

Gender Pay Gap 2023

UK Report

A member of MUFG, a global financial group

www.mufgemea.com

2024 Mitsubishi UFG Financial Group



“We are building an inclusive, equitable and diverse workplace that reflects our society, where everyone feels they can succeed and be their authentic best.”



Executive Message



We are proud that our seventh consecutive MUFG UK gender pay gap report demonstrates real year-on-year progress. Our focus on increasing the representation of women in senior leadership roles is making an impact and helping us foster the diverse, inclusive and equitable culture that we value. We're committed to our shared industry goal of closing the gender pay gap, and driven by our purpose of empowering a brighter future for our colleagues, clients and communities.

At MUFG, our ambition is to reflect the diverse communities in which we operate and offer a workplace where colleagues see themselves represented at every level. We know just how important a healthy and high performing culture is to our colleagues, clients and communities.

As such, improving gender balance and reducing our gender pay gap is a top priority for us and we're taking action to foster a culture of collaboration, inclusivity, diversity and empowerment.

In common with the rest of our industry, our biggest challenge with the gender pay gap is the under-representation of women at senior levels. We are addressing this by focusing on three key areas:

- Widening our talent pools and mitigating for bias in our **hiring and recruitment practices** to reach a more diverse group of qualified candidates at all levels;
- Ensuring our **policies, benefits, development opportunities and promotions processes** are fair and meet the needs of all our colleagues, and that caring responsibilities aren't a barrier to developing a meaningful career at MUFG;
- Holding our **managers and leaders accountable** for meeting our divisional gender targets, which are embedded in our Leadership and Manager objectives and linked to pay outcomes.

As a result, we're making good progress towards closing the gender pay gap and we're seeing more women in senior leadership roles.

In 2023, 25% of our UK Managing Director hires were women and the proportion of women in our top pay quartile increased by 2.5% to 22.4%. At 24%, we're also on track to exceed our Women in Finance Charter commitment of having 25% of women Directors and Managing Directors across our EMEA region by 2025.

We can see the positive difference this shift is making to our culture, not only in a greater sense of belonging for our colleagues, but in reducing groupthink and increasing our ability to develop innovative solutions for our clients.

Meaningful and sustained change takes time, and we know we have more to do. We're confident that we're on the right path to closing the gender pay gap and offering a brighter future for all our colleagues.

We confirm that the Gender Pay Gap calculations featured in this report are accurate.

Taka Sazaki
Regional CEO for EMEA, MUFG Bank

Chris Kyle
CEO, MUFG Securities EMEA



Our 3 point **action plan** to close our gender pay gap

Our long-term goal is to close our gender pay gap by driving greater gender balance at all levels. We have implemented divisional gender targets to support our Women in Finance Charter commitment of having 25% of women Directors and Managing Directors across EMEA by 2025, and aim to meet this target one year early. We have 3 areas of focus to help us achieve this.

Talent acquisition

We have upskilled our recruiters in diverse and inclusive hiring practices, introduced gender balanced interview shortlists, as well as removed the degree qualification requirement and introduced blind CVs in our Early Careers recruitment.

This year we will focus on diversifying our talent pipelines. We will start using specialist job boards, communities and social media to target a broader diversity of candidates. We will also pilot new approaches, including developing a returner programme for those coming back to work after a career break.

Talent retention

Alongside introducing menopause support, we have launched new and enhanced benefits to support working parents and those with caring responsibilities, including enhancements to our paid paternity leave and free child and adult care back up sessions, the introduction of tax-free nursery benefit and parental transition coaching.

This year we will focus on providing greater access to part time and job share opportunities in the firm. We will profile senior women across MUFG for greater visibility of female role models. Alongside this, we will continue to review and benchmark our family and wellbeing policies and benefits.

Talent development

We have reviewed our promotions process and have started introducing improvements to the Director and Managing Director promotions framework for greater transparency and a bias free selection process. This has been complemented by 'Conscious inclusion in promotion interview' training.

This year we will launch a reverse mentoring scheme, pairing EMC members with members of our female VP talent pipeline to support their career development. Work is also underway to develop and pilot a global high potential female VP talent programme.

