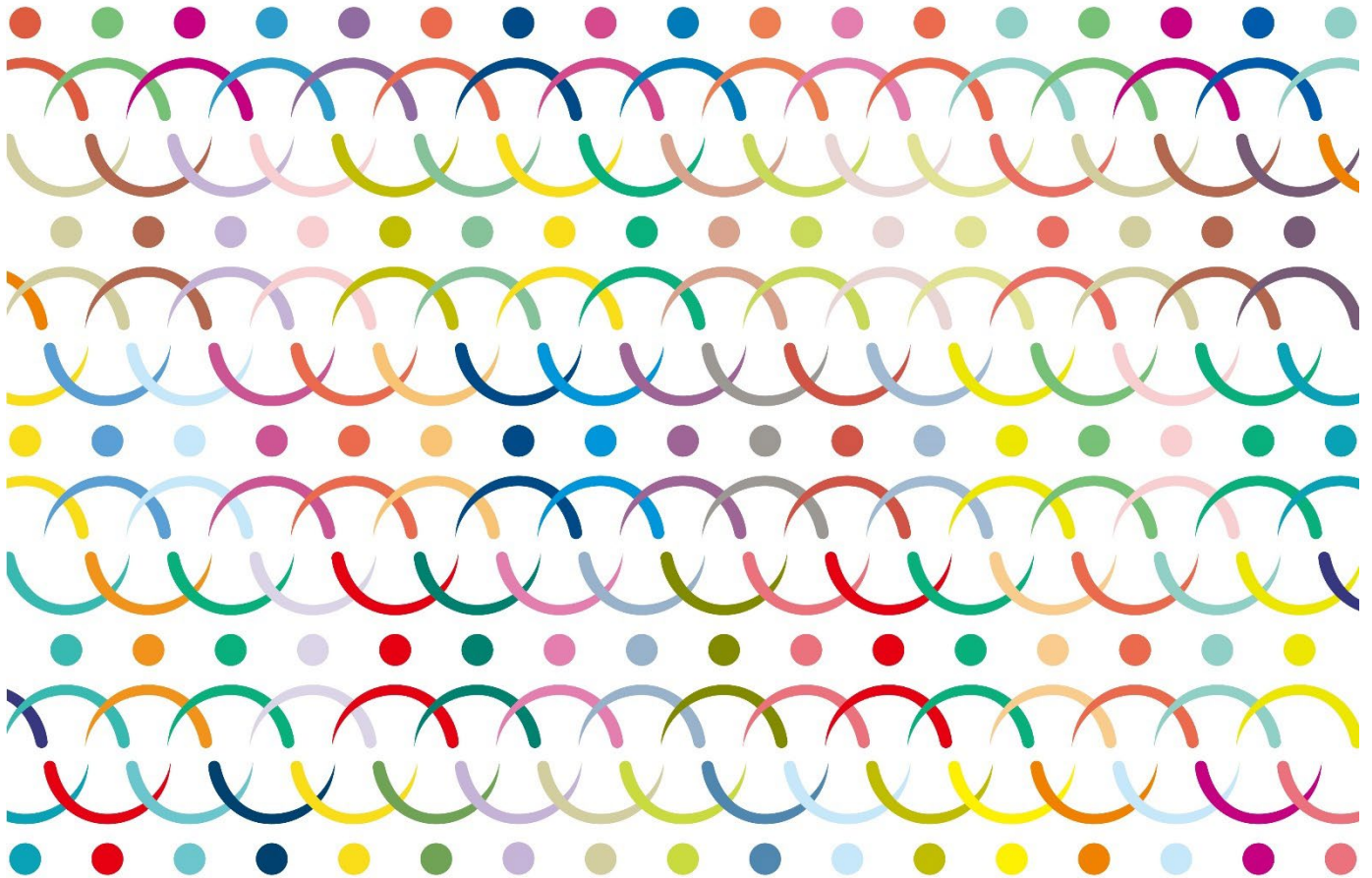


These documents have been translated from a part of Japanese originals for reference purposes only. In the event of any discrepancy between these translated documents and the Japanese originals, the originals shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translations.

**Notice of Convocation of the 175th
Ordinary General Meeting of Shareholders
Dentsu Group Inc.**



dentsu

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Provided to Shareholders as a Booklet

Posted on the website and provided to shareholders who have requested a paper copy

To our shareholders

I would like to take this opportunity to express our sincere gratitude to all our shareholders for your invaluable support. This notice is to inform you that we will hold our 175th Ordinary Shareholders Meeting as scheduled.

I am extending my deepest sympathy to those who have been affected by the 2024 Noto Peninsula Earthquake and wish for your secure and a fast recovery of the area.

First, we are continuing to stand trial for the criminal complaint filed by the Japan Fair Trade Commission and was indicted by the Tokyo District Public Prosecutors Office on February 28, 2023 for an alleged violation of the Antimonopoly Act in connection to the bidding for test events of the Tokyo 2020 Olympic and Paralympic Games.

The Group has established the dentsu Japan Reform Committee with the aim of fulfilling its responsibility to all stakeholders by reforming its approach to work, and I have been appointed chairman of the committee and have been striving to reform the company.

This fiscal year has been very challenging for the Group. I take seriously the fact that we have not been able to achieve results that meet the expectations of our shareholders, and we will implement various measures to return to a growth trajectory in FY2024.

Concentration of management resources to return to organic growth

As announced in the 14th February earnings call, Factors including the adverse results for FY2023 have meant that it will be difficult to achieve the commitments regarding organic growth rate and operating margin made under the current Midium-term Management Plan, which concludes in FY2024, although the Company is on track to achieve some of the commitments related to capital allocation and ESG.

Specifically, a compound annual growth rate (CAGR) of 4% to 5% vs. 2021 was predicted for the organic growth rate though 2024, but the full-year result for FY2023 is negative 4.9%, and the FY2024 forecast is around 1%, making it difficult to achieve this forecast. Likewise, the Company targeted an operating margin of 17% to 18% through 2023, reaching 18% in 2024, but the result was 14.5% for FY2023 and around 15% is forecast for FY2024.

In light of these circumstances, we believe that a renewed focus on organic growth is necessary to achieve a recovery in our business performance. The renewal of our business operating structure, which we have been working on, is a base of such initiative. In FY2023, we transitioned to a global management structure under the One Management Team, and FY2024 sees the introduction of the One dentsu Operating Model, a common business management model for the entire globe. This enables dentsu to globally consolidate customer touch points, promote faster delivery of diverse and advanced Practices (name of the bundle of global services provided by dentsu) and further elevate operational efficiency. The new management structure will support the further growth of clients as an evolved "One dentsu".



Hiroshi Igarashi
Director, Representative Executive Officer,
President & Global CEO
Dentsu Group Inc.

Action plan in 2024

The Group will take three major actions for further reform.

1) Internal Investment to realize Integrated Growth Solutions

The strength of our group is "Integrated Growth Solutions," which integrates the diverse capabilities of our group in the areas of marketing, technology, and consulting to achieve top-line growth for our clients. We will strengthen internal investments to achieve sound business growth through the provision of such solutions. Specific areas of investment include the data and technology area to provide highly accountable solutions, developing and acquiring talents to propose and execute Integrated Growth Solutions, and strengthening business operations and the enterprise platform, among others.

2) Business portfolio review and enhancing financial discipline

We will work to transform our business portfolio by refining our focus on specific business areas and markets to pursue our business strategy, and by restructuring and reviewing unprofitable businesses and markets. In order to ensure financial discipline in carrying out these reforms and achieving sustainable business growth, we have decided to establish a Finance Committee, consisting mainly of outside directors, as an advisory body to the Board of Directors. The committee will assist in the promotion of the business and the enhancement of financial governance through the formulation of disciplined financial strategies and policies, review of capital allocation, establishment of financial indicators from the shareholder's perspective, and monitoring of the implementation of these initiatives.

3) Restructuring of governance and internal controls

In addition to addressing specific incidents such as the Tokyo 2020 Olympic and Paralympic Games issue, and the one-off financial impact arising from structural reform and system integration affecting several areas and companies in the DACH region (composed of Germany, Austria, and Switzerland), the Group will endeavor to restructure governance and internal controls. We are already pushing ahead with initiatives to strengthen this framework, such as appointing people responsible for global internal controls and risk. At the same time, we aim to create an organizational culture that prioritizes integrity through the Group-wide adoption of the Code of Conduct, a joint initiative by the management team and the Group's employees.

Through these strategies and actions, we will ensure long-term shareholder value. Although market conditions remain uncertain, we will continue to tirelessly transform our business to adapt to the new environment. Specific plans for business portfolio transformation, etc. will be announced later this year in the form of a new Medium-Term Management Plan.

People Strategy to unleash our potential

As I mentioned as the first point of our three action plan above, the creativity generated by people is dentsu's most important capability, and I recognize the importance of promoting internal investment to develop and acquire talents. Leaders are to play a key role to put proper governance in place, and by identifying and developing

dentsu leadership that put proper governance in place and drives the realization of “What dentsu wants to become” will make a positive impact across the organization. Also, focus on Culture and DEI is essential to promote collaboration through the unique abilities of our diverse talent.

In implementing these people strategies, it is important to ensure the best partnership to the business, enhancing our own HR capability. The management team will work together to maximize the strength of the Group's 71,000 employees and accelerate the transformation.

To realize a vibrant society which are filled with the joy of living

Through the provision of "Integrated Growth Solutions," the Group aims to solve social issues faced by client companies and achieve sustainable growth for society as a whole, we will create both social and economic value and continue to maximize our corporate value as a B2B2S (Business-to-Business-to-Society) company.

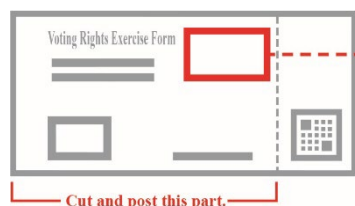
We would like to ask our shareholders for continued support.

Exercising of Voting Rights

Voting rights are an important way for all shareholders to participate in the management of Dentsu Group Inc (the “Company”). Voting rights may be exercised using the methods shown below. Please exercise your voting rights after consideration of the Reference Material for the General Meeting of Shareholders.

Attendance at the General Meeting of Shareholders	Exercising voting rights by mail	Exercising voting rights online
<p>Please submit the Voting Rights Exercise Form enclosed with the Notice of Convocation that has been provided to shareholders and submit it to the receptionist at the meeting venue.</p> <p>Please bring the Notice of Convocation to the meeting as reference material.</p>	<p>Please indicate “for” or “against” for each proposal shown on the Voting Rights Exercise Form enclosed with the Notice of Convocation that has been provided to shareholders and return it by mail.</p>	<p>Voting rights may be exercised online. Please see the next page for details.</p>
<p>Meeting date and time</p>	<p>Deadline for exercising voting rights by mail</p>	<p>Deadline for exercising voting rights online</p>
<p>10:00 AM, March 28 (Thu.), 2024 (Doors are scheduled to open at 9:00 AM)</p>	<p>Must be received by 5:30 PM, March 27 (Wed.), 2024</p>	<p>Must be lodged by 5:30 PM, March 27 (Wed.), 2024</p>

How to complete the Voting Rights Exercise Form



➔ Please indicate “for” or “against” for each proposal here.

Proposal No. 1
<ul style="list-style-type: none"> ▶ If you agree with the election of all candidates, circle “for (贊)” ▶ If you disagree with the election of all candidates, circle “against (否)”

* To indicate different votes for some candidate(s), please write the relevant candidate number(s).

Please take note of the following matters when exercising voting rights.

- Voting rights may be exercised by nominating one proxy who is also a shareholder to attend the General Meeting of Shareholders. However, in this case the nominated proxy must submit written proof of his/her right of proxy.
- If voting rights are exercised both through the Voting Rights Exercise Form and online, only the voting rights exercised online will be deemed valid.
- If voting rights are exercised online multiple times, only the voting rights exercised last will be deemed valid. The same provision applies where voting rights are exercised online multiple times through different device such as computers, tablets and smartphones.
- If no indication of approval or disapproval is made in the Voting Rights Exercise Form for each proposal, it will be deemed indication of approval for the relevant proposal.

Exercising Voting Rights Online

Voting rights may only be exercised online by accessing the website designated for exercising voting rights from a computer, tablet or smartphone.

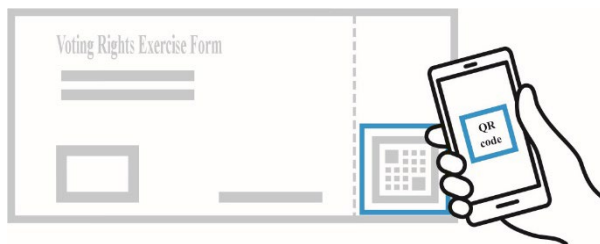
Please access the website designated for exercising voting rights and select “for” or “against.”

Deadline for exercising voting rights online: 5:30 PM, March 27 (Wed.), 2024

Voting by scanning the QR code

Using the QR code shown on the bottom-right of the Voting Rights Exercise Form, it is possible to login to the website designated for exercising voting rights without entering a “login ID” or “temporary password.”

Scan the QR code shown on the bottom-right of your Voting Rights Exercise Form.



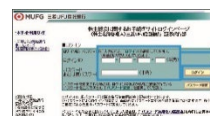
* It may not be possible to login using the QR code on some smartphone models.

Voting by entering a login ID and temporary password

- 1 Access the website designated for exercising voting rights.

Website: <https://evote.tr.mufg.jp/>

- 2 Enter the “login ID” and “temporary password” shown on the bottom-right of your Voting Rights Exercise Form, and select “Login.”



Enter the “login ID” and “temporary password”

Select “Login”

* An example of the screen shown when accessing the website on a computer.

Follow the instructions on the screen to enter “for” or “against” for each proposal.

Inquiries related to using the website designated for exercising voting rights

Please direct inquiries regarding the use of the website for exercising voting rights online to:

Mitsubishi UFJ Trust and Banking Corporation Stock Transfer Agency Department

0120-173-027 (toll-free call, reception hours: 9:00 AM - 9:00 PM)

March 13, 2024

(Measures for electronic provision commenced on March 7 2024)

To Our Shareholders

1-8-1, Higashi-shimbashi, Minato-ku, Tokyo

Dentsu Group Inc.

Hiroshi Igarashi, Director, Representative Executive Officer, President & Global CEO

Notice of Convocation of the 175th Ordinary General Meeting of Shareholders

We would like to express our sincere gratitude for your continued support.

You are cordially invited to attend the 175th Ordinary General Meeting of Shareholders. The meeting will be held as follows. We have taken measures for the electronic provision of information for this meeting. Matters to be provided electronically have been posted on the Company's Internet website under "Notice of Convocation of the 175th Ordinary General Meeting of Shareholders."

The Company's website:

<https://www.group.dentsu.com/en/ir/stockandratings/shareholdersmeeting.html>

In addition to the above Company's website, the items are also posted on the Internet website shown below.

The website of the Tokyo Stock Exchange:

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

* The items can be downloaded from the above URL by following the step below.

(1) Enter "Dentsu Group" to the field of "Issue Name (company name)" or "4324" to the field of "Code" and click "Search," (2) Click "Basic Information," (3) Select the "Documents for public inspection/PR information" tab, and (4) Click "Click here for access" button in the "Notice of General Shareholders Meeting/ Information Materials for a General Shareholders Meeting" column.

Notice

Shareholders who have not requested delivery of a paper copy will receive only this Notice of Convocation of the Meeting, a part of the Reference Material for the General Meeting of Shareholders, and the Voting Rights Exercise Form. Please refer to either of the above websites for all other matters to be provided electronically. The paper copy of the notice of convocation sent to shareholders who requested it excludes the following items, which form part of the matters to be provided electronically, in accordance with laws, regulations, and Article 19, Paragraph 2 of the Company's Articles of Incorporation. Please refer to either of the above website for these items.

1. Business Report:

II Shares and Subscription Rights to Shares (All)

III Items Related to the Company Executives

4. Situation of Important Con-current Posts

5. Items Related to Outside Directors

IV Items Related to the Accounting Auditor (All)

V Company System and Policy (All)

2. Consolidated Financial Statements:

Notes to Consolidated Financial Statements

3. Financial Statements:

Notes to Nonconsolidated Financial Statements

The business report, consolidated financial statements, and financial statements, including the items shown above, were audited by the Audit Committee and the Accounting Auditor during the preparation of their respective audit reports. If there are any corrections to the matters to be provided electronically, they will be promptly posted on each website above.

1.	Date and Time	10:00 AM, March 28 (Thu.), 2024 *Doors are scheduled to open at 9:00 AM.
2.	Place	8-21-1, Ginza, Chuo-ku, Tokyo Sumitomo Realty & Development Shiodome Hamarikyu Building, Belle Salle Shiodome
3.	Agenda of the Meeting	<p>Matters to be Reported</p> <p>(1) Business report for the 175th business term (January 1, 2023 to December 31, 2023), consolidated financial statements, and audit reports on consolidated financial statements by the Accounting Auditor and Audit Committee</p> <p>(2) Report on financial statements for the 175th business term (January 1, 2023 to December 31, 2023)</p> <p>Proposal to be Resolved</p> <p>Proposal Appointment of 9 Directors</p>

If you are attending the meeting, please bring the paper copy of the Notice of Convocation that has been provided to shareholders with you and submit the enclosed voting form to the receptionist at the meeting venue. We suggest that you arrive early as it is expected to be crowded right before the start of the meeting.

We have not prepared gifts for shareholders who attend the meeting. We appreciate your understanding.

Request procedures for delivery of a paper copy of the convocation notice

Shareholders who have not made a request for delivery of a paper copy of the convocation notice for this Ordinary General Meeting of Shareholders* and need to receive such document should apply for a request for delivery of paper copy through a website for delivery request by entering your login ID and password below.

* The contents will be only in Japanese and the same as the documents sent to shareholders who have made a request for delivery of paper copy.



1. Website for delivery request of a paper copy of the convocation notice:

<https://d.srdb.jp/4324/2403/>

2. Period for acceptance of requests: From 12:00 AM on Thursday, March 7, 2024 (JST) until 11:59 PM on Friday, March 22, 2024 (JST)

3. Request Procedure:

(i) Please access the website above, and log in by entering your login ID and password*

* **Login ID:** The shareholder number stated on your Voting Rights Exercise Form

Password: The postal code (without hyphen) stated on your Voting Rights Exercise Form

* Please enter the postal code for your registered address as of the end of December 2023.

(ii) After logging in, please enter the address which you would like the paper copy sent, and your name, and email address, and click the Confirm button.

(iii) You will receive a confirmation email to the email address entered to confirm the information registered in step (ii) above, then please click the verification URL when you receive it.

