

Mitsubishi UFJ Asset
Management (UK) Ltd

Annual TCFD Entity Report

Covering 1 January 2025 – 31 December 2025

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1. Introduction

Mitsubishi UFJ Asset Management (UK) Ltd (“**MUAM (UK)**”, or “**the Firm**”, or “**the Company**”, or “**we**”) is the London, UK based arm of MUFG Asset Management (“**MUFG AM**”). The Firm provides investment solutions across Japanese equity strategies along with global fixed income portfolios for institutional investors. MUAM (UK) is authorised and regulated by the Financial Conduct Authority (“**FCA**”) (**FRN: 121816**) and operates out of its registered office located at 24 Lombard Street, London, EC3V 9AJ.

This document presents the Firm’s TCFD entity-level report (the “**Entity Report**”) covering calendar year 2025 which outlines how MUAM (UK) considers climate-related risks and opportunities in line with the Task Force on Climate-Related Financial Disclosures (“**TCFD**”) recommendations and recommended disclosures¹, and the Firm’s requirements outlined in the FCA’s related sourcebook.

MUAM (UK) adheres to the TCFD guidelines on climate-related financial disclosures and recognises that the availability of climate data and the way it is calculated may evolve over time and expects its approach may change in the future to reflect the maturing reporting practices

For 2025, there was no significant changes to MUAM (UK)’s operations and activities in the UK. The Firm continues to support MUFG AM’s vision for “Investing for our Sustainable Future”, which remains as the foundation for MUFG AM’s approach to investment and stewardship.

MUFG AM committed to targets to reduce the carbon emissions associated with its investment portfolios and continues to participate in the Net Zero Asset Managers Initiative where its initial disclosure was published in October 2022².

The Firm’s Entity Report is divided into four sections in accordance with the four pillars of the TCFD.



¹ This is a reference to the TCFD report entitled ‘Recommendations of the Task Force on Climate-Related Financial Disclosures published in June 2017. It also includes the Annex to the TCFD report on ‘Implementing the Recommendation of the Task Force on Climate-Related Financial Disclosures’, and specifically, section C (Guidance for all sectors) and part 4 section D (Supplemental Guidance for Asset Managers). [FINAL-2017-TCFD-Report.pdf \(bbhub.io\)](#)

² [MUFG Asset Management – The Net Zero Asset Managers initiative](#)

The International Sustainability Standards Board and the TCFD

In 2023, the Financial Stability Board (“**FSB**”) announced the work as part of the TCFD would formally transition into the International Sustainability Standards Board (“**ISSB**”), which was announced at COP26, the 2021 UN Climate Change Conference in Glasgow. The fundamental aim of the ISSB is to create a global baseline for sustainability reporting and to improve communications between companies and investors. These standards continue from the work initiated by the TCFD to ensure transparent disclosure on sustainability-related information.

MUAM (UK) recognises and supports this transition from the TCFD to ISSB and the continuation of the aim to better public disclosure for sustainability-related information between organisations and investors. It is understood that the disclosure requirements issued by the ISSB do not diverge away from the TCFD recommendations, and therefore this does not change the Firm’s approach.

These updated disclosure requirements are known as the:

- IFRS S1: General requirements for disclosure of sustainability related financial information and;
- IFRS S2: Climate related disclosures.

In 2026, the FCA plan to consult on officially replacing the TCFD-aligned rules with UK Sustainability Reporting Standards reporting requirements for asset managers.

For 2025, the Firm has adhered to the TCFD entity reporting requirements.

As this TCFD entity report confirms, the investment management and advisory services provided by MUAM (UK) have not changed since the submission of the 2024 TCFD report. Therefore, this report also confirms that MUAM (UK) continues to monitor its activities and the impact on climate and sustainability risks and opportunities ensuring that investors and counterparties are kept informed on changes that impact them, such as on the portfolios managed or on its interaction with the Firm.

Company Overview

MUAM (UK) specialises in Japanese equity and Global Fixed Income strategies.

MUAM (UK) acts as the appointed investment manager of the MUFG Global Fund SICAV³, a Luxembourg domiciled UCITS fund that is marketed to institutional investors in the UK and globally. The umbrella fund and its three Japanese equity sub funds are recognised by the FCA to be marketed to professional investors in the UK. MUAM (UK) sub delegates the investment management of the funds to Mitsubishi UFJ Trust and Bank Corporation (“**MUTB**”), which is a wholly owned subsidiary of Mitsubishi UFJ Financial Group (“**MUFG**” or the “**MUFG Group**”) and operates out of Tokyo, Japan.

