

Digital strategy

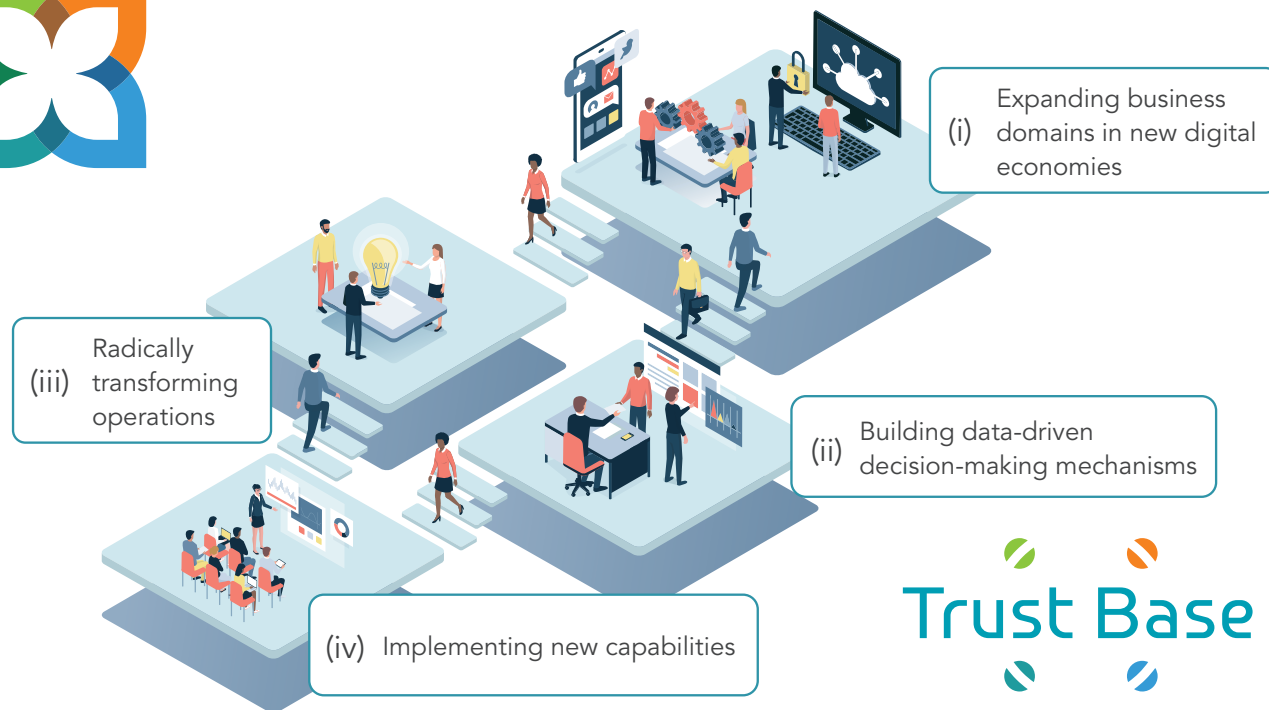
1 Digital strategy

During the period of the previous digital strategy (fiscal 2020 to fiscal 2022) we laid the foundation for DX and established “Digital” as a trust group.

Starting from fiscal 2023, we will promote reforms under the new digital strategy, with our vision that “in 2030 each of us will use technology to expand our own individual potential, develop new trust businesses and streamline operations in line with changing times, and create social and economic value.”

