

## 2022 UK Gender Pay Gap Report

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.

An important distinction is that the Gender Pay Gap (GPG) and Equal Pay are not the same – the Gender Pay Gap is the difference between the average wages of men and women regardless of their job level; Equal Pay is about ensuring that men and women are not paid differently for 'like work', 'work of equal value' or 'work rated as equivalent'. We act to address any gaps and to make sure all our policies and practices are fair.

This is a summary the overall Gender Pay Gap report and year-on-year changes for One MUFG, reflecting MUFG Bank, Ltd. London Branch and MUFG Securities (EMEA) as at 5 April 2022.

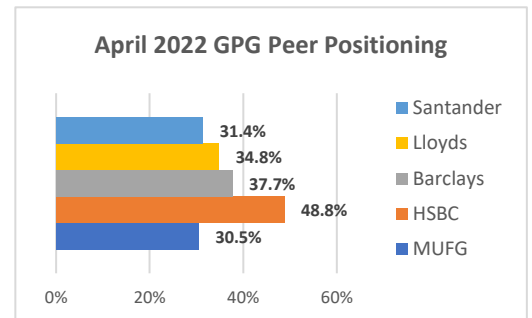
### One MUFG

Taken together, the Gender Pay Gap for MUFG Bank, Ltd. London Branch and MUFG Securities has continued to improve year-on-year, and has highlighted the distribution of men and women across the different corporate titles as an area of focus.

### Progress Update

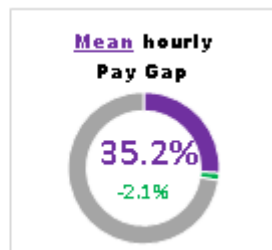
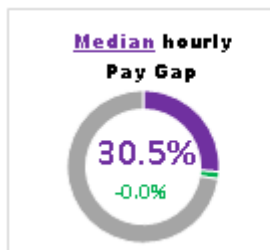
#### Key Points:

- The primary driver for the GPG is a higher proportion of men in senior roles. However, the **representation of women in the top quartile has increased** to 19.9% (from 18.5% last year)
- The Median hourly pay gap has remained consistent at 30.5%
- The Median bonus gap has improved, narrowing to 48.6% (from 53.6%)
- The proportion of men in the lowest quartile has increased to 35.5% (from 34.4%)
- In the remaining quartiles the representation has been consistent to the previous year



The gender pay gap shows the difference between the mean (average) and median (mid-point) pay and bonus earnings of male and female employees, expressed as a percentage of male employees' earnings. The mean and the median are affected by the different numbers of men and women in different roles.

### Median & Mean Pay Gap

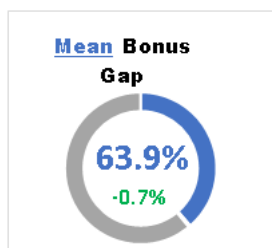
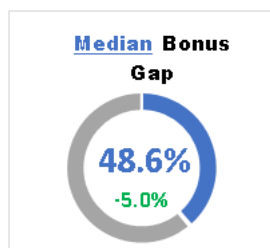


The **One MUFG** median gender pay gap is 30.5%

The median hourly pay gap has **remained consistent year-on-year** from 30.5% to 30.5%.

The mean hourly pay gap has **improved year-on-year** from 37.3% to 35.2%.

### Median & Mean Bonus Gap



The **One MUFG** median bonus gap is 48.6%

The median hourly pay gap has **improved year-on-year** from 53.6% to 48.6%.

The mean hourly pay gap has **remained relatively consistent year-on-year** from 63.2% to 63.9%.

Percentage of men and women who were paid bonus pay within a 12-month period:

**Women: 80.5% Men: 82.9%**

## Pay quartiles

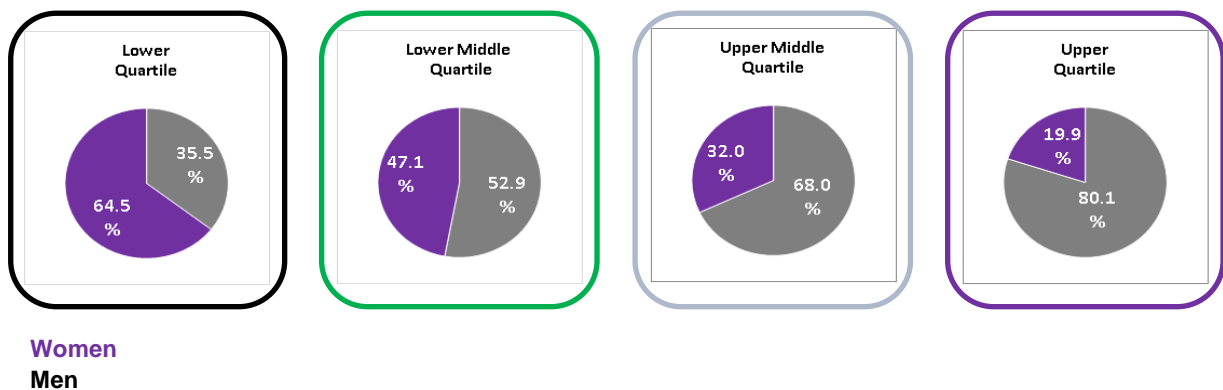
The hourly pay for both men and women was arranged from the lowest to the highest, and then divided into four segments of equal size – hence the term “quartile”. Each quartile contains 25% of the proportion of men and women:

