

"In-house Developed AI Support Tool 'AIR' Launched for Business Operations — Contributing to Customers' Asset Building by Enhancing Operational Capabilities"

Sumitomo Mitsui DS Asset Management Co., Ltd. (Head Office: Minato-ku, Tokyo; President and CEO: Wataru Ogihara; hereinafter "the Company") officially launched the full-scale business operation of its AI support tool for investment research, "Assistant For Investment Research" ("AIR"), on October 22, to further support our customers' asset building.

Key Functions and Features of AIR

1. Generative AI Available for Investment Research

"AIR is a general-purpose support tool, developed uniquely in-house and powered by generative AI, optimized for the investment research process. It understands the latest news and quickly provides the necessary information for making investment decisions. This enables faster and more accurate investment judgments, leading to an expected improvement in investment performance."

2. Wide Range of Major AI Models Available

Users can freely select from AI models offered by the three major cloud vendors—Azure, AWS, and Google Cloud—utilizing a closed network connection that is only accessible within the Company's internal network or specific organizations.

This allows for highly sophisticated analysis using the optimal model. By leveraging diverse AI models, the system can perform complex market analysis, which is expected to enhance the precision of investment strategies.

3. Specialized Agent Functions

Users can select from multiple Specialized Agent Functions (mechanisms for automated tasks) dedicated to specific operations, such as:

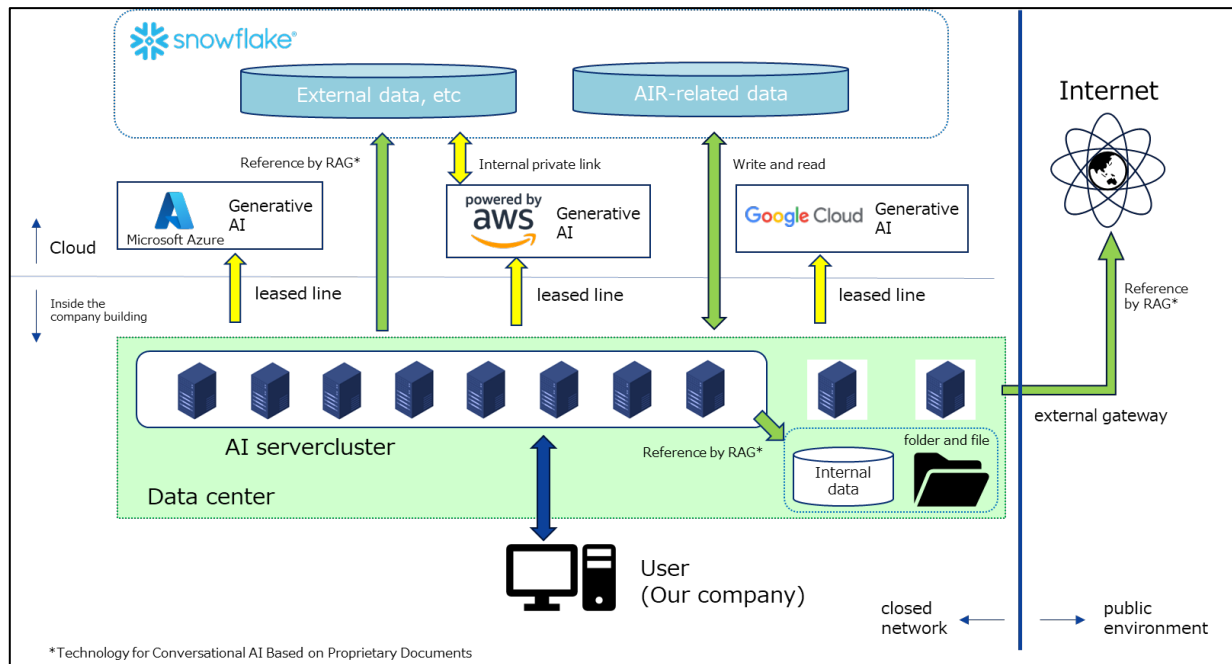
- Generating long reports
- Fact-checking
- Extracting information from EDINET (※1) / TDnet (※2) disclosure files
- Analyzing the correlation between historical news and stock prices

This allows for efficient and accurate information gathering and analysis, enabling quick decision-making and maximizing investment opportunities.

※1 EDINET: Electronic Disclosure for Investors' NETwork (Japan's system for electronic submission of disclosure documents)

※2 TDnet: Timely Disclosure network (Japan's system for real-time disclosure of company information)

Overall System Architecture of AIR (Conceptual Diagram)



Use of AIR Within the Company

We anticipate that utilizing AIR will lead to an annual operational efficiency improvement of approximately 50,000 hours for our operations division alone.

- The Macro Research Group is already leveraging it for gathering macroeconomic news and compiling internal summaries.
- The JGB/Credit Group is utilizing it to build systems for market analysis and security valuation.

Moving forward, we will continue to advance development to enable company-wide operational use.

Background on AIR Development

Our company has been actively utilizing cutting-edge technologies like AI to create an environment where portfolio managers can focus on generating investment ideas.

We began laying the foundation for AIR two years ago, gathering feedback through individual interviews and internal surveys with investment division personnel. Reflecting this input, the tool's launch for business use follows a six-month verification period.

The Company will continue to leverage advanced technologies, including AI, to further enhance our investment management capabilities and contribute to our customers' asset building.

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Contact

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