

**dentsu**

# **Dentsu Group Anti-Bribery & Corruption Policy**

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*Last revised: January 1, 2023*

**Applicable to:** All dentsu group companies, and their executive directors, officers and employees (together, “dentsu group individuals”). For the purposes of this policy, the term “employees” includes all employees, workers, individual contractors, contingent workers, and others working on any dentsu group company premises or remotely on behalf of any dentsu group company.

**Purpose:** The purpose of this policy is to ensure that all dentsu group companies and dentsu group individuals understand what bribery and corruption are, and how to avoid bribery and corruption risks.

**Scope:** This policy covers what is meant by bribery and corruption, why we need to comply with anti-bribery and corruption laws, how we can identify bribery and corruption risks and what to do if we have concerns about bribery and corruption at work.

**Functional owner:** Group Legal & Compliance Office of Dentsu Group Inc.



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## 1. Why do we have an Anti-bribery and Corruption Policy?

In the Dentsu Group Code of Conduct, the dentsu group (“dentsu”) states that dentsu has a zero-tolerance approach to bribery and corruption and will not engage in any bribery or corrupt activities in any form. This policy prohibits all forms of bribery and corruption in all business dealings in every country around the world in which we operate, in relation to either private individuals and companies or public officials. This policy also sets out the rules that must be followed to avoid behaviour that could be seen as bribery or corruption or that could potentially cause dentsu to be in breach of any relevant anti-bribery or corruption law.

## 2. Why is this policy important?

It is well-established that bribery and corruption destabilize communities, contribute to conflict and sustain poverty. There is also a significant economic cost to bribery and corruption.

Bribery and corruption create serious legal and reputational risks which can damage dentsu’s reputation and its share value. Violations of anti-bribery and corruption laws can lead to substantial civil and criminal penalties for dentsu group companies and dentsu group individuals which may include unlimited fines, disgorgement of profits, prosecution and, in the case of dentsu group individuals, imprisonment. This policy is a component of dentsu’s adequate procedures against bribery and corruption. It is important that all dentsu group individuals understand and fully comply with this policy.

## 3. What are anti-bribery and corruption laws?

Our global business is subject to Japanese, US, UK and other national anti-bribery and corruption laws which have global reach. These laws, as well as local anti-bribery and corruption laws in the relevant country, apply to all dentsu businesses and people wherever they may be located. The purpose of these laws is to ensure that business is conducted with fairness and integrity and without bribery and corruption.

## 4. Dentsu’s policies about anti-bribery and corruption laws

### ① **Dentsu group companies and dentsu group individuals may not offer, promise, give, receive or request a bribe.**

No dentsu group company or dentsu group individual may (themselves or through other persons or means) offer, promise or give anything of any value (whether money or some other benefit or advantage) to any person with whom any dentsu group company does business or may potentially do business in order to encourage them to do, or reward them for doing something improper in order to benefit dentsu.

No dentsu group company or dentsu group individual may (themselves or through other persons or means) receive or request anything of any value (whether money or some other benefit or advantage) from any person with whom any dentsu group company does business or may potentially do business in order to induce or reward them for doing something improper.

It does not matter whether it is a dentsu group company or a dentsu group individual, or someone else through whom they act, who offers, promises, gives, receives or requests a

financial or other benefit or anything of value. The bribe can be given to the dentsu group individual or another person.

Anything of value includes cash, cash equivalents such as gift cards or department store vouchers, gifts, meals, travel and entertainment, and can include a promise of something of value, for example an offer of employment.

Improper payments should not be confused with reasonable and limited expenditures for gifts, business entertainment and other expenses related to the promotion of services or the execution of a contract. These expenditures may be acceptable, subject to compliance with applicable dentsu policies in respect of expenses. If you are unsure of the proper course of action, or whether something constitutes bribery or corruption, contact Legal & Compliance.

**② Dentsu group companies and dentsu group individuals must take all reasonable steps to prevent associated parties, who are acting on dentsu's behalf, from offering, promising, giving, receiving or requesting bribes.**

Dentsu group companies and dentsu group individuals must take all reasonable steps to ensure that persons or companies acting for or on behalf of dentsu ("associated parties") do not offer, promise, give, receive or request bribes as part of their activities on behalf of dentsu. In situations where you are uncertain of whether a bribe might take place, you must immediately contact Legal & Compliance before taking any further action.

Dentsu group companies can be liable for bribery committed by their associated parties. Employees, agents, subsidiaries, contractors, sub-contractors, intermediaries, consultants, partners or affiliates may all be associated parties. It is therefore important to ensure that such parties do not offer, promise, give, receive or request bribes when collaborating with dentsu group companies or dentsu group individuals. These could be either bribes paid on behalf of dentsu or bribes paid as part of their own separate business conduct, which can nonetheless cause legal liability for dentsu in certain circumstances.

It is important to make sure that associated parties are aware of our policies and our zero-tolerance approach to bribery and corruption. Activities of associated parties should be monitored and governed by contracts that incorporate adequate anti-bribery and corruption protections. Audits of associated parties may be recommended in certain cases to ensure adequate anti-bribery measures and controls are in place.

