

MUFG Bank, Ltd.
Slavery and Human Trafficking Statement
Financial year ending 31 March 2023

Introduction

This statement sets out the steps that MUFG's core banking unit, MUFG Bank, Ltd. ("MUFG Bank" or "we" or "us" or "our") has taken in an attempt to ensure that modern slavery and human trafficking are not taking place in our supply chains or any part of our business.

We continue to strive to maintain the highest professional and ethical standards and we expect the same from our suppliers. Slavery and human trafficking remain entirely contradictory to "MUFG Way" (the basic policy in conducting our business activities, and provides guidelines for all group activities) and Code of Conduct, and have no place in or around our organization, and we are pleased to reinforce that principle through this statement.

This statement (including the addendum) is published on behalf of MUFG Bank (pursuant to the UK Modern Slavery Act 2015 and the Australian Modern Slavery Act 2018 (Cth). It has been approved by the board of directors of MUFG Bank, Ltd. Japan.

Modern slavery and human trafficking

The term "modern slavery" is used to describe a range of situations in which coercion, threats or deceptions are used to exploit individuals and undermine their freedom. These situations are slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour and the worst forms of child labour.

"Human trafficking" occurs when a person arranges or facilitates the travel of another person with a view to the other person being exploited.

Structure, Operations and supply chains

MUFG Bank is a financial institution incorporated and registered in Japan, headquartered in Tokyo, Japan. We operate through branches, subsidiaries and representative offices throughout the world.

Our global management team sits both in Japan and abroad and ensures that our global corporate framework reflects MUFG Way and Code of Conduct.

Our main operations are deposit taking, financial lending and other related businesses to clients both locally and internationally, in principle borrowing from regulated financial markets and on lending to our customers. Our supply chain includes procuring products and services for operating our offices and supporting our staff.

The risks of Modern Slavery and Human Trafficking practices

We understand that we operate in an industry, banking and financial services, where modern slavery is uncommon, but we remain vigilant and prepared to uncover any such risks posed by our customers and their activities as well as within our main supply chain.

As part of our overall risk strategy and in accordance with our obligations, we have in place compliance and risk management frameworks incorporating systematic processes for the identification, assessment, treatment and monitoring of customers for financial and financial crime risks, including criminal or unethical activity (such as modern slavery and human trafficking), that their activities may pose to our operations.

We view that the risks of modern slavery sit within our main supply chain, as described above, such as procuring products and services for operating our offices and supporting our staff as these procuring activities may have an adverse impact on the employees of the suppliers. To avoid such risks, we have placed policies and procedures as we are committed in respecting human rights within our supply chain. Please refer to "Policies and procedures" below.

Policies and procedures

MUFG Bank is committed to MUFG Way and Code of Conduct, which has been reviewed and updated during the year to give our staff additional guidance on MUFG's expectations in relation to their conduct.

The Code of Conduct requires, amongst other things, that MUFG Bank respect the human rights of all our employees, act with integrity and comply at all times with the letter and spirit of laws, regulations and rules that apply to us and combat criminal activity.

MUFG has also published an MUFG Human Rights Policy Statement which applies to the Group globally and which articulates the Group's dedication to the respect of human rights across all operations. This includes an expectation that our suppliers will avoid human rights violations.

MUFG published an MUFG Environmental and Social Policy Framework that sets out our approach to managing the environmental and social risks arising from the business activities of the Group. The Framework explicitly prohibits the Group and all of its entities from financing transactions involving the use of child and/or forced labour. MUFG reviews the need to update the Framework and makes amendments as necessary to reflect changes in our business activities and the business environment.

We have implemented measures to mitigate the risk of modern slavery and human trafficking in our business operations and supply chains, including:

- Human Resources policies that aim to create a working environment that is based on core values of respect, fairness, collaboration, team work, support, trust and transparency;
- Whistleblowing and grievance procedures, through which employees can escalate any concerns relating to modern slavery or human trafficking; and
- Anti-bribery and anti-money laundering policies and procedures to identify and mitigate financial crimes risks, recognizing that modern slavery and human trafficking can be associated with bribery and precursors to money laundering activity.

Due diligence processes and remediation

Through MUFG's Code of Conduct, internal policies (including Human Resources and Compliance policies) and through our Corporate Social Responsibility activities, we ensure that we do not condone or support any forms of bullying or harassment, and we continue to be committed to embracing diversity and building an inclusive culture where all employees are valued, respected, and feel that their opinions count.