* Since the registration procedure will not be completed unless you click the verification on URL sent to your email address, please make sure to check your email.

* Please start again from step (i) if you find any errors in the information entered.

(iv) The estimated delivery date will be shown on the request completed page, and you will receive an acceptance completion email. Following this, the paper copy will be sent to the address entered.

* Once you have received an acceptance completion email, you cannot login to request a paper copy again.

* The confirmation email cannot be sent if you entered a wrong email address; please ensure to enter a correct email address when registering.

* You might not be able to receive an email to confirm the information registered if certain emails are blocked by an anti-spam filter or the like. Please ensure that you can receive emails from the domain “@srdb.jp”.

* None of the information you provided will be used for any purpose other than this procedure.

If you have not made a request for delivery of a paper copy and need a paper copy from the next general meeting of shareholders onward, please submit “Request for Delivery of Paper Copy” prescribed by the securities company or the stock transfer agency by the Record Date.

Reference Material for the General Meeting of Shareholders

Proposals and Reference Material

Proposal Appointment of 9 Directors

The terms of office of all nine directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, we request the appointment of nine directors, based on the decision of the Nominating Committee. The terms of office for directors appointed at this General Meeting of Shareholders shall be until the end of the Ordinary General Meeting of Shareholders to be held in March 2025. The candidates for directors are as follows.



Candidate Number

1 Timothy Andree

Candidate for director

Re-appointment

Date of birth: April 28, 1961. 62 years old)

Responsibilities: Chairman of the Board of Directors
Board of Directors meetings attended
100% (14/14)

No. of the Company's Shares Held
12,189 shares (actually held)

Bio, Position and Responsibilities

March 2002	Senior Vice President, Communications & Marketing, The National Basketball Association	June 2013	Director, Executive Vice President, Dentsu Inc.
December 2005	CCO (Chief Communication Officer), BASF Corporation	January 2020	Director, Executive Vice President, Dentsu Group Inc.
May 2006	CEO, Dentsu America, LLC.	September 2020	Executive Chairman, Dentsu International Limited
June 2008	Executive Officer, Dentsu Inc.	March 2021	Representative Director, Executive Vice President, Dentsu Group Inc.
November 2008	President & CEO, Dentsu Holdings USA, LLC.	March 2022	Director, Non-Executive Chairman of the Board, Dentsu Group Inc. (current)

Reason for candidacy as a Director

Mr. Timothy Andree has operational experience overseas and assumed office of Executive Officer of Dentsu Inc. in June 2008, and Director, Executive Vice President of Dentsu Inc. in June 2013. Furthermore, being Director, Executive Vice President of Dentsu Group Inc. since January 2020, he has actively provided opinions and advice, etc., concerning group management from the standpoint of overseas operations management, thereby contributing to enhancing corporate value of the Company over many years. In March 2022, he was selected as Chairman of the Board as a Non-Executive Director, operating the Board of Directors with his strong leadership. From these achievements, underpinned by his global experience, the Company expects him to continue to utilize his insight in strengthening the supervisory function of the Board of Directors, achieving sustainable growth and corporate value enhancement in the Company's global environment. If he is appointed as a Director, he will be reselected as a Chairman of the Board of Directors as a Non-Executive Director.

To our shareholders

I am honored to serve as the non-executive Chairman of the Board and would like to express my sincere gratitude for your continued support and trust in our group as it pursues the One dentsu transformation. As a Board, we are making every effort to be worthy of your support.

The Board's agenda is to accelerate the transformation of dentsu into a more agile, innovative, and high-performing competitor that delivers value to all stakeholders. We are committed to enhancing our corporate governance, strengthening our ESG initiatives, and fostering a culture of integrity, high performance, and accountability.

The Board well recognizes its responsibility to oversee the execution of the management plan and ensure its unwavering alignment with the interests of shareholders. We will continue to regularly monitor the progress and performance of the plan and communicate with you transparently and constructively.



Candidate Number

2

Hiroshi Igarashi

Candidate for director

Re-appointment

Date of birth: July 23, 1960, 63 years old

Responsibilities: Representative Executive Officer, President & Global CEO

Member of the Nominating Committee

Board of Directors meetings attended

100% (14/14)

No. of the Company's Shares Held

8,890- shares (actually held); maximum 55,640 shares (under performance-based stock compensation)

Bio, Position and Responsibilities

April 1984	Joined Dentsu Inc.	January 2022	Director, President & CEO, Dentsu Group Inc.
April 2013	Managing Director, Account Management Division, Dentsu Inc.	March 2022	Representative Director, Dentsu Inc. Representative Director, President & CEO, Dentsu Group Inc.
January 2017	Executive Officer, Dentsu Inc.	March 2023	Director, Representative Executive Officer, President & CEO, Dentsu Group Inc.
March 2018	Director, Executive Officer, Dentsu Inc.	January 2024	Director, Representative Executive Officer, President & Global CEO, Dentsu Group Inc. (Current)
January 2020	Representative Director, President and CEO, Dentsu Inc.		

Reason for candidacy as a Director

Mr. Hiroshi Igarashi has operational experience in account management and assumed office of Executive Officer of Dentsu Inc. in January 2017. Being Director, Executive Officer of Dentsu Inc. since March 2018, he has actively provided opinions and advice etc. on the growth and transformation of the Group's businesses, from his standpoint as domestic operation top management and contributed to enhancing corporate value of the Company. Since March 2022, he has strongly driven the acceleration of business transformation and the further enhancement of management and engaged in maximizing corporate value on a global scale as the Company's Representative Director, President & CEO (Director, Representative Executive Officer, President & CEO since March 2023). From these achievements, the Company expects him to continue to utilize his experience and leadership in bringing the Group together to strengthen competitiveness and enhance corporate value. If he is appointed as a Director, he will be selected as the Representative Executive Officer and President and a member of the Nominating Committee.

To our shareholders

Our Group's business is currently undergoing a major transformation. To accelerate the implementation of our business strategy of providing "Integrated Growth Solutions" to achieve sustainable growth for our clients, we have reformed our management structure and operating model. This year, under the One dentsu global structure, we will thoroughly execute our business strategy to achieve a recovery in business performance as quickly as possible, and at the same time, we will rebuild governance and internal controls to maximize the corporate value of our group.



Candidate Number

3

Arinobu Soga

Candidate for director

Re-appointment

Date of birth: March 27, 1965, 58 years old

Responsibilities: Representative Executive Officer, Executive Vice President, Global Chief Governance Officer & Global Chief Financial Officer

Board of Directors meetings attended
100% (14/14)

No. of the Company's Shares Held
5,466 shares (actually held); maximum 31,618 shares (under performance-based stock compensation)

Bio, Position and Responsibilities

April 1988	Joined Dentsu Inc.	January 2023	Representative Director, Executive Vice President & Chief Governance Officer, Dentsu Group Inc.
June 2015	Managing Director, Finance & Accounting Division, Dentsu Inc.	March 2023	Director, Representative Executive Officer, Executive Vice President & Chief Governance Officer, Dentsu Group Inc.
January 2017	Executive Officer, Managing Director, Corporate Strategy Division, Dentsu Inc.	January 2024	Director, Representative Executive Officer, Executive Vice President & Global Chief Governance Officer, Dentsu Group Inc.
March 2017	Director, Executive Officer, Dentsu Inc.	February 2024	Director, Representative Executive Officer, Executive Vice President, Global Chief Governance Officer & Global Chief Financial Officer, Dentsu Group Inc. (Current)
January 2022	Director, Executive Vice President & CFO, Dentsu Group Inc.		
March 2022	Representative Director, Executive Vice President & CFO, Dentsu Group Inc.		

Reason for candidacy as a Director

Mr. Arinobu Soga has operational experience in contents sector as well as finance and accounting and possesses a wealth of experience from a managerial standpoint. Being Executive Officer of Dentsu Inc. since January 2017, Director, Executive Officer of Dentsu Inc. since March 2017, and Representative Director and Executive Vice President since March 2022, he has actively provided opinions and advice, etc. from his standpoint of corporate strategy, IR, disclosure and finance and accounting. He has contributed to the improvement of the financial base and the sustainable enhancement of shareholder value, and to enhancing the corporate value of the Company. Since January 2023, he contributes to further enhancing the Company's corporate value by advancing its corporate governance as Representative Director, Executive Vice President & Chief Governance Officer. From these achievements, the Company expects him to continue to utilize his experience, etc., in group management, administration and supervision. If he is appointed as a Director, he will be selected as a Representative Executive Officer and Executive Vice President.

Situation of important concurrent posts

- Chair of the Board, Dentsu International Limited

To our shareholders

Last year, the Company transitioned to a company with a nominating committee, etc. This year, we will make this structure work more effectively to further improve corporate governance. I believe that our top priority tasks this year will be to respond to the accelerating changes in the environment and build a foundation to support sustainable growth. We will engage in initiatives such as constructing simple organizational forms to promote One dentsu, strengthening internal controls, increasing transparency in disclosure, and thoroughly embedding a Group-wide organizational culture that places integrity as its most important value. I will fulfill my responsibilities to win the trust of our shareholders and other stakeholders.

Candidate
Number

4

Gan Matsui

Candidate for independent outside director

Re-appointment

Date of birth: December 13, 1953, 70 years old

Responsibilities: Member of the Nominating Committee, Chair of the Audit Committee
 Board of Directors meetings attended
 100% (14/14)
 No. of Dentsu Shares Held
 0 shares (actually held)
 Serving four years as outside director as of the closing of this General Meeting of Shareholders

Bio, Position and Responsibilities

April 1980	Graduated from the Legal Training and Research Institute of Japan, the Supreme Court	June 2017	Outside Corporate Auditor, Orient Corporation
October 2007	Prosecutor, the Otsu District Public Prosecutors Office	June 2018	Outside Director, member of the audit and supervisory committee, Globberide, Inc. (current)
July 2009	Deputy Prosecutor, the Nagoya High Public Prosecutors Office		Outside Corporate Auditor, Totetsu Kogyo Co. (current)
October 2010	Deputy Prosecutor, the Osaka High Public Prosecutors Office		Outside Corporate Auditor, Nagase & Co., Ltd. (current)
June 2012	Director-General of Criminal Affairs Department of Supreme Public Prosecutors Office	March 2020	Outside Director who is not a member of the Audit and Supervisory Committee, Dentsu Group Inc.
January 2014	Chief Prosecutor, the Yokohama District Public Prosecutors Office	March 2022	Outside Director (member of the Audit and Supervisory Committee), Dentsu Group Inc.
January 2015	Superintending Prosecutor, the Fukuoka High Public Prosecutors Office	June 2022	Outside Director (Audit and Supervisory Committee Member), Orient Corporation (current)
September 2016	Retired public prosecutor	March 2023	Outside Director, Dentsu Group Inc. (current)
November 2016	Registered as an attorney at law (Tokyo Bar Association) Yaesu Sogo Law Office (current)		
February 2017	Chairman of the Independent Advisory Committee on Labor Environment Reform, Dentsu Inc.		

Reason for candidacy as an Outside Director and expected roles

Mr. Gan Matsui has many years of experience as a prosecutor and has directed the investigation and trial of many serious cases, mainly in the field of economic and tax. Based on this experience and knowledge, he has chaired so-called third-party investigation committees on compliance and crisis management for several firms and governmental bodies. He also assumes office of outside directors or corporate auditors for some companies. Being the chairman of the Independent Advisory Committee on Labor Environment Reform at Dentsu Inc. since February 2017, and Outside Director of the Company since March 2020, he has made significant contributions, especially in strengthening compliance and governance of the Company. Although he has not been engaged in corporate management other than serving as an Outside Director or an Outside Auditor, from these achievements, the Company expects him to continue to utilize his experience etc., in strengthening the supervisory function of the Board of Directors as our outside director. If he is appointed as a Director, the Company plans to appoint him to chair the Audit Committee and as a member of the Nominating Committee, to contribute to strengthening the auditing function and the transparency and objectivity of the process for nominating candidates for directors.

Situation of important concurrent posts

- Attorney, Yaesu Sogo Law Office
- Outside Director (Audit and Supervisory Committee Member), Orient Corporation
- Outside corporate auditor, Nagase & Co., Ltd.
- Outside corporate auditor, Totetsu Kogyo Co.
- Outside director who is a member of the audit and supervisory committee, Globberide, Inc.

To our shareholders

Under the One dentsu operating model, the Dentsu Group is endeavoring to transform itself into a corporate group that creates useful value for society in Japan and around the world. To achieve this transformation, it must win the trust of society by always focusing on the social interests that lie on the other side of its businesses. I have worked for many years in judicial roles, and I hope to utilize this experience to do my utmost to raise the Group's corporate value by reforming corporate culture and raising governance and compliance awareness.



Candidate number

Candidate for independent outside director

Re-appointment

5 Paul Candland

Date of birth: December 4, 1958 (65 years old)

Responsibilities: Member of the Nominating Committee, Member of the Compensation Committee
Board of Directors meetings attended 100% (14/14)

No. of Dentsu Shares Held
0 shares (actually held)

Serving two years as outside director as of the closing of this General Meeting of Shareholders

Bio, Position and Responsibilities

June 1985	Joined Owens Corning Corporation	July 2014	President of The Walt Disney Company, Asia
April 1987	Joined PepsiCO, Inc.		
November 1994	President, Okinawa pepsi-Cola, Inc.	September 2018	Managing Director, PMC Partners Co., Ltd.
April 1998	Representative, Japan Branch, PepsiCo International Ltd.	June 2019	Outside Director, YAMAHA CORPORATION (current)
November 1998	Representative Director and General Manager, The Disney Store Japan, Inc.	September 2019	CEO, Age of Learning, Inc.
April 2002	Managing Director, Walt Disney Television International Japan of The Walt Disney Company (Japan) Ltd.	March 2022	Outside Director (member of the Audit and Supervisory Committee), Dentsu Group Inc.
June 2007	Representative Director, President, The Walt Disney Company (Japan) Ltd.	March 2023	Outside Director, Dentsu Group Inc. (current)

Reason for candidacy as an Outside Director and expected roles

Mr. Paul Candland has been involved in the management of the Asian and Japanese subsidiaries of a global entertainment company for many years, and has abundant experience as a global manager and achievements and extensive insight in the digital business field and business development. Since March 2022, he has actively provided advice and suggestions from the perspective of global management as an outside director of the Company, especially regarding issues such as business operations based on global economic trends and strengthening competitiveness, and has brought a variety of perspectives to the Company. From these achievements, the Company expects him to continue to utilize his experience etc., in areas such as enhancing the governance of Group management as our outside director.

If he is appointed as a Director, the Company plans to appoint him as a member of the Nominating Committee and the Compensation Committee, to contribute to strengthening the transparency and objectivity of the processes for nominating candidates for directors and determining compensation for directors and Executive Officers.

Situation of important concurrent posts

- Outside Director, YAMAHA CORPORATION

To our shareholders

2023 was a difficult year of transition for the Dentsu Group as it moved to its One dentsu operating model and implemented initiatives intended to increase competitiveness and improve governance. Execution this year will be key, underpinned by a simpler organizational structure, clear priorities, and unwavering corporate values. As a member of the board, I am committed to supporting a return to growth with integrity and to a restoration of trust and confidence with both clients and investors.



Candidate Number

Candidate for independent outside director

Re-appointment

6

Andrew House

Date of birth: January 23, 1965 (59 years old)

Responsibilities: Chair of the Compensation Committee

Board of Directors meetings attended

93% (13/14)

No. of Dentsu Shares Held

0 shares (actually held)

Serving two years as outside director as of the closing of this General Meeting of Shareholders

Bio, Position and Responsibilities

October 1990	Joined Sony Corporation	October 2018	Executive mentor, The Exco Group (current)
October 2005	Group executive and chief marketing officer, Sony Corporation	June 2019	Outside director, Nissan Motor CO., Ltd. (current)
September 2011	Group executive, president and Global CEO, Sony Computer Entertainment	May 2021	Non-Executive Director, Nordic Entertainment Group AB (currently Viaplay Group AB) (current)
April 2016	EVP, President and global CEO, Sony Interactive Entertainment	March 2022	Outside Director (member of the Audit and Supervisory Committee), Dentsu Group Inc.
October 2017	EVP and Chairman, Sony Interactive Entertainment	March 2023	Outside Director, Dentsu Group Inc. (current)
April 2018	Strategic advisor, Intelity (current)		

Reason for candidacy as an Outside Director and expected roles

Mr. Andrew House possesses international management experience. He has abundant experience and achievement as a manager and extensive insight, including promotion of business transformation and strengthening of corporate governance, gained in key roles at global corporations. Since March 2022, he has leveraged this experience to actively provide useful advice and suggestions from a variety of perspectives based on examples for global management as an outside director of the Company, especially regarding issues such as Group governance and business operations, and has made a great contribution. From these achievements, the Company expects him to continue to utilize his experience etc., in areas such as enhancing the governance of Group management and strengthening competitiveness in the global environment as our outside director.

If he is appointed as a Director, the Company plans to appoint him to chair the Compensation Committee, to contribute to strengthening the transparency and objectivity of the process for determining compensation for directors and Executive Officers.

Situation of important concurrent posts

- Outside director, Nissan Motor CO., Ltd.
- Non-Executive Director, Viaplay Group AB

To our shareholders

The Dentsu Group has embarked on an ambitious new operating model that is appropriate for the business direction and the operating environment. Now is the time for management to act with speed and decisiveness to ensure the model is broadly deployed throughout the organization. As a member of the board, I am committed to ensuring that management return the business to growth and demonstrate value for our investors.



Candidate number

7

Keiichi Sagawa

Candidate for independent outside director

Re-appointment

Date of birth: March 7, 1966 (58 years old)

Responsibilities: Chair of the Nominating Committee, Member of the Audit Committee

Board of Directors meetings attended

100% (14/14)

No. of Dentsu Shares Held

0 shares (actually held)

Serving two years as outside director as of the closing of this General Meeting of Shareholders

Bio, Position and Responsibilities

April 1988	Joined Recruit Holdings Co., Ltd.	May 2017	Board Director and Senior Managing Corporate Executive Officer in charge of Finance (CFO) and Administration (CRO)
April 2006	Corporate Executive officer in charge of Corporate Strategy Office		
June 2011	Board Director and Corporate Executive Officer in charge of Accounting, Finance, Legal Affairs, General Affairs, Investment Management, Corporate Communication and Compliance	April 2019	Board Director and Senior Managing Corporate Executive Officer in charge of Finance (CFO)
April 2013	Board Director and Managing Corporate Executive Officer in charge of Administration	June 2020	Advisor
April 2016	Board Director and Senior Managing Corporate Executive Officer in charge of Finance	January 2022	Outside director, GIMIC CO., LTD. (current)
April 2017	Board Director and Senior Managing Corporate Executive Officer in charge of Finance and Administration	March 2022	Outside Director (member of the Audit and Supervisory Committee), Dentsu Group Inc.
		March 2023	Outside Director, Dentsu Group Inc. (current)

Reason for candidacy as an Outside Director and expected roles

Mr. Keiichi Sagawa possesses abundant operational experience regarding business transformation and expansion of global business and digital business in the finance and administration departments of a holding company. He has also been engaged in corporate management for many years as a director and has enhanced corporate value and has expertise and a wealth of experience as a corporate manager. Since March 2022, he has actively provided accurate advice and suggestions as an outside director of the Company, especially regarding issues such as promoting business transformation, strengthening competitiveness globally, and improving management governance. From these achievements, the Company expects him to continue to contribute greatly to improving the management governance, strengthening competitiveness, and ensuring the soundness of the Company, which aims to promote business transformation and achieve growth as a global company, as an outside director.

