

Ensuring Greater Convenience



Director in charge, Digital Innovation Office, IT Strategy Department
Director and Managing Executive Officer **Kouji Honda**

IT and other digital technologies have become indispensable for the sustainable growth of the Group as our role has changed dramatically from “supporting business” to “transforming companies and the way they do business.”

To ensure an accurate grasp of customers' increasingly diverse and sophisticated needs, the Group organizes and deploys a broad range of information obtained through “Know Your Customer” activities conducted under a robust security and information management system with the aim of improving the customer experience (CX), enhancing our own operating efficiency, and increasing the sophistication of our sales activities.

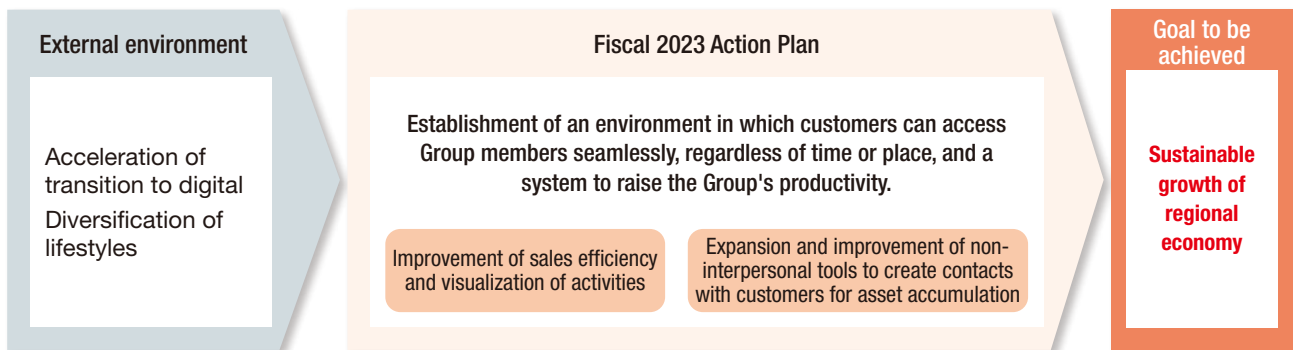
We are currently developing a new banking application that enables customers to conduct banking transactions “as if over the counter anytime, anywhere.” In the future, we will enhance our offering of non-financial functions to add convenience to various aspects of customers' daily lives.

We will continue to make both “offensive” and “defensive” efforts to enhance our banking services to give customers new experiences in a reliable, secure environment.

Basic Policy

With our customer interface undergoing dramatic change, as seen in the spread of digital technology and decline in the number of customers visiting our branches, we are creating an environment that allows customers to access our Group companies seamlessly regardless of time or location.

Fiscal 2023 Action Plan



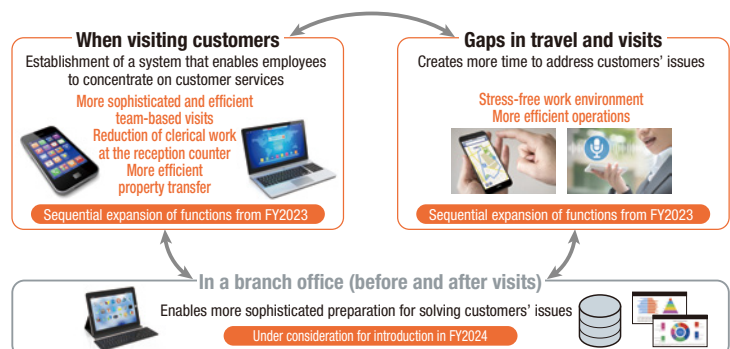
Improvement of sales efficiency and visualization of activities

Improving Group productivity through the use of IT

We are creating an environment that facilitates efficient business operation by deploying business applications and seamless system integration, not only at branches or during customer visits, but also away from the office, such as when confirming plans for customer visits and routes and conducting voice input of daily activity logs on a smartphone.

