Creating Social Value through Digital

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Senior Managing Executive Officer
Group CDIO

I am deeply committed to the creation of social value through digital innovation.

While using digital technology to promote digital transformation in our existing financial businesses, as Group CDIO I undertake the creation of new business models and solutions with utmost effort that go beyond the framework of a financial institution.

Our keywords are “Beyond & Connect” and “Empower Innovation.”

Our Company engages in business development that integrates the financial and non-financial across regions, based on collaboration with partner companies of differing types by making use of digital technologies (Beyond & Connect). As a global solutions provider, we offer customers added value that goes beyond our financial business, while creating, developing, and nurturing businesses that will lead to the future transformation of SMBC Group’s business model.

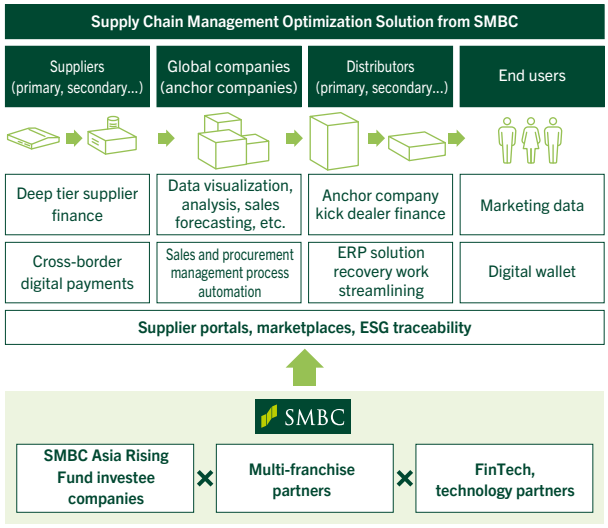
In creating new businesses, it is vital that we have a framework to promote innovation (Empower Innovation). To accelerate the strengthening of business development in cooperation with startups in the fast-growing Asian region, we have established corporate venture capital and prepared functions for the promotion of digital innovation. In the area of “Producing new CEOs,” we actively promote employees with vision and ambition to the position of president of new business companies, engage in ongoing efforts aimed at transformation of our culture such as internal social media networks, and are accelerating the creation of mechanisms for generating new business seeds inside and outside the company.

Beyond & Connect

"Beyond" expresses our stance of expanding our range of business beyond the boundaries of financial/non-financial, industries, and national borders, while "Connect" embodies our intent to create new added value through active cooperation with different partners. Under this approach, we aim to transform SMBC Group's business model by pioneering new businesses not yet undertaken by conventional financial institutions.

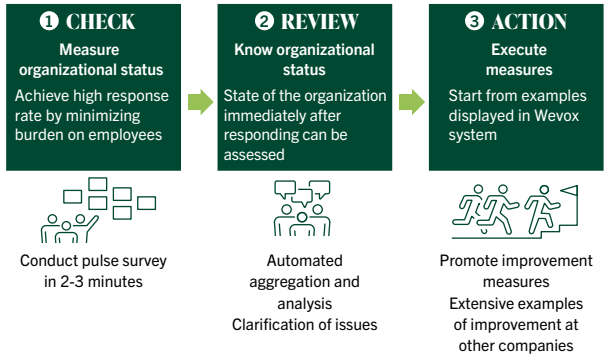
Provision of digital solutions for supply chain management in Asia

In the Asian-Pacific region, we develop and promote solutions that support the optimization of companies' supply chain management, such as a digital platform for supply chain finance and a "CFO Dashboard" for visualization and analysis of integrated cash flow and finances. We have introduced such solutions to about 100 companies so far.



SMBC Wevox

In a joint venture with Atrae, Inc., we established a new company to provide a platform that offers corporate customers timely visualization of employee engagement and motivation, supporting the enhancement of organizational strength. SMBC Group has been using Atrae's Wevox internally since 2020. Drawing on the experience and refinements we have accumulated for effective use of Wevox, we will provide new added value to our customers.



TOPICS

DX-link

In addition to the initiatives introduced on this page, the owned-media DX-link operated by SMBC Group communicates information such as examples of co-creation with partner companies and examples of specific initiatives by customers undertaking DX.

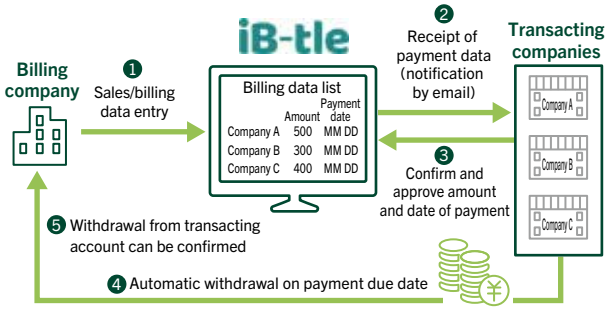
TOPICS

SMBC Group was nominated among "DX Brands 2024" by the Ministry of Economy, Trade and Industry, the Tokyo Stock Exchange, and the Information-technology Promotion Agency (IPA). This award was in recognition of our digital-related initiatives, including our Olive integrated financial service for retail customers and our non-financial businesses under the "Producing new CEOs" initiative.

