

dentsu group NEWS RELEASE

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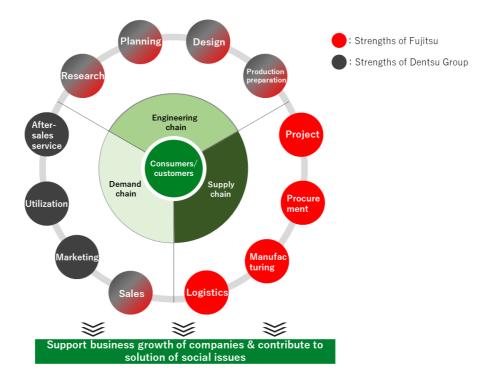
Dentsu Inc. and ISID, Subsidiaries of Dentsu Group Inc., and Fujitsu, Embark on Strategic Cooperation to Contribute to Sustainable Business Growth for Customers and Resolve Environmental and Social Issues Cooperation will start with joint project to promote DX in the engineering chain -

Dentsu Inc. (subsidiary of Dentsu Group Inc., hereinafter Dentsu), and Information Services International – Dentsu, Ltd. (subsidiary of Dentsu Group Inc., hereinafter ISID), and Fujitsu today announced their strategic partnership starting April 15, 2022 toward the realization of a customer-oriented transformation along three value chains: "demand chain," "supply chain," and "engineering chain." Through their cooperation, the companies aim to contribute to the continued business growth of client companies and resolve environmental and social issues to achieve carbon neutrality.

As part of their partnership, the parties aim to support efficient coordination between the three aforementioned value chains of their customers by leveraging Dentsu's strengths in customer insights and planning and production capabilities in demand chains, ISID's extensive experience and knowledge in engineering chains, and Fujitsu's know-how in supply chain management related business systems and various supply chain optimization technologies.

The companies aim to implement a system that helps their customers to immediately respond to consumers' diversifying needs by capturing changes in their behavior. The companies will further work to implement measures to support their customers in achieving net zero CO2 emissions in their businesses. These efforts will include the creation of models for supply and demand optimization based on customer-oriented product design, as well as demand forecasts to reduce the waste of resources and energy in the manufacturing process to contribute to the reduction of greenhouse gas (GHG) emissions.

Image of the collaboration



For many companies, the efficient internal distribution and exchange of customer information represents an ongoing challenge hindering sustainable business growth and the ability to flexibly adapt to new demands in the market, as information is often divided between different value chains including:

- 1. The "demand chain," which relates to the management of information on consumer demands
- 2. The "supply chain," a system to manage the production flow of a product from the procurement of raw materials to consumption and
- 3. The "engineering chain," which relates to the management of processes from product planning to design and production preparation.

The ability to better grasp customers' needs allows the supply side to optimize raw material procurement and production planning and thereby reduce losses from unsold goods and ultimately reduce the company's environmental impact and achieve sustainable growth.

To address these issues, Fujitsu, Dentsu Inc., and ISID will collaborate to offer a traceability system to improve their customers' QCD (Quality, Cost, Delivery) and time-to-market (time from planning of a product to its release to the market) by providing planning and design departments of companies in the manufacturing industry with marketing information to contribute to an overall optimization of their value chain and sustainable manufacturing. As the first step of their collaboration, the partners will launch a joint project that combines

the product life cycle management (PLM) system "Teamcenter" of Siemens Digital Industries Software (1), which has a proven track record in the field of engineering chain solutions for the manufacturing industry, with ISID's expertise in a wide range of solutions that cover the entire spectrum from business consulting in product development to IT system implementation and Fujitsu's know-how in customer business including MOM (Manufacturing Operations Management) and expertise in the introduction and implementation of solutions.

Fujitsu, Dentsu Inc., and ISID will offer customers one of the largest PLM systems in Japan and promote DX in the engineering chain domain of the manufacturing industry by combining various data related to customer insights, product development and production.

Image of the joint project

Leveraging the strengths of both companies to promote DX in the engineering chain domain of the manufacturing industry Combining consulting and IT solutions for all aspects of manufacturing from production preparation to manufacturing	
ISID	Fujitsu
Deepening design and production preparation (MBSE*/CAD/CAE/experiment) Expertise in implementation of "Teamcenter"	ECM [*] /SCM [*] Experience in solutions introduction Contact with a wide range of industries, expertise in implementation on site
Dentsu Group – DX promotion based on marketing	DX promotion based on knowledge and know-how as a manufacturing company

*MBSE: Model Based Systems Engineering

*ECM: Engineering Chain Management *SCM: Supply Chain Management

Fujitsu will further continue to promote its vision for "Sustainable Manufacturing," one of seven Key Focus Areas under its global business brand Fujitsu Uvance. Fujitsu aims to inspire sustainable and environmentally friendly lifestyles by building impactful and flexible ecosystems across industries and countries. With its expertise, Fujitsu is accelerating the creation of secure and resilient supply chains and a circular economy to achieve carbon neutrality.

The Dentsu Group will transform itself into a "B2B2S (Business to Business to Society)" corporate group and will create medium to long term value for society by solving social issues through cooperation with client companies.

Notes

Siemens Digital Industries Software: Headquarters: Shibuya, Tokyo; Japan Country Manager: Kunihiko Horita

About Dentsu Group Inc.

Dentsu Group Inc. is a pure holding company of Dentsu Group that encompasses two operational networks: dentsu japan network and dentsu international. With a strong presence in over 145 countries and with approx. 65,000 dedicated professionals, the Dentsu Group provides a comprehensive range of client-centric integrated communications, media and digital services through approx. 130 companies domestically as well as through six leadership brands and approx. 800 companies internationally.

Dentsu Group Inc. website: <u>https://www.group.dentsu.com/en/</u>

About Dentsu Inc.

In addition to providing various solutions for overall client marketing, Dentsu promotes the development of efficient advertising in response to changes in the digital age; designs optimal customer experiences; innovates marketing infrastructure; and transforms client business. We also integrate diverse capabilities that have evolved beyond the marketing domain to provide integrated solutions, which contribute to the sustainable growth of clients and society. For more information, please see https://www.dentsu.co.jp/en/.

About Information Services International – Dentsu, Ltd.

ISID defines its vision as "HUMANOLOGY for the future: Bringing people and technology together to shape the future" and supports the digital transformation of companies and society with solid technological and creative capabilities. In addition to providing the solutions we have cultivated in four fields—finance, manufacturing, business solutions, and communication IT—we promote "X Innovation (Cross Innovation)," or transcending technological, industrial, corporate, and regional boundaries. In this manner, we continue to create solutions that contribute to the advancement and coexistence of clients, consumers, and society. Please see our official website for the details. <u>https://www.isid.co.jp/english/</u>

About Fujitsu

Fujitsu is the leading Japanese information and communication technology (ICT) company offering a full range of technology products, solutions and services. Approximately 126,000 Fujitsu people support customers in more than 100 countries. We use our experience and the power of ICT to shape the future of society with our customers. Fujitsu Limited (TSE:6702) reported consolidated revenues of 3.6 trillion yen (US\$34 billion) for the fiscal year ended March 31, 2021. For more information, please see <u>www.fujitsu.com.</u>

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Fujitsu

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