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Mizuho Bank, Ltd.
IBM Japan, Ltd.

Mizuho Begins a Verification Test for Cognitive Technology to Accelerate Risk Management Approach and Efficiency

Mizuho Bank, Ltd. (President & CEO: Koji Fujiwara) and IBM Japan, Ltd. (General Manager: Elly Keinan) today announced that Mizuho Bank begun to verify operations towards more advanced and efficient risk management by employing cognitive technology *1 to take measures against financial crimes such as terrorism financing that governments across the world urge financial institutions to regulate more severely.

Mizuho Bank has selected IBM's recently announced regtech offering IBM Financial Crimes with Watson *2 that efficiently manages all financial crimes investigation efforts through streamlined research and advanced investigation techniques. The Watson-powered software, which runs on the IBM Cloud, analyzes a wide range of data sources, including retrieving various news sources and extracting data using screening technologies, that were previously done by hand.

This can efficiently verify financial crimes investigation efforts such as criminals including terrorists sneaking into the customer base. Mizuho's test will take place in Singapore, which is at the center of the growing Asian market and a country that proactively imposes anti-crime regulations and incorporates FinTech.

To ensure their customers can use banking services safely and to protect financial infrastructure, Mizuho Bank has accelerated their risk management approach to remain fully compliant with regulations and prevent financial crimes. To do this, the bank is collecting and inspecting large volumes of data to meet requirements and prevent crime before it occurs. After this verification, the bank will evaluate using this technology to the bank's global network, including locations outside of Singapore.

IBM Japan supports Mizuho Bank to use IBM Financial Crimes Due Diligence with Watson to

analyze a wide range of data sources, including retrieving various news sources and extracting data using screening technologies, and present the results visually on the user's screen. This will reduce the time required to collect and analyze large volumes of data.

*1: Cognitive technology understands unstructured data, reason to form hypotheses, learn from experience and interact with humans naturally

*2: The cognitive software, which runs on the IBM Cloud and is trained by the experts at Promontory Financial Group, is designed to provide banks with valuable insights into potential financial crimes.