Evolution of Our AI Initiatives

Since the early adoption of ChatGPT in 2023, Daiwa Securities Group has accelerated its AI initiatives. Starting with the industry's first voice-based AI Operator Service, we have been quick to leverage AI in customer service and sales activities. AI is moving beyond an experimentation stage and entering a phase of delivering concrete business results. By integrating AI into our business operations and steadily building intellectual property and expertise within Daiwa Institute of Research (DIR), we will expand the value we provide to a broader range of customers through enterprise services.

Evolution of AI utilization

- **November 2018** Rollout of an AI-based business matching service
- **April 2023** Firm-wide rollout of ChatGPT at Daiwa Securities
- **June 2023** Publication of Daiwa Securities Group AI Governance Mission Statement
- **April 2024** Rollout of AI avatar KOTO by Fintertech
- **October 2024** Rollout of AI Operator Service by Daiwa Securities
- **January 2025** Introduction of an automated recording system for customer interactions
- **April 2025** Rollout of the Daiwa Lens investment education app
- **June 2025** Rollout of Daiwa Securities Generative AI Chat
- **July 2025** Execution of a strategic framework agreement with Microsoft Japan

AI Adoption Phase

April 2023

Firm-wide rollout of ChatGPT at Daiwa Securities

◆ Firm-wide rollout of ChatGPT at Daiwa Securities, a first among major financial institutions

June 2023

Publication of Daiwa Securities Group AI Governance Mission Statement

◆ June 2023, Publication of Daiwa Securities Group AI Governance Mission Statement, an industry first

◆ Establishment of the Group AI Governance Committee in tandem

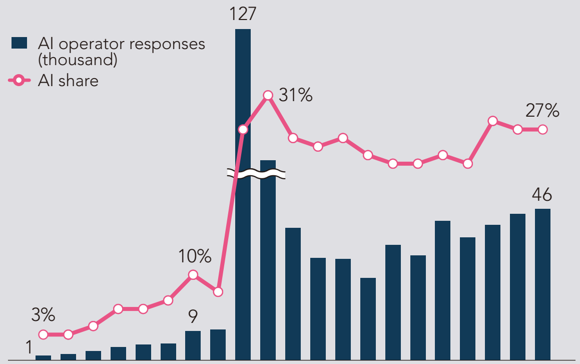
October 2024

Rollout of AI Operator Service by Daiwa Securities

◆ A first-of-its-kind for a major domestic financial institution, this is a voice-based, conversation-type service that can accommodate a broad array of inquiries, from market information to administrative procedures

◆ Able to accommodate the increasing volume of inquiries by dividing roles between contact center and AI operators in preparation for the phased transition to mandatory passkey use from April 2026

Trends in AI operator call volume and AI share
(October 2024–June 2026)



January 2025

Introduction of an automated recording system for customer interactions

◆ Introduction of a system that automatically summarizes and records conversations during customer meetings

Time saved	Content enrichment
Reduction in data entry time **−51%**	Character count **+311%**
Increased focus on activities designed to improve customer satisfaction	Enhancement of customer peace of mind

July 2025

Execution of a strategic framework agreement with Microsoft Japan

◆ A multi-year strategic framework to boost employee productivity and greatly enhance the value we offer customers through AI agents

Daiwa Securities Group — Microsoft Japan

1. Creation of next-generation wealth management experiences
2. Employee empowerment through the use of technology
3. Construction of an advanced and reliable digital platform

June 2025

Rollout of Daiwa Securities Generative AI Chat

◆ Flexibly understand a variety of customer inquiries and provide easy-to-understand, comprehensive explanations using diagrams

◆ Rollout of the DAIWA LIFEPLAN Generative AI Chat service to customers using workplace services (March 2026)

Screenshot of the DAIWA LIFEPLAN Generative AI Chat service

Digital Strategy

July 2025 Firm-wide rollout of Microsoft 365 Copilot

July 2025 Start of joint development of a Document-review AI System by Daiwa AM and LegalOn Technologies

October 2025 Partnership agreement with Sakana AI

January 2026 Start of joint development of an Insider Information Detection AI System by Daiwa AM and LegalOn Technologies

March 2026 Rollout of the DAIWA LIFEPLAN Generative AI Chat service

March 2026 Patent granted for Smartrans, an autonomous verification-based AI migration tool by DIR

May 2026 Review of head office operations and commencement of AI integration

July 2026 Firm-wide rollout of Copilot Cowork

August 2026 Transition to the total asset consulting platform development phase with Sakana AI

AI Value Creation Phase

October 2025

Execution of a partnership agreement with Sakana AI

Daiwa Securities Group | Sakana AI

◆ Joint development of a dedicated AI platform for Daiwa Securities that underpins the ability to provide optimal proposals based on a deep understanding of each individual customer as well as the advancement of consulting services that take a holistic view of total assets

July 2026

Firm-wide rollout of Copilot Cowork

◆ Firm-wide rollout of delegation-type AI agent Copilot Cowork, officially released in July 2026

◆ Accelerate the integration of AI into operating processes

July 2025

Firm-wide rollout of Microsoft 365 Copilot

◆ Less than one year since its rollout, as of March 2026, 93% of license-holders have adopted Copilot in their work

March 2026

Patent granted for Smartrans, an autonomous verification-based AI migration tool by DIR

◆ Patent granted for autonomous verification technology for the manufacturing and testing processes of system replacement projects

◆ Start of efforts to enhance the development efficiency of system replacement projects using Smartrans by Daiwa Securities

AI initiatives by the numbers (as of March 31, 2026)

AI operator responses	Microsoft 365 Copilot active user rate	Number of new digital services launched	Number of AI implementations	Engagement Survey Score: Digital transformation initiatives
37,000 /month AI share: 23%	93%	14	96	77.0 Compared with 2023 +8.2

Accumulating intellectual property / Contributing to industry and society

The fact that DIR is a wholly owned subsidiary of the Group is a unique strength that enables us to accumulate intellectual property and know-how within the Group. Moving forward, we will provide value to an even greater number of customers by offering solutions refined within the Group as enterprise services through DIR.

Pioneering the use of AI	Transition to enterprise services by DIR
AI Operator Service	Call center AI solutions **Daiwa AI Operator**
AI support for shareholders' meetings	IR solutions **Daiwa IR Connect**
Automated customer response recording system	Face-to-face meeting minutes solutions **Daiwa Speech Assistant**
Efforts to enhance the development efficiency of system replacement projects	Autonomous verification-based AI migration tool **Smartrans**
Daiwa Securities Generative AI Chat	AI chat solutions **Daiwa AI Chat**