We make our employment decisions in a non-discriminatory manner in accordance with our obligations under the law and in line with the national living wage.

We seek to partner with suppliers whose ethical principles align with our own, and expect them to operate fair and ethical workplaces.

As outlined above, we have in place whistleblowing and grievance procedures, both of which provide appropriate mechanisms for people to safely raise concerns about any actual or potential instances of modern slavery, and for any such instances to be assessed and, as appropriate, remediated.

Training

Regular Financial Crimes training and Code of Conduct training are provided for all staff globally. Training on the Code of Conduct was conducted during the period covered by this statement and included all staff. In addition, our whistleblowing policy and processes are applicable globally, and the whistleblowing options are prominently highlighted on MUFG Bank's Intranet page.

MUFG Bank's senior management continues to fully recognize that modern slavery and human trafficking are issues of global importance and scale. Where the processes and controls we have implemented identify an unacceptable level of risk of modern slavery or human trafficking we are committed to taking action, including ending relationships with suppliers.

The effectiveness of actions taken

MUFG Bank will continue to work towards enhancing its risk assessment processes to identify and measure risks related to modern slavery and to inform the enhancement of controls where required.

Consultation process

MUFG Bank closely communicates with its headquarters in Japan and with all overseas branches. Appropriate divisions of MUFG Bank (covering all relevant regions) work to enhance the communication between related overseas branches on issues, including in relation to modern slavery and human trafficking.

Signed by



Keitaro Tsukiyama
Member of the Board of Directors,
Managing Executive Officer
MUFG Bank, Ltd.
9th August 2023

<Addendum for measures to mitigate the risk of modern slavery and human trafficking in London branch>**Due diligence processes**

In addition to those outlined in the main statement above, our London branch takes the following due diligence measures:

- A Know Your Supplier process which monitors Country Risk, taking into account both modern slavery and human trafficking considerations along with other supplier risk factors.
- A risk assessment process to identify and measure risks related to modern slavery and to inform the enhancement of controls where required.

Signed by



Keitaro Tsukiyama
Member of the Board of Directors,
Managing Executive Officer
MUFG Bank, Ltd.
9th August 2023

< Addendum for measures to mitigate the risk of modern slavery and human trafficking in MUFG Bank's Australian branch >

Under the *Modern Slavery Act 2018 (Cth)* (the Act), MUFG Bank Ltd (MUFG Bank) is a reporting entity per section 5 of the Act as it has consolidated revenue of at \$100 million and has carried on business in Australia in the reporting period covered by this statement. MUFG Bank is part of the broader MUFG Group headquartered in Japan, which provides a full range of financial services both at home and abroad. However, in Australia our business is only to provide wholesale banking services.

To meet reporting obligations under the Act, MUFG Bank relies on both the reporting set out in the main statement above and the information provided in this addendum which is particular to its Australian operations. This information reflects on the measures taken to analyse and report on the risk of modern slavery in Australia. Our processes in Australia complement those in the other jurisdictions in which we do business.

Identity of the reporting entity in Australia

As noted above, MUFG Bank is the reporting entity for the purposes of the Act. In Australia, our branch operations are conducted through MUFG Bank, Ltd (ARBN 103 418 882), which is a foreign company registered in accordance with the *Corporations Act 2001 (Cth)*.

In Australia, MUFG Bank has been authorised by the Australian Prudential Regulation Authority (APRA) to carry on banking business as a branch of a foreign Authorised Deposit-taking Institution (ADI) and we operate branch offices in Sydney, Melbourne and Perth. MUFG Bank does not itself own, operate or control any subsidiary entities in Australia.

The structure, operations and supply chains of MUFG Bank

As an ADI, we provide a wide range of financial products and financial services to corporate customers in the areas of corporate and investment banking, global markets and transaction banking. We currently employ 365 employees in our three Australian branch locations.

The supply chain for our Australian business is, as for our global business, focused on acquiring staffing, goods and services to support the operations of an ADI. We do not procure raw materials, nor do we refine, transform or produce tangible goods ourselves, nor direct others to do so in Australia. We have an estimated 400 active entities acting as current suppliers to our branches, the bulk of whom provide banking and finance support services, IT infrastructure, and energy and other utilities.