MUAM (UK) is also a wholly owned subsidiary of MUFG, one of the world’s largest and most diversified financial groups with total assets of JPY 405.94 trillion as of March 31, 2025⁴, which is equivalent to USD 2.71 trillion as of March 31, 2025. Headquartered in Tokyo and with over 360 years of history, MUFG has a global network with approximately 2,000 locations in more than 40 markets, with many years of experience working with our global clients across multiple markets.

³ [MUFG GLOBAL FUND SICAV](#)

⁴ [MUFG: SEC Filings | Mitsubishi UFJ Financial Group](#)

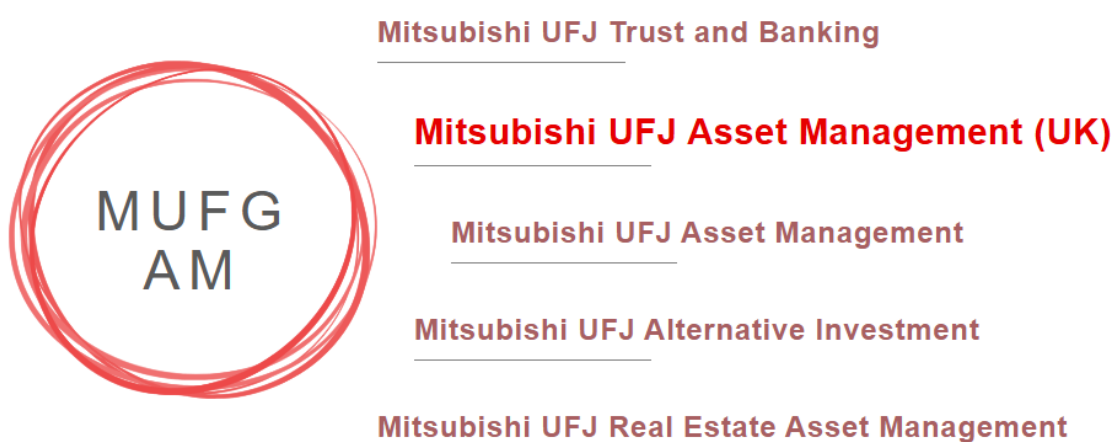
The MUFG Group has over 160,000 employees and offers services including asset management, commercial banking, trust banking, securities, credit cards, consumer finance and leasing. MUFG is listed on the New York Stock Exchange, Nagoya Stock Exchange and Tokyo Stock Exchange. MUAM (UK) has two majority shareholders: MUTB [70%] and Mitsubishi UFJ Asset Management Co., Ltd [30%].

MUFG Asset Management (MUFG AM)

MUFG AM is the brand name of MUTB, along with its subsidiaries, Mitsubishi UFJ Asset Management Co., Ltd., Mitsubishi UFJ Real Estate Asset Management Co., Ltd., Mitsubishi UFJ Asset Management (UK) Ltd, and Mitsubishi UFJ Alternative Investments Co., Ltd. Although this report has been prepared on a solo basis by MUAM (UK), there are references to key climate related information, metrics, and targets that have been captured at the MUFG AM level, which includes input from the Firm. Therefore, this report refers to collective activities by MUFG AM as a brand, which encompasses the specific activities of MUAM (UK) along with the other MUFG entities mentioned above.

As one of the first Japanese institutional investors to become a signatory of UN-supported PRI (“**Principles for Responsible Investment**”) in May 2006, MUFG AM, including MUAM (UK), endorse the PRI and its principles.

MUFG AM assets under management as of December 2025 was USD 796 billion.



Source: [MUFG; About Us - Mitsubishi UFJ Asset Management \(UK\) Ltd.](#)

Basis of Preparation

This TCFD entity report has been prepared by MUAM (UK) on a solo basis in accordance with the relevant provisions contained in the FCA’s sourcebook, the TCFD recommendations on climate-related financial disclosures, and the applicable sections of the TCFD Annex⁵ as required under the FCA’s sourcebook.

