

**MUFG Bank, Ltd. (MUFG Bank)**

## **Malfeasance by Former Employee: Status Update and Measures to Prevent Recurrence**

**Tokyo, January 16, 2024** --- MUFG Bank today announced that, with regard to the incident in which a former employee stole customers' assets from safe deposit boxes (see November 22, 2024 press release titled *"Regarding Malfeasance by a Former Employee"*), it has analyzed causes of the incident, formulated measures to prevent recurrence, and resolved to reduce the compensation of executives to reflect their responsibility for the matter. Details are provided below.

Additionally, MUFG Bank today submitted a report to the Financial Services Agency in accordance with the order to submit report it was issued with.

We sincerely apologize for the inconvenience and concern this is causing customers and stakeholders.

MUFG Bank will continue to confirm the details of damage incurred by customers and to advance the process to compensate them, and will strive to regain trust by thoroughly implementing these measures to prevent any recurrence.

**- End -**

### 1. Customer losses and compensation

We are in the process of confirming the details of losses incurred by customers. Compensation will be provided once this process has been completed.

- Losses: Cash, gold, etc., held by customers in safe deposit boxes
- Total amount of losses: Approx. JPY 1.4 billion\*
- Current status of compensation: 40 cases, totaling approx. JPY 0.7 billion\*

*\* Provisional: As of January 10, and still being confirmed with customers.*

### 2. Causes of incident

We believe the primary factors enabling the thefts were deficiencies in safe deposit box management procedures/rules and their application, along with insufficient checks and monitoring both at branches and by headquarters, etc.

(1) Deficiencies in safe deposit box management procedures/rules	<ul style="list-style-type: none"><li>• Deficiencies in management of safe deposit box spare keys, etc.</li><li>• Deficiencies in management procedures/rules for accessing safe deposit box room, opening of safe deposit boxes, etc.</li></ul>
(2) Insufficient checks and monitoring at branches	<ul style="list-style-type: none"><li>• Failure to regularly review division of responsibilities</li><li>• Insufficient checks and monitoring by management</li></ul>
(3) Insufficient checks and monitoring by headquarters, etc.	<ul style="list-style-type: none"><li>• Lack of clarity regarding subsidiary's spare key inspection method</li><li>• Insufficient checks and monitoring by subsidiary and MUFG Bank's Unit Inspection Office</li></ul>

### 3. Measures to prevent recurrence

Based on careful analysis of the incident, MUFG Bank is implementing multilayered measures to prevent recurrence, including storing all spare keys centrally. These measures will be implemented thoroughly across the bank.

(1) Review safe deposit box procedures/rules and strengthen management	<ul style="list-style-type: none"><li>• Strengthen management of safe deposit box spare keys and other important items (including storing all spare keys centrally)</li><li>• Strengthen management of safe deposit box room access, opening of safe deposit boxes, etc.</li><li>• Consider future direction for the safe deposit box business (medium- to long-term)</li></ul>
(2) Strengthen checks and monitoring at branches	<ul style="list-style-type: none"><li>• Strengthen direct checks of Operation Service Department heads</li><li>• Conduct rigorous, arms-length intra-branch mutual checks and strengthen checking and monitoring by branch management</li></ul>
(3) Enhance checks and monitoring by headquarters, etc.	<ul style="list-style-type: none"><li>• Enhance checking functions of subsidiary</li><li>• Enhance checking functions of Unit Inspection Office</li><li>• Clarify positioning of checking by subsidiary and Unit Inspection Office</li></ul>



**About MUFG Bank**

MUFG Bank, Ltd. is Japan's premier bank, with a global network spanning around 40 countries. Outside of Japan, the bank offers an extensive scope of commercial and investment banking products and services to businesses, governments and individuals worldwide. MUFG Bank's parent, 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 2,000 locations in more than 40 countries. The Group has about 140,000 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. For more information, visit <https://www.mufg.jp/english>.