Our clientele may be engaged in primary production, mining, manufacturing and transport, among other industries, and operate in various jurisdictions, however we expect clients to independently manage their modern slavery risks in accordance with the obligations placed upon them by the Act. MUFG Bank's clientele consists of wholesale clients, including private and government corporate entities.

Description of the risks of modern slavery practices in MUFG Bank's operations and supply chains

Given the scope of our operations as an ADI, our natural risk of engaging in or being exposed to modern slavery is generally very low.

Operations

As outlined in this statement, MUFG Bank itself does not engage in any practices that would approach nor considered to be modern slavery. All staff employed in Australia either directly or on a contract basis are afforded all rights and resources to perform their roles free of harassment or unfair employment terms. No conditions are placed on the right of movement of any person employed by us. This approach is also codified by multiple internal policies, including an MUFG Bank Australia Modern Slavery Policy. Global policies on ethics

and human rights are binding on all employees, and are centrally available to all staff via an intranet portal.

Regular mandatory training on the MUFG Group Code of Conduct and the MUFG Way ensures staff in Australia are aware of their responsibilities to act in an equitable and conscientious manner, and escalate any matters that they identify as being contrary to our business values and/or legal obligations.

Our business culture is centred around being a highly trusted global financial institution, and internally we employ a 'speak up' culture and process of collaborative continuous improvement known as '*kaizen*'. Additionally, we have implemented effective processes for receiving and investigating information given to the business by whistle-blowers. Through these approaches any potential shortcomings of the business, and grievances of staff as to conditions, will be exposed and addressed immediately. Training is given to all staff so they are aware of their rights in this regard.

We also engage in continuous improvement to ensure that we maintain current knowledge and awareness of modern slavery developments to support our business, both within our Compliance team through dedicated resources, and in the broader business. We are confident that MUFG Bank has no risk of modern slavery in its own operations in Australia.

Supply chains

While we take every precaution to avoid modern slavery in our supply chain, there is still some level of risk that cannot be eliminated completely despite due diligence and best intentions.

MUFG Bank generally does not produce any tangible goods in the general course of its business, other than minimal printed materials. Promotional and other goods are produced by third parties on our behalf. As such, there is no extended supply chain of tangible goods which MUFG Bank would rely upon to conduct its business, which lessens our risk of exposure to modern slavery.

Our main risks in the supply chain regarding modern slavery in Australia include:

- Engaging suppliers for facilities management
- Outsourcing of services to countries which are known to have instances of ongoing modern slavery
- Procuring electronic goods with complex and obscure supply chains, even from trusted and high-profile suppliers
- Engaging suppliers to provide promotional goods, such as items of clothing, where the source of materials and/or labour to produce those goods is obscure or unknown

While we consider that risk might exist in these activities, MUFG Bank would not knowingly proceed with any engagement or supply if it becomes apparent that our suppliers are, or are likely to be, engaging in modern slavery practices to support the supply of goods or services to us. As outlined below, we have relevant policies and measures to respond to such a situation.

Description of the actions MUFG Bank has taken to assess and address those risks, including due diligence and remediation processes

As mentioned above, MUFG Bank at all times maintains policies to prohibit behaviour that would amount to modern slavery or which compromises human rights, as well as clear policies on providing open lines of communication to speak up about issues and provide protected disclosure through defined processes if the person escalating the issue is concerned for their own welfare.

Our Australian Modern Slavery Policy has been drafted to raise awareness of modern slavery, and to highlight that all staff and the business have a responsibility for avoiding and reporting modern slavery in our business practices and supply chains. It has been drafted to align with the MUFG Group Human Rights Policy and reflects our group's commitment to international standards, such as the Universal Declaration of Human Rights

and the ILO's Declaration on Fundamental Principles and Rights at Work, as well as international initiatives such as the UN's Global Compact, Principles for Responsible Investment (PRI) and the Equator Principles.

The Australian Modern Slavery Policy also provides that when we are operating in locations that have lower domestic standards of human rights, we are determined to operate in accordance with all relevant MUFG Group ethical and business standards, and expect our Business Partners in those locations to meet these higher standards too. Through these measures, and a legal and compliant approach to how our operations are conducted, we keep abreast of our operations risk of modern slavery.

Supply chain measures

In the Financial Year 2022 reporting period (April 2022 to March 2023), we modified our process for engaging suppliers, moving to a new system that allows end-to-end monitoring of the supply chain, as well as due diligence processes on every supplier entering the system as supply contracts are formed or renewed.