⁵ The 2017 TCFD “Annex” provides both general and sector-specific guidance on implementing the Task Force’s disclosure recommendations. The 2017 version has been superseded by the 2021 Annex. [FINAL-TCFD-Annex-Amended-121517.pdf \(bbhub.io\)](#)

Please refer to our Strategy section which provides more commentary towards how climate risk is identified over the short, medium, and long term.

2. Governance

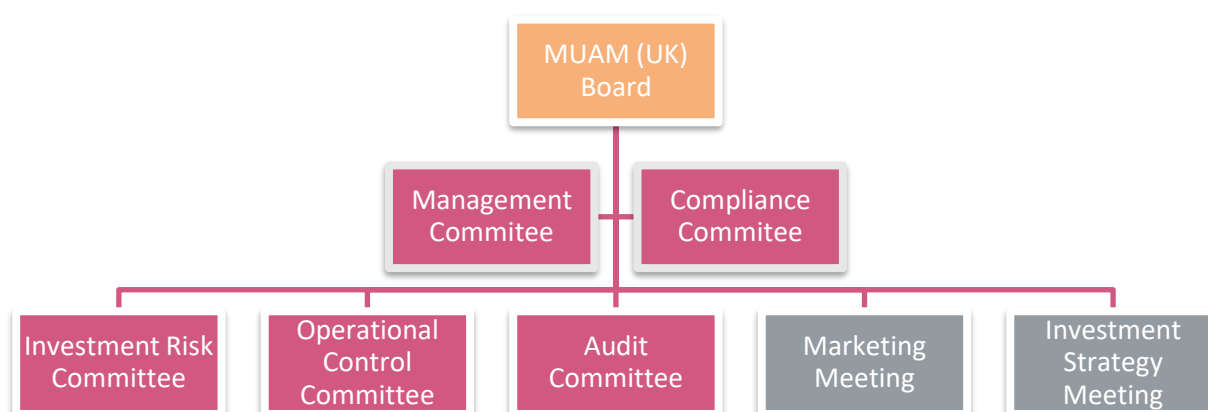
The Board’s oversight of climate-related risks and opportunities

MUAM (UK) recognise that having effective corporate governance is critical to executing its overarching strategy to identify, mitigate, and manage our exposure to climate and sustainability related risks and opportunities. Effective governance allows the Firm to fulfil its responsibilities to its clients and create long-term value for stakeholders, which is reflected by the leadership and direction of senior management within the Firm and across MUFG AM.

MUAM (UK) continues to include climate and sustainability risks and opportunities into its approach towards corporate governance, risk management, and the establishment of the Firm’s risk appetite.

The MUAM (UK) Board is ultimately responsible for the management of the Firm which includes ongoing oversight of MUAM (UK)’s business activities. The MUAM (UK) Board is able to make effective executive decisions for the Firm by receiving and reviewing management information (“MI”) that is produced by committees within MUAM (UK) and across other MUFG AM companies.

It remains that the MUAM (UK) Board holds responsibility for the oversight of the Firm’s approach towards identifying and managing climate related risks and opportunities in line with the TCFD and now the ISSB and IFRS. The other committees also share responsibility for identifying and managing both these risks and opportunities for MUAM (UK) depending on their nature. For example, any considerations of regulatory change in relation to climate and wider sustainability will be reviewed and discussed by the Compliance Committee and then directed up to the Board.



MUAM (UK) Board

The Board has oversight of the Firm’s exposure and ongoing management of climate related risks and opportunities.

The Board meet on a quarterly basis.

Committee	Line of defence	Description
Management	1 st	<p>Has the authority of the Management Committee and can decide upon the following but is not limited to:</p> <ul style="list-style-type: none"> • the budget and business plan for the company; • capital expenditure; • staffing levels; • company organisation structure; and • major company decisions. <p>Management will receive MI from other MUAM (UK) committees which may include climate related issues. Given its size and scale compared to other MUFG AM entities, Management participate and attend other ad hoc meetings across the Firm's departments, where climate and sustainability topics are discussed.</p>
Operational Control	1 st	<p>Meets monthly to report to Management and is ultimately responsible for the Firm's risk management. This committee is made up of the senior members of the Firm and reports also to the Board on a regular basis, via the Head of Operations, who is the Chair of this committee.</p>
Investment Risk	2 nd	<p>Meets monthly to review the investment risks of each client mandate and to review the returns generated. Such reviews are to ensure that the investment risk is suitable for each mandate and that the controls exercised in the management of clients' funds are functioning.</p>
Compliance	2 nd	<p>Meets monthly to facilitate compliance with the UK FCA, Head Office and other regulations that may apply, internal compliance policy and ensuring that new regulatory developments are incorporated into policy and procedures. The committee formally discusses the work resulting from a scan of local (UK) and global regulatory developments that impact the Firm's approach to climate and sustainability and whether this may impact other departments across the business.</p>
Audit	3 rd	<p>Meets monthly to keep senior management informed of audit progress relative to the audit plan approved by MUAM (UK) Managing Director and Chief Executive and ratified by MUTB Head Office's Audit Division as a component of UK Audit Office's audit plan, the scope and results of individual audits and on implementation of audit findings. This work encompasses any findings and recommendations that relate to the MUFG AM sustainable investing initiative.</p>

