

MUFG Bank (Malaysia) Berhad
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For Immediate Release

MUFG Malaysia offers Sustainability-Linked Loan to AEON Credit

**The facility aims to support the sustainability efforts of a listed NBFi in Malaysia,
underscoring a growing commitment towards Malaysia's sustainability agenda**

Kuala Lumpur, 31st January 2023 – MUFG Bank (Malaysia) Berhad (“MUFG”), a subsidiary of Mitsubishi UFJ Financial Group, Inc., has offered a Sustainability-Linked Loan (SLL) of MYR200 million to AEON Credit Service (M) Berhad (“AEON Credit”), one of Malaysia’s leading Non-Bank Financial Institution (“NBFi”). This facility reflects several milestones, including the first SLL between AEON Credit and MUFG, and a new commitment for a local corporate community in contributing to the sustainable development of Malaysia’s economy.

The three-year, bilateral financing solution follows the APLMA Sustainability Linked Loan Principles and has obtained a Second Party Opinion (“SPO”).

Aligned with AEON Credit’s sustainability strategy, the transaction’s key performance indicators measure the environmental and social impact of the activities undertaken by the company, including providing financing to micro enterprises and purchase of electric motorcycle, as well as meeting carbon emission reduction targets.

MUFG Bank (Malaysia) CEO/Country Head, Fumio Takamatsu said: “MUFG is proud to have partnered with AEON Credit for the SLL. NBFis like AEON Credit, by virtue of their business model and deep local ties, are uniquely positioned to create a positive and lasting social impact to the communities that need it most. This collaboration is perfectly aligned with MUFG’s longstanding sustainability promise and will serve as yet another benchmark for the local corporates as they accelerate their ESG aspirations.”

AEON Credit Managing Director, Daisuke Maeda said: “We are pleased to secure the SLL from MUFG – which is a true reflection of our commitment to sustainability efforts. Sustainability is an integral part of our business model as we are guided by the corporate philosophy of “Pursuing Peace, Respecting Humanity, and Contributing to Local Communities.”

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About MUFG Bank (Malaysia) Berhad

Mitsubishi UFJ Financial Group's banking subsidiary, MUFG Bank (Malaysia) Berhad (MUFG), has been providing services to Malaysian and Japanese corporations since 1957.

Over the past 65 years, MUFG has strengthened its presence in Malaysia through establishing long-term client relationships with a large number of local corporates and Japanese Investors.

In recognition of the growing significance of Islamic finance in the global market, MUFG established an Islamic banking arm in Malaysia in 2008, making it the first Japanese bank to offer Islamic banking products and services.

In 2014, MUFG launched a USD500 million multi-currency Sukuk programme and set a landmark by issuing the world's first Yen-denominated Sukuk. In 2015, MUFG established Islamic banking capabilities in its branch in the Dubai International Financial Centre (DIFC) to better serve customers in the EMEA region. In 2019, MUFG made a strategic investment in PT Bank Danamon Indonesia, making it a consolidated subsidiary of the MUFG Group. MUFG has since worked with Bank Danamon's Islamic banking entity to provide integrated and innovative solutions in support of clients in Indonesia and across the region.

The strong growth of MUFG's Islamic business via the key Shariah-banking regional hub in Malaysia has enhanced the bank's visibility and capabilities in supporting its clients. MUFG currently provides a comprehensive suite of Shariah-compliant banking products and services including financing, deposits, derivatives, and securitisation as well as advisory services to clients in the Asia Pacific as well as across global markets at large.

For more information, visit <https://www.bk.mufg.jp/malaysia/index.html>

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 approx. 41% of this target, or JPY14.5 trillion, has already been achieved (FY2019 to FY2021). 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 which released a set of transition finance guidelines for the global banking community in October 2022. NZBA currently has over 100 FIs as members.

About AEON Credit Service (M) Berhad

AEON Credit Service (M) Berhad (“AEON Credit”) was incorporated on 6 December 1996 and converted into a public limited company on 9 February 2007 and subsequently listed on the Main Market at Bursa Malaysia Securities Berhad on 12 December 2007. AEON Credit commenced operations in 1997 by providing Easy Payment schemes for purchase of consumer durables through appointed retail merchants and chain stores.

In end September 2021, AEON Credit completed the acquisition of 100% equity interest in an insurance broking firm, Insurepro Sdn Bhd which allows AEON Credit and its’ subsidiary (“the Group”) to distribute both conventional and takaful insurance products, including life insurance products by leveraging on the AEON Group Retail network and ecosystem.

Today, the business of the Group has expanded to include issuance of Credit Cards, Prepaid Cards, AEON Wallet App, Easy Payment Schemes, Hire Purchase Financing for Motor Vehicles, Personal Financing schemes, Insurance Broker and other related services. The Group currently has five Regional Offices, 64 branches and service centres located in the major shopping centres and towns, a network of more than 10,000 participating merchant outlets nationwide, as well as one subsidiary company in Kuala Lumpur.

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