If he is appointed as a Director, the Company plans to appoint him to chair the Nominating Committee and as a member of the Audit Committee, to contribute to strengthening the transparency and objectivity of the process for nominating candidates for directors and strengthening the auditing function.

To our shareholders

The operating model, which underwent a major transformation last year, will gain momentum this year. I would like to improve our corporate value by closely interacting with the executive side to determine whether we are providing valuable solutions to our clients and whether we are continuing to improve our competitiveness.



Candidate number

8

Mihoko Sogabe

Candidate for independent outside director

Re-appointment

Date of birth: December 10, 1969 (54 years old)

Responsibilities: Member of the Audit Committee, Member of the Compensation Committee

Board of Directors meetings attended

100% (14/14)

No. of Dentsu Shares Held

0 shares (actually held)

Serving two years as outside director as of the closing of this General Meeting of Shareholders

Bio, Position and Responsibilities

April 1992	Joined Japan Associated Finance Co., Ltd. (currently JAFCO Group Co., Ltd.)	June 2019	Outside director (Audit and Supervisory Committee member), Nikko Asset Management Co., Ltd. (current)
April 2001	Asahi Audit Corporation (currently KPMG AZSA LLC)	July 2020	Outside auditor, SoleBrain, Co., Ltd. (current)
May 2005	Registered as a CPA	April 2021	Outside director (Audit and Supervisory Committee member), Mitsui DM Sugar Holdings Co., Ltd. (current)
May 2018	Resigned from KPMG AZSA LLC	March 2022	Outside Director (member of the Audit and Supervisory Committee), Dentsu Group Inc.
June 2018	Outside Audit and Supervisory Board Member, Nikko Asset Management Co., Ltd. Auditor, Japan Kogei Association (current) Representative, Sogabe Certified Public Accountant Office (current)	March 2023	Outside Director, Dentsu Group Inc. (current)

Reason for candidacy as an Outside Director and expected roles

Ms. Mihoko Sogabe has specialized knowledge and abundant operational experience in the fields of finance, accounting and auditing as a CPA. She also has profound insight of the supervision of business execution, promoting diversity and strengthening governance from an investor's perspective as Outside Director and Outside Auditor of several companies. Since March 2022, she has actively provided useful suggestions and advice as an outside director of the Company from her expert insight and abundant practical experience, especially regarding issues such as improving the Company's financial governance, promoting internal controls, and strengthening the supervisory function. Although she has not been engaged in corporate management other than serving as an Outside Director or an Outside Auditor, from these achievements, the Company expects her to continue to contribute to enhancing and ensuring the soundness of financial governance of the Company as our outside director.

If she is appointed as a Director, the Company plans to appoint her as a member of the Audit Committee and the Compensation Committee, to contribute to strengthening the auditing function and strengthening the transparency and objectivity of the process for determining compensation for directors and Executive Officers.

Situation of important concurrent posts

● Representative, Sogabe Certified Public Accountant Office ● Outside director (Audit and Supervisory Committee member), Mitsui DM Sugar Holdings Co., Ltd.

To our shareholders

To enhance corporate value as a truly global company and regain the trust of its stakeholders, the Dentsu Group has transitioned to a global management structure as One dentsu through a Group Management Team. It is implementing behavioral reforms to achieve more thorough compliance with a greater focus on integrity and working to strengthen Group governance and internal controls. Through the activities of the Board of Directors and the Company's committees, I will do my utmost to support these initiatives by the executive side to achieve the further enhancement of corporate value.



Candidate number

9

Yuka Matsuda

Candidate for independent outside director

Re-appointment

Date of birth: September 19, 1960 (63 years old)

Responsibilities: Member of the Audit Committee

Board of Directors meetings attended

100% (10/10)

No. of Dentsu Shares Held

0 shares (actually held)

Serving one year as outside director as of the closing of this General Meeting of Shareholders

Bio, Position and Responsibilities

April 1985	Joined Citibank. N.A., Tokyo Branch	July 2021	Outside Corporate Auditor, DKK Co., Ltd. (current)
October 1991	Joined Chuo Shinko Audit Corporation	June 2022	Outside Corporate Auditor, Mitsubishi Steel Mfg. Co., Ltd. (current)
October 1992	Joined Coopers & Lybrand International Taxation Office	July 2022	Supervisory Officer, Nochu JAML REIT Investment Corporation (current)
April 1995	Registered as a CPA		
April 1999	Registered as a tax accountant		
July 2014	Director, PwC Tax Japan		
June 2021	Representative, Matsuda Yuka CPA and Tax Accounting Office (current)	March 2023	Outside Director, Dentsu Group Inc. (current)

Reason for candidacy as an Outside Director and expected roles

Ms. Yuka Matsuda has specialized knowledge and abundant operational experience in the fields of finance, accounting, taxation and auditing as a CPA and tax accountant. She also has experience in management as Director of a tax accounting firm, and experience in auditing management as outside auditor of several companies. Since March 2023, she has actively provided useful suggestions and advice as an outside director of the Company from her expert insight and abundant practical experience, especially regarding issues such as improving the Company's financial governance, promoting internal controls, and strengthening the supervisory function. Although she has not been engaged in corporate management other than serving as an Outside Director or an Outside Auditor, from these achievements, the Company expects her to continue to contribute to enhancing and ensuring the soundness of financial governance of the Company, which aims to promote business transformation and achieve global growth, as an outside director.

If she is appointed as a Director, the Company plans to appoint her as a member of the Audit Committee, to contribute to strengthening the auditing function.

Situation of important concurrent posts

● Representative, Matsuda Yuka CPA and Tax Accounting Office ● Outside Corporate Auditor, DKK Co., Ltd. ● Outside Corporate Auditor, Mitsubishi Steel Mfg. Co., Ltd.

To our shareholders

I believe it is vital to build and operate a more robust governance system and monitoring system under the One dentsu structure. As an outside director, I will continue to do my best to utilize my expertise in financial accounting, taxation, and compliance to contribute to corporate value enhancement.

- (Note 1) Dentsu International Limited, at which Mr. Arinobu Soga serves as Chair of the Board, is a wholly-owned subsidiary of the Company that has a business relationship with the Company.
- (Note 2) Mr. Gan Matsui is an attorney at Yaesu Sogo Law Office, and concurrently serves as Outside Director (Audit and Supervisory Committee Member) of Orient Corporation, Outside Corporate Auditor of Nagase & Co., Ltd., Outside Corporate Auditor of Totetsu Kogyo Co. and Outside Director who is a member of the Audit and Supervisory Committee of Globeride, Inc. Nagase & Co., Ltd. has business relationship with Dentsu Inc., a significant subsidiary of the Company, but the amount of transactions during fiscal year 2023 was less than 1% of consolidated net revenue of the Company and there is no issue with his independence. Furthermore, there are no vested interests with other entities or office mentioned above for which he belongs or concurrently serves.
- (Note 3) Mr. Paul Candland concurrently serves as Outside Director of YAMAHA CORPORATION. YAMAHA CORPORATION has a business relationship with Dentsu Inc., a significant subsidiary of the Company, but the amount of transactions during fiscal year 2023 was less than 1% of consolidated net revenue of the Company and there is no issue with his independence.
- (Note 4) Mr. Andrew House concurrently serves as Strategic Advisor of Intelity, Executive Mentor of The Exco Group, Outside Director of Nissan Motor Co., Ltd. and Non-Executive Director of Viaplay Group AB. Nissan Motor Co., Ltd. has a business relationship with Dentsu Inc., a significant subsidiary of the Company, but the amount of transactions during fiscal year 2023 was less than 1% of consolidated net revenue of the Company and there is no issue with his independence. Furthermore, there are no vested interests with other entities mentioned above for which he belongs or concurrently serves.
- (Note 5) Mr. Keiichi Sagawa concurrently serves as Outside Director of GIMIC CO., LTD. and this company has business relationship with Dentsu Inc., a significant subsidiary of the Company, but the amount of the transactions during fiscal year 2023 was less than 1% of the consolidated net revenue of the Company, and there is no issue with his independence. Recruit Holdings CO., Ltd., where he served as a director from June 2011 to June 2020, violated the Act on Special Measures concerning the Correction of Acts that Inhibit the Shifting of Consumption Taxes to Ensure Smooth and Appropriate Shifting of Consumption Taxes in relation to the payment of commission fees to subcontractors for the operation of its website and other facts. This company, along with its subsidiary, Recruit Co., Ltd. which succeeded the said fact, received a recommendation from Japan Fair Trade Commission in May 2019. In addition, in December 2019, Recruit Co., Ltd. received recommendations and guidance from the Personal Information Protection Commission for violations of the Act on the Protection of Personal Information, and guidance from the Tokyo Labor Bureau for violations of the Employment Security Act and guidelines based on the Act with regard to the “Rikunabi DMP Follow” service operated by its subsidiary Recruit Career Co., Ltd. After the occurrence of both incidents, he proactively made proposals as a director for measures to prevent recurrence and fulfilled his responsibilities.
- (Note 6) Ms. Mihoko Sogabe concurrently serves as Representative of Sogabe Certified Public Accountant Office, Auditor of Japan Kogei Association, Outside Director (audit and supervisory committee member) of Nikko Asset Management Co., Ltd., Outside Auditor of SoleBrain, Co., Ltd., and Outside Director (audit and supervisory committee member) of Mitsui DM Sugar Holdings Co., Ltd. Nikko Asset Management Co., Ltd. has a business relationship with Dentsu Inc., a significant subsidiary of the Company, but the amount of transactions during fiscal year 2023 was less than 1% of consolidated net revenue of the Company and there is no issue with her independence. Furthermore, there are no vested interests with other entities or office mentioned above for which she belongs or concurrently serves. Although she worked for KPMG AZSA LLC, the Company’s accounting auditor, until May 2018, but during her tenure at KPMG AZSA LLC, she was not involved in any business related to the Company, and there is no issue with her independence.
- (Note 7) Ms. Yuka Matsuda concurrently serves as Representative of the Matsuda Yuka CPA and Tax Accounting Office, as Outside Corporate Auditor of DKK Co., Ltd., as Outside Corporate Auditor of Mitsubishi Steel Mfg. Co., Ltd., and as Supervisory Officer of Nochu JAML REIT Investment Corporation. Mitsubishi Steel Mfg. Co., Ltd. has a business relationship with Dentsu Inc., a significant subsidiary of the Company, but the amount of transactions during fiscal year 2023 was less than 1% of consolidated net revenue of the Company and there is no issue with her independence. Furthermore, there are no vested interests with other entities or office mentioned above for which she belongs or concurrently serves.
- (Note 8) Mr. Gan Matsui, Mr. Paul Candland, Mr. Andrew House, Mr. Keiichi Sagawa, Ms. Mihoko Sogabe and Ms. Yuka Matsuda are Outside Director candidates pursuant to Item 7 Paragraph 3, Article 2 of the Order for Enforcement of the Companies Act. These six candidates meet the standards for an independent officer as stipulated by the Tokyo Stock Exchange, Inc. as well as the “Independence Standards for Outside Directors at Dentsu Group Inc.” (<https://www.group.dentsu.com/en/about-us/governance/isod.html>) as stipulated by the Company. The Company registered them as independent officers with the Tokyo Stock Exchange.
- (Note 9) The explanation on the maximum amount under the performance-based stock compensation plan is as follows:
Under our performance-based stock compensation plan, before fiscal year 2022, executive officers (including those who concurrently served as directors), and in fiscal year 2023 and thereafter, Group Management Team Members (including executive officers who concurrently serve as Group Management Team Members), will be granted in each relevant fiscal year (1) the “Basic Units” calculated in accordance with the calculation formula prescribed in the Officers Stock Incentive Regulations as compensation for the performance of their duties, then (2) depending on performance of their duties, the Basic Units will be adjusted in accordance with the calculation formula prescribed in the Officers Stock Incentive Regulations after a lapse of three consecutive fiscal years (the “Business performance Assessment Period”), and (3) in accordance with the units adjusted and finalized through these procedures, they receive common stocks of the Company and an amount of money equivalent to the market value (“Common Stocks”). The above number of stocks of the Company means a calculated maximum amount which can be provided for each candidate as a reward for their performance in the relevant fiscal year under the performance-based stock compensation plan of the Company. Thus, the total actual number of Common Stocks of the Company provided for each candidate vary between 0 and the maximum amount according to the business results of the Company in the Business Performance Assessment Period. For the avoidance of doubt, the voting rights with the stocks provided for candidates are not exercised until such stocks are received by them.
- (Note 10) The company has concluded a contract for limitation of liability with Mr. Timothy Andree, Mr. Gan Matsui, Mr. Paul Candland, Mr. Andrew House, Mr. Keiichi Sagawa, Ms. Mihoko Sogabe and Ms. Yuka Matsuda for a maximum liability amount of 10 million yen or the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act, whichever is higher. If their appointment as directors is approved at this General Meeting of Shareholders, the Company intends to renew the above contract with them.
- (Note 11) The Company has entered into directors and officers liability insurance (D&O insurance) agreement with an insurance company, which covers insured persons for legal damages and litigation costs to be borne by insured. Each candidate elected under this proposal will be insured under such insurance. Such insurance covers derivative suit, corporate suit and claims from third parties, but does not cover claims for damages arising from acts committed while aware of the violation of laws and regulations. The insurance premium for the candidates will be paid in full by the Company.
- (Note 12) The Company has entered into an indemnity agreement with each of the nine candidates in this proposal, which provides that the Company will indemnify the expenses stipulated in Article 430-2, Paragraph 1, Item 1 of the Companies Act and the losses stipulated in Paragraph 1, Item 2 of the same Article to the extent provided for by laws and regulations. If the election of each of the nine candidates in this proposal for appointment is approved at this General Meeting of Shareholders, the Company intends to continue these agreements with them. In order to ensure that the indemnity agreement does not impair the appropriateness of the execution of duties by the officer, the Company will take measures such as excluding the officer from the indemnification in cases where the officer is with knowledge or grossly negligent in performing his/her duties or where the Company pursues the officer’s liability.

Reference

Directors' Skills and Members of Committees (In the event that each candidate for Director is elected at this General Meeting of Shareholders as proposed)

The Company structures the Board of Directors so that it is composed to appropriately balance the following three factors:

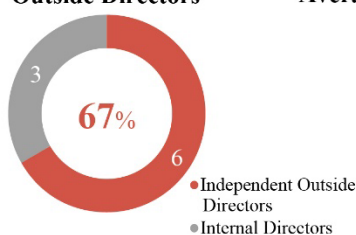
1. The diversity of the Board of Directors: three (3) non-Japanese Directors, two (2) female Directors
2. The execution of business and supervisory function: two (2) executive Directors; seven (7) non-executive Directors
3. Internal Directors and Outside Directors: three (3) internal Directors; six (6) Outside Directors

The Board of Directors is also structured appropriately to utilize the skills of each individual Director, so that there is no excess or deficit in any area, as shown below.

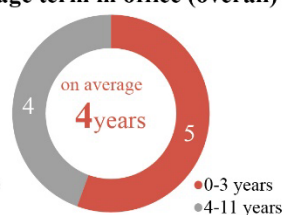
Name			Position to be assumed
*Executive Director			
Timothy Andree			Director Non-Executive Chairman of the Board
Hiroshi Igarashi*			Director Representative Executive Officer, President & Global CEO
Arinobu Soga*			Director Representative Executive Officer, Executive Vice President, Global Chief Governance Officer & Global Chief Financial Officer
Gan Matsui	Outside Independent	Audit Committee (Chair) Nominating Committee	Director
Paul Candland	Outside Independent	Nominating Committee Compensation Committee	Director
Andrew House	Outside Independent	Compensation Committee (Chair)	Director
Keiichi Sagawa	Outside Independent	Nominating Committee (Chair) Audit Committee	Director
Mihoko Sogabe	Outside Independent	Audit Committee Compensation Committee	Director
Yuka Matsuda	Outside Independent	Audit Committee	Director

Name	Skills						
	Business	Finance	Audit	Legal	Human	Global	Digital
	Management	/Accounting		/Compliance	Resources	Management	Business
Timothy Andree	○					○	○
Hiroshi Igarashi*	○					○	○
Arinobu Soga*	○	○	○			○	
Gan Matsui			○	○	○		
Paul Candland	○					○	○
Andrew House	○		○			○	○
Keiichi Sagawa	○	○	○			○	○
Mihoko Sogabe		○	○				
Yuka Matsuda		○	○	○			

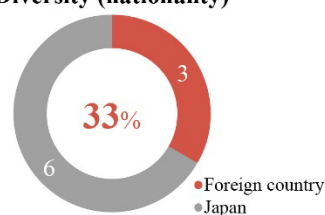
Outside Directors



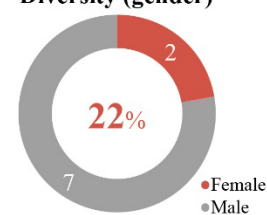
Average term in office (overall)



Diversity (nationality)



Diversity (gender)



[Reasons for Selection as a Skill Set that will Contribute to the Management Structure and Enhancing Shareholder Value]

Business Management	Directors with experience and achievements in business management are necessary to exercise appropriate “business judgement” amid dramatic changes in the Group’s environment, including the rapid advance of globalization and digitalization, and further the sustainable growth of the Group’s corporate value.
Finance /Accounting	Directors with strong knowledge and experience in the finance and accounting fields are necessary not only to ensure accurate financial reporting but also to build a solid financial base, and to realize capital policy to promote growth investment to sustainably enhance corporate value and achieve stronger shareholder returns.
Audit	Directors with strong knowledge and experience in the audit field are necessary to ensure sound and sustainable growth, and to achieve highly transparent financial reporting and establish governance systems to fulfill social trust.

