

Friday 30th January 2026

Dear Sir / Madam,

RE: Deposit Takers Standards Exposure Drafts – Tranche 1

This document sets out MUFG Bank, Ltd.'s (MUFG) response to the RBNZ's DTA Standards exposure drafts (tranche 1), published on the 30th October 2025.

MUFG operates as a Branch of an overseas bank in New Zealand, with our Head Office located in Japan. MUFG is the only Japanese bank with a New Zealand presence and have been operating in New Zealand since 1996. MUFG provides banking services to a wide variety of domestic and Japanese Corporate and Institutional clients across a range of sectors. MUFG's New Zealand business operates on a hub-and-spoke model, whereby front office relationship managers are based in Auckland, whilst all back-office support functions (E.g. Risk, Compliance, Finance, etc.) are situated in Sydney and provide support across Sydney, Melbourne, Perth and Auckland Offices.

Given MUFG's New Zealand business has and is currently only providing services to institutional clients, we have no comments on the RBNZ's decision to restrict branches to engaging in wholesale business and the Incorporation outside New Zealand Exposure Draft Standard and Guidance Draft. Therefore, we have only responded to the specific questions posed by the RBNZ in the Deposit Takers Standards – Tranche 1 – Supporting information on the exposure drafts as it relates to the Liquidity Standard, which is contained on the next page.

Please let us know if you have any questions in regards to our response.

Kind Regards,

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Liquidity Standard

- 1. Does the exposure draft accurately set out the Reserve Bank's liquidity requirements (both qualitative and quantitative), including decisions taken as part of the LPR? If not, what areas of the exposure draft may require revision?**

MUFG agrees that the RBNZ's Liquidity Policy review will address their key liquidity requirements as outlined in the draft papers and is supportive of the proposed changes.

- 2. Would the exposure draft and draft Guidance, as currently drafted, create any unintended outcomes? If so, please specify any issues and potential solutions.**

Based on MUFG's assessment, we do not envisage any market disruption or unintended outcomes based on the draft guidance.

- 3. Do you have comments on the formulation of caps in the Liquidity Standard, such as caps in relation to cash inflows, undrawn committed lines, and various components of liquid assets?**

Based on our understanding, the proposed caps align with broader Basel 3 Standards to which MUFG currently operates, therefore we have no concerns.

- 4. Do you have any views on what deposits from government agencies (if any) should be subject to a 100% run-off rate or the size band approach under the MMR?**

MUFG agrees with market concerns that a 100% run off rate for Government agency deposits is too conservative based against global standards. As we do not currently hold any government agency deposits, we don't have a view on each specific agency given we have no historic data to base run off behaviour.