DX銘柄2024

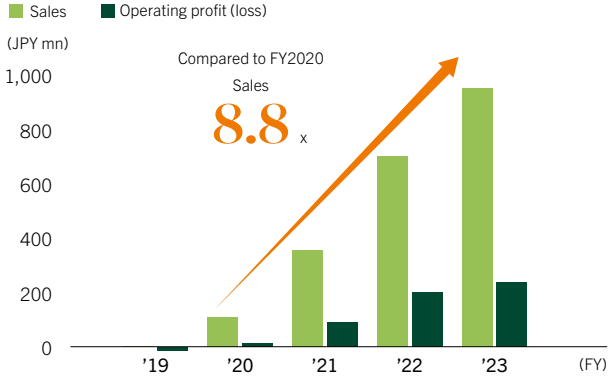
iB-tle corporate web payment service

In February 2023, we launched the “iB-tle” web payment service for corporate customers. Invoicing companies and paying companies are able to perform and manage operations from billing to payment reconciliation, as well as early financing, all through one service. This offers support for issues that are increasingly important to companies, such as reducing promissory notes and adapting to the revised Law on Book and Record Keeping through Electronic Methods.



SMBC Cloud Sign

To achieve further proliferation of the SMBC Cloud Sign electronic contract service already used by many small and medium-sized enterprise customers, we have begun providing the service free of charge to all corporate customers who have a savings account with Sumitomo Mitsui Banking Corporation. We intend to add new functions for contract conclusion as well as contract management.



Avatar business

We have begun studying collaboration with AVITA, Inc., a company specializing in avatar and AI technologies. Avatars hold potential for creating worlds in which people can go beyond constraints such as outward appearance and location to engage in work. We are considering the use of avatars in our financial business and in collaborations with corporate customers.

AVITA

Initiatives in new domains

Through collaboration with JP UNIVERSE, we have begun a proof-of-concept trial to examine business potential in the area of the metaverse, which is expected to see use by individuals and companies. We are also conducting demonstrations with HashPort Inc. in the area of non-fungible tokens (NFTs).

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TOPICS

"hoops link tokyo", an open innovation hub opened in Shibuya in 2017, celebrated its 6th anniversary. The facility continually creates opportunities for new experiences and encounters, including the “Manager Dojo” for interacting with startup managers and the issuance of membership cards using blockchain technology.

Empower Innovation

"Empower Innovation" indicates the creation of means and mechanisms for accelerating innovation. By fostering a corporate culture that encourages tackling challenges with "the courage to carry through," we are giving rise to a succession of new businesses and advancing transformation for SMBC Group.

CDIO meetings

We hold monthly CDIO meetings as venues for speedy decision-making. We have also readied a framework for agilely securing budgets. As an example, SMBC Wevox leveraged this framework to move from the start of planning to business launch in about half a year.

Stock options for digital subsidiaries

We have begun granting stock options to the management teams of subsidiaries created through our in-house entrepreneurship. We expect these subsidiaries to demonstrate significant growth beyond the framework of SMBC Group, and will promote the transformation of our corporate culture into one that continually turns out employees who take on the challenges of in-house entrepreneurship.

Corporate Venture Capital (CVC) SMBC Asia Rising Fund

In May 2023, we launched a CVC totaling US$200 million to strengthen our multi-franchise strategy and promote digital transformation in cooperation with startups in the fast-growing Asian region. To date, we have made decisions to invest in four startups in Asia, spanning fields including supply chain finance, electronic invoices, and personal loans.

Global expansion of our digital strategy

To roll out our digital initiatives on a global basis, we have established the SMFG Silicon Valley Innovation Lab in the United States and the Asia Innovation Center in Singapore. At these locations, we are tackling technology-based new business development in cooperation with business partners and startups in the regions.

Initiatives to Create Social Value

In SMBC Group's aim to create social value, the use of digital technologies is indispensable. The wide-ranging digital services that we develop will further connect to the creation of social value in a number of ways.

SMBC Wevox contributes to realizing DE&I through solutions that support visualization of employee engagement and enhancement of organizational capabilities for corporate customers. Plusmedi, a provider of services supporting hospital visits by patients and solutions for the management of personal health data, aims to solve issues in the health care field. SMBC's Cloud Sign electronic contract service contributes to solving varied social issues, such as addressing environmental issues through paperless work. We are also working to address the declining birthrate and aging population in collaboration with avatar business experts AVITA, Inc.