The management's role in assessing and managing climate-related risks and opportunities

The MUAM (UK) Board and Management believe it remains appropriate and proportionate that MUAM (UK) does not operate its own Sustainability Committee given the size and scale of the Firm and its specific activities within the wider MUFG AM division.

Relevant climate and sustainability risks and opportunities for MUFG AM companies are discussed by the MUFG Sustainable Investment Review Committee, which is under the supervision of the MUFG Sustainability Committee.

MUAM (UK) is involved in the MUFG Sustainable Investment Review Committee, which is attended by MUFG AM members, including senior management from MUTB. This Committee meets once a year, but the chairperson may convene a meeting of the committee as needed. The MUAM (UK) Board and Management use this Committee at MUFG Group level to raise any concerns or important matters concerning sustainability-related risks or opportunities that arise from MUAM (UK)'s activities in the UK. The chair of the MUFG Sustainable Investment Review Committee reports to the MUFG Sustainability Committee on important matters deliberated by this committee.

The MUFG Sustainability Committee continues to operate under MUFG's Executive Committee. The MUFG Sustainability Committee is responsible for the drafting and implementation of Group sustainability policies and determining the status of MUFG Group's response to opportunities and risks arising from climate change and other environmental and social factors.

MUFG AM Sustainable Investing

MUFG AM has established the MUFG AM Sustainable Investing Policy as an approach to lay a solid foundation for the promotion of sustainable investing. This incorporates the consideration of sustainability factors alongside financial information into the investment process, stewardship, exclusion and divestment as well as the development of product and services that capture the needs of markets and services, among others.

The application of the MUFG AM Sustainable Investment Policy remains subject to compliance with local laws and regulations. Each company has its own unique investment strategy, products, and solutions, and provides services to the meet expectations of its customers.

More information about MUFG AM Sustainable Investment can be found here - [MUFG; Overview - Mitsubishi UFJ Asset Management \(UK\) Ltd.](#)

3. Strategy

The climate-related risks and opportunities and the impact on MUAM(UK)

As climate-related risks and opportunities are a key element of this report, it is important to explain what they mean. Simply put, climate risk describes the potential for climate change to create adverse outcomes for people and the planet.

Climate-related risks consist of both physical risks resulting from the direct impacts of climate change (such as extreme weather events, or chronic risks arising from rising sea levels) and transition risks (such as impacts when moving to a lower-carbon economy, such as carbon pricing).

Transition risks that continue to be relevant to MUAM (UK) over the short, medium and long term which we keep under review are:

- **Policy and legal risk (short to medium term)** – associated with climate regulations that restrict negative contributions to climate change. Certain policy changes may lead to the increased pricing of GHG emissions or new regulations that restrict activities.
- **Technology risk (medium term)** – continues to develop at pace to support a low-carbon economy. Transitioning to lower emissions technologies can reduce revenue for existing businesses and therefore changing the competitive landscape.
- **Market risk (medium to long term)** – economic and social changes that impact supply and demand, such as changing consumer preferences around supporting fossil fuels, which can shift customer preferences and potentially reducing demand, increasing production cost, and the repricing of assets.
- **Franchise risk (medium term)** – negative public perceptions of high emissions sectors which can lead to reduced revenue, hurdles for accessing capital, and rising business costs.

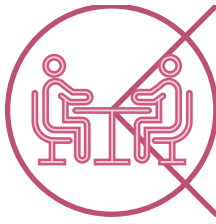
Climate related opportunities arise from efforts to mitigate and adapt to climate change, including cost cutting, use of new or existing resources more efficiently, adaptation to low emission energy sources, and expansion and development of new products and services.

