Mitsubishi UFJ Financial Group, Inc. (MUFG)
MUFG Bank, Ltd.

Publication of the Asia Transition Finance Study Group Annual Report 2025

Tokyo, October 16, 2025 --- MUFG's consolidated subsidiary MUFG Bank today announced the publication of the Asia Transition Finance Study Group (ATF SG) Annual Report 2025.

1. About ATF SG

The ATF SG, a private initiative led by banks operating in Asia, has published its annual sustainable future.

Established in 2021, members of the ATF SG recognize the important role that transition finance (TF) will play in helping Asian economies navigate challenges as they move toward net-zero emissions. Its goal is to create practical recommendations to supplement existing frameworks, including global standards and taxonomies, when financial institutions consider and assess transition finance cases, as well as to understand challenges and explore potential enablers of TF.

As the ATF SG's first lead bank, MUFG Bank led discussions between 2021 and 2023, which resulted in the issuance of the ATF SG's Guidelines and Activity Reports. While the Activity Report 2022 identified seven potential support measures to accelerate the transition finance in the region, the Annual Report 2023 highlighted three key enablers (roadmaps/pathways by governments, de-risking mechanisms through government support, and simplified TF guidelines tailored for SMEs and data platforms available for stakeholders) to realize TF. These findings were introduced or mentioned at multiple international conferences, including Asian Green Growth Partnership Ministerial Meetings (AGGPM). The 2024 Annual Report focused on how transition projects can become feasible and bankable by mitigating and allocating risks through public and private sector collaboration.

2. Activities and achievements of the ATF SG

The ATF SG Annual Report 2025 was created after months of discussion among the core members, mainly commercial banks. Development banks, export credit agencies, public agencies, and finance associations joined as observers and contributors. Energy and industry players, insurance and guarantee providers, and advisors also participated as guest speakers to share their perspectives.

In the 2025 Annual Report, the Study Group provides a targeted examination of solutions and systems. These include Sustainable Aviation Fuel (SAF), Battery Energy Storage Systems (BESS), distributed networks, carbon pricing, and the voluntary carbon market‒ areas identified as having strong potential in Southeast Asia that are gaining traction among regulators and industry players. To support financial institutions in navigating this evolving landscape, the Report also explores country-specific insights into energy transition strategies in Malaysia, Indonesia, and Thailand, while highlighting the unique role of Islamic finance in Muslim-majority markets.

Looking ahead, the focus of the ATF SG will increasingly shift toward practical application. Active experience-sharing among members will be crucial–not only to reinforce learning but also to foster collaboration among financial institutions and with other stakeholders, including regulators and industry players.

MUFG announced its Carbon Neutrality Declaration in May 2021 and is providing ongoing support for customers' efforts to decarbonize. MUFG will utilize the knowledge gained and networks created through ATF SG's activities to contribute to a just and orderly transition in Asia.

[1] Asia Transition Finance Annual Report 2025
https://www.atfsg.org/report/asia-transition-finance-study-group-atf-sg-annual-report-2025

[2] Asia Transition Finance Study Group Website
https://www.atfsg.org/

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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 2,000 locations in more than 40 countries. The Group has about 150,000 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 clients, 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.