

# Digital Transformation (DX)

## Initiatives for DX of the Bank

IT/digital technologies have been advanced rapidly, and stakeholders' actions have been changed using these technologies. Even under such ongoing discontinuous environmental changes, the Bank has been promoting the DX project initiatives toward evolving into a problem-solving organization that demonstrates the true value of business from a stakeholder perspective, including rationalization of our various operations through digitalization.

In addition, to help our officers and employees master further knowledge of IT/digital technologies, we maintain and develop a training system according to degree of advancement, and endeavor to develop core talents who can play a leading role in DX. AgVenture Lab was established in May 2019 with organizations related to the JA Group, where we have tried to create new value through active use of IT/digital technologies. For example, we held the JA Accelerator Program, whose goal is to strengthen the partnership with startup companies, implemented events for the Bank and cooperative systems, and provided them with information.

In the overall Norinchukin Group, in contrast, these initiatives are made only within certain limited departments or operations. Therefore, we are reinforcing our efforts to create new business value and increase the productivity, which includes expanding the initiatives to the entire Group, creating expected outcomes sustainably, and utilizing the data held by the Norinchukin Group.



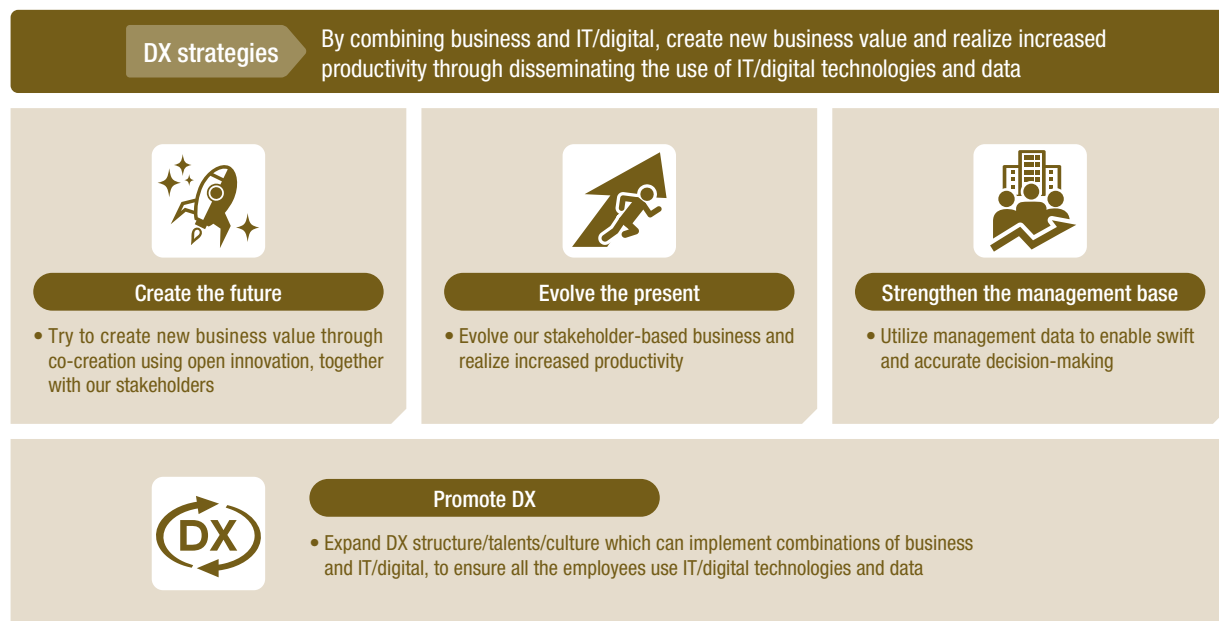
Startup companies selected for the JA Accelerator Program

## DX strategies

To continue to strengthen these efforts, the Bank defined as its DX strategy: “By combining business and IT/digital, create new business value and realize increased productivity through disseminating the use of IT/digital technologies and data,” a priority initiative under the Medium-Term Vision.

In line with this DX strategy, while also making DX-related investments for 2030, we are working on the four following initiatives: (1) Create the future, (2) Evolve the present, (3) Strengthen the management base, and (4) Promote DX.

