

January 6, 2023

Press Release:

Response from ten institutional shareholders of three Japanese banks that continue investment in military-linked projects in Myanmar

Bank shareholders are responsible for stopping the flow of funds to the Myanmar military

Mekong Watch
Friends of the Earth Japan
Justice For Myanmar
Network Against Japan Arms Trade (NAJAT)
ayus:Network of Buddhists Volunteers on International Cooperation
Japan International Volunteer Center (JVC)

Six civil society organizations that work on business and human rights sent a letter dated September 30, 2022 to 160 major investors in MUFG Bank, Sumitomo Mitsui Banking Corporation, and Mizuho Bank, major Japanese banks that are investing or lending to projects that may benefit the Myanmar military, or that hold shares in companies that may be complicit in human rights violations in Myanmar. In their human rights policies, the financial groups that oversee each of the banks, Mitsubishi UFJ Financial Group, Mitsui Sumitomo Financial Group, and Mizuho Financial Group, support international human rights standards such as the UN Global Compact and the UN Guiding Principles on Business and Human Rights, and are expected to implement those standards without fail.

The letter requested that the institutions holding shares in the three banks promptly engage with the banks to take the "measures required of banks" shown in the letter, and that if the three banks do not take measures even after engagement, to consider divestment.

The recipients of the letter included multiple pension funds and mutual aid associations. So far, in addition to the Council on Ethics that manages four pension funds in Sweden that welcomed our input, we have received responses from nine institutions. One of the nine stated that it would conduct engagement, and two others said that they would utilize our request in their analyses of corporations and future engagement. However, the remaining recipients did not disclose information about specific activities including whether or not they were conducting engagement. Further, the recipients included multiple mutual aid associations for civil servants in Japan, but none of the associations even responded to our request.

In Myanmar, the military continues to commit international crimes such as the murder of people including children, unlawful arrest, arbitrary detention, sexual violence, forced disappearance, and torture. Investors may be complicit if they neglect the fact that they hold shares in and receive dividends from companies that are funding these crimes. We strongly urge investors to take action towards improving the human rights situation in Myanmar, in accordance with their international human rights responsibilities.

Please refer to the letter linked below for further details.

[English] "Call for Engagement to Urge Banks to Take Measures to Stop the Flow of Funds to the Myanmar Military," dated September 30, 2022, sent to 160 institutional investors holding shares in MUFG Bank, Sumitomo Mitsui Banking Corporation, or Mizuho Bank
http://www.mekongwatch.org/report/burma/mbusiness/20220930Letter_Eng.pdf

[Japanese]「ミャンマーでの問題事業に投資を継続する日本の3銀行の株主として、ミャンマー国軍の資金源を確実に断つ措置を講じるよう銀行にエンゲージメントを求める要請書」(2022年9月30日付。三菱UFJ銀行、三井住友銀行、みずほ銀行の主要株主160機関に送付)
http://www.mekongwatch.org/report/burma/mbusiness/20220930Letter_Jp.pdf

List of 160 recipients of the letter

<http://www.mekongwatch.org/report/burma/mbusiness/20220930List.pdf>

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