Due diligence via questionnaire

Our due diligence for modern slavery, reported at a high level in our FY2021 modern slavery statement, is based upon a short questionnaire issued to every supplier for their attention and completion. The questionnaire poses simple questions concerning:

- Whether the supplier has an obligation to comply with the Act (for those suppliers in Australia)
- Any modern slavery statement produced by that entity for Australian, UK or other purposes, whether provided due to meeting legislative thresholds or voluntarily
- The supplier's own exposure and risk of modern slavery in its own operations and supply chain, and measures taken to assess and protect itself from modern slavery
- The supplier's own processes for responding to, and remediating, any instance of modern slavery detected by the processes.

The questionnaire was tailored to match, as far as possible, the reporting elements we are subject to under the Act. Large suppliers will have their own modern slavery statements, which provide a solid insight into their approach to modern slavery, and which may largely cover the information sought under the questionnaire. Smaller suppliers are not expected to have a formalised modern slavery response, however are still expected to complete the questionnaire so as to disclose to us what their modern slavery risks are, and their potential response. However, in line with the revenue threshold under the Act smaller suppliers in many cases do not turn their minds to issues of modern slavery to any extent, resulting in 'nil' responses.

Supplier Code of Conduct and Standard Purchase Agreement

As reported in FY2020, MUFG Bank prepared a Supplier Code of Conduct and Standard Purchase Agreement (SPA) intended for use with Australian suppliers which reflect our commitment to operating and procurement standards that aim to draw attention to modern slavery and eliminate risks of exposure to, or involvement in, modern slavery from our operations and supply chain. These documents also outline the process, and consequences, should modern slavery be detected in the processes and supply chains of those suppliers. The existing questionnaire process will run concurrently with the Supplier Code of Conduct and SPA once they are adopted into use.

The implementation of the Supplier Code of Conduct and SPA is ongoing and subject to approval from the local management of MUFG Bank in Australia, with guidance from the Oceania Legal team, Compliance and Procurement.

How MUFG Bank assesses the effectiveness of its actions

The primary objective of MUFG Bank's implementation of a modern slavery approach is that we do not rely to any extent on modern slavery in our supply chains or operations. Our broader ambition is to set a positive example by drawing our suppliers' attention to modern slavery, which we achieve during the on-boarding

process through our questionnaire. We hope that this will foster awareness of the issues of modern slavery, compliance with the law and ethical and moral behaviour, and an overall contribution to combatting and reducing modern slavery in the world.

In the process of moving our suppliers to our new procurement system, 31 completed questionnaires have been uploaded, with a small number of additional suppliers having been provided with an exemption based on the soundness of their modern slavery risk approach. Suppliers are only moved to the new procurement system when existing contracts expire, or when new suppliers are brought on board. From the information gathered to date, suppliers have not indicated any risk of modern slavery in their businesses. Data from existing and new responses will be further assessed to profile our risk of exposure to modern slavery.

We consider that the completion of the questionnaires, our review of the responses, along with the nil reported instances of modern slavery in our supply chains or operations, indicates that our actions have been effective in ensuring we do not use or promote the exploitation of others through modern slavery to conduct our business.

As to our broader goals, it is difficult to completely measure the impact that our actions have had on secondary or tertiary sources of our suppliers. It is hoped that the existence of mature modern slavery regimes in developed and developing countries, as well as published statements such as the present one, will help the plight of those who are exploited in the world.

The process of consultation within MUFG Bank on modern slavery

Within MUFG Bank's operations in Australia, local Compliance has day-to-day oversight of the modern slavery approach, with resources dedicated to developing policy and procedures on modern slavery. Support is provided directly to the business on modern slavery issues, and Compliance and Procurement work together to ensure access to relevant records, and for continuous improvement of the function.

The MUFG Bank annual global Modern Slavery Statement, of which this addendum forms part, has sign-off at the highest levels of governance in our Tokyo head office. The Modern Slavery Statement is a collaboratively developed document, with oversight by our head office in Tokyo, Japan, and contribution from our team in Europe Middle East and Africa (EMEA) to meet UK obligations. Consultation occurs between the end of the Japanese financial year, 31 March, and progresses within the allowed window under the Act for the publication of the modern slavery statement.

Signed by



Keitaro Tsukiyama
Member of the Board of Directors,
Managing Executive Officer
MUFG Bank, Ltd.
9th August 2023