Pay gap reporting terms **explained**

What is the **gender pay gap** and what is **equal pay**?

It is important to understand the difference between the gender pay gap and equal pay as they are very different concepts.

Equal pay is about ensuring men and women are paid the same for the same work or work of equal value. The equal pay principle, set out in the Equality Act 2010, states that men and women performing equal work must receive equal pay, unless there is a material reason that justifies a difference.

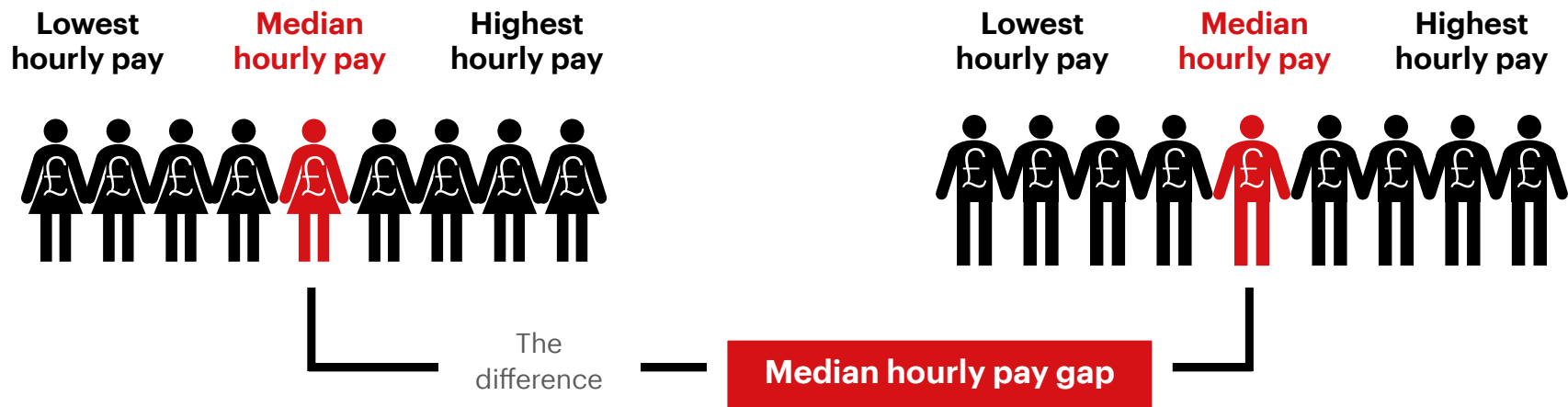
The gender pay gap is a measure of the difference between the average earnings of men and the average earnings of women across an organisation, regardless of their job level. The gap is expressed as a percentage of the average male earnings.



Pay gap reporting terms explained

What is the **median** gender pay gap and what is the **mean**?