**③ Dentsu group companies and dentsu group individuals may not offer, promise or give a financial or other benefit or anything of value to a public official with the intent of influencing such official to secure or retain a business or other improper advantage.**

A public official could include, among others, government officials, employees of government agencies, employees of government-owned companies, and any person who holds a legislative, administrative or judicial position of any kind and in any country or territory. Payments to a public official can also include payments made indirectly, for example to or via their family members and their close associates. An offence can be committed whether the offer, promise or gift is made directly to the official by a dentsu group individual or through an associated party.

Facilitation payments (payments made to public officials in order to induce or expedite

performance of their duties), irrespective of size, are also prohibited. Exceptions may be made in circumstances that involve an imminent threat to life, health or safety and such situations must be immediately reported to Legal & Compliance, who must also be consulted in situations where you encounter unfamiliar, suspicious or irregular payments being requested from a public official.

- ④ **No funds or assets from any dentsu group company may be offered, promised or contributed for political purposes without the required authorization in accordance with the applicable dentsu policies and procedures.**

Political contributions are restricted by local laws in some countries and require an anti-bribery and corruption analysis under this policy. Legal & Compliance must be consulted in relation to any proposed political contributions before they are made.

## 5. Summary of what do you need to do to comply with anti-bribery and corruption laws and this policy?

Everyone working for or on behalf of a dentsu group company must comply with all applicable anti-bribery and corruption laws and this policy.

In particular, dentsu group companies and dentsu group individuals must:

- not offer, give, receive or request a bribe;
- take all reasonable steps to comply with this policy;
- not offer, promise or give a financial or other benefit or anything of value to a public official, their family members or their close associates, to try and influence them in any way or rewarding them for doing something improperly; and
- not make any charitable or political donations without the required authorisation.

## 6. How to identify bribery or corruption

**Bribery:** A bribe typically involves offering, promising, giving, receiving or requesting a financial or other benefit or anything of value for the purpose of influencing or rewarding someone to do something that is illegal, unethical and / or a breach of trust. A financial or other benefit or anything of value could be a gift, prize, business opportunity, favour, commission, loan, cash, hospitality, service, discount, the award of a contract or anything else of value. Some examples of bribery include:

- making an unofficial payment to a public official to speed up a government decision (these are also called facilitation payments and are prohibited at dentsu);
- providing gifts in exchange for winning or retaining a contract; and
- accepting gifts or hospitality in return for placing increased volume of business with a media owner.

**Corruption:** Corruption is the abuse of power or authority, often for personal or corporate gain. Bribery is a form of corruption. Other examples of corrupt practices include fraud, tax evasion and money laundering.

## 7. What else do you need to be aware of?

You must, in conjunction with this policy, abide by all applicable dentsu policies. Additionally, to help prevent the risk of bribery and corruption when dealing with third parties, you should be wary of companies or individuals who:

- appear to engage in, or have been accused of engaging in, improper business practices;
- have a "special relationship" with foreign government officials;
- insist on receiving a commission or fee payment to 'facilitate a service' or for carrying out a government process for dentsu;
- request payment in cash and/or refuse to sign a formal commission or fee agreement;
- request that payment is made to a country or geographic location which is different from where the third party resides or conducts business;
- demand lavish entertainment or gifts before commencing or continuing contractual negotiations or the provision of services;
- request that a payment is made to "overlook" potential legal violations; or
- request or require the use of a particular agent, intermediary, consultant, distributor or supplier that is not typically used by or known to dentsu.

## **8. How can you report concerns or suspicions of bribery or corruption?**

If you have any concerns about potential bribery or corruption, raise these with your line manager or Legal & Compliance, or raise them to the dentsu group company's whistleblowing communication line.

Dentsu does not tolerate any form of retaliation against those who have spoken up in good faith about bribery or corruption.

## **9. What must leaders do?**

Leaders must actively support awareness and communication of, and compliance with, our policies that provide guidance on how to prevent bribery and corruption, such as the Dentsu Group Code of Conduct, this policy, and other applicable dentsu policies.

Anti-bribery and corruption laws also require company leadership to ensure that adequate procedures such as establishing policies & procedures, internal controls, appropriate due diligence on third parties and training initiatives are in place to prevent acts of bribery and corruption. Accurate books and records are required to be maintained that fairly reflect all transactions in reasonable detail. Failure to follow anti-bribery and corruption laws and dentsu's policies & procedures could subject dentsu group companies and dentsu group individuals to criminal charges, fines, and/or reputational damage.

## **10. Consequences for breaches of this policy**

Violations of dentsu's anti-bribery and corruption policies, including this policy, may result in disciplinary action, up to and including termination of employment. Persons and entities subject to this policy may be subject to civil proceedings being brought against them, and may also be reported to the police or other law enforcement agencies, as appropriate.

No person subject to this policy will suffer adverse consequences for refusing to offer, promise, give, pay, receive or request a bribe or improper or unlawful payment, benefit, advantage or reward, even if doing so results in the loss of business opportunities for dentsu.

## **11. Amendment**

Significant revisions of this policy shall be made by a resolution of the Group Management Board of Dentsu Group Inc., and any other revisions shall be made by the Group Executive Management, Group Management or other officer directly in charge of the functional owner of this policy.

### **\*Version Control**

August 2022: Issued.

January 1, 2023: Revised