Legal/Compliance	Risk management based on laws and compliance is the foundation for the Group's continued growth. Directors with strong knowledge and experience in the legal and compliance fields are necessary to strengthen the supervisory function of the Board of Directors.
Human Resources	The Group's greatest resource is people. Directors with strong knowledge and experience in the human resources, labor and personnel development fields are necessary to enable the Group's 71,000 employees to make maximum use of their abilities to contribute to the Company's development.
Global Management	For the Group, with businesses spread over more than 145 countries and regions, Directors are necessary who have actual business experience overseas and abundant knowledge and experience in domains such as overseas lifestyles, cultures and business environments.
Digital Business	Radical business transformation centered on digital technology is vital for the Group's business growth. Directors with strong knowledge and experience in the digital business domain are necessary.

Response to the Antimonopoly Act Violation and Progress of Mindset and Behavior Reform

Introduction

On February 28, 2023, the Company had a criminal complaint filed against it by the Japan Fair Trade Commission and was indicted by the Tokyo District Public Prosecutors Office for an alleged violation of the Antimonopoly Act in connection to the bidding for the test events of the Tokyo 2020 Olympic and Paralympic Games.

The Company would like to sincerely apologize for the enormous trouble and concern this incident has caused to its shareholders and all other stakeholders. The Company has established the dentsu Japan Reform Committee, implemented Mindset and Behavior Reform, and is engaged in Group-wide efforts to prevent recurrence.

At the trial currently underway, the Company has admitted that there was unreasonable restraint of trade in the general competitive bidding for test event planning services.* The Company regards this fact very seriously and is engaged in implementing Mindset and Behavior Reform, composed of 17 initiatives to prevent recurrence, based on the recommendations of the Investigation Report prepared by outside experts.

*On the other hand, the Company presently considers that there was no unreasonable restraint of trade related to the implementation of test events or main event operations business, which were based on negotiated contracts.

Investigation of Causes and Efforts to Prevent Recurrence

On February 14, 2023, the Company established a special committee composed of three independent Outside Directors. On February 28, 2023, an Investigation and Review Committee consisting of three outside experts was established under the Special Committee. The Investigation and Review Committee has conducted an investigation into the current case in order to determine the causes and make recommendations for the future.

Subsequently, at the meeting of the Company's Board of Directors held on June 9, 2023, the Company received the Investigation Report by the Investigation and Review Committee through the Special Committee. The Group regards the content and recommendations of the Investigation Report very seriously and will work to prevent the recurrence of any incident arising from issues of organizational culture, compliance, the fairness of business processes, or transparency.

Establishment of the dentsu Japan Reform Committee

In May 2023, the Company has established the dentsu Japan Reform Committee with the aim of fulfilling its responsibility to all stakeholders by reforming its approach to work. Representative Executive Officer, President & Global CEO Hiroshi Igarashi has been appointed to chair this committee.

Member		Responsibility
Chair	Hiroshi Igarashi Representative Executive Officer, President & Global CEO, dentsu	Project lead, Reporting to the Board of Directors
Vice-chair	Arinobu Soga Representative Executive Officer, Executive Vice President, Global Chief Governance Officer & Global CEO, dentsu	Assisting the Chair, Implementation of the reform
Outside Member	Toshihiko Itami, Attorney-at-Law	Advisory
Outside Member	Genta Yoshino, Attorney-at-Law	Advisory
Outside Member	Yasuo Daito, Attorney-at-Law	Advisory
Member	Tadashi Nagae Global Corporate Secretary & Deputy Global General Counsel, dentsu	Implementation of the reform
Leader	Takeshi Sano CEO, dentsu Japan	Drafting the initiatives, Reporting the progress to the committee
Leader/ Secretariat Head	Yoshimasa Watahiki COO, dentsu Japan	Drafting the initiatives, Reporting the progress to the committee, Operation of the committee

Three outside attorneys participate in the committee as advisors to incorporate external perspectives. Mr. Itami is also a member of the Investigation and Review Committee, and provides advice from the perspective of ensuring the effectiveness and consistency of this reform. The dentsu Japan Reform Committee has engaged in discussions at least 20 times in total since its establishment in May 2023. The content of these discussions is regularly reported to the Board of Directors.

Overview of the Mindset and Behavior Reform

The Group will pursue reforms centered on three pillars, aiming to raise awareness of social responsibilities and improve transparency, as well as clarify the rules and processes that must be followed.

- ▶ Establishment of an organizational culture that ensures proper corporate activities
 - Realizing a working situation where integrity is prioritized
 - Reform of the personnel system, etc.
- ▶ Strengthening of the risk management system and legal/compliance functions
 - Appropriate management of whistleblowing systems
 - Enhancement of organizational legal and compliance systems, etc.
- ▶ Introduction of business processes that ensure fair and transparent transactions
 - Establish various guidelines and consultation service
 - Establish and enforce secondment rules, etc.

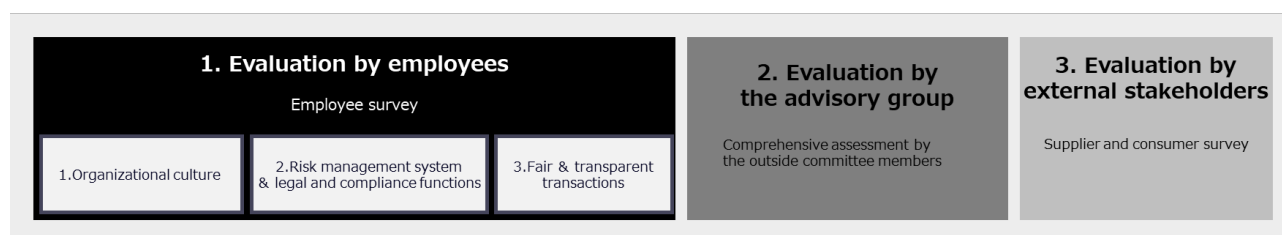
Reform KGIs/KPIs

The Group establishes three key goal indicators (KGI) to measure the progress of the reform. Many items in these KGIs are difficult to quantify, such as improving the organizational culture, but the Group intends to make a comprehensive assessment with the help of external perspectives as well.

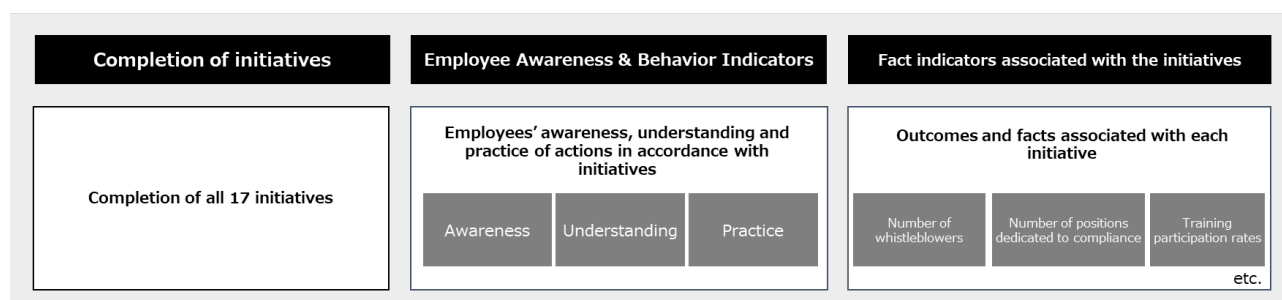
- The first is an evaluation on the reform by employees. In November 2023, a survey of all employees of dentsu Japan was undertaken to ascertain the current situation. The results of this survey showed that awareness of the reform exceeded 90% and approximately 70% of employees considered the reform necessary. In February 2024, the second employee survey was conducted. To promote the reform, it is vital that employees see it as their own business, and the Group will proceed to confirm the achievement of its initiatives through the implementation of regular employee surveys.
- The second is a monitoring evaluation by the advisory group. The three outside members participating in the dentsu Japan Reform Committee will make a comprehensive assessment of the initiatives.
- The third is an evaluation by external stakeholders. The Company has set the improvement of its image, as reflected in surveys of business partners and consumers, as a KGI.

The Company will also track specific factual indicators such as progress on the 17 initiatives, details of the employee surveys, and trends in the number of whistleblower reports, as key performance indicators (KPI) that measure progress on its measures.

KGI



KPI



Progress on the Mindset and Behavior Reform

Since launching the reform, the Company has commenced implementation of all of the three pillars and 17 initiatives. Regarding the first initiative, "Establishment of an organizational culture that ensures proper corporate activities," the Company will continue to reiterate Dentsu Group Code of Conduct and will also implement a continuing series of meetings with all employees, small-group workshops, etc., to facilitate dialogue between management and employees.

Regarding the second initiative, "Strengthening of the risk management system and legal/compliance functions", the Company has introduced the companywide whistleblower system "Speak Up@dentsu" into each dentsu Japan company and created environments that facilitate consultation by employees. The Group is engaged in concrete actions, appointing a person responsible for compliance and a compliance manager, who will undertake the promotion of thorough compliance awareness and the Mindset and Behavior Reform throughout business sites.

Regarding the third initiative, “Introduction of business processes that ensure fair and transparent transactions,” the Company has progressively formulated guidelines to be followed by the employees and has already established sports business guidelines and guidelines for the prevention of fraudulent bidding. Going forward, the Company will ensure the thorough operation of these guidelines.

The Company will continue to provide regular reports on the progress of the Mindset and Behavior Reform.

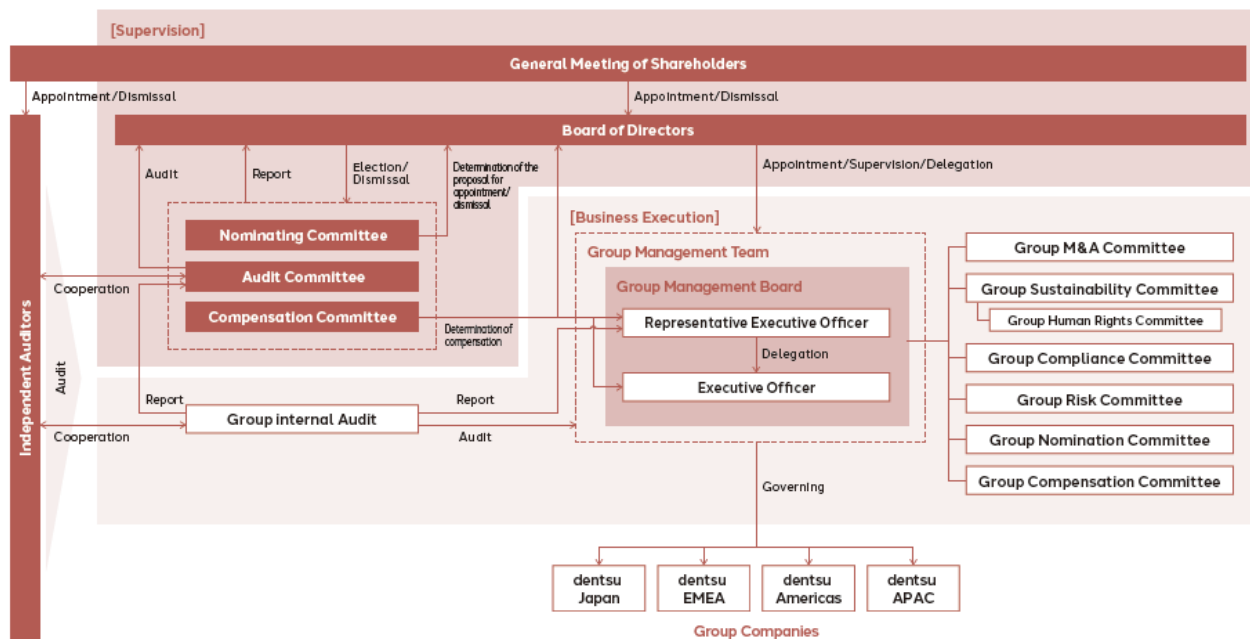
Reference

Corporate Governance Structure

The Company transitioned to a company with a nominating committee, etc. through the approval of a proposal to amend the Articles of Incorporation at the 174th Ordinary General Meeting of Shareholders held on March 30, 2023. The corporate governance structure as of January 1, 2024 is as follows.

Corporate governance structure

As of January 1, 2024



Board of Directors (met 14 times in FY2023)

The Company is a company with a nominating committee, etc., and promotes swift and decisive management decisions by transferring authority regarding business execution from the Board of Directors to Executive Officers. This strengthens the supervisory function provided by the Board of Directors, which is composed of a majority of independent Outside Directors, and enhances the effectiveness of auditing and internal control, in an attempt to enhance corporate value.

Under the Chairman, a non-executive director, the Board of Directors is composed of ten (10) Directors, including six (6) independent Outside Directors, as of December 31, 2023. It is based on the consideration of a balance of factors such as experience, insight, and abilities, diversity in terms of gender, nationality, career, and age, and includes independent outside directors who have management experience at other companies.

Evaluating the Effectiveness of the Board of Directors

In order to continuously enhance the effectiveness of the Board of Directors, the Company conducts an annual evaluation of the effectiveness of the Board of Directors by all directors, based on an analysis and assessment of the effectiveness and appropriateness of management oversight by the Board of Directors by an independent third party. The Company is working to further strengthen corporate governance by confirming the



status of improvement of issues identified in the FY2022 evaluation, as well as new issues and directions to be taken in the future, and by implementing specific measures to improve the effectiveness of the Board of Directors.

I Methodology for Evaluating Effectiveness in FY2023

For the FY2023 evaluation, as in FY2022, an independent third-party evaluation organization prepared survey items and distributed and collected surveys for all directors and some Group Management Team Members. In addition, based on the results of the surveys, interviews were conducted with all directors and some Group Management Team members.

The results were collected and reviewed by a third-party organization and compiled into a report, and the content was explained by the third-party organization and discussed at the Board of Directors meeting held in January 2024.

(1) Results of initiatives in FY2023 to improve the effectiveness of the Board of Directors

January 2023	Appointed the Chief Governance Officer
February 2023	Held an informal board meetings to discuss the board's key agenda and annual agenda
March 2023	Transitioned to a company with a nominating committee, etc.
July to September 2023	Discussions were held on Mindset and Behavior Reform, medium-term management plan, long-term business portfolio, human capital investment, and introduction of an operating model.
September 2023	Held a Board of Directors meeting at the New York office. Meetings with directors and global leadership.
November 2023	Announcement of new management structure for FY 2024 and introduction of "One dentsu Operating Model," a common global business management model (effective January 1, 2024)

(2) Evaluation method for FY2023

(i) Surveys (for all directors and some Group Management Team members)

An anonymity-secured survey was conducted prior to interviews

(ii) Third-party interviews (for all directors and some Group Management Team members)

Interviews were conducted to obtain candid opinions while ensuring anonymity

(iii) Opinion exchange meeting (for all directors)

Discussions were held with third-party organizations at the Board of Directors meeting to exchange opinions on the issues identified from the surveys and interviews

(3) Main question topics in FY2023 questionnaire and interviews

* Items in the survey (11 items, 76 questions)

- (i) Overall evaluation (effectiveness as a whole, functioning of the monitoring model after the change in institutional design, transparency, fairness, and rationality of decision making) (3 questions)
- (ii) Strategic alignment and engagement (management strategy, capital policy, business portfolio review, ESG response, business risk, dialogue with shareholders, etc.) (12 questions)
- (iii) Composition and structure of the Board of Directors (total number of directors, independence ratio, succession plan, skill set, etc.) (5 questions)
- (iv) Board processes and practices (board operations, institutional design, deliberation topics, training, etc.) (8 questions)

- (v) Management oversight functions (monitoring business activities, risk management, global governance structure) (10 questions)
- (vi) Culture and dynamics of the board of directors (2 questions)
- (vii) Nominating Committee (10 questions)
- (viii) Compensation Committee (10 questions)
- (ix) Audit Committee (11 questions)
- (x) Issues from the FY2022 effectiveness assessment (4 questions)
- (xi) Other (1 question)

II Results of Analysis and Summary of Evaluation

In response to the Tokyo 2020 Olympic and Paralympic Games incident that occurred in FY2022 and the financial issue in the DACH region, we recognize with a sense of urgency that strengthening internal controls and transparent disclosure are essential to restore stakeholder confidence and enhance corporate value. In order to continuously strengthen the corporate governance structure of the dentsu Group and to achieve sustainable growth and increase corporate value, we will disclose below the results of the evaluation for FY 2023, the issues based on the results of the evaluation, and the policy for addressing those issues.

(1) Summary of FY2023 evaluation results, issues from FY2022 and progress in FY2023

The evaluation for FY2023 confirmed the sincere efforts of the Board of Directors to upgrade its corporate governance structure in order to regain the trust of stakeholders. Among other things, the evaluation confirmed the high regard for the open and active discussions at the Board meetings, the time and emotional commitment of each Board member, and the leadership of the Chairman in fostering a forward-looking culture. On the other hand, it was also confirmed that, in light of the high number of risk incidents and the inability to halt the deterioration of business performance, it will be necessary to take measures to get to the root causes of the problems and to reconsider the monitoring of execution.

The status of efforts to address issues (i) through (iv) below, which were identified in the analysis and evaluation for FY2022, and the Company's recognition of this status are as follows.

(i) Deliberation on important agenda items and the determination of direction based on the long-term vision and strategies

While confirming the progress of the medium-term management plan, it was confirmed that the executive side presents specific considerations regarding the long-term vision and strategy to the Board of Directors and careful and active discussions are held at the Board of Directors' meetings.

(ii) Establishment of common frameworks for effective monitoring

It was confirmed that while under the new board structure, efforts are being made to align the point of view of supervisory and executive sides of the board, the appropriate sharing of management information with the Board and the establishment of a method for monitoring execution by the Board of Directors remain issues that require ongoing efforts.

(iii) Consideration of the approach to monitoring after the transition to the One Management Team

It was confirmed that although the formalities related to the One dentsu Management model are in place, PDCA management to strengthen the operations is important in order to ensure its substantive aspects.

(iv) Consideration regarding changes to organizational design

It was confirmed that although the change in the organizational design (from a company with an audit

and supervisory committee to a company with a nominating committee, etc.) and the transition of the management structure went smoothly, it is necessary to keep in mind that transition is not a goal, and efforts should be made to strengthen the substantive aspects of operations, including internal controls and internal audits.

(2) Initiatives for future improvement

Based on the evaluation described in (1) above, the issues to be prioritized by the Board of Directors and our policy for addressing each issue are as follows, in order to achieve the operation of One dentsu with both supervision and execution, and to lead the entire Group to sustainable growth and increase in corporate value while solving the issues at hand.