At MUAM (UK), we recognise the importance of identifying and mitigating the climate risks as well as exploring climate related opportunities as part of our investment management activities as well as our overall business strategy for MUFG AM.

How climate-related risks and opportunities influence our business strategy

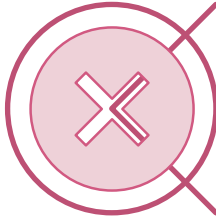
MUFG AM's Sustainable Investment Policy was established in March 2023 and was reviewed and updated in January 2026, which saw no major updates or changes.

MUAM (UK) adheres to the MUFG AM Sustainable Investment Policy and supports the sustainable investment strategies of MUFG AM and the MUFG Group. This includes the use of company liaison, negative screening and fundamental research to support investment decision making.



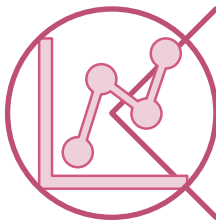
Company liaison

When selecting companies for investments, we meet with management to raise any relevant and/or material sustainability topics. Any topics that are discussed are tracked so that we can monitor progress and demonstrate positive impacts.



Negative screening

Restrictions are put in place as part of the investment process on an automated basis within our Order Management System. This excludes companies engaged in activities considered inconsistent with MUFG AM Responsible Investment Policy, such as the production of biological/chemical weapons.



Fundamental research

We identify and analyse underlying factors that affect the wellbeing of certain industry groups and companies. Here we are looking at the sensitivity of any adverse impact their direction of change, which ultimately form part of the holistic investment process.

Management and the various teams and functions across the Firm remain aware of the importance of identifying and mitigating the presence of climate and sustainability risks and exploring relevant opportunities during our investment management and advisory activities.

Stewardship

Engagement and research remain core elements of MUFG AM's strategy for sustainable investing. MUAM (UK) supports MUFG AM's stewardship activities by conducting engagements with investee companies on behalf of the relevant MUFG AM entities and their passively managed portfolios. These activities help MUFG AM to mitigate systemic risk, such as climate transition risk, supply chain labour issues, or governance failures, and contribute to achieving mid-long term returns for investors.

The MUFG AM Engagement Policy was established in July 2024 and recently reviewed and updated in January 2026⁶. The Policy describes MUFG AM's approach to engagement with investee companies and with policy makers globally (ex. Japan).

4. Risk Management

The processes for identifying and assessing climate-related risks

MUAM (UK) is a risk averse business and will generally seek to reduce risk to a minimum. The Firm sub-delegates investment management activities to MUTB and therefore MUAM (UK) adopts MUTB's approach to Sustainable Investing approach to maintain consistency for the integration of sustainability risks into investment decision-making processes. MUTB and MUAM (UK)'s approach to managing sustainability risks falls into the framework of the MUFG policies and guidelines for sustainability and corporate social responsibility, in particular the MUFG AM Sustainable Investing Policy.

⁶ [MUFG AM: GLOBAL ENGAGEMENT POLICY](#)

As part of their Sustainable Investing approach, MUTB and MUAM (UK) consider sustainability risks, by identifying material sustainability issues. Two considerations are used to identify which are:

1. the sustainability factors that risk harm to the long-term value for the investee companies – including sustainability risks; and
2. the opportunities that create long-term value or growth for the investee companies.

Given the limited nature of MUAM (UK)'s business activities, the risk systems in place remain appropriate and proportionate to the risks faced by the Firm. For the purposes of internal controls, MUAM (UK) has adopted a wider description of operational risk, which includes all risks except market, credit and those associated with measuring clients' assets.

The Company Risk Matrix is reviewed and updated by all Department Heads, and it is their responsibility to ensure this is done as and when processes or procedures change, or new ones arise.

The Risk Matrix is split into three risk levels, high, medium and low, medium will require a review of controls and develop an action plan if required, high will require immediate action and a review of controls and policies. Each risk is assessed for probability and impact and scores are given 1–5 for each, those that have a rating of 4 or 5 will be deemed a material risk and may have a detrimental effect on the Company.

The processes for managing climate-related risks

The Firm's risk management function continues to evaluate all relevant risks for its operations and investment activities, which includes sustainability risks, during regular reviews with the first line of defence. These reviews help ensure that all identified risks are agreed, understood and consistent with client's objectives.

