

**MUFG Bank, Ltd.**

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For Immediate Release

## **MUFG Taiwan provides sustainability-linked loans to Formosa Plastics Group in support of its ESG agenda**

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### **Green facilities reaffirm growing ESG commitment amongst corporates in Taiwan**

**Taipei, 21 December 2021** – MUFG Bank (Taiwan) announced that it has completed two sustainability-linked facilities (SLL) valued at close to NTD 6 billion (USD208 million) with entities<sup>1</sup> within the Formosa Plastics Group (FPG) in support of the further development of its steel manufacturing and petrochemical businesses. The bilateral transactions underscore the growing demand amongst Taiwanese corporates for sustainable solutions. They also represent the first time MUFG has structured green facilities covering a cross-section of industrial interests of a client's, thereby setting a new benchmark for the bank's ESG financing track record.

FPG is one of Taiwan's largest conglomerates and its international businesses extend into myriad industries from oil refining, petrochemicals, plastics, fibers and textiles, to electronics, energy, steel making, transportation, machinery, healthcare and biotech. FPG is also a proponent of environmental conservation and the circular economy. According to a 2020 assessment by the Carbon Disclosure Project<sup>2</sup>, a not-for-profit that runs an international environmental disclosure index, FPG ranks amongst one of the leading global corporations in terms of climate disclosures and sustainability actions.

The three-year facilities are developed in accordance with MUFG's ESG framework and are aligned with FPG's sustainability targets. The facilities accord favourable financing conditions depending on FPG's fulfilment of pre-agreed ESG performance benchmarks.

Mr. Randy Hung, Head of Global Corporate Banking for MUFG Taiwan, said: "We are pleased to take our longstanding partnership with Formosa Plastics Group to a deeper level with this successful financing. Underpinning our strong relationship is a mutual understanding and respect for our joint commitment towards doing what is right for our organisations, the community, and the environment, and we look forward to further opportunities to partner with FPG in support of our mutual ESG commitment as well as Taiwan's sustainability agenda."

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<sup>1</sup> The entities are: Formosa Plastics Corporation, Nan Ya Plastics Corporation, Formosa Chemicals & Fibre Corporation and Formosa Ha Tinh (Cayman) Limited

<sup>2</sup> <https://www.cdp.net/en/companies/companies-scores>

Mr. Colin Chen, MUFG's Head of ESG Finance for Asia Pacific said: "This latest facility out of Taiwan is further proof of the growing ESG awareness of the local corporate sector and its deepening commitment towards transitioning into more sustainable business models. This profound sense of responsibility to future generations and the environment is deeply shared by MUFG, and we will continue to leverage our longstanding regional presence, unrivalled global reach and market-leading capabilities to continue this sustainability journey together with our clients."

Over the past 30 years of presence in Taiwan, MUFG has steadfastly nurtured and honed its expertise to better serve the needs of clients in Taiwan. MUFG serves a single market segment: large corporate banking, with three main sub-segments: major Japanese companies operating and investing in Taiwan, large-scale Taiwanese companies and MNCs operating in Taiwan.

MUFG has also financed some of Taiwan's strategic infrastructure projects. It has leveraged its vast experience in financing renewable energy projects, especially in offshore wind farms in Europe, in support of Taiwan's green energy policy.

In line with its sustainability mission, MUFG has publicly committed to investing a cumulative total of JPY35 trillion yen into sustainability related financing globally by 2030, of which close to 30% of this target, or JPY10.4 trillion, has already been achieved (FY2019 to FY2021 1H). In May this year, MUFG also announced its commitment to achieve net-zero emissions in its finance portfolio by 2050 and its own operations by 2030.

The bank is also leading the transition finance taskforce within the Net Zero Banking Alliance (NZBA), convened by the United Nations to rally global financial institutions towards supporting net zero carbon emissions. NZBA currently has close to 100 FIs as members.

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## About MUFG

Mitsubishi UFJ Financial Group, Inc. (MUFG) is one of the world's leading financial groups. Headquartered in Tokyo and with over 360 years of history, MUFG has a global network with approximately 2,500 locations in more than 50 markets. The Group has about 170,000 employees and offers services including commercial banking, trust banking, securities, credit cards, consumer finance, asset management, and leasing.

The Group aims to “be the world's most trusted financial group” through close collaboration among our operating companies and flexibly respond to all of the financial needs of our customers, serving society, and fostering shared and sustainable growth for a better world. MUFG's shares trade on the Tokyo, Nagoya, and New York stock exchanges.

MUFG Bank, Ltd. is Japan's premier bank, with a global network spanning more than 50 markets. Outside of Japan, the bank offers an extensive scope of commercial and investment banking products and services to businesses, governments and individuals worldwide.

In Asia, MUFG has a presence across 20 markets – Australia, Bangladesh, Cambodia, China, Hong Kong, Indonesia, India, South Korea, Laos, Malaysia, Mongolia, Myanmar, New Zealand, Pakistan, Philippines, Singapore, Sri Lanka, Taiwan, Thailand and Vietnam.

It has also formed strategic partnerships with some of the most prominent banks in Southeast Asia, further augmenting its unrivalled network across the region – VietinBank in Vietnam, Krungsri in Thailand, Security Bank in the Philippines and Bank Danamon in Indonesia.

For more information, visit <https://www.mufg.jp/english>.

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