(i) Establishment of a Group Global Governance Structure

Our Policy for Initiatives: In order to promote the appropriate operation of One dentsu and the establishment of a structure, secure global human resources to support the global headquarters functions, strengthen internal controls, and effectively promote the Mindset and Behavior Reform.

(ii) Accelerate strategic discussions on business portfolio optimization

Our Policy for Initiatives: In order to promote strategic divestiture and portfolio optimization of businesses, the Board of Directors will discuss the progress of past M&A and business restructuring.

(iii) Strengthening monitoring of execution by the Board of Directors

Our Policy for Initiatives: Align the perception of supervisory and executive sides on the roadmap and milestones for addressing execution issues, clarification of KPIs to be monitored, and the content and methods of reporting at board meetings.

(iv) Improve quality of materials suitable for discussion at board meetings

Our Policy for Initiatives: Examine ways to prepare and present materials suitable for discussion from a supervisory perspective at the board meetings.

By promoting the above efforts, we will continue to enhance the effectiveness of our Board of Directors, and further strengthen our corporate governance.

Nominating Committee (met 10 times in FY2023, including once as the Nomination Advisory Committee)

<Composition>

Chaired by a voting independent Outside Director and composed of three (3) voting members, of whom two (2) are independent Outside Directors and one (1) is an internal Director, for a total of four (4) members.

<Results of activities>

The Committee deliberates on the nomination and succession planning of Directors and Executive Officers, and decides on matters related to Directors. Matters related to Executive Officers are deliberated and reported by the committee before being submitted to the Board of Directors for decision.

After the transition to a company with a nominating committee, etc. on March 30, 2023, the committee met nine (9) times during the period until December, 2023.

Main agenda deliberated during FY2023 were as follows.

- Role, operating policy, and main themes of the Nominating Committee
- Nomination and succession planning policies for Directors
- Nomination and succession planning policies for Executive Officers

<Policies on nomination and succession planning>

(i) Nomination policy

- Appropriately nominate human resources who will contribute to medium- to long-term sustainable growth and enhance the corporate value of the Dentsu Group, taking account of the Group's management environment
- Select from among the candidates with management knowledge, experience and ability, to compose a management team with a balance of diversity and expertise, that will strengthen the competitiveness of the Dentsu Group and swiftly embody innovation
- Nominate Directors and Executive Officers of the Company for FY2024

(ii) Succession planning policy

- Create a succession plan for Directors and Executive Officers of the Company
- Establish the requirements and priorities, taking account of the Group's management environment, for each relevant position (or group of positions), and consider successors based on these requirements and priorities
- Implement discussions regarding human resources (People Discussions) in the executive team at each division to visualize promising human resources, and consider personnel development plans. Hold discussions based on the information examined through these activities at meetings of the Nominating Committee.
- For some positions, promote searches for candidates outside the Group, in addition to selecting and developing internal candidates, to expand the pool of potential candidates.

Audit Committee (met 14 times in FY2023, including 4 times as the Audit and Supervisory Committee)

<Composition>

The Audit Committee is composed of four (4) independent Outside Directors selected by a resolution of the Board of Directors. (Three (3) of these independent Outside Directors possess substantial knowledge concerning finance and accounting.)

The Audit Committee has resolved to appoint one (1) Chair from among its members.

<Results of activities>

The Audit Committee audits the execution of duties by the Directors and Executive Officers based on the provisions of the Companies Act. It also plays a key role on the supervisory function performed by the Board of Directors. The committee's basic policy is to assist in fulfilling the Board's supervisory responsibility by monitoring and supervising financial reporting, internal controls, internal auditing, and accounting audits.

After the transition to a company with a nominating committee, etc. on March 30, 2023, the committee met ten (10) times during the period until December, 2023.

Audits from January 1, 2023 to March 30, 2023, prior to the conclusion of the 174th Ordinary General Meeting of Shareholders, were implemented by the Audit and Supervisory Committee. The Audit Committee took over and verified the content of these audits.

Key audit matters for the Audit Committee are as follows.

- Construction and operating status of the system of internal controls (including internal controls associated with financial reporting)
- Status of internal auditing
- Status of auditing at Group companies
- Appropriateness of audits by the Accounting Auditor

- Initiatives to strengthen the compliance framework

Compensation Committee (met 11 times in FY2023, including 3 times as the Compensation Advisory Committee)

<Composition>

Chaired by a voting member and composed of two (2) other voting members for a total of three (3) members, all of whom are independent Outside Directors.

<Results of activities>

The Committee deliberates and decides on compensation for Directors and Executive Officers. After the transition to a company with a nominating committee, etc. on March 30, 2023, the committee met eight (8) times.

Main agenda deliberated during FY2023 were as follows.

- Role and operating policy of the Compensation Committee
- Review of the basic policies on executive compensation
- Review of the market benchmarking method for executive compensation
- Establishment of targets, evaluation methods, etc. for performance indicators
- Establishment and interim review of individual performance targets for Executive Officers

<Basic policies on executive compensation>

- (i) Attract and retain outstanding talent by providing attractive total rewards and environment
 - Competitive pay
 - Career growth opportunities
- (ii) Achieve Group's strategic goals by maximizing the performance of the globally integrated management team
 - Pay for performance
 - Challenging goals
- (iii) Strengthen alignment with interests of shareholders and all other stakeholders
 - Creating value for society
 - Accountability

Group Sustainability Committee (met 4 times in FY2023)

The Company established a Sustainable Business Board (SBB) composed of senior management on March 31, 2021, based on a recognition of sustainability issues as central management themes. The Sustainable Business Board engaged in repeated discussions.

With the transition to a global management structure under the Group Management Team in January 2023, the Company launched the Group Sustainability Committee to succeed the SBB, under the direct control of the Group Management Board. The committee was chaired by Mr. Arinobu Soga, who was the Company's Director, Representative Executive Officer, Executive Vice President and Chief Governance Officer.

The Group Sustainability Committee is composed of 12 members including 2 Chief Sustainability Officers from diverse regions, who possess a wide range of expertise. At its meetings, held four times each year, the committee uses a range of diverse perspectives to confirm and evaluate progress against sustainability management promotion targets. Since 2022, progress on ESG performance, such as CO₂ emissions reduction and the proportion of female leaders, has been included among the components of the Group's executive incentive system.

In FY2023, the main agenda of the Group Sustainability Committee were as follows.

- Updating how the Dentsu Group addresses materiality (material issues) and its Value Creation Model

- Confirming progress toward net-zero CO₂ emissions by 2040 and methodology to further accelerate efforts
- Consideration of new targets concerning gender
- Human rights awareness system and human rights due diligence initiatives under the One Management framework
- Current evaluation by independent third-party evaluation organization and efforts to improve this evaluation

Other boards and committees related to the execution of business

The Company has established the Group Management Board, as an executive body under the Board of Directors. Group Management Board is composed of the President and three (3) executive vice presidents. All of these are members of the Group Management Team that directly controls business operations across four regions worldwide. The Group Management Board deliberates (including deliberation in preparation for submission to the Board of Directors) and decides on important matters including budgets, the settlement of accounts, dividend, results forecasts, M&A and investment-related activities, Midium-term Management Plan, major personnel matters, and the establishment, revision, and abolition of major internal regulations.

In addition, the Company has established the Group M&A Committee, Group Sustainability Committee, Group Compliance Committee, Group Risk Committee, Group Nominating Committee and Group Compensation Committee as expert committees to deliberate on specific matters to ensure the soundness, transparency and efficiency of management, and enhance medium- to long-term corporate value.

Composition of the Company's meeting bodies and attendance at meetings in FY2023

(March 30 to December 31, 2023)

C: Chair M: Member

Meetings attended/
meetings held

Title	Name	Board of Directors	Nominating Committee	Audit Committee	Compensation Committee
Director, Chairman of the Board (Non-Executive Director)	Timothy Andree	C 10/10			
Representative Executive Officer, President & CEO	Hiroshi Igarashi	M 10/10	M 9/9		
Representative Executive Officer, Executive Vice President & CGO	Arinobu Soga	M 10/10			
Executive Officer & CFO	Nick Priday	M 9/10			
Independent Outside Director	Gan Matsui	M 10/10	M 9/9	C 10/10	
	Paul Candland	M 10/10	M 9/9		M 8/8
	Andrew House	M 10/10			C 8/8
	Keiichi Sagawa	M 10/10	C 9/9	M 10/10	
	Mihoko Sogabe	M 10/10		M 10/10	M 8/8
	Yuka Matsuda	M 10/10		M 10/10	

Information Related to Corporate Governance (as of January 1, 2024)

Board of Directors

Principle 4.8 (Effective Use of Independent Directors)	Proportion of independent Outside Directors	6 of 10 (60.0%)
Principle 4.11 (Preconditions for Board and <i>Kansayaku</i> Board Effectiveness)	Proportion of Directors who are female	2 of 10 (20.0%)
	Proportion of non-Japanese Directors	4 of 10 (40.0%)

Audit Committee

Principle 4.8 (Effective Use of Independent Directors)	Proportion of independent Outside Directors	4 of 4 (100%)
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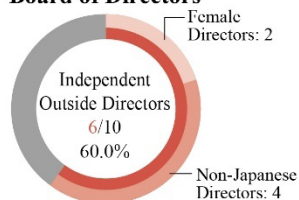
Nominating Committee

Principle 4.8 (Effective Use of Independent Directors)	Proportion of independent Outside Directors	3 of 4 (75.0%)
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Compensation Committee

Principle 4.8 (Effective Use of Independent Directors)	Proportion of independent Outside Directors	3 of 3 (100%)
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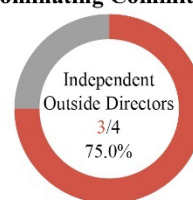
Board of Directors



Audit Committee*



Nominating Committee*

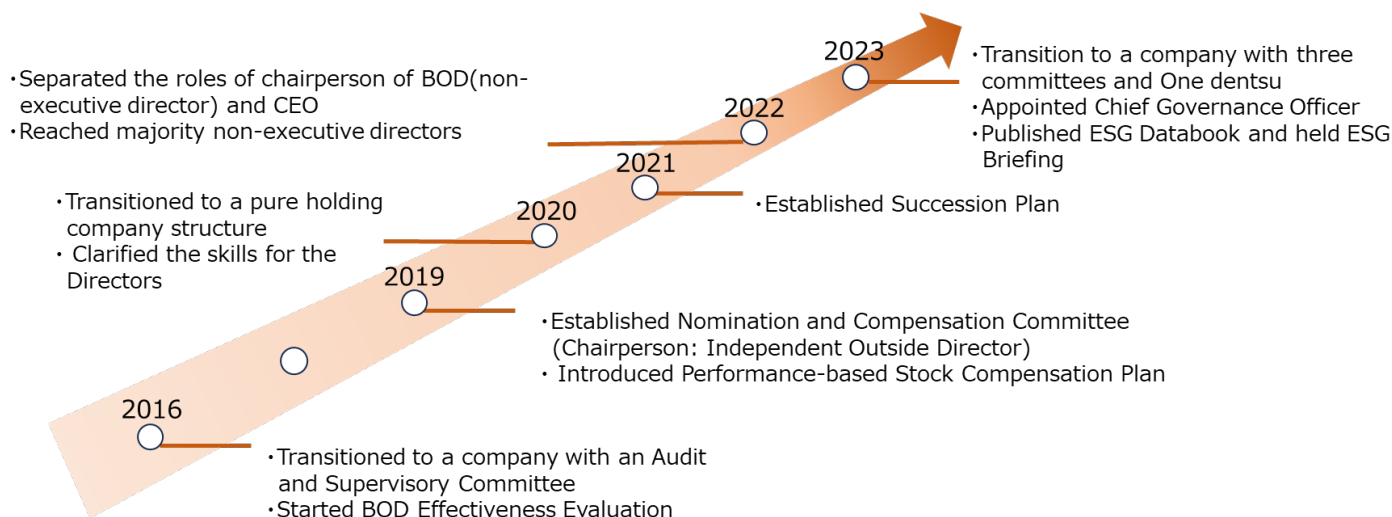


Compensation Committee*



*Chair: Independent Outside Director

Corporate Governance Evolution



Policy on the Disposal of Strategic Shareholdings and Actual Reductions

The Company's basic policy regarding so-called strategic shareholdings is to validate whether shareholdings are meaningful from perspectives such as whether the benefits of holding the shares are higher than the Company's anticipated cost of capital, and whether the stock ownership contributes to the maintenance and enhancement of the business relationship with the investee company and the promotion of collaboration, and to reduce individual shareholdings where they are not deemed meaningful.

Accordingly, each year the Board of Directors examines the purpose and economic rationale for each and every strategic shareholding from a medium- to long-term perspective, and assesses the appropriateness of continuing to hold each stock.

Last year, the Company sold 17 strategic shareholdings with a total value of approximately 13.0 billion yen in accordance with this basic policy.

As of December 31, 2023, the ratio of the amount of strategic shareholdings on the balance sheet to the Company's total equity was 9.2%.

People strategy to “unleash the power of our people”

Human capital is the greatest asset of the Dentsu Group, and the Group aims to boost the capabilities of the organization and each individual by creating an environment where diverse human resources will connect and learn together, combining their expertise. Since January 2023, the Group has built a global human resources leadership framework under the newly-appointed chief human resources officer (CHRO) to achieve this aim. Specifically, under its human resources mission statement “coming together to unleash the power of our people,” the Group established a human resources strategy built on three pillars, 1) People Growth, 2) Winning as One Team, and 3) HR Partnership Excellence, and is pursuing a range of activities.

1. People Growth

We believe that our approach to leadership is the key to accelerating personal and organizational growth, and we position it at the center of our strategy. The influence of a leader's behavior can drastically alter the performance of an organization. For this reason, it is vital for us to identify and develop the leadership needed to drive dentsu's vision, and we have so far engaged in the following activities to achieve this. First, we have defined the dentsu Leadership Attributes, our requirements for leadership, which we promote as the guidelines for the future selection, evaluation, and development of human resources. We are also engaging in what we call People Discussions within

each division based on the Attributes, while progressively visualizing key human resources investments and discussing human resources development policies Group-wide. By carrying out these activities on an annual cycle, we aim to renew the human resources pool regularly each year and build systems for appropriate investment and succession planning.

To maximize the potential of the human resources we have visualized, we provide challenging work experiences that stretch the abilities of our personnel in diverse global environments and training programs that broaden their skills and horizons. These include, for example, next-generation leader training programs featuring a partnership with a top business school while also pursuing dentsu's unique qualities, as well as programs for the global expansion of client solutions, which are among the strengths of our Japan business.

We also promote skills enhancement and reskilling for a broad range of employees to achieve the Group's growth goals. We have established online learning platforms that meet every need and level of learning, from data and marketing to the liberal arts that foster creativity. Through these initiatives, the Group is strengthening its talent in Customer Transformation & Technology (CT&T), with new and expanded skill sets both in and outside of Japan. At the same time, we aim to give our employees more career options to facilitate long-term careers. To lay the foundation, we have been introducing Career Framework, a framework with a standardized global job architecture and levelling, and rolling it out Group-wide, starting from Japanese top management in 2023. This foundation will enable our employees to clearly envision their potential careers within the Group and facilitate career enhancement across different regions and Group companies, enhancing their motivation to grow.

2. Winning as One Team

The strength of the Dentsu Group lies in its ability to multiply the diverse and unique power of individuals. We believe that this is the source of our distinctive creativity. To maximize this strength, we aim for collaboration between a global network of human resources, all striving towards the same goal: in other words, we aim to be One Team. We are focused on activities related to culture and Diversity, Equity & Inclusion (DEI), which will provide the groundwork for this. We see "integrity" as the basis of all our efforts, and we aim to nurture a culture of freedom and responsibility based on integrity.

As our first step to diversity, we focus primarily on our diversity in terms of factors such as gender and nationality as a global company. We have set a quantitative target of 45% female leaders by 2030, and we have incorporated this target into the KPIs for executive compensation to enhance the management team's commitment to achieving it. At the same time, we are developing an environment in which talent can play an active role regardless of nationality. We are developing opportunities for talent exchanges within the Group, as well as a global policy facilitating smoother talent movement. From 2024, DEI has been placed under the control of the human resources division. This will enable us to build systems for promoting DEI in close coordination with other human resources initiatives.

Engagement is also a key element in the creation of a corporate culture where employees can work together with a positive attitude. Each year, we survey employee satisfaction and degree of recommendation to calculate engagement scores and share issues on a companywide and division-wide level. So far, these surveys have indicated room for improving communication with management and the clarity of management messages, and we have accordingly established numerous opportunities for communication and interaction. Meanwhile, recent engagement surveys have indicated a relatively high level of integrity and compliance awareness among individuals. We regard this as a positive opportunity and we will strive to further raise awareness and acknowledgement.

We are also engaged in ongoing efforts to reform the work environment, creating environments where employees can play a full and active part. In addition to the ongoing support of flexible work styles, we have launched multi-faceted measures including providing two to four days of special paid leave per year in each region and support in the acquisition of certification for mental health first aid providers.

3. HR Partnership Excellence

When implementing our human resources strategy to promote “People-centered Transformation,” we require our people to build the best possible partnerships with the business. To this end, we aim to enhance the expertise and productivity of our people to support management strategy and decision-making both as individuals and as an organization. Specifically, we are boosting our organizational capabilities through the establishment of a global structure integrating HR business partners (HRBPs), who work closely with management and businesses, and Centers of Excellence (COEs), composed of specialized teams for talent management, compensation design, etc. We continue to invest in HR data and HR systems that support these activities. Most recently, we have especially focused on improving data precision and establishing Group-wide data items. These initiatives enable us to integrate the information previously scattered between various regions and companies, and we are progressively establishing a platform that will contribute to Group-wide strategic decision-making.

We are also engaged in initiatives to boost the capabilities of the HRBPs who directly support our businesses. Most recently, we have revised the deployment of HRBPs in line with our new business operating model, aiming to achieve a structure that enables them to respond more closely to business needs. Meanwhile, we are also trialing the introduction of the HRBP function in Japan, and we will work to strengthen support for the Japan region, the largest base in the Group.

Our efforts to improve the efficiency of everyday business duties are also continuing. We are progressing with the optimization and automation of processes for labor-intensive operational duties and the utilization of shared services in regions where they are highly cost-efficient. We intend to revise processes and systems for operations that would benefit from overall optimization, aiming for global integration and standardization while also taking regional differences into account as we work to further enhance productivity.

Business Report

(From January 1, 2023 to December 31, 2023)

I Items Pertaining to the Current State of the Corporate Group

1. Business Progress and Results

(1) Business progress and results

The outlook for the global economy in 2023 remained uncertain due to the protracted Russian invasion of Ukraine, worldwide inflation and monetary tightening by central banks in various countries to deal with this, and financial instability caused by the failure of some financial institutions in the United States.