MUTB's oversight of MUAM (UK) activities includes continuously monitoring the sustainability risks associated with all potential and actual investments using sustainability metrics, including financed emissions. The score allows evaluation of the overall risks and opportunities that investments face in terms of sustainability. Analysts and managers can therefore take informed investment decisions by looking at a unified metric.

The processes for integrating identified risks into the organisation's overall risk management

MUAM (UK) risk management framework identifies climate related risks considering both physical and transition risks across relevant time horizons (short, medium, and long term). As described above, climate related risks are managed through a combination of strategic, investment, and operational controls, embedded within the Firm's existing risk management process.

MUAM (UK) ensure to keep its own risk management operations appropriate and proportionate to its local operations and activities for the funds. This approach is consistent with how climate related risks are identified and managed on a regular basis.

5. Metrics and Targets

Across MUFG AM companies, the below summarises our gross global combined Scope 1 and 2 emissions for the reporting period year in metric tons CO₂e per unit currency total revenue and provide any additional intensity metrics that are relevant to our business operations. Please note that this figure is presenting the difference between the one in the reporting year and the one in the previous year

based on the gross global emissions (Scope 1 and 2 combined). It is calculated with intensity figure in the reporting year divided by the one in the previous year.

Summary of emissions and methodology	
Reporting period:	
Metrics tons CO2e	
Intensity figure	62.4
Metric numerator (gross global combined Scope 1 and 2 emissions)	20.5 million tCO ₂
Metric denominator (Assets under management)	328,525.6

Source: [MUG AM Sustainable Investment Report 2025](#)

6. MUG companies disclosure materials

The below link directs you to the latest webpage of the relevant sustainability related disclosures for MUG AM.

[MUG; Overview - Mitsubishi UFJ Asset Management \(UK\) Ltd.](#)

<https://www.tr.mufg.jp/mufgam-su/english/stewardship/>

[MUG; Sustainability | Mitsubishi UFJ Financial Group](#)

[Assets Under Management | Mitsubishi UFJ Asset Management](#)

7. Important Information

The contents of this document were prepared for the purposes of providing general information to the customer. It is not a solicitation or an offer to buy or sell any securities or financial products offered by MUAM (UK) or the wider MUG AM companies.

Any views expressed in this document are assumed to be correct at the time of publishing and are subject to change without notice, due to factors including, but not limited to, changes in the economic environment, currency fluctuations, and changes to pension and taxation systems.

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Compliance Statement

I can confirm that the information contained in this report disclosed in a manner which is consistent with the TCFD recommendations and recommended disclosures entity. MUAM (UK) will ensure it maintains a robust internal compliance and governance control framework which underpins this compliance statement.

Yusuke Fukui,
Managing Director and CEO.

Mitsubishi UFJ Asset Management Ltd
24 Lombard Street London, EC3V 9AJ United Kingdom
30 June 2026



8. References

1. TCFD Recommendations and Recommended Disclosures is a reference to the TCFD report entitled 'Recommendations of the Task Force on Climate-Related Financial Disclosures (the TCFD Final Report) published in June 2017. This reference also includes the Annex to the TCFD report entitled 'Implementing the Recommendation of the Task Force on Climate-Related Financial Disclosures', and specifically, section C (Guidance for all sectors) and part 4 section D (Supplemental Guidance for Asset Managers). [FINAL-2017-TCFD-Report.pdf \(bbhub.io\)](#)
2. [MUFG Asset Management – The Net Zero Asset Managers initiative](#)
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4. [MUFG; SEC Filings | Mitsubishi UFJ Financial Group](#)[MUFG GLOBAL FUND SICAV](#)
5. The 2017 TCFD "Annex" provides both general and sector-specific guidance on implementing the Task Force's disclosure recommendations. The 2017 version has been superseded by the 2021 Annex. [FINAL-TCFD-Annex-Amended-121517.pdf \(bbhub.io\)](#)
6. [MUFG AM: GLOBAL ENGAGEMENT POLICY](#)
7. [MUFG; Overview - Mitsubishi UFJ Asset Management \(UK\) Ltd.](#)
8. <https://www.tr.mufg.jp/mufgam-su/english/stewardship/>
9. [MUFG; Sustainability | Mitsubishi UFJ Financial Group](#)
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