

## **MUFG Bank, Ltd.**

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# **MUFG Executes First Transaction on komgo, a Blockchain Based Commodity Trade Finance Platform**

**Tokyo, London, January 10, 2020** --- MUFG Bank has successfully executed its first live digital transaction on komgo, a blockchain based commodity trade finance platform led by KomGo SA\*.

KomGo SA is a new venture formed in August 2018 by MUFG Bank and fourteen other top global institutions, including commodity trading and corporate companies, seeking to digitalise the commodity trade finance sector through a blockchain based open platform.

KomGo SA has developed a secure platform that is part of an emerging global ecosystem aiming to optimize commodities trading and commodity trade finance operations. komgo offers various digital trade finance products including letters of credit, standby letters of credit and receivables discounting, allowing commodity traders or other corporates to submit digital trade data and documents to banks of their choice. In addition, komgo offers a KYC module which standardizes and facilitates the KYC process without using a central database, where the exchange of documents is executed with encryption over the blockchain on a need to know basis.

The commodity trade and trade finance industry has been notoriously governed by paper based manual processes. KomGo SA's innovative blockchain platform will allow increased speed through paperless operations, efficiency through digitalization, fraud reduction through data privacy and immutability, and security through encrypted technology.

As KomGo SA's sole Asian shareholder, MUFG Bank, alongside the other global shareholders, are utilizing the platform to promote digitalization within the commodity trade finance industry. This first letter of credit was executed on KomGo SA's platform in MUFG's London office for Mercuria Energy Trading SA, a commodity trading company.

Digitalization is one of the key initiatives under the MUFG Re-Imagining Strategy. MUFG is striving to utilize digital technologies to serve clients more efficiently and improve productivity by automating internal processes. MUFG will continue to support komgo's global development, using the komgo platform to accelerate digitization of business activities.

\* The founders of this new company, managed and operated as an independent entity, include companies from: MUFG Bank, ABN AMRO, BNP Paribas, Citi, Crédit Agricole Group, Gunvor, ING, Koch Supply & Trading, Macquarie, Mercuria, Natixis, Rabobank, Shell, SGS and Société Générale.

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### **About MUFG Bank**

MUFG Bank, Ltd. is Japan's premier bank, with a global network spanning around 50 countries. Outside of Japan, the bank offers an extensive scope of commercial and investment banking products and services to businesses, governments and individuals worldwide.

MUFG Bank's parent, Mitsubishi UFJ Financial Group, Inc. (MUFG) is one of the world's leading financial groups. Headquartered in Tokyo and with over 360 years of history, MUFG has a global network with over 2,700 locations in more than 50 countries. The Group has over 180,000 employees and offers services including commercial banking, trust banking, securities, credit cards, consumer finance, asset management, and leasing. The Group aims to "be the world's most trusted financial group" through close collaboration among our operating companies and flexibly respond to all of the financial needs of our customers, serving society, and fostering shared and sustainable growth for a better world. MUFG's shares trade on the Tokyo, Nagoya, and New York stock exchanges. For more information, visit <https://www.mufg.jp/english>.