The new digital strategy identifies four key initiatives to respond to the changing behavior of society and clients brought about by technological advancement. We will

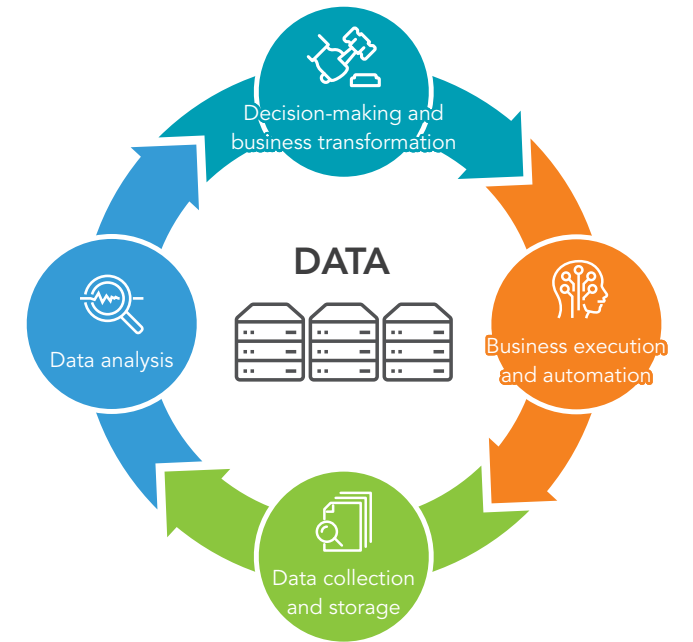
promote DX for the entire Group by (i) expanding our business domains in new digital economies with an eye on the development of virtual worlds such as Web3 and token economies, (ii) building data-driven decision-making mechanisms that utilize a large and diverse set of data held by us, (iii) radically transforming operations to provide products and services quickly and flexibly and to promote client experience reform, and (iv) implementing new capabilities with Trust Base, a digital strategic company established as a subsidiary that co-creates with a variety of external partners and supports the realization of DX across the Group as a starting point.



2 Data science initiatives

We have a broad range of business domains, including banking, real estate, pension and stock transfer agency services, and holds a large volume and wide variety of data generated in each transaction. We have been focusing on data science initiatives to appropriately capture the diversifying needs of our clients and to develop and provide optimal products and services.

We are promoting use cases from both offensive (sales) and defensive (internal management) aspects by striving to enhancing data utilization capabilities. We are doing this by expanding the scope of target data domains such as numerical and language data, as well as domains for analysis technology, and also by leveraging advanced technologies such as generative AI. In addition, while we will continue to automate business operations, we will also focus on building data analysis infrastructure that automatically collects and stores data, and building a data-driven cycle that connects the results of data analysis created to decision-making.



3 Digital asset initiatives

With the expansion of Web3 and virtual worlds, the boundary between real and digital becomes blurrier, and the digital twin world, in which people move between both worlds without realizing it, becomes a reality. With the prospect of the development of digital economies centered on tokens, the needs for secure administration and investment of new digital assets in addition to real assets have been growing.

In order to become a trust group that administers and manages all kinds of real and digital assets, we have been promoting specific initiatives such as commercialization of Security Token Offering (STO) and crypto asset custody.

In the STO domain, we are building up an ST issuance track record mainly in real estate, investing in joint infrastructure with other companies and developing operational design that is combined with blockchain technology with an eye on automating financial functions through the development of distributed ledger technology.

In addition, in order to acquire and accumulate know-how in the crypto asset domain, where asset administration needs are rapidly expanding, we have been preparing to launch custody operations by investing in and dispatching personnel to a new company (JADAT).

Taking on challenges for new possibilities for trust in the area of digital assets



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After having joined SuMi TRUST in 2010 and worked in corporate sales in Osaka, I engaged in product development and investment operations in Global Market Business. I spent three years from 2019 as a researcher at Georgetown University in Washington DC, the United States, where I researched blockchains under the guidance of Professor Shin'ichiro Matsuo.

After working on research activities with James Angel, a professor at the University's Business School, and others under the theme of “Desired Sound Decentralized Finance (DeFi),” a paper on the soundness of stablecoins

was accepted at the conference.*

Currently, I engage in the digital asset business such as STO and crypto assets in Digital Transformation Department. I also work on a demonstration project for Web3 and token economies, which I hope will lead to the development of new trust businesses.

* Coordination of Decentralized Finance 2022 (CoDecFin 2022)

Research report session at the University of Notre Dame