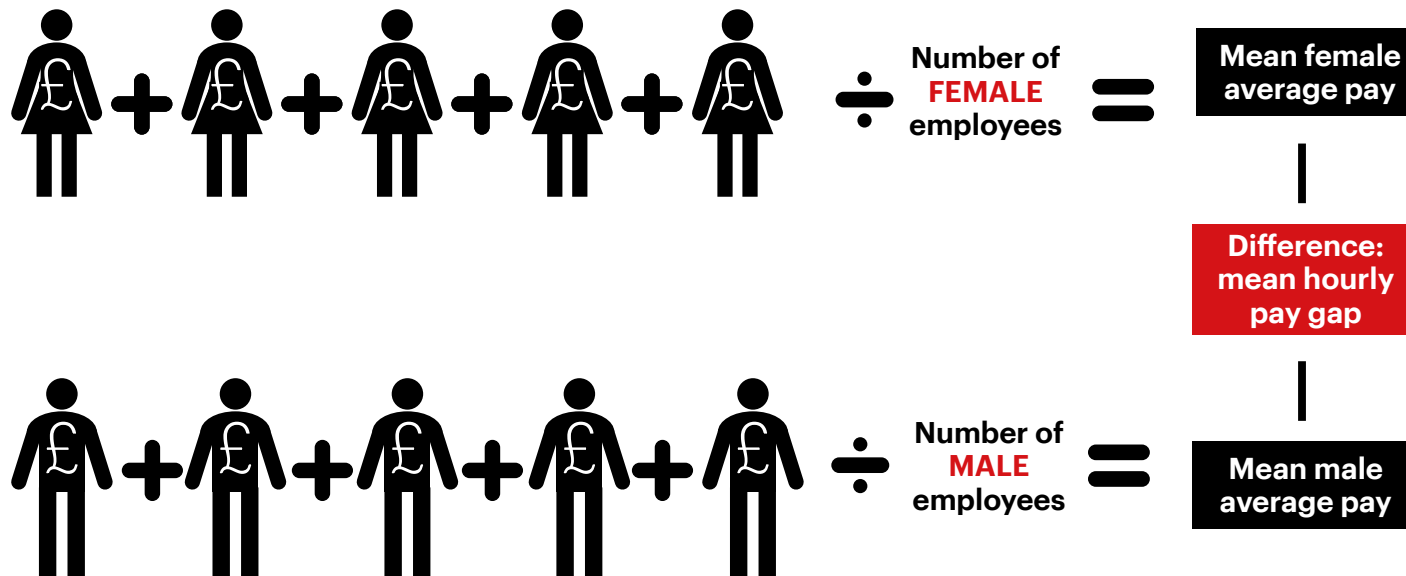
The **median (the middle) pay gap** is the difference in the hourly pay between the midpoints of men's pay and women's pay, when the hourly pay is listed from lowest to highest.



Pay gap reporting terms explained

What is the **median** gender pay gap and what is the **mean**?

The **mean (the average) pay gap** is the difference between the earnings of men and women. It is calculated by adding up the hourly rates of all women and dividing this figure by the number of women – then doing the same with men.





Supplia

Schritt Approved Pack
✓ ✓

Budgetplanung, 70% 1500€

Pack -> check (Pack Approved 100)

Set & Finale

Finanz



Supplia
Checklist
- []
- []
- []
- []
- []

Sticky notes on the whiteboard.

Why and how we **calculate** and **report** our gender pay gap

Why do we calculate the gender pay gap?

UK gender pay reporting legislation requires employers with 250 or more employees to publish statutory calculations every year showing how large the pay gap is between men and women in their organisations.

We have been reporting our gender pay gap since 2018.



How do we calculate and report the gender pay gap?

Our gender pay gap has been calculated using the UK government's methodology for gender pay reporting. Hourly pay is based on the pay period including 5 April 2023 and bonus pay is based on bonuses paid in the period from 6 April 2022 to 5 April 2023.

This report is a summary of our UK gender pay gap and year-on-year changes for 'One MUFG', reflecting MUFG Bank, Ltd. London Branch and MUFG Securities (EMEA) as at 5 April 2023.

External reporting is completed at an entity level, and outlined at the end of this report.

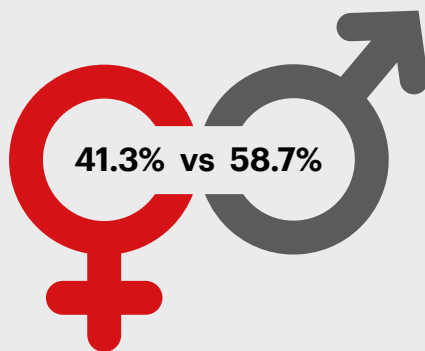
The results highlight our ongoing efforts to close the gender pay gap by increasing the proportion of women in leadership roles and aiming for gender balance at all levels of the firm.

Our 2023 UK gender pay gap data – hourly pay gaps

Combined, the gender pay gap for MUFG Bank, Ltd. London Branch and MUFG Securities has continued to improve year-on-year. Our results reflect that we have a greater proportion of men than women in senior positions, and in businesses where market rates of pay are highest.