Under such circumstances, for the business results during the fiscal year 2023 (from January 1 to December 31, 2023), the Group recorded net revenue of 1,144,819 million yen (2.3% increase year on year), and net revenue organic growth (internal growth rate factoring out the effects of foreign exchange rates and acquisitions) was negative 4.9%. Due to factors such as higher expenses associated with rising prices and the post COVID-19 recovery, as well as an increase in personnel expenses due mainly to an increase in personnel, underlying operating profit was 163,515 million yen (20.0% decrease year on year), operating margin was 14.5% (18.4% for the previous fiscal year), and underlying net profit attributable to owners of the parent was 89,839 million yen (31.3% decrease year on year). Due to recognition of impairment loss, operating profit was 45,312 million yen (61.5% decrease year on year), and net loss attributable to owners of the parent was 10,714 million yen (net profit of 59,847 million yen for the previous fiscal year).

Profit distribution from the Content business, which had been presented under “Other income,” has been included in “Revenue” in this reporting period. Moreover, amortization of long-term prepaid expenses, etc., which had been presented under “Other expenses” as expenses related to the said profit distribution, has been included in “Revenue” as a deduction item of revenue. Accordingly, the figures for the previous year have been retrospectively adjusted to reflect this change in presentation. In addition, as a result of conclusion of an agreement to sell the Russia business in November 2022, operating profit/loss related to the Russian business arising until the completion of the sale is not included in the underlying operating profit for the reporting period as a one-off factor. Accordingly, for the previous year, the operating profit/loss relating to the Russian business, which was included in underlying operating profit in the previous year, has also been eliminated.

Underlying operating profit is a profit indicator to measure recurring business performance which is calculated as operating profit added with M&A related items and one-off items.

M&A related items: amortization of purchased intangible assets, acquisition costs, and share-based compensation expense issued following the acquisition of 100% ownership of a subsidiary.

One-off items: items such as business restructuring costs, impairment loss, and gain/loss on sales of non-current assets.

Underlying net profit attributable to owners of the parent is an indicator to measure recurring net profit attributable to owners of the parent which is calculated as net profit (attributable to owners of the parent) added with adjustment items related to operating profit, change in fair value of contingent considerations (gain/loss on revaluation of earnout liabilities), remeasurements of share purchase liabilities (gain/loss on revaluation of M&A related put-option liabilities), tax-related, NCI profit-related and other one-off items.

(Note) An earnout is a contractual provision stating that only a certain portion of the total purchase price is to be paid at the time of the acquisition and the remaining portion is to be payable to a later date according to the future actual results of the acquired business.

(2) Record of Income for Reportable Segments

1) Japan

The advertising market saw some weakness, but the Customer Transformation & Technology (CT&T) grew robustly, leading to net revenue organic growth of 1.6% and net revenue of 448,998 million yen (1.8% increase year on year). Underlying operating profit was 103,440 million yen (2.1% decrease year on year) and the operating margin was 23.0% (23.9% for the previous fiscal year) due to factors such as higher expenses associated with rising prices and the post-COVID-19 recovery, as well as an increase in personnel expenses due mainly to an increase in personnel.

2) Americas

The Americas saw a net revenue organic growth of negative 7.2%. By major markets, Canada and Latin America (Latam) performed strongly, but results were severe in the United States and elsewhere. Net revenue in the Americas was 322,078 million yen (1.6% increase year on year), underlying operating profit was 73,030 million yen (7.1% increase year on year), and the operating margin was 22.7% (21.5% for the previous fiscal year), all improving year on year on the back of the overall shift in exchange rates toward a weaker yen, as well as M&A activities.

3) EMEA (Europe excluding Russia, the Middle East, and Africa)

In EMEA, the net revenue organic growth rate was negative 10.9%, due mainly to the one off financial impact in the DACH (Germany, Austria, and Switzerland) cluster. By major countries, Spain and the Netherlands performed strongly, but results were severe in markets such as the United Kingdom, Switzerland, Germany, and France. Net revenue in EMEA was 237,523 million yen (2.0% increase year on year), improving year on year on the back of the overall shift in exchange rates toward a weaker yen, as well as M&A activities. However, underlying operating profit was 24,238 million yen (53.3% decrease year on year), and the operating margin was 10.2% (22.3% for the previous fiscal year) due to factors such as the one-off financial impact from DACH, higher expenses associated with rising prices, and the post-COVID-19 recovery.

4) APAC (Asia Pacific excluding Japan)

The net revenue organic growth rate in APAC was negative 8.2%. By major markets, Taiwan saw a strong performance, but results were severe in countries such as China, Australia, and India. Net revenue in APAC was 113,235 million yen (0.8% increase year on year) due to the overall shift in exchange rates toward a weaker yen, as well as M&A activities. However, underlying operating profit was 7,957 million yen (64.3% decrease year on year), and the operating margin was 7.0% (19.8% for the previous fiscal year) due to factors such as higher expenses associated with rising prices and the post-COVID-19 recovery, and severance charge.

2. Issues to be Addressed

(1) Expectations for achieving the Midium-term Management Plan and factors involved

Factors including the adverse results for FY2023 have meant that it will be difficult to achieve the commitments regarding organic growth rate and operating margin made under the current Midium-term Management Plan, which concludes in FY2024, although the Company is on track to achieve some of the commitments related to capital allocation and ESG. Specifically, a compound annual growth rate (CAGR) of 4% to 5% vs. 2021 was predicted for the organic growth rate though 2024, but the full-year result for

FY2023 is negative 4.9%, and the FY2024 forecast is around 1%, making it difficult to achieve this forecast. Likewise, the Company targeted an operating margin of 17% to 18% through 2023, reaching 18% in 2024, but the result was 14.5% for FY2023 and around 15% is forecast for FY2024.

Analysis of the factors responsible for the Group's results falling short of its commitments under the Medium-term Management Plan has revealed several internal factors in the Group itself, in addition to changes in the Group's external environment such as the decline in spending by finance and technology clients and intensifying competition from consulting firms, tech companies, and others. Specifically, the main factors include a growth strategy leaning heavily on acquisition instead of internal investment, delays in providing integrated solutions due to the siloed nature of the organizations that provide services, and delays in reforming the cost structure as business operations become more complicated and multilayered amid accelerating acquisitions. The Group has already commenced initiatives to address these factors under the "One Management Team," which was introduced in 2023.

(2) Focus management resources to return to organic growth

In light of this situation, we believe that what we need to do, especially in 2024, is to concentrate our management resources on organic growth by strengthening our core businesses.

The Group's strength is Integrated Growth Solutions that achieve topline growth for client companies by integrating the Group's diverse range of unique capabilities in the area where marketing, technology, and consulting converge. To advance this strength, we will focus on evolving assets already acquired and driving their integration with other capabilities.

To achieve this, we are introducing a globally consistent "One dentsu Operating Model" this year. Through this, we will establish a truly client-centric solution delivery structure, accelerate collaboration among regions and practices, and simplify operations and organizations in order to return to growth and improve profitability.

(3) Action Plan in FY2024

In order to achieve more solid organic growth, the Group has organized the actions that it will take in FY2024 into three tasks: "internal investment to realize Integrated Growth Solutions," "business portfolio review and enhancing financial discipline," and "restructuring of governance and internal controls."

1) Internal investment to realize Integrated Growth Solutions

First, to achieve sound business growth through "Integrated Growth Solutions", the core of the Group's business strategy, we will strengthen internal investments. Specific areas of investment include the data and technology area to provide highly accountable solutions, developing and acquiring talents to propose and execute Integrated Growth Solutions, and strengthening business operations and the enterprise platform, among others.

2) Business portfolio review and enhancing financial discipline

As it pursues its business strategy, the Group will refine its focus on specific business domains and markets based on the consistent strategy of One dentsu. The Group provides services through its proprietary network across over 140 countries worldwide. In this context, it will clarify the markets and services that it should focus on, in light of its strategy, and concentrate the investment of resources in these areas. Until now, the Group has actively pursued acquisitions in the Customer Transformation & Technology domain, aiming

to earn 50% of its net revenue from this domain. For the time being, we will focus on PMI and synergy generation using the assets already acquired, and enhance discipline in overall investment activities, including strengthening the monitoring system for performance trends and the contributions made to strategies. We will also work to transform our business portfolio, restructuring and reviewing unprofitable businesses and markets. In order to ensure financial discipline in carrying out these reforms and achieving sustainable business growth, we have decided to establish a Finance Committee, consisting mainly of outside directors, as an advisory body to the Board of Directors. The committee will assist in the promotion of business and the enhancement of financial governance through the formulation of disciplined financial strategies and policies, review of capital allocation, establishment of financial metrics from the perspective of shareholders, and monitoring of the implementation of these initiatives.

3) Restructuring of governance and internal controls

On February 28, 2023, the Company had a criminal complaint filed against it by the Japan Fair Trade Commission and was indicted by the Tokyo District Public Prosecutors Office for an alleged violation of the Antimonopoly Act in connection to the bidding for the test events of the Tokyo 2020 Olympic and Paralympic Games. The Company's dentsu Japan Reform Committee subsequently formulated the Mindset and Behavior Reform, based on the analysis of the incident's causes and recommendations submitted by the Investigation and Review Committee, composed of external experts. The Company's officers and employees are all working to prevent the recurrence of such an incident. (Please refer to "Response to the Antimonopoly Act Violation and Progress of Mindset and Behavior Reform" of this Notice of Convocation for details of the Mindset and Behavior Reform.) Meanwhile, the financial results in the DACH cluster were adversely impacted by a complex business transformation and systems integration. This resulted in the Group recognizing a one-off financial impact as previously reported. The impact was a result of a number of parallel transformation workstreams happening at the same time. This included changes to our People system, project management systems and finance systems. Adding to this complexity, DACH is a multi-market, multi-currency cluster. This resulted in the misalignment of certain business processes and systems. A comprehensive internal investigation has taken place, supplemented by a review conducted by external legal advisers and an accounting firm appointed by the Group's global general counsel and internal audit. Group internal audit has also assessed the case. The investigation presented root causes including inadequate project management and remediations. The Group believes that the risk of recurrence within DACH or other markets is limited and has been mitigated based on the investigation. The Group has already begun implementation of the recommendations within the report, including changes to the business processes and system improvements.

In addition to addressing these specific incidents, the Group will endeavor to restructure governance and internal controls. It is already pushing ahead with initiatives to strengthen this framework, such as appointing people responsible for global internal controls and risk. At the same time, it aims to create an organizational culture that prioritizes integrity through the Group-wide adoption of the Code of Conduct, a joint initiative by the management team and the Group's employees. Moreover, the continued implementation of the One dentsu operating model will simplify the organization to speed up decision-making, clarify responsibilities and delegate authority, leading to effective business operations and corporate activities based on robust business processes and governance to reduce recurrence risk.

The Group is also continuing to consider its optimal approach to the Company's listed subsidiaries, based on each company's strategic positioning. Appropriate reports will be made when this policy is decided.

(4) To improve shareholder value

Through these strategies and actions, we will ensure long-term shareholder value. First, we will improve profits and cash flow through organic growth and cost structure reforms. At the same time, we will strengthen our investment discipline and shift the investment balance from acquisitions to internal investments. In addition to this, we will optimize our balance sheet and improve capital efficiency through the review of our business portfolio and investment.

Although market conditions remain uncertain, we will continue to tirelessly transform our business to adapt to the new environment. Specific plans for business transformation, etc. will be announced later this year in the form of a new Medium-Term Management Plan.

3. Status of Financing

The Company procured 221.0 billion yen in loans from financial institutions during the period to November 2023 for the use of its early repayment and redemption of existing debt.

4. Status of Capital Investment

No special items reported.

5. Status of the Acquisition or Disposal of Other Companies' Shares and Other Equity

In March 2023, the Company, through its consolidated subsidiary Dentsu International Limited, acquired 100% of the equity interest in Omega CRM Consulting (headquartered in Madrid, Spain), a customer relationship management (CRM) consulting firm. In June 2023, the Company acquired 100% of the equity interest in Tag Worldwide Holdings Ltd. (headquartered in London, United Kingdom), which is engaged in digital creative content production and marketing personalization support globally.

In addition, in November 2022, the Company's Board of Directors resolved to sell the Company's interest in the local joint venture company responsible for the Group's Russia business to its local partner. This sale will be executed after approval is obtained from the Russian authorities.

6. Main Business Description of the Group

With the view that the future of our industry is an ever-greater convergence of marketing, technology and consulting, the Group is helping our clients achieve transformation and business growth by providing Integrated Growth Solutions through our global network. Integrated Growth Solutions are served by the integration of capabilities in marketing communications—in which the Group has long provided services—and the high-growth areas of consulting and technology (Customer Transformation & Technology). The Group leverages its deep insights into “people” and advanced data & technology, to provide its clients with business transformation consulting, branding strategy planning and implementation, sports and entertainment content services and other businesses.

7. Policy regarding the Exercise of the Board of Directors' Authority to Decide on Distribution of Surplus, etc.

Regarding matters provided for in each Item of Article 459, Paragraph 1 of the Companies Act, such as the distribution of dividends, etc., the Company has stipulated in the Articles of Incorporation that it may decide upon such matters by a resolution of the Board of Directors, unless otherwise provided for in the applicable laws and regulations.

During the period of the Midium-term Management Plan the Company, while paying attention to the stability of management and financial soundness, the Company will actively seize the changes and business opportunities in society brought about by the progress of digitalization of corporate activities and other factors, thereby contributing to the broad resolution of social issues, and aiming to further increase corporate value and shareholder value. The Company will endeavor to return profits to shareholders by appropriately allocating profits from these activities and enhancing intrinsic corporate value. In terms of our dividend policy, the Company will gradually increase the dividend payout ratio to basic underlying net income per share to 35% by FY2024.

Based on the renewed dividend policy, the payout ratio for FY2023 is targeted at 35% of underlying basic EPS. The year-end dividend for this year was resolved to be 61 yen per share at the meeting of the Board of Directors held on February 14, 2024, comprehensively taking into consideration factors such as the Group's financial performance. As the Company already paid 78.50 yen per share as an interim dividend, the annual dividend will be 139.50 yen per share.

The Company will continue to return profits to shareholders and improve capital efficiency while implementing flexible capital policies in response to changes in the business environment.

8. Main Business Offices of the Company

Headquarters (Minato-ku, Tokyo)

(Significant subsidiaries of the Company are as stated in "12. Status of Significant Subsidiaries.")

9. Situation of Employees of the Group

Number of Employees	Change from Previous Year-end
71,127 persons	Increase of 2,061 persons

(Note) The above number of employees indicates the number of working employees.

10. Major Lenders

Lender	Year-end Balance of Loans Payable
	(Millions of yen)
MUFG Bank, Ltd	90,000
Mizuho Bank, Ltd.	70,000
Sumitomo Mitsui Banking Corporation	45,000
Mizuho Bank, Ltd.	44,940 [GBP 250 million]
Norinchukin	14,084 [USD 100 million]

11. Changes in Assets and Profit and Loss Status

(1) Changes in the Dentsu Group's assets and profit and loss status

IFRS (International Financial Reporting Standards)

	172nd Term	173rd Term	174th Term	175th Term (the fiscal year under review)
	From January 1, 2020 to December 31, 2020	From January 1, 2021 to December 31, 2021	From January 1, 2022 to December 31, 2022	From January 1, 2023 to December 31, 2023
Revenue (Millions of yen)	939,243	1,085,592	1,246,401	1,304,552
Net revenue (Millions of yen)	835,042	976,577	1,119,519	1,144,819
Operating profit (Millions of yen)	(140,625)	241,841	117,617	45,312
Profit for the year (attributable to owners of the parent) (Millions of yen)	(159,596)	108,389	59,847	(10,714)
Basic earnings per share (attributable to owners of the parent) (Yen)	(571.19)	388.79	223.33	(40.52)
Total equity attributable to owners of the parent (Millions of yen)	740,821	845,034	880,267	841,651
Total assets (Millions of yen)	3,364,364	3,720,536	3,741,427	3,634,401

(Note 1) Basic earnings per share is calculated based on the average number of shares during the period.

(Note 2) Profit distribution from the Content business, which had been presented under "Other income," has been included in "Revenue" for the 175th Term. Moreover, amortization of long-term prepaid expenses, etc., which had been presented under "Other expenses" as expenses related to the said profit distribution, has been included in "Revenue" as a deduction item of revenue.

This change is intended to present the results of the Group's sales activities more appropriately, as the renewal of contracts has led to an increased contribution by the Group's sales activities. The amounts shown for the main management indicators for the 174th Term have been revised retrospectively to reflect these changes in accounting policy.

(2) Changes in the Company's assets and profit and loss status

	172nd Term	173rd Term	174th Term	175th Term (the fiscal year under review)
	From January 1, 2020 to December 31, 2020	From January 1, 2021 to December 31, 2021	From January 1, 2022 to December 31, 2022	From January 1, 2023 to December 31, 2023
Operating revenue (Millions of yen)	36,054	34,897	61,651	92,782
Ordinary income (Millions of yen)	16,493	7,017	33,788	67,339
Net income (Millions of yen)	(278,309)	122,940	3,547	61,313
Net income per share (Yen)	(996.05)	440.98	13.24	231.90
Net assets (Millions of yen)	616,425	699,150	609,303	631,108
Total assets (Millions of yen)	1,093,173	1,177,686	1,046,010	1,222,456

(Note 1) The non-consolidated financial statements of the Company are prepared in accordance with Japanese GAAP.

(Note 2) Net income per share is calculated based on the average number of shares during the period.

12. Status of Significant Subsidiaries

Company Name	Location Of headquarters	Capital or Stake	Shareholding Ratio (%)	Main Business Description
Dentsu Inc.	Minato-ku, Tokyo	JPY 10,000 million	100.0	Advertising and advertising-related businesses
Dentsu International Limited	London England	GBP 78 million	100.0	Controlling company for overseas business operations
Merkle Group Inc.	Maryland USA	USD 0 million	100.0 (100.0)	Data-driven and technological advertising marketing primarily in the USA
Tag Worldwide Holdings Ltd	London England	EUR 18 million	100.0 (100.0)	Digital creative content production business, technology business, channel activation business
CARTA HOLDINGS, INC.	Minato-ku, Tokyo	JPY 1,517 million	53.4	Managerial control over partner sales (media representative), ad-platform, and consumer business
Dentsu Digital Inc.	Minato-ku, Tokyo	JPY 442 million	100.0 (25.0)	Consulting; development and implementation; and operational and execution support concerning all aspects of digital marketing
DENTSU PROMOTION PLUS INC.	Minato-ku, Tokyo	JPY 1,000 million	100.0	Planning and production for sales promotions, events, print, etc.
Information Services International-Dentsu, Ltd.	Minato-ku, Tokyo	JPY 8,180 million	61.8	Information systems building; software sales and support for various business areas
DENTSU LIVE INC.	Chuo-ku, Tokyo	JPY 2,650 million	100.0	Provision of real experiential value through events and event spaces
SEPTENI HOLDINGS CO., LTD.	Shinjuku-ku, Tokyo	JPY 18,428 million	52.6	Digital marketing business, media platform business

(Note 1) The Shareholding Ratio is the holding ratio of voting rights. The figures in parentheses in Shareholding Ratio represent shares held indirectly.

