

**Special Feature**

# Digitalization

As digitalization progresses rapidly around the world, an IT strategy is one of our key management strategies. SMFG has appointed a Chief Digital Innovation Officer (CDIO) to implement an IT strategy that incorporates various technologies with four focuses: “enhancing the customer experience,” “generating new businesses,” “improving productivity and efficiency,” and “upgrading management infrastructure.”

By utilizing the latest digital technologies, SMFG will supply customers with convenient and easy-to-use services while also creating unparalleled experiences for customers and new business opportunities through the provision of advanced services and platforms.

## Enhancing the Customer Experience

### Contactless IC Debit Card with Settlement Service Function

This card is the first in Japan to be equipped with two touch sensors functions (iD and Visa payWave).

It can also be used at 710,000 locations in Japan and 71 countries around the world.

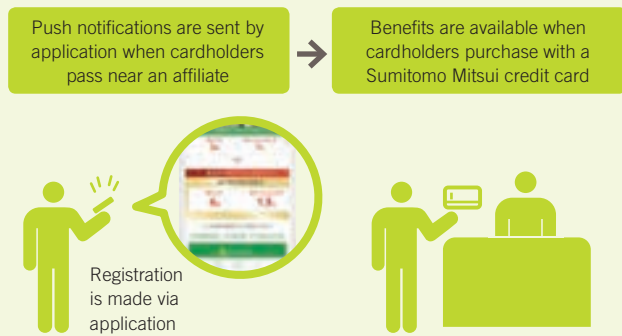


### Koko-Iko! Customer Referral Service Using CLO\* Method



This service achieves the maximum customer referral effect for affiliates by sending cardholders timely information on benefits available nearby, based on cardholders’ demographic information, card usage history, and smartphone GPS location data.

\*CLO: Card-linked offer



## Generating New Businesses

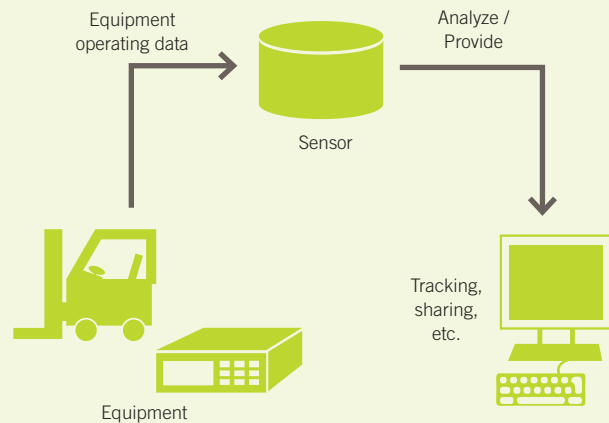
### Biometric Authentication Platform Service

This platform service is operated by a new company established with NTT DATA Corporation and Daon, Inc., and is the first SMFG business firstly approved under the Banking Act revision.



### Equipment Operation Monitoring Service

Developed jointly with Sumitomo Corporation and Sumitomo Mitsui Finance and Leasing, this service utilize data collected from sensors to track equipment efficiency, optimize facilities, and provide sharing functions.



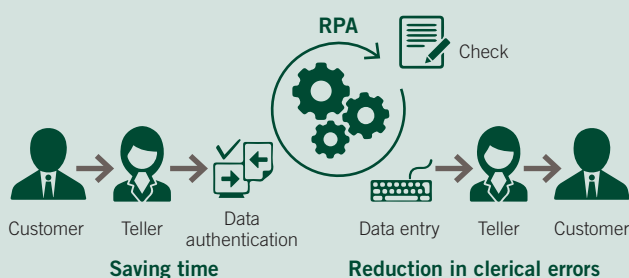
SMFG is setting up next-generation workplaces utilizing Robotic Process Automation (RPA) and a public cloud to improve productivity and efficiency and advance workstyle reforms.

We also intend to make management control more visible and adopt more data-oriented, sophisticated management tools.

### Improving Productivity and Efficiency

#### Operational Efficiency through the Introduction of RPA

SMFG has been improving efficiency of back office function of branches and head office operations.



### Upgrading Management Infrastructure

#### Management Dashboards

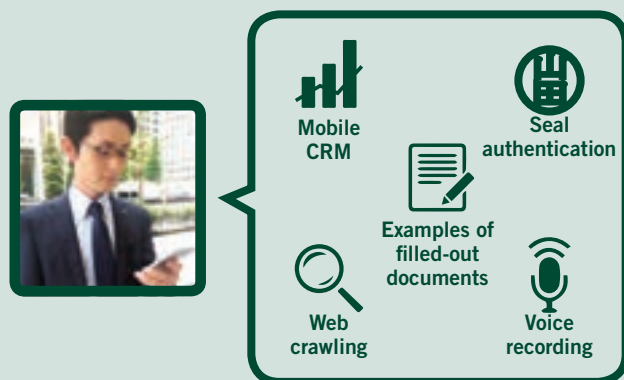
- Display alerts, such as non-achievement of plans
- Narrow down products and regions to quickly identify the source of problems



Data usage for timely business management

#### Next-Generation Workplace Anytime, anywhere

- Accessible from outside to the intranet and file servers
- Approve transactions via smartphones
- Hold meetings via smartphones



#### ► Enhancement of Open Innovation System

SMFG is establishing new bases in Japan and overseas that are tasked with collaborating with start-up companies and other organizations to create new businesses.



Open Innovation base  
Scheduled to open in Shibuya-ku, Tokyo in fall 2017



#### ► Promotion of Collaboration Events

SMFG held the MIRAI HACKATHON, an event with the concept of creating new businesses and futures where people are linked through financial application programming interface. We are working to transform ideas that won awards at this event, into real businesses.