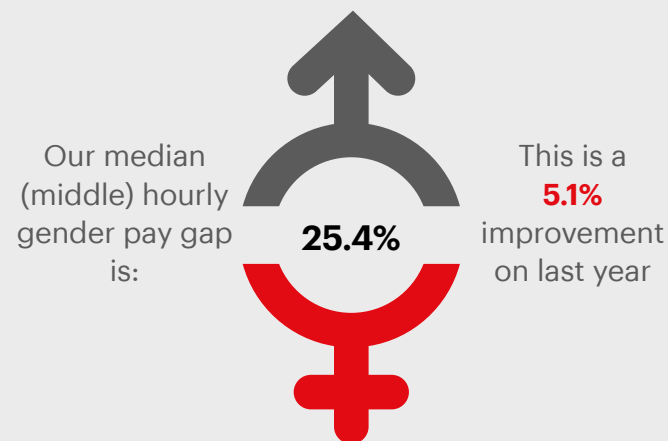
We are pleased to see year-on-year improvements in our gender representation and our pay gaps. This is driven by a number of factors, including an increase in the number of women in senior positions and departures of some male high earners.

Our gender representation

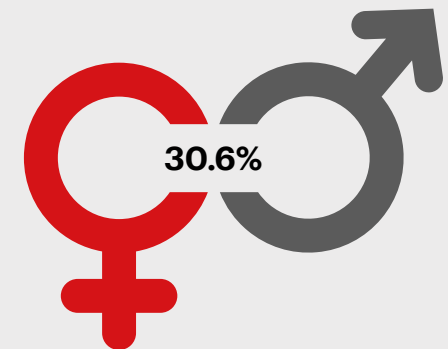


This is a **0.5%** improvement in female representation on last year

Our pay gaps



Our mean (average) hourly gender pay gap is:



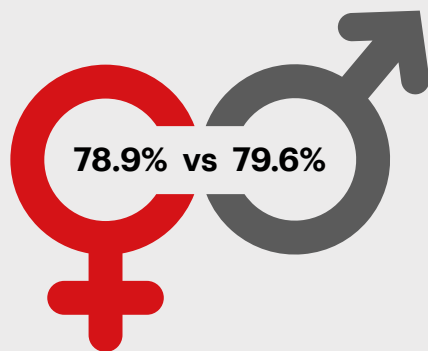
This is a **4.6%** improvement on last year

Our 2023 UK gender pay gap data – **bonus** gaps

We remain committed to reducing our pay gaps and while our bonus gaps are significant, we are pleased that both the median and mean gender bonus gaps have narrowed since last year.

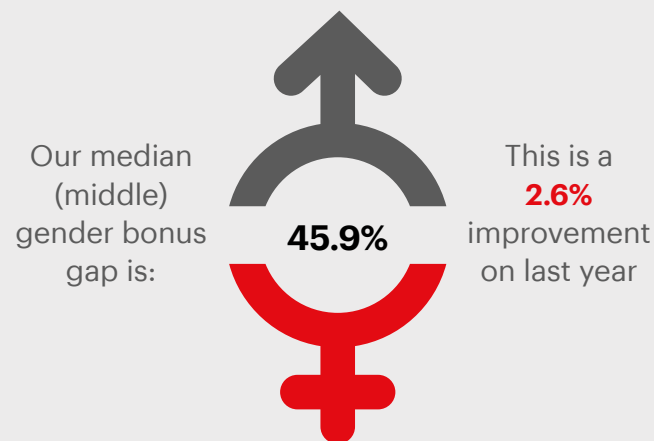
The percentage of men and women who did not receive a bonus in June 2022 dropped slightly compared to the previous year, but remains similar between genders. Those who did not receive a bonus either joined MUFG in or after January 2023 or were on long term absence.