(Note 2) The number of consolidated subsidiaries, including significant subsidiaries, is 808 companies, and the number of associates accounted for using the equity method is 85 companies.

(Note 3) Information Services International Dentsu, Ltd. changed its company name to DENTSU SOKEN INC. as of January 1, 2024

III Items Related to the Company Executives

1. Names, etc., of Directors and Executive Officers

(1) Directors

Name	Position	Responsibilities
Timothy Andree	Director	Non-Executive Chairman of the Board
Hiroshi Igarashi	Director	Member of the Nominating Committee
Arinobu Soga	Director	
Nick Priday	Director	
Gan Matsui	Outside Director	Member of the Nominating Committee Chair of the Audit Committee
Paul Candland	Outside Director	Member of the Nominating Committee Member of the Compensation Committee
Andrew House	Outside Director	Chair of the Compensation Committee
Keiichi Sagawa	Outside Director	Chair of the Nominating Committee Member of the Audit Committee
Mihoko Sogabe	Outside Director	Member of the Audit Committee Member of the Compensation Committee
Yuka Matsuda	Outside Director	Member of the Audit Committee

(Notes)

1. In accordance with the Company's transition to a company with a nominating committee, etc., Mr. Norihiro Kuretani, Mrs. Yuko Takahashi and Mrs. Izumi Okoshi retired from their positions as Directors with the expiration of their terms of office at the conclusion of the March 30, 2023 Ordinary General Meeting of Shareholders.
2. Of the Directors, Mr. Gan Matsui, Mr. Paul Candland, Mr. Andrew House, Mr. Keiichi Sagawa, Ms. Mihoko Sogabe, and Ms. Yuka Matsuda are outside directors pursuant to Article 2, Item 15 of the Companies Act.
3. Of the Directors, Mr. Gan Matsui, Mr. Paul Candland, Mr. Andrew House, Mr. Keiichi Sagawa, Ms. Mihoko Sogabe, and Ms. Yuka Matsuda are designated Independent Directors pursuant to the Tokyo Stock Exchange Securities Listing Regulations.
4. Mr. Keiichi Sagawa, a Director who is a member of the Audit Committee, has many years of practical experience in accounting and experience as a corporate officer. He has an appreciable extent of knowledge of finance and accounting. Ms. Mihoko Sogabe and Ms. Yuka Matsuda, Directors who are members of the Audit Committee, are qualified as certified public accountants and have an appreciable extent of knowledge of finance and accounting.
5. The Company has concluded a contract for limitation of liability with each of Directors Mr. Timothy Andree, Mr. Gan Matsui, Mr. Paul Candland, Mr. Andrew House, Mr. Keiichi Sagawa, Ms. Mihoko Sogabe, and Ms. Yuka Matsuda for a maximum liability amount of 10 million yen or the minimum liability amount stipulated in Article 423, Paragraph 1 of the Companies Act, whichever is higher.
6. The Company has not appointed a full-time member of the Audit Committee, as it has delegated persons to assist in the duties of the Audit Committee by facilitating the committee's audit activities such as information collection and ensures the effectiveness of audits through reporting to the Audit Committee by the Group Internal Audit team and close coordination with the Accounting Auditor.
7. The Company has entered into directors and officers liability insurance (D&O insurance) agreement with an insurance company, which covers insured persons for legal damages and litigation costs. The scope of insured persons under the agreement is directors, executive officers, Group Management Team Members, corporate officers and corporate auditors of the Company and its 40 subsidiaries in Japan, and their heirs. Such insurance covers derivative suit, corporate suit and claims from third parties, but does not cover claims for damages arising from acts committed while aware of the violation of laws and regulations. The insurance premium for each director and manager is paid in full by the Company in which the relevant officer and manager perform his/her duties.
8. The Company has entered into an indemnity agreement with each of the directors and the executive officers of the Company, which provides that the Company will indemnify the expenses stipulated in Article 430-2, Paragraph 1, Item 1 of the Companies Act and the losses stipulated in Paragraph 1, Item 2 of the same Article to the extent provided for by laws and regulations. In order to ensure that the indemnification agreement does not impair the appropriateness of the execution of duties by the officer, the Company will take measures such as excluding the officer from the indemnification in cases where the officer is with knowledge or grossly negligent in performing his/her duties or where the Company pursues the officer's liability.
9. Of the Directors, Mr. Nick Priday resigned from his position as Director as of February 13, 2024.

(2) Executive Officers

Name	Position	Responsibilities
Hiroshi Igarashi	Representative Executive Officer	President & CEO
Arinobu Soga	Representative Executive Officer	Executive Vice President & Chief Governance Officer
Nick Priday	Executive Officer	CFO

(Notes)

1. Executive Officers Mr. Hiroshi Igarashi, Mr. Arinobu Soga, and Mr. Nick Priday concurrently serve as directors.
2. Of the Executive Officers, Mr. Nick Priday resigned from his position as Executive Officer as of February 13, 2024.
3. Of the Executive Officers, Mr. Hiroshi Igarashi was appointed the Representative Executive Officer, President & Global CEO as of January 1, 2024.
4. Of the Executive Officers, Mr. Arinobu Soga was appointed the Representative Executive Officer, Executive Vice President & Global Chief Governance Officer as of January 1, 2024 and Representative Executive Officer, Executive Vice President & Global Chief Governance Officer, and Global Chief Financial Officer as of February 14, 2024.

2. Policy for Determining the Amount or Calculation Method of Compensation for Directors and Executive Officers

(1) Basic policy for determining executive compensation

The Company's Compensation Committee has established a basic policy for determining the details of compensation for individual Directors and Executive Officers (hereinafter, the "Executive Compensation Policy"), based on the provisions of the Companies Act with respect to a company with a nominating committee, etc.

Executive Compensation Policy

1. Executive compensation philosophy

In a business domain where marketing, technology and consulting are increasingly converging, we aim to evolve into a company that embodies "an invitation to the never before." and creates social impact by generating innovative ideas and solutions through outstanding creativity and technology.

To empower the executives who drive our success, our executive compensation is designed based on the following objectives and principles. We will continuously review and update our programs as our business transforms so that they reflect who we are and where we are going.

Attract and retain outstanding talent by providing attractive total rewards and environment

- 1) Competitive pay
- 2) Career growth opportunities

Achieve the Group's strategic goals by maximizing the performance of the globally integrated management team

- 3) Pay for performance
- 4) Challenging goals

Strengthen alignment with interests of shareholders and all other stakeholders

- 5) Creating value for society
- 6) Accountability

- 1) Set competitive and equitable compensation levels relative to global peers within affordable pay ranges, considering the individual's scope of responsibility and geographical location
- 2) Provide integrated opportunities that encompass not only pay but also compelling opportunities for career advancement and self-fulfillment, as well as a collaborative environment that stimulates creativity
- 3) Set appropriate variable pay ratios to reward the achievement of dentsu and individual goals, as well as demonstration of excellent leadership attributes
- 4) Set challenging yet achievable goals against global peers to accelerate global business growth and drive shareholder value
- 5) As a B2B2S (Business to Business to Society) company, emphasize long-term performance, especially the impact we have on our communities, client companies, business partners and employees
- 6) Determine compensation based on transparent and objective procedures, taking integrity and compliance into consideration

2. Compensation levels

To secure outstanding talent for management on a global basis, the Company sets compensation levels based on roles, with reference to the levels of compensation among its business competitors and talent competitors with similar market capitalization, in the main regions where it operates (Japan, the United States, the United Kingdom, etc.). The Company uses compensation survey data supplied by an external consulting firm to confirm market compensation levels.

3. Structure of compensation

1) Directors

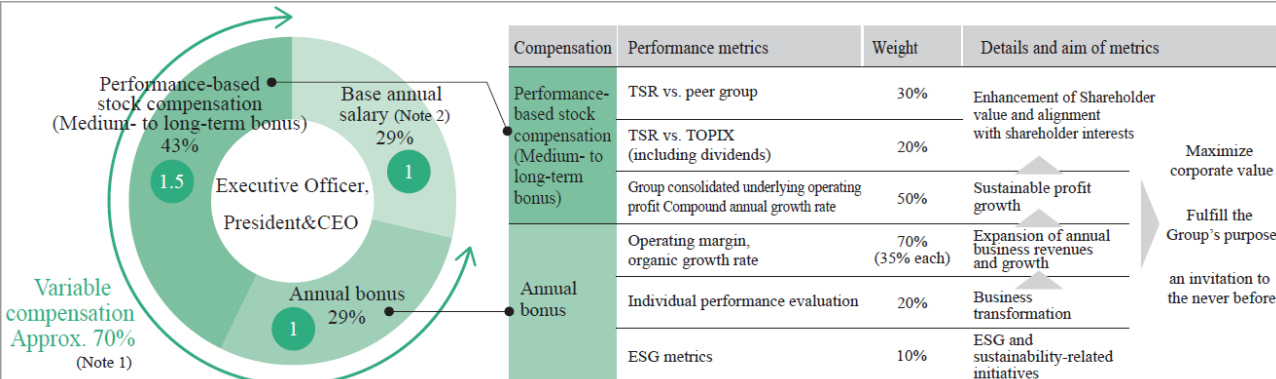
Compensation for Directors consists only of Director compensation as fixed compensation.

2) Executive Officers

Compensation for Executive Officers is composed of 1) base annual salary as fixed compensation, 2) annual bonus as variable compensation, and 3) performance-based stock compensation (medium- to long-term bonus) as variable compensation. Representative Executive Officers receive additional fixed compensation for their role.

To emphasize business performance and the enhancement of corporate value over the medium to long term, the ratio of compensation components for the President & CEO is set at approximately 1:1:1.5 respectively for 1) base annual salary, 2) annual bonus (standard amount), and 3) performance-based stock compensation (standard amount). The compensation ratios for the other Executive Officers are based on their responsibility for the Company’s global management. Annual bonuses and performance-based stock compensation payout ratios vary between 0% and 200% (target: 100%), based on the results of the performance metrics shown below.

(Compensation ratios when performance targets are met (for the President & CEO) and performance metrics for variable compensation)



- (Notes) 1. This represents the relative composition in amount if all the performance targets of variable compensation are met.
- 2. This represents base annual salary for Executive Officers. Representative Executive Officers receive additional fixed compensation. Executive Officers who concurrently serve as Directors also receive fixed compensation in the capacity of Director.

4. Compensation governance

1) Decision process

As a company with a nominating committee, etc., the Company deliberates and decides on matters such as the levels of compensation for the Directors and Executive Officers, the composition of compensation, and the targets for variable compensation in the Compensation Committee consisting of Outside Directors and chaired by an Outside Director.

2) Malus and clawback clauses

The Company may withdraw some or all of an Executive Officer’s right to receive annual bonus or performance-based stock compensation (malus) or demand the return some or all of cash or stock that has been paid from an Executive Officer (clawback), by resolution of the Compensation Committee, if the Executive Officer has caused serious damage to the Company through intent, negligence, inappropriate actions, etc., or where there is an error in financial information with the effect of decreasing the amount payable to the Executive Officer.

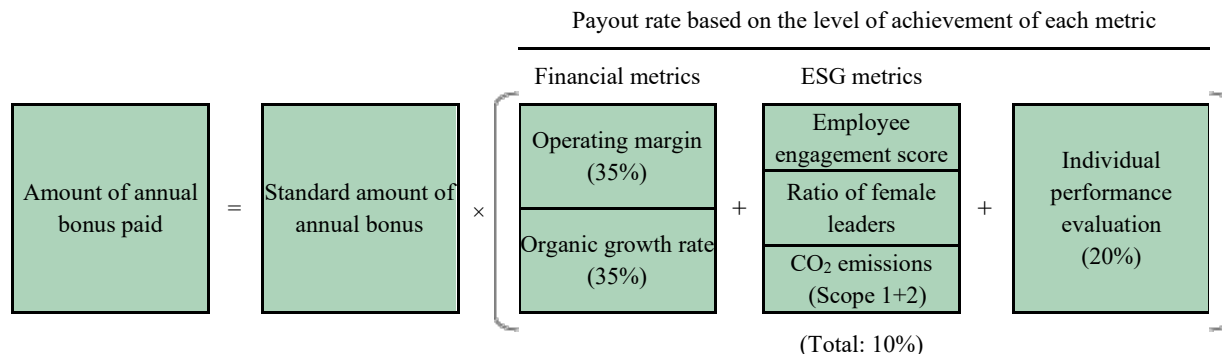
(2) Content and calculation of compensation

1) Fixed compensation

Director compensation, base annual salary and Representative Executive Officer compensation consist of a regular (monthly) fixed amount of monetary compensation, paid at a designated time each month. In the case of Director compensation, a fixed amount is paid according to the Director's duties. In the case of base annual salary for Executive Officers, the appropriate amount of compensation for each Executive Officer is set in accordance with the roles and responsibilities of his or her position, with reference to the levels of compensation among its business competitors and talent competitors with similar market capitalization, in the main regions where the Company operates (Japan, the United States, the United Kingdom, etc.). The Company uses compensation survey data supplied by an external consulting firm to confirm market compensation levels. In the case of Representative Executive Officer compensation, a fixed amount determined uniformly for all Representative Executive Officers is paid.

2) Annual bonus

The annual bonus is performance-based monetary compensation paid to Executive Officers based on the Company's performance and each Executive Officer's individual performance in each fiscal year. The amount of bonus paid is determined using a formula, based on the figures for the financial metrics (the Group's operating margin and organic growth rate), ESG metrics and individual performance evaluation as well as their respective weights as shown below, varying within a range from 0% to 200%. The standard amount is calculated as a certain percentage of the base annual salary paid as compensation for Executive Officers. The computed amount is paid at a certain time after the Ordinary General Meeting of Shareholders for the relevant fiscal year. The upper limits, targets, and lower limits of metrics used to determine the range of individual compensation paid, within 0% to 200%, are decided by the Compensation Committee.



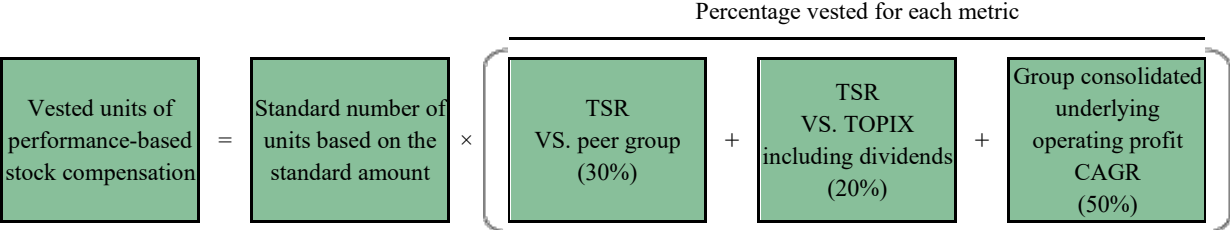
The reasons for selecting each metric used to calculate annual bonus are as follows.

- Financial metrics: These metrics measure business profitability and indicate business growth, while eliminating the effect of exchange rate fluctuations and M&A activities. The Company believes that they are appropriate metrics for evaluating the business results for one year while managing achievement rates for each region and business as well as on a companywide basis.
- ESG metrics: These metrics promote the achievement of strategic targets related to corporate value that cannot be measured using financial metrics, based on the Group Medium-term Management Plan and issues in the current corporate environment.
- Individual performance evaluation: This metric clarifies individual roles in this period of business structure transition and makes the Executive Officers strongly aware of the importance of enhancing corporate value by designating the management issues for each Executive Officer and evaluating the degree to which these issues are resolved.

3) Performance-based stock compensation (medium- and long-term bonus)

Performance-based stock compensation is based on corporate performance across three consecutive fiscal

years paid to Executive Officers. Executive Officers receive, on a certain date during each fiscal year (the “Unit Grant Date”) while they are in office, a standard number of units determined in accordance with each Executive Officer’s management responsibilities (equivalent to the standard amount of performance-based stock compensation, set in accordance with responsibility for the Company’s global management, divided by the average closing value of the Company’s shares during the month of January in the relevant fiscal year) as consideration for the execution of duties during the relevant fiscal year. In addition, on a certain date (the “Vesting Date”) after the passage of three consecutive fiscal years, the first of which is the fiscal year in which the Unit Grant Date falls (the “Performance Evaluation Period”), the grantee may acquire the right to receive delivery of the Company’s shares, etc. from a trust established based on the performance-based stock compensation plan (hereafter the “Trust”) on the Vesting Date. In doing so, the standard number of units granted to each Executive Officer in the said first fiscal year will be adjusted based on the figures for the total shareholder return (TSR) and the Group’s consolidated underlying operating profit as well as their respective weights as shown below, within a range from 0% to 200% (hereinafter, the number of units after adjustment are referred to as the “Vested Units”). Thereafter, each Executive Officer may receive delivery of the Company’s shares, etc. from the Trust, in accordance with the number of Vested Units (in principle, the number of the Company’s common shares calculated corresponding to half of the Vested Units and an amount of cash equivalent to the market value of the number of the Company’s common shares calculated corresponding to the remaining half of the Vested Units as of the Vesting Date). However, Executive Officers residing outside Japan, who do not have a securities account that manages Japanese listed shares may receive monetary payment of an equivalent amount in lieu of all of the applicable performance-based stock compensation.



The reasons for selecting each metric used to calculate performance-based stock compensation are as follows.

- **TSR:** The Company believes that this metric aligns Executive Officers’ perspectives with those of shareholders and other stakeholders, and has selected a peer group of six competitors:

1	Accenture PLC
2	INTERPUBLIC GROUP OF COMPANIES, INC.
3	Omnicom Group Inc.
4	Publicis Groupe S.A.
5	WPP plc
6	Hakuhodo DY Holdings Inc

- **Consolidated underlying operating profit (CAGR):** The Company believes that this metric appropriately evaluates business results as a profit metric that measures business performance on a constant basis.

