

【NEWS RELEASE】

September 4, 2023

Sumitomo Mitsui Financial Group

AVITA, Inc.

The Signing of a Basic Agreement between SMBC Group and AVITA to Consider Collaborations on
Businesses Utilizing Avatars and AI Technology

TOKYO, September 4, 2023 --- Sumitomo Mitsui Financial Group, Inc. (President and Group CEO: Jun Ohta, hereinafter referred to collectively as “SMBC Group”) and AVITA, Inc. (CEO: Hiroshi Ishiguro, hereinafter referred to as “AVITA”) have signed a basic agreement (hereinafter referred to as “the Agreement”) to begin discussions regarding collaborations towards businesses that utilize avatars and AI technology.

1 . Background and Outline of the Agreement

Today in Japan, the declining working population has been highlighted as a social issue, with companies complaining about labor shortages. On the other hand, there are many willing people who find it difficult to work, such as the elderly, people with disabilities, and those with responsibilities raising children or nursing loved ones. In addition, labor productivity in Japan is considered low compared to other countries. Avatars and AI technology allow humans to overcome psychological, temporal and physical constraints and offer new options to work more productively in any place and situation. Furthermore, even in an increasingly digitalized society, it is expected that the importance of businesses utilizing avatars and AI technology will grow, which has huge hidden potential for new businesses.

AVITA is headed by Prof. Hiroshi Ishiguro from the Graduate School of Engineering Science at Osaka University, who has over 20 years’ experience in the research and development of human-robot interaction and avatars. By collaborating with various companies and through the initiative announced today, AVITA is promoting the social implementation of avatars based on the company vision of “evolving humankind through avatars” to aim for a society in which diverse human resources can actively participate. The company is expanding its business based on its strengths in avatars and AI technology, such as the development and operation of remote customer service “AVACOM,” as well as AI avatar training services that utilize ChatGPT, and an avatar worker dispatch service.

Going forward, SMBC Group and AVITA aim to create new social value by combining SMBC Group’s broad customer base and diverse business expertise with AVITA’s advanced technological capabilities and technical know-how.

By utilizing avatars and AI technology, SMBC Group and AVITA will explore ways to promote a warm DX that creates new bonds between people and society.

2. Corporate Outlines

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| Company Name | Sumitomo Mitsui Financial Group, Inc. |
| Representative | President and Group CEO: Jun Ohta |
| Business Description | The management of banks and other companies considered subsidiaries under the Banking Act, and incidental operations. |

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| Company Name | AVITA, Inc. |
| Representative | CEO: Hiroshi Ishiguro |
| Business Description | The development and operation of remote customer service “AVACOM,” the development and operation of AI avatar training services, the dispatch of avatar workers and the creation of avatars for businesses and municipalities. |