Proportion of employees receiving a **bonus**

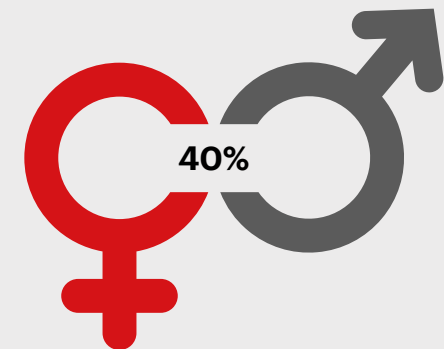


This is a decrease of **1.6%** and **3.3%** respectively on last year

Our **bonus** gaps



Our mean (average) gender bonus gap is:



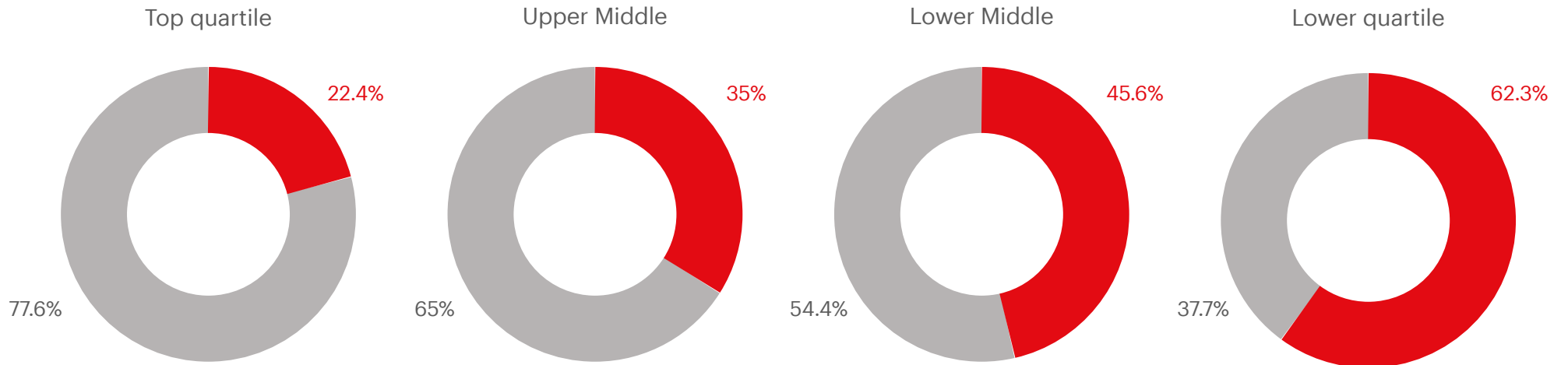
This is a **3.9%** improvement on last year

Proportion of employees in each pay quartile

These charts show the gender split for each pay quartile of the MUG population, if all employees were ranked from highest to lowest hourly pay. Each quartile represents 25% of the proportion of men and women.

In both the Top Quartile and Upper Middle Quartile there are more women this year compared with last year. Female representation in the Top Quartile improved by 2.5% points and in the Upper Middle Quartile by 3.1% points since 2023. We are pleased by this improvement while noting this is still significantly lower than the proportion of men in those quartiles.

Pay quartiles



MUFG Statutory Gender Pay Gap Disclosure

Gaps

Entity	Reference date	Hourly pay gap (median)	Hourly pay gap (mean)	Bonus pay gap (median)	Bonus pay gap (mean)	Male receiving bonus	Female receiving bonus
MUBK	05 April 2023	23.7%	24.7%	43.8%	53.7%	78.2%	78.4%
	05 April 2022	27.3%	26.6%	46.7%	54.3%	82.5%	81.4%
MUSE	05 April 2023	24.9%	34.4%	33.3%	61.7%	81.9%	80.6%
	05 April 2022	32.4%	41.0%	36.4%	67.5%	83.7%	77.8%

Quartiles

Entity	Reference date	Lower quartile		Lower middle quartile		Upper middle quartile		Upper quartile	
		Male	Female	Male	Female	Male	Female	Male	Female
MUBK	05 April 2023	33.3%	66.7%	49.7%	50.3%	61.3%	38.7%	71.6%	28.4%
	05 April 2022	33.0%	67.0%	46.9%	53.1%	62.3%	37.7%	73.3%	26.7%
MUSE	05 April 2023	50.9%	49.1%	64.0%	36.0%	71.6%	28.4%	86.4%	13.6%
	05 April 2022	48.1%	51.9%	65.5%	34.5%	75.8%	24.2%	88.9%	11.1%