We will also make use of digital technologies to promote the efficiency of such traditionally paper-based procedures as property transfers to/from customers and property management in our branch offices, with the use of smartphones as a starting point, and concentrate our resources on solving customer issues.

Improving productivity through the use of IT in marketing activities (Image of the envisioned future)





Expansion and improvement of non-interpersonal tools that enable interaction with asset-forming customers

Banking application development

In order to provide customers with a new experience in a secure environment, we are developing an application that enables them to conduct banking transactions “as if over the counter anytime, anywhere” in pursuit of maximum convenience.

Phase I Introduction planned during FY2023

Provides applications with both a superior CX and high security



Key functions

<p>Deposits and foreign exchange</p> <ul style="list-style-type: none"> Account opening (eKYC) Switch to ledger-free accounts Kotora remittance <p>Etc.</p>	<p>Various notifications</p> <ul style="list-style-type: none"> Suspension/resumption of cash card use Change in cash card limit <p>Etc.</p>
<p>Various loans</p> <ul style="list-style-type: none"> Loan balance inquiries Card loan borrowing/repayment <p>Etc.</p>	<p>Smartphone ATM</p> <ul style="list-style-type: none"> Cash card-free ATM deposits/withdrawals
<p>Assets under custody</p> <ul style="list-style-type: none"> Investment trust, NISA account opening iDeCo <p>Etc.</p>	<p>Security</p> <ul style="list-style-type: none"> Advanced authentication for strict ID/password-free identity verification

Phase II Under consideration for introduction after 2024

Expansion of non-financial functions... Reinforcement of customer contact points by implementing functions closely connected with customers' daily lives and communities, and provision of services that are more in tune with today's needs and lifestyles

VOICE

Creating banking apps more customers would love to use

We are developing banking applications based on the concept of “providing superior CX” by offering frictionless transactions that resemble over-the-counter transactions, irrespective of the time or place.

We are designing applications to provide “simple, easy operability,” allowing convenient use by a wide range of customers and offering “high security for safety and peace of mind” to protect their valuable assets.

We plan to start with the launch of applications permitting banking transactions only and then gradually expand their functionality to include non-financial services that are closely related to customers' future lives.

We will continue to draw on our ingenuity to develop new banking applications designed to revolutionize the way our customers interact with the Bank that will eventually become the “face” of the Bank and a familiar communication channel customers will love.



Digital Innovation Office, IT Strategy Department
Section Chief **Akihiro Okuda**

Expanded Mortgage Loan Web Service functions

In December 2022, we introduced a new “Mortgage Loan Web Service” employing digital technology to satisfy diversifying customer needs by enabling customers to complete the entire mortgage loan process, from application to screening, online. Customers use it to apply for mortgage loans online from their smartphone or PC anytime they want.

By seamlessly linking the Bank's host system with IT4 Corporation's front-end system and IBM Japan's digital service platform, the Bank has achieved a paperless application process that reduces the time required for processing by approximately 70%, including application acceptance, screening, and execution. This has significantly shortened the time it takes for customers to complete the necessary procedures.

<p>Mortgage Loan Web Service</p> <p>Major functions (already made available)</p>	<p>Web-based reception desk</p> <p>Application from anywhere, 24 hours a day, by smartphone or PC</p>	<p>Contractor portal</p> <p>A dedicated portal site to support the business efficiency of homebuilders</p>	
<p>Electronic contracting process</p> <p>No need to fill out a contract form, affix a personal seal or purchase revenue stamps</p>	<p>AI-OCR</p> <p>A highly accurate scanning system that enables swifter processing of paper-based applications</p>	<p>Automatic execution</p> <p>Achieves reduced customer waiting time through smooth, operation-free execution</p>	

Functions to be added in FY2023

System linkage to the Web for paper applications

- Further labor-saving and improved convenience of paperwork and execution

Linkage with banking applications

- Improved convenience of application processes, loan payments, account opening, balance inquiries, etc.