## **NEWS RELEASE**

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# Hakuhodo and Mitsui to collaborate in creating new business in the smart city field

Will jointly develop urban services for *Sei-katsu-sha*–Driven Smart Cities and implement them in Japan and abroad

Tokyo—September 17, 2020—Hakuhodo Inc., Japan's second largest advertising company, is pleased to announce that its MIRAI Business Division, a unit that develops new businesses, will collaborate with Mitsui & Co., Ltd. ("Mitsui", headquarters: Chiyoda-ku, Tokyo; President & CEO: Tatsuo Yasunaga) with the aim of realizing *Sei-katsu-sha*—Driven Smart Cities (urban development in which *sei-katsu-sha*<sup>1</sup> play a central role) and have begun working together toward implementation of new businesses.

Hakuhodo's MIRAI Business Division is dedicated to collective business creation. It collaborates with companies across industry boundaries, governmental bodies, and a variety of other partners, with the goals of finding solutions to major social challenges that cannot be solved by one company alone and creating new lifestyles for the future.

With a view to realizing smart cities in which *sei-katsu-sha* play a central role, an area of the smart city domain on which Hakuhodo is focusing particular attention, the company established the Smart Citizen Vision Project in May 2020 and through this is working with a variety of partners on joint research, business development, trial experiments and other activities.

Mitsui has as one of its Materiality "Enhance quality of life." Toward providing solutions to the various social issues facing cities, Mitsui is advancing sustainable urban planning, providing a variety of services and infrastructure that make the most of its comprehensive capabilities and creating new value through digital technology.

Going forward, the two companies will combine their respective strengths to realize creative urban planning based on *sei-katsu-sha* insight, that is: *Sei-katsu-sha*—Driven Smart Cities.

Specifically, we will work together to develop a variety of urban services that address future social challenges and meet the needs of *sei-katsu-sha*, with the aim of implementing them in multiple cities in Japan by 2025. Subsequently, we will expand this to cities nationwide and overseas as a model for *Sei-katsu-sha*—Driven Smart Cities from Japan.

As a first step, we plan to implement new services in such fields as mobility, energy, and the circular economy, which are set to be launched in the Shibuya area of Tokyo this fall, toward realizing a *Sei-katsu-sha*—Driven Smart City in the area.

<sup>&</sup>lt;sup>1</sup> Sei-katsu-sha are more than simply consumers, just as people's lives and lifestyles include more than just shopping. Hakuhodo introduced this term in the 1980s to emphasize its commitment to a comprehensive, 360-degree perspective on consumers' lives.

Hakuhodo's MIRAI Business Division will continue to collaborate with companies, local authorities and a variety of other partners to contribute to the creation of brighter future lives for *sei-katsu-sha*.

#### ■ About Hakuhodo

Founded in 1895, Hakuhodo is an integrated advertising and communication agency headquartered in Japan. The core agency of the Hakuhodo DY Group, Hakuhodo is the world's third largest advertising agency according to *Advertising Age*'s "Agency Report 2020."

The Hakuhodo Group has offices in 20 countries and regions, and over 10,000 specialists working in Japan and abroad. Hakuhodo is strengthening its structure in emerging countries, particularly those in Asia, as it prepares to further expand its business across the region.

Sei-katsu-sha insight is the foundation for Hakuhodo's thinking, planning, and brand building. It reminds us that consumers are more than shoppers performing an economic function. They have heartbeats. They are individuals with distinct lifestyles. Hakuhodo introduced this term in the 1980s to emphasize its commitment to a comprehensive, 360-degree perspective on consumers' lives.

Renowned for its creativity, Hakuhodo has twice won the Grand Prix at Cannes Lions International Festival of Creativity, and was the only agency headquartered in Asia to be awarded a Special Lion commemorating Cannes Lions' 50th anniversary in 2003.

To learn more, visit: www.hakuhodo-global.com

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#### Reference

#### Sei-katsu-sha-Driven Smart City initiatives by Hakuhodo and Mitsui & Co.



#### ■ What are Sei-katsu-sha-Driven Smart Cities (cities in which sei-katsu-sha play a central role)?

From technology-centered smart cities to *sei-katsu-sha*—centered smart cities. Through new urban services that realize the cities and lifestyles that *sei-katsu-sha* seek and creative urban planning in which *sei-katsu-sha* play a central role, we aim to create a next-generation model for sustainable smart cities.

#### ■ Background and objectives

Shifting to sustainable societies and lifestyles has become a common challenge for mankind toward realizing the Sustainable Development Goals (SDGs) by 2030. In addition, the nature of cities is being reviewed significantly as new ways of living spread as a result of the COVID-19 pandemic. At the same time, the digitalization of various industries and advances in information technology are accelerating the smartening of the cities of the future, and there are expectations for new services and solutions to social issues faced by cities that utilize these technologies. Against this backdrop, Hakuhodo and Mitsui & Co. will implement a next-generation smart city model that realizes urban planning in which *sei-katsu-sha* play a central role in multiple cities in Japan and overseas.

#### ■ Examples of topics the companies will address

**Livable cities** (Cities where people can live fulfilled lives)

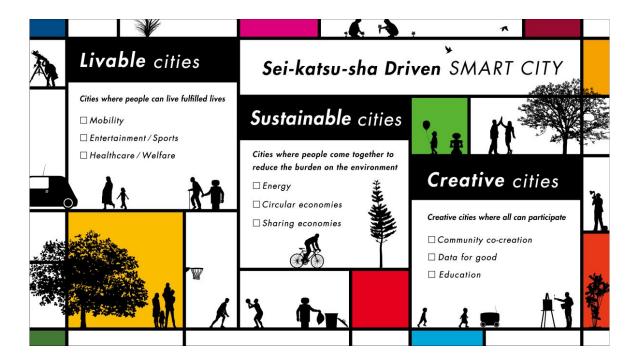
Mobility
Entertainment/Sports
Healthcare/Welfare

Sustainable cities (Cities where people come together to reduce the burden on the environment)

□ Energy □ Circular economies □ Sharing economies

**Creative cities** (Creative cities where all can participate)

□ Community co-creation □ Data for good □ Education



#### **About Hakuhodo's MIRAI Business Division**

Launched in 2019, the MIRAI Business Division is a specialized unit for developing new businesses. Dedicated to collective business creation, Hakuhodo itself becomes an owner of the businesses developed and brings together a variety of partners to realize large businesses. Through business creation that leverages Hakuhodo's strengths in *sei-katsu-sha* insight and creativity, the Division takes on the challenge of creating future lifestyles and societies beyond the businesses themselves. http://mirai-biz.jp/

#### **Smart Citizen Vision**

Activities undertaken by the MIRAI Business Division to realize smart cities in which *sei-katsu-sha* play a central role.

https://smartcitizen.jp/

#### **About Mitsui's Energy Solutions Business Unit**

Established in April 2020. Viewing industrial solutions to the global social challenge of climate change as a business opportunity, the Unit brings together know-how, operational infrastructure and customer and partner infrastructure amassed in a variety of business fields. It works to create new businesses in next-generation

domains through the comprehensive and agile initiatives that Mitsui is renowned for. https://www.mitsui.com/jp/en/company/business/units/es/index.html

Read Mitsui & Co., Ltd.'s Topics page:

https://www.mitsui.com/jp/en/topics/2020/1239556\_11245.html