NUMBER OF STARTUPS</p> <p>6 (3 per year)</p>	<p>SEED FUNDING</p> <p>INR 0.35 Mio/startup</p>
<p>SELECTION CRITERIA FOR STARTUPS</p>		
<p>Sectoral alignment with EdTech and tech-enabled sustainable livelihood solution for youth</p>	<p>Creation of sustainable social impact</p>	<p>Techno-economic feasibility of product including market size, competition, marketing strategy, business model etc.</p>
<p>Team's skill sets, inspiration, domain and functional expertise, experience</p>	<p>Innovation in model</p>	

Medha Learning Foundation



MUFG's partnership with Medha intends to improve employment outcomes, increase employability, and enhance life skills for 4,500 youth in the next 30 months through 18-20 colleges in North India.

The unemployability problem facing India has been well-documented. A large number of youth are entering the workforce but few have the knowledge, skills, and attitude to succeed in today's workplace.

Medha Learning Foundation believes it can address the current 'skilling' paradigm in India. It is focused on creating intermediary institutions to bridge the gap between education and employment. Medha Learning Foundation perceives 'employability' as a process to be incorporated into the education system itself, reducing the need for students to go beyond the gates of their institution to build the skills required for gainful employment. So, Medha Learning Foundation partners with government and government-aided educational institutions to deliver its program on campus. Through this approach and its impact, Medha Learning Foundation aims to influence policy from the inside out, mainstreaming its model into the existing education system, impacting millions of youth in the long run.

MUFG's support will go directly to delivering employability education and internship and placement support to students from Career Service Centers at government and government-aided educational institutions which Medha Learning Foundation partners with. The program design is aimed at delivering in and out-of-classroom training to participants, with training modules selected from the following sets of curricula:

- Career Advancement Bootcamp (CAB) 40 hours of in and out-of-class activities to build professional communication skills, work and interact as a team, and learn about potential career options and how to pursue them.
- Life Skills Advancement Bootcamp (LAB) 30 hours of in and out-of-class activities to gain a better understanding of oneself, how to interact and deal with the outside world, and learn effective methods of communication.
- Technology Advancement Bootcamp (TAB) 60 hours of in class activities to build proficiency in the basics of computer operations, file and folder management, Microsoft Office, and internet search.
- Conducting expert-led, industry talks on campus (avg. one per batch)
- Conducting industry exposure visits to local employers (avg. one per batch)
- Facilitating 100 hours of on the job training for 60% of eligible students
- Securing full-time placement opportunities for 60% of eligible students, from over 1,000 industry partners

IMPLEMENTATION MODEL

Delivering employability training, internship and placement support to students from Career Services Centres at select colleges through Student Relationship Managers (SRM)

LOCATION

15-18 government colleges in Haryana and Uttar Pradesh

TOTAL CONTRIBUTION BY MUFG

INR 49.75 Mio

BENEFICIARIES

4500 students

SKILLING MODULE

Over of ~2 months, the following courses are taught to 25-30 students per batch:

Basic computers | Communication skills and business skills | Career counselling
Self reflection activities | Internships and exposure visits

SGBS Unnati Foundation



MUFG’s partnership with SGBS Unnati Foundation will go towards setting up vocational and training centres.

India has a large percentage of youth who do not have access to formal / higher education. Around 45% of them don’t even reach grade 10. Underprivileged youth by and large lack direction and purpose in life. Left unattended, these youth could potentially turn to be non-productive and end up being anti-social elements in the society.

SGBS Unnati Foundation, a Non-Profit Organisation (NGO) was started in 2011 with the purpose of enabling less educated, underprivileged, unemployed youth to seek gainful employment. Today the Foundation focuses on providing vocational training for the underprivileged youth aged between 18 years to 25 years from rural, semi-rural, semi-urban, urban and remote villages who are less educated, unemployed, semi-literate. SGBS Unnati Foundation’s Vocational Training Program is designed for 300 hours of rigorous training, running 7 batches in a year, with a duration of every 50 days. The youth, apart from core vocation, are taught Spoken English, Life Skills, Basic Computers, and Sales. With the completion of the training period, the youth is guaranteed a job placement and social security.