### DX strategies



## Create the future

We are strengthening the Norinchukin Group business by making active use of generative AI and other advanced technologies in addition to the JA Accelerator Program and cross-industry collaborations that create new business value.

In addition, by connecting the various IT systems used by the Bank through APIs\*<sup>1</sup>, we aim to build a system architecture (the overall picture of the system) that can respond flexibly and quickly to the speed of business changes. Together with our stakeholders, we are challenging ourselves to create new business value through co-creation via open innovation.

## Evolve the present

We are working on both evolving our stakeholder-based business and realizing increased productivity. Those initiatives include making use of IT/digital technologies and data in each business, implementing business process reform (BPR\*<sup>2</sup>) for overall optimization using IT/digital technologies, and strengthening the infrastructure across the Norinchukin Group for use of IT/digital technologies and data.

## Strengthen the management base

We are working to enhance predictive and problem-solving management through advanced data management. These efforts include the design and operation of dashboards that visualize the progress of each management strategy, after identifying and visualizing the data necessary for management decisions and developing rules and processes for their operation, aiming to achieve swift and accurate decision-making.

## Promote DX

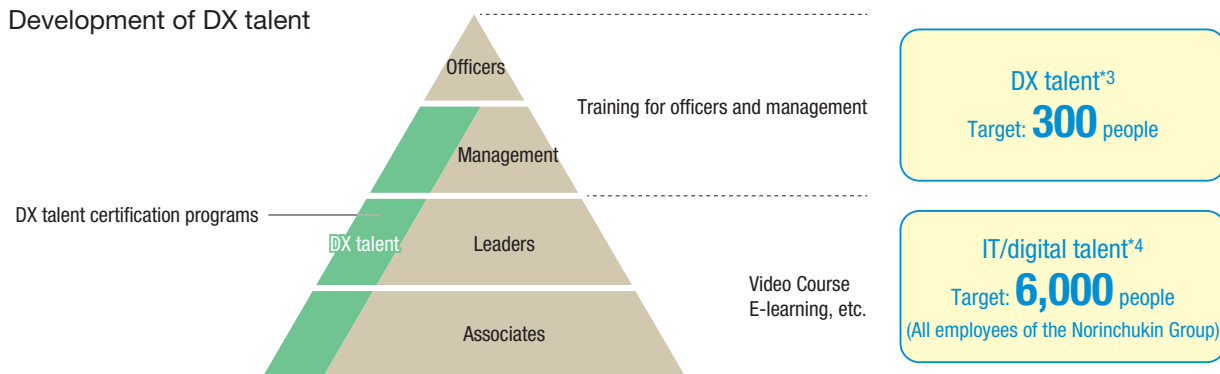
We are promoting initiatives to expand DX structure/talents/culture which can implement combinations of business and IT/digital to ensure all the employees use IT/digital technologies and data. These initiatives include strengthening the combination structure of business and IT/digital to implement DX, building a DX talent portfolio, and reforming the organization for promoting DX.

Among them, building a DX talent portfolio aims to secure DX talent of 300 people by 2030 and to develop all the employees into IT/digital talent who can utilize IT/digital technologies and data for their operations. A DX talent is defined as a person who has advanced knowledge and skills in IT/digital technologies and data and can promote DX using them.

\*1 Application Programming Interface Specifications for sharing certain functions among systems

\*2 Business Process Re-engineering

### Development of DX talent



\*3 DX talent: A person who has advanced knowledge and skills in IT/digital technologies and data and can promote DX using them

\*4 IT/digital talent: A person who has knowledge and skills in IT/digital technologies and data and can utilize them for the operations

- The Bank has promoted the modernization of the core systems supporting its financial business and the digitization of its operations by renewing its groupware and introducing cutting-edge solutions such as SaaS.
- Under the DX strategy, which is a priority strategy of the Medium-Term Vision, we have established the “DX Co-Creation Group” by consolidating departments in charge of digital affairs that were previously divided by function, such as planning, promotion, and talent development. Through this initiative, we aim to further create business value and improve productivity by fostering greater collaboration with businesses.

Director and Managing Executive Officer  
Chief Information & Digital Officer

**HAMBA Yuji**

