Message from Group CIO

Message From

Chief Information Officer

Creating a Spiral of Growth Based on Rapidly Advancing Digital Technology

1 Placing IT as a Pillar of Management and Driving Value Creation

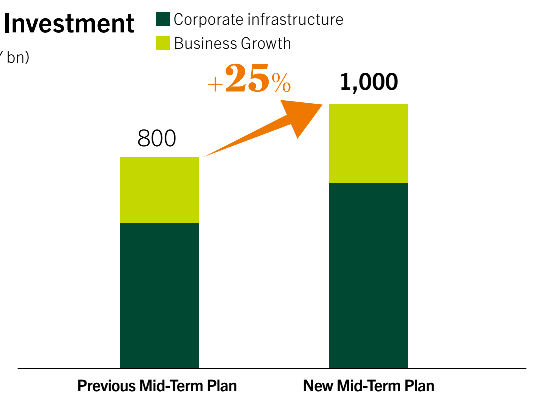
The source of competitiveness required of financial institutions is changing significantly, due to the IT-solutionization of financial services, the acceleration of digital customer touchpoints, and changes in the competitive landscape driven by technological advances. Future growth depends not only on the merits of the strategy itself, but also on how quickly and reliably it can be implemented. IT is the source of this execution capability. IT is no longer just a function supporting management, but rather a pillar that drives management itself. Under the new Medium-Term Management Plan, we will place IT as a pillar of management, modernize our IT infrastructure, improve development functions, and further accelerate AI utilization. We will promote management strategy, business strategy, and IT transformation in an integrated manner, driving value creation through IT.

2 Fundamentally Enhancing Development and Execution Capabilities to Drive Transformation

To achieve this, we are planning IT investments on a scale of ¥1 trillion over the three years of the new Medium-Term Management Plan, a first for a Japanese bank. This is not simply a large-scale investment but a strategic allocation of resources to drive business strategy execution and management foundation sophistication. To steadily advance key measures, we will strengthen planning and development functions within business units and CxO departments, while advancing the IT development structure across the entire Group including Japan Research Institute. In addition, we will recruit and develop planning and development talent for IT projects, enhancing the capabilities to handle everything seamlessly from planning to implementation. We will evolve into a development and operation model that balances the quality and speed of IT development by enhancing value creation capabilities in areas close to the front lines while appropriately functioning governance from the perspective of overall optimization.

IT Investment

(JPY bn)



3 Creating the Financial Group of the Future by Pairing Modernization and AI Utilization

The foundation for this transformation is the modernization of our IT infrastructure, aimed at breaking away from legacy systems. We will integrally advance cloud adoption, API implementation, data infrastructure development, and cybersecurity enhancement, while building a global data and IT infrastructure, aiming to realize the advanced, sophisticated IT and data infrastructure, operations, management structure, and risk management frameworks befitting a global top-tier financial institution. With respect to AI, we will go beyond using it merely as a tool for efficiency and instead leverage it to transform the customer experience, our business processes, and the very value we deliver. In addition, we will enforce disciplined resource allocation through measures such as the abolition of low-usage systems, aiming to realize a financial group with world-class competitiveness built on stability and reliability.

Hideki Takamatsu

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Group CIO