- Lower Quartile: the lowest 25% of hourly pay
- Lower Middle Quartile: between 25% and 50% (up to the median)
- Upper Middle Quartile: 50% to 75% of hourly pay
- Upper Quartile: the highest 25% of hourly pay

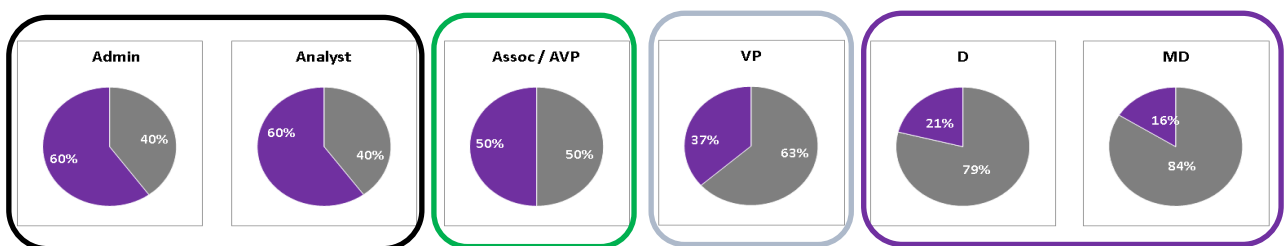
## Gender Split by Pay Quartiles

The Gender Split by Pay Quartiles shows the proportion of men and women in the Lower Quartile, Lower Middle Quartile, Upper Middle Quartile, and Upper Quartile of hourly pay.

- These show that we have a higher weighting of **Women** in the **Lower** and **Lower Middle Quartiles**, and a higher weighting of **Men** in the **Upper Middle** and **Upper Quartiles**.
- The data was further interrogated to understand these respective weightings, which highlighted the close alignment of specific job levels with each quartile,
- The Lower Quartile mainly contains Admin and Analyst roles; the Lower Middle, Associates and AVPs; the Upper Middle, VPs; and the Upper Quartile, Directors and MDs.



## Gender Split by Job Level



The strong correlation between the proportion of men and women at particular job levels, and the gender splits in their corresponding pay quartiles indicate that the key factor driving the One MUFG gender pay gap is the under-representation of women at senior levels in the organisation.

## What we have done, and what we are doing to close the Gender Pay gap

We have implemented a number of actions and initiatives over the past 12 months. Key highlights include:

- Increasing diverse representation is one of MUFG's strategic priorities in line with our recently updated [EMEA Diversity, Equity & Inclusion \(DEI\) Strategy](#).
- At 21% in January 2023, we are on track to reach the MUFG EMEA Women in Finance Charter target of 25% female representation at Director and Managing Director levels by July 2025. Accountability for achieving this target has been embedded in the EMEA Leadership Objective and Manager objective, and is monitored through the Culture Dashboard. The performance against the target contributes to the recommended performance rating during the year-end process, which rewards performance for both "what" is achieved and "how" it is achieved.
- We continue to focus on attraction and development of female talent. 44% of all hires and 25% of MD hires made in 2022 are women. MUFG's hiring guidelines ensure a more diverse candidate pool, and a higher proportion of women reaching interview stage.
- We also continue to monitor internal promotions and are pleased to note a significant increase in the percentage MD promotions, which rose from 10% in 2021 to 23% in 2022.
- The recent enhancement of Human Capital Planning in EMEA enables leaders to better track business level targets and plan talent development to drive equitable gender progression outcomes.
- The 2022 MUFG Employee Survey has seen an improvement in DEI questions, with responses to "I see active steps being taken to enhance inclusion, equity and diversity" increasing by 4%.
- MUFG has been recognised in Bloomberg's 2023 Gender-Equality Index (GEI) for the 7<sup>th</sup> time, achieving above the overall average GEI score, as well as the FI average. The Index measures gender performance across multiple dimensions, including 'Equal Pay and Gender Pay Parity'.
- We regularly review our employment policies and practices to ensure they are fair and equitable. In 2023 we will undertake a market benchmark review of our wellbeing and family friendly policies and benefits, and further develop our DEI learning and training to help minimise bias across key people decisions.
- Colleagues can find more information on our Diversity, Equity and Inclusion agenda on [KIZUNA](#).

## Reporting Requirements

### Gaps

Entity	Reference date	Gender pay gap (median)	Gender pay gap (mean)	Gender bonus gap (median)	Gender bonus gap (mean)	Men receiving bonus	Women receiving bonus
MUFG BANK	05 April 2022	27.3%	26.6%	46.7%	54.3%	82.5%	81.4%
MUSE	05 April 2022	32.4%	41.0%	36.4%	67.5%	83.7%	77.8%

### Quartiles

		Lower quartile		Lower middle quartile		Upper middle quartile		Upper quartile	
Entity	Reference date	Men	Women	Men	Women	Men	Women	Men	Women
MUFG BANK	05 April 2022	33.0%	67.0%	46.9%	53.1%	62.3%	37.7%	73.3%	26.7%
MUSE	05 April 2022	48.1%	51.9%	65.5%	34.5%	75.8%	24.2%	88.9%	11.1%

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

Chris Kyle, CEO, MUFG Securities EMEA

Takanori Sazaki, Regional Executive, MUFG EMEA