

MUFG Bank, Ltd.
(Incorporated in Japan with limited liability)

For Immediate Release

MUFG Singapore partners Tokyo Century Leasing (Singapore) on its first green loan valued at SGD60 million

Singapore, 12 April 2022 – MUFG Bank, Ltd. (MUFG) announced that its Singapore branch has successfully closed a SGD60 million green loan with Tokyo Century Leasing (Singapore) Pte. Ltd. (TCS), a consolidated subsidiary of Tokyo Century Corporation headquartered in Japan. This marks the first green loan for TCS as well as the first green transaction that MUFG has booked for a Japanese corporation in Singapore.

This bilateral credit facility will go towards financing TCS's auto loans business for electric and hybrid vehicles, which is in line with Singapore's plan to phase out internal combustion engine vehicles (ICE) by 2040.

Tokyo Century Corporation is a highly-specialised and unique financing services company with roots in leasing. With a management philosophy to work alongside customers in pursuit of their growth as well as contribute to the creation of an “environmentally-sound, sustainable economy and society”, the company has actively been engaged in various initiatives to realise a decarbonised society and promote social infrastructure development, including serving as a representative participant of Japan's Joint Crediting Mechanism project, an initiative that promotes superior decarbonised technologies, products, systems, services, and infrastructure as well as the implementation of climate change mitigation actions in support of the sustainable development of developing countries.

MUFG worked closely with TCS to structure the green loan in compliance with the LMA / APLMA Green Loan Principles. In addition, an independent assurance on the deal structure was provided by Deloitte & Touche LLP. TCS will also be applying to the Monetary Authority of Singapore's (MAS) Green and Sustainability-Linked Loan Grant Scheme, an initiative aimed at helping companies adopt green financing and is part of MAS's broader efforts to develop green and sustainable financial markets in Asia.

Mr. Takao Nomoto, MUFG's Head of Japanese Corporate Banking Division for Singapore, said: “This facility marks the first green loan that MUFG has undertaken for a Japanese firm in Singapore, and we are grateful for this opportunity to work with Tokyo Century Leasing (Singapore) on furthering its sustainability commitment.

“This transaction not only demonstrates our commitment to work with the Japanese business community to realise their ESG objectives, but also reaffirms our joint conviction that we can all contribute to Singapore’s efforts towards achieving net zero. As a global leader in ESG and renewables financing, MUFG is determined to play its part in Singapore’s efforts towards becoming a regional ESG hub and a key player in ASEAN’s energy transition journey,” he added.

MUFG’s Sustainability Commitment

In line with its sustainability mission, MUFG has publicly committed to investing a cumulative total of JPY35 trillion 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 2021, MUFG also announced its commitment to achieve net-zero emissions in its finance portfolio by 2050 and its own operations by 2030.

In June 2021, MUFG became the first Japanese bank to join the Net Zero Banking Alliance (NZBA), convened by the United Nations Environment Programme Finance Initiative (UNEP FI), as part of the Glasgow Financial Alliance for Net Zero (GFANZ), to rally global financial institutions towards supporting net zero carbon emissions. The bank has since been appointed Chair of NZBA’s Financing & Engagement working group and is leading the development of a global framework for transition finance. NZBA currently has over 100 FIs as members.

In Singapore, MUFG is also an active member of the Green Finance Industry Taskforce convened by MAS to accelerate the country’s development as a green finance hub. The bank is also currently developing “GreenON” (<http://www.greenon.io>), Asia’s first online service that lists green credentials of agri-producers as part of a broader MAS push towards developing digital platforms to provide better sustainability data.

Loan Overview

Date of Facility Agreement	6 Apr 2022
Borrower	Tokyo Century Leasing (Singapore) Pte. Ltd.
Lender	MUFG Bank Singapore Branch
Amount	SGD60 million
Use of Funds	TCS’s auto loans business for electric & hybrid vehicles

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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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