MUFG India’s grant will go towards setting up 10 centres for vocational and employability training in Mumbai, Chennai, Delhi and Bengaluru to reach out to 3200+ beneficiaries.

IMPLEMENTATION MODEL

Provide skill training and placements through 10 centres for 2.5 years.

LOCATION	TOTAL CONTRIBUTION BY MUFG	BENEFICIARIES
Mumbai, Delhi, Bengaluru and Chennai	INR 50.7 Mio	3200+ students

SKILLING MODULE

Life skills including confidence building, value systems and leadership activities | Spoken English
 Basic computers | Tally or Retail sales



REPORTING FINANCIALS

CSR BUDGET FOR FY2019 - 20

	FY2018 - 19	FY2017 - 18	FY2016 - 17
Net profits as per audited financial statements	3,848.46	3130.34	5,314.19
Add: Income tax and super tax payable by the company under the Income Tax Act, 1961	2,544.24	2,411.37	2,175.82
Add: Loss on sale of FA	3.71	2.30	1.63
Profit as per Section 198 under the Companies Act, 2013	6,396.41	5,544.00	7,491.64

3 years Average profits as per Section- 198 under the Companies Act, 2013 = INR 6,477.35 Mio

PARTICULARS	AMOUNT (INR)
CSR budgets for 2019-20 (2% of 3 years average profit)	129,547,006.97
Branch spends	10,000.00
CSR Consulting Expenses	3,625,996.45
CSR project 2019-20	125,911,010.52
Additional amount provisioned for CSR expense	455,075.52

Total CSR spends in FY2019-20 = INR 129.5 Mio

RESPONSIBILITY

STATEMENT

The Bank has established a CSR Committee to strategically guide it in effective implementation of its policy statement on Corporate Social Responsibility.

The Committee reviewed its policy statement on Corporate Social Responsibility to strengthen it in accordance with Section 135 and Schedule VII requirements of the Companies Act, 2013.

The CSR Committee is responsible for preparing the CSR report in accordance with applicable laws and regulations. The Committee has elected to prepare the report in accordance with the requirements of the Indian Companies Act, 2013 and its rules.

This responsibility includes designing, implementing and maintaining an Annual CSR policy that is free from material misstatement, whether due to fraud or error. It also includes monitoring the project on a timely basis. The Committee is further responsible for selection, devising, planning and implementation of projects in accordance with the objectives of CSR.

The Committee is responsible for keeping proper records that disclose details of the expense report with reasonable accuracy at any time. They are also responsible for safeguarding the reputation of the Bank and hence for taking reasonable steps for the prevention and detection of errors and irregularities.

Furthermore, the Committee certifies that the details shared in this report are accurate and are in compliance with the CSR objectives of MUFG Bank, India.



OUR BRANCHES

Mumbai: 15th Floor, Hoechst House, 193, Vinay K. Shah Marg, (Backbay Reclamation), Nariman Point, Mumbai - 400 021

I-Think Techno Campus, Jolly Board Towers, D – Wing, 5th Floor, Kanjur Marg (E), Mumbai - 400 042

New Delhi: 5th Floor, Worldmark 2, Asset 8, Aerocity, New Delhi -110 037

Chennai: Seshachalam Centre, 6th & 7th Floor, 636/1, Anna Salai, Nandanam, Chennai - 600 035

Bengaluru: N701, 7th Floor, World Trade Center, Brigade Gateway Campus, 26/1, Dr. Rajkumar Road, Malleshwaram West, Bengaluru - 560 055

Neemrana: 1st Floor Neemrana Central, CC-12, RIICO Industrial Area, Phase 1 Neemrana, Alwar - 301 705