3. Amount and Calculation Method of Executive Compensation for FY2023

(1) Total amount of executive compensation for FY2023

Before the transition to a company with a nominating committee, etc. (January 2023 to March 2023)

Number of eligible persons			Total amount of compensation (million yen)	Amount by type of compensation (million yen)		
				Fixed compensation (monetary)	Variable compensation	
					Annual bonus (monetary)	Performance-based stock compensation
Directors who were not Audit and Supervisory Committee Members	Internal	6 [4]	125 [99]	83 [58]	38 [38]	2 [2]
Directors who were Audit and Supervisory Committee Members	Internal	1	9	9	-	-
	Outside	5	22	22	-	-

- (Notes) 1. The Company transitioned from a company with an audit and supervisory committee to a company with a nominating committee, etc. by resolution of the 174th Ordinary General Meeting of Shareholders held on March 30, 2023. The table above shows the amounts of compensation and total number of persons in each executive category who were in office prior to the Company's transition to a company with a nominating committee, etc., unless otherwise noted below.
2. Some of the internal Directors who were not Audit and Supervisory Committee Members concurrently served as Group Management Team Members. The portion of the compensation amounts corresponding to compensation for these Directors in their capacity as Group Management Team Members included in the total is shown in square brackets [] above.
3. Annual bonus and performance-based stock compensation are paid to Group Management Team Members. The content, calculation method, etc. of the performance metrics for each are in accordance with the content, calculation method, etc. described in 2) Annual bonus and 3) Performance-based stock compensation" in (2) Content and calculation of compensation.
4. The maximum amounts of executive compensation to be paid is as follows.
- 1) Monetary compensation (Base annual salary, annual bonus)
The upper limit of the total amount of financial compensation for Directors who are not Audit and Supervisory Committee Members (including compensation received in the capacity of a Group Management Team Member, for Directors who concurrently served as Group Management Team Members) was resolved to be 1.2 billion yen per year (including an annual amount of 18 million yen for outside directors) by the 167th Ordinary General Meeting of Shareholders (March 30, 2016). There are five Directors who were not Audit and Supervisory Committee Members who are subject to this resolution of the Ordinary General Meeting of Shareholders. The upper limit of the total amount of financial compensation for Directors who are Audit and Supervisory Committee Members was resolved to be 150 million yen per year at the 167th Ordinary General Meeting of Shareholders (March 30, 2016). There are four Directors who were Audit and Supervisory Committee Members who are subject to this resolution of the Ordinary General Meeting of Shareholders.
- 2) Stock compensation (performance-based stock compensation (medium- to long-term bonus))
With regard to stock compensation for internal Directors who were not Audit and Supervisory Committee Members (limited to those who concurrently served as Group Management Team Members; the same applies hereinafter in this item), it was resolved by the 170th Ordinary General Meeting of Shareholders (March 28, 2019) that the maximum amount of cash to be contributed by the Company each fiscal year to fund the acquisition of shares of the Company's common stock to be acquired through the Trust established under the performance-based stock compensation plan shall be 900 million yen, and the maximum number of shares of common stock to be delivered to internal Directors who are not Audit and Supervisory Committee members each fiscal year shall be 360,000 shares. There are seven internal Directors who were not Audit and Supervisory Committee Members who are subject to this resolution of the Ordinary General Meeting of Shareholders.
5. The full amount of annual bonus throughout the fiscal year under review is included in the amount of annual bonus under "After the transition to a company with a nominating committee, etc. (April 2023 to December 2023)" below. With respect to Mr. Norihiro Kuretani, who retired as a Director who was not an Audit and Supervisory Committee Member at the conclusion of the Ordinary General Meeting of Shareholders held on March 30, 2023, the following amount is included in the table above: 1) with respect to the annual bonus for FY2023 (compensation as a member of the Group Management Team), one-fourth of the amount expensed in FY2023 (the portion of FY2023 through March 30, 2023, when he concurrently served as a Director who is not a member of the Audit and Supervisory Committee) and 2) the amount of annual bonus for performance in FY2022 actually paid to Mr. Norihiro Kuretani in FY2023, less the amount expensed in FY2022 with respect to such annual bonus.
6. The full amount of performance-based stock compensation throughout the fiscal year under review is included in the amount of performance-based stock compensation under "After the transition to a company with a nominating committee, etc. (April 2023 to December 2023)" below. However, as in Note 5 (1), for Mr. Norihiro Kuretani, one-

fourth of the amount expensed in the fiscal year under review with respect to the performance-based stock compensation granted in the same fiscal year is included in the table above.

After the transition to a company with a nominating committee, etc. (April 2023 to December 2023)

Number of eligible persons			Total amount of compensation (million yen)	Amount by type of compensation (million yen)		
				Fixed compensation (monetary)	Variable compensation	
					Annual bonus (monetary)	Performance-based stock compensation
Directors	Internal	4	44	44	-	-
	Outside	6	95	95	-	-
Executive Officers		3	207	117	52	37

- (Notes) 1. For the Executive Officers concurrently serving as Directors, compensation in their capacity as a Director is included in the total compensation for Directors (internal), and compensation in their capacity as an Executive Officer is included in the total compensation for Executive Officers. The three Executive Officers concurrently serving as Directors are therefore counted in both Directors (internal) and Executive Officers.
2. The content, calculation method, etc. of the performance metrics for annual bonus and performance-based stock compensation are in accordance with the descriptions in 2) Annual bonus and 3) Performance-based stock compensation" in (2) Content and calculation of compensation.
3. The amount of annual bonus represents the sum of 1) the amount expensed in the fiscal year under review with respect to the annual bonus for performance in the same fiscal year and 2) the amount of annual bonus for performance in FY 2022 actually paid in FY2023 less the amount expensed in FY2022 with respect to such annual bonus.
4. The amount of performance-based stock compensation represents the amount expensed in the fiscal year under review with respect to the performance-based stock compensation granted in the same fiscal year.

(2) Targets and actual results of variable compensation metrics

The performance metric targets used to determine variable compensation are set by the Compensation Committee, based on the macro- and micro-economic environment and the Company's business environment. The metric targets and results for the annual bonus in FY2023 are shown below.

Metric	Weight	Target	Result	Payout rate	Weighted payout rate
Operating margin	35%	17.5%	14.5%	0%	0%
Organic growth rate	35%	4.7%	(4.9%)	0%	0%
Employee engagement score	10%	69 points	66 points	0%	0%
Ratio of female leaders		32.5%	32.4%	0%	0%
CO ₂ emissions (Scope 1+2)		28,256t	16,666t	200.0%	6.7%
Individual performance evaluation	20%	-	-	100.0% (Note)	20.0%
				Annual bonus payout rate	26.7%

(Note) The payout rate when the target is met (100%) has been shown for the individual performance evaluation, as the targets, results, and payout rates differ between individuals.

The targets and results for the performance-based stock compensation granted in FY2021 are shown below. Performance-based stock compensation is paid based on the results of metrics over a rolling period of three consecutive fiscal years. As three fiscal years have not yet passed for performance-based stock compensation granted in FY2022 onwards, there are no results for the metrics.

Performance-based stock compensation for FY2021

(Performance evaluation period: FY2021 to FY2023)

Metric	Weight	Target	Result	Payout rate	Weighted payout rate
Total shareholder return (TSR)	30%	VS. Tokyo Stock Price Index (TOPIX) including dividends 100%	95.8%	0%	0%
	20%	VS. Average TSR for 3 rd and 4 th place in peer group	69.6%	0%	0%
Consolidated underlying operating profit	50%	Compound annual growth rate (CAGR) 8.25%	6.16%	66.6%	33.3%
				Percentage vested	33.3%

(3) Activities of the Compensation Committee

The Company transitioned to a company with a nominating committee, etc. through the adoption of a proposal to amend the Articles of Incorporation at the 174th Ordinary General Meeting of Shareholders held on March 30, 2023. Since this transition, the Compensation Committee deliberates and decides on the amounts and other details of compensation for the Directors and Executive Officers.

In FY2023, the Compensation Advisory Committee (consisting of one chair and two members, all three of whom are independent Outside Directors) met three times before the Company transitioned to a company with a nominating committee, etc., and the Compensation Committee (consisting of one chair and two members, all three of whom are independent Outside Directors) met eight times after the transition. The main matters deliberated and decided on by the Committee during FY2023 were as follows.

January to March	April to June	July to September	October to December, 2023
(4 times) (Note)	(3 times)	(twice)	(twice)
(FY2022 compensation) • Deliberation on variable compensation amounts (FY2023 compensation) • Establishment of financial metric targets, etc. for variable compensation • Establishment of individual performance targets • Revision of compensation for Outside Directors	(FY2023 compensation) • Establishment of ESG metric targets, evaluation methods, etc. • Revision of regulations related to executive compensation (Executive compensation in general) • Analysis of the current status of compensation gaps and differences between Japan and other countries	(Executive compensation in general) • Establishment of the executive compensation philosophy (FY2023 compensation) • Individual performance evaluation for Executive Officers (interim review)	(FY2024 compensation) • Revision of compensation benchmarking methods • Revision of performance metrics for variable compensation

(Note) Three of the four Committee meetings held from January to March were held by the Compensation Advisory Committee before the Company transitioned to a company with a nominating committee, etc.

The Compensation Committee has deliberated from a range of perspectives, including comparison with external entities and information supplied by an external consulting firm, and has confirmed that the content of compensation for the Directors and Executive Officers is consistent with the determination policy described in 2 above. Therefore, the Committee has determined that the content of individual compensation for the Directors and Executive Officers for the fiscal year under review is in line with the said policy.

Amounts in this business report less than one full unit have been rounded down.

Consolidated Statement of Financial Position

(As of December 31, 2023)

(Unit: Million yen)

Assets		Liabilities and Equity	
Account item	Amount	Account item	Amount
Current assets	2,139,557	Current liabilities	1,939,910
Cash and cash equivalents	390,678	Trade and other payables	1,527,612
Trade and other receivables	1,524,289	Borrowings	39,213
Inventories	6,396	Other financial liabilities	71,117
Income tax receivables	52,194	Income tax payables	28,088
Other financial assets	23,135	Provisions	18,072
Other current assets	62,482	Other current liabilities	189,278
Non-current assets classified as held for sale	80,380	Liabilities directly associated with non-current assets classified as held for sale	66,527
Non-current assets	1,494,844	Non-current liabilities	781,735
Property, plant and equipment	29,430	Corporate bonds and borrowings	455,232
Goodwill	831,121	Other financial liabilities	236,357
Intangible assets	238,733	Liability for retirement benefits	18,120
Right-of-use assets	139,252	Provisions	18,046
Investments accounted for using the equity method	51,227	Other non-current liabilities	5,640
Other financial assets	133,766	Deferred tax liabilities	48,337
Other non-current assets	22,126		
Deferred tax assets	49,185	Total liabilities	2,721,646
Total assets	3,634,401	Total equity attributable to owners of the parent	841,651
		Share capital	74,609
		Share premium account	75,072
		Treasury shares	(24,964)
		Other components of equity	148,180
		Retained earnings	568,753
		Non-controlling interests	71,104
		Total equity	912,755
		Total liabilities and equity	3,634,401

Consolidated Statement of Income
(From January 1, 2023 to December 31, 2023)

Account item	(Unit: Million yen) Amount
Revenue	1,304,552
Cost of sales	159,732
Net revenue	1,144,819
Selling, general and administrative expenses	1,018,730
Business restructuring cost	9,992
Gain on sale and retirement of non-current assets	100
Impairment loss	72,201
Other income	3,028
Other expenses	1,710
Operating profit	45,312
Share of results of associates	3,654
Loss on sales of shares of associates	194
Revaluation gain on step acquisition	142
Profit before interest and tax	48,914
Finance income	22,199
Finance costs	38,009
Profit before tax	33,103
Income tax expense	38,572
Loss for the year	(5,468)
Loss attributable to:	
Owners of the parent	(10,714)
Non-controlling interests	5,245

Consolidated Statement of Changes in Equity

(From January 1, 2023 to December 31, 2023)

(Unit: Million yen)

	Total equity attributable to owners of the parent					
	Share capital	Share premium account	Treasury shares	Other components of equity		
				Exchange differences on translation of foreign operations	Effective portion of the change in the fair value of cash flow hedges	Net change in financial assets designated as at fair value through other comprehensive income
As of January 1, 2023	74,609	74,931	(25,478)	69,774	38,524	27,487
Profit (Loss) for the year						
Other comprehensive income				7,830	(16,255)	15,167
Comprehensive income for the year	-	-	-	7,830	(16,255)	15,167
Repurchase of treasury shares			(4)			
Disposal of treasury shares		(319)	518			
Dividends						
Transactions with non-controlling interests						
Transfer from other components of equity to retained earnings						5,652
Other changes		459				
Transactions with owners – total	-	140	513	-	-	5,652
As of December 31, 2023	74,609	75,072	(24,964)	77,604	22,268	48,306

(Unit: Million yen)

	Total equity attributable to owners of the parent					
	Other components of equity		Retained earnings	Total	Non-controlling interests	Total equity
	Remeasurements of defined benefit plans	Total				
As of January 1, 2023	-	135,786	620,418	880,267	75,060	955,327
Profit (Loss) for the year		-	(10,714)	(10,714)	5,245	(5,468)
Other comprehensive income	12,192	18,934		18,934	(97)	18,837
Comprehensive income for the year	12,192	18,934	(10,714)	8,219	5,148	13,368
Repurchase of treasury shares		-		(4)		(4)
Disposal of treasury shares		-		199		199
Dividends		-	(43,229)	(43,229)	(4,812)	(48,041)
Transactions with non-controlling interests		-	(3,556)	(3,556)	(4,292)	(7,849)
Transfer from other components of equity to retained earnings	(12,192)	(6,540)	6,540	-		-
Other changes		-	(704)	(245)		(245)
Transactions with owners – total	(12,192)	(6,540)	(40,949)	(46,835)	(9,105)	(55,940)
As of December 31, 2023	-	148,180	568,753	841,651	71,104	912,755

Nonconsolidated Balance Sheet
(As of December 31, 2023)

(Unit: Million yen)

Assets		Liabilities	
Account item	Amount	Account item	Amount
Current assets	171,111	Current liabilities	199,257
Cash and deposits	86,652	Short-term loans payable from subsidiaries and associates	176,680
Securities	487	Other payables	10,167
Short-term loans receivable from subsidiaries and associates	57,152	Accrued expenses	1,136
Prepaid expenses	1,357	Provision for directors' bonuses	52
Other	25,800	Provision for share-based remuneration	402
Allowance for doubtful accounts	(338)	Provision for loss on contracts	8,784
		Provision for loss on guarantees	1,685
		Other	348
Non-current assets	1,051,345	Non-current liabilities	392,090
Property, plant and equipment	7,144	Bonds payable	165,000
Buildings, net	2,728	Long-term loans payable	222,500
Vehicles, net	4	Provision for share-based remuneration	343
Tools, furniture and fixtures, net	626	Asset retirement obligation	863
Land	3,784	Deferred tax liabilities for land revaluation	844
		Other	2,538
Intangible assets	564		
Software	563	Total liabilities	591,348
Other	1		
		Net Assets	
Investments and other assets	1,043,635	Shareholders' equity	588,982
Investment securities	91,722	Capital stock	74,609
Shares of subsidiaries and associates	732,195	Capital surplus	76,541
Investments in other securities of subsidiaries and associates	9,527	Legal capital surplus	76,541
Investments in capital of subsidiaries and associates	15,493	Retained earnings	462,431
		Legal retained earnings	722
Long-term loans receivable from subsidiaries and associates	181,749	Other retained earnings	461,709
Deferred tax assets	8,637	General reserve	320,500
Other	6,945	Retained earnings brought forward	141,209
Allowance for doubtful accounts	(2,636)	Treasury shares	(24,600)
		Valuation and translation adjustments	42,126
		Valuation difference on available-for-sale securities	40,246
		Revaluation reserve for land	1,880
Total assets	1,222,456	Total net assets	631,108
		Total liabilities and net assets	1,222,456

Nonconsolidated Statement of Income

(From January 1, 2023 to December 31, 2023)

(Unit: Million yen)

Account item	Amount	
Operating revenue		
Dividend income	81,025	
Management fee income	11,461	
Real estate rental income	296	92,782
Operating expenses		27,371
Operating income		65,410
Non-operating income		
Interest and dividend income	3,606	
Gain on investments in investment partnerships	593	
Other	472	4,671
Non-operating expenses		
Interest expenses	488	
Interest on bonds	622	
Provision of allowance for doubtful accounts	995	
Other	635	2,742
Ordinary income		67,339
Extraordinary income		
Gain on sales of investment securities	7,471	
Other	0	7,472
Extraordinary loss		
Loss on valuation of other securities of subsidiaries and associates	7,440	
Loss on valuation of shares of subsidiaries and associates	1,729	
Loss on valuation of investment securities	3,746	
Provision for loss on contracts	8,784	
Provision for loss on guarantees	1,440	
Other	919	24,059
Income before income taxes		50,752
Income taxes-current	(2,814)	
Income taxes-deferred	(7,746)	(10,561)
Net income		61,313

Nonconsolidated Statement of Changes in Net Assets

(From January 1, 2023 to December 31, 2023)

(Unit: Million yen)

	Shareholders' equity			
	Capital stock	Capital surplus		
		Legal capital surplus	Other capital surplus	Total capital surplus
As of January 1, 2023	74,609	76,541	-	76,541
Changes of items during the period				
Dividends from retained earnings				-
Net income				-
Reversal of general reserve				-
Purchase of treasury shares				-
Disposal of treasury shares			(1)	(1)
Transfer of reductions in other capital surplus to retained earnings			1	1
Changes in items other than shareholders' equity during the period – net			-	-
Total changes of items during the period	-	-	-	-
As of December 31, 2023	74,609	76,541	-	76,541

	Shareholders' equity					
	Retained earnings			Total retained earnings	Treasury shares	Total shareholders' equity
	Legal retained earnings	Other retained earnings				
		General reserve	Retained earnings brought forward			
As of January 1, 2023	722	420,500	23,288	444,510	(25,106)	570,556
Changes of items during the period						
Dividends from retained earnings			(43,391)	(43,391)		(43,391)
Net income			61,313	61,313		61,313
Reversal of general reserve		(100,000)	100,000	-		-
Purchase of treasury shares				-	(4)	(4)
Disposal of treasury shares				-	509	508
Transfer of reductions in other capital surplus to retained earnings			(1)	(1)		-
Changes in items other than shareholders' equity during the period – net				-		-
Total changes of items during the period	-	(100,000)	117,920	17,920	505	18,426
As of December 31, 2023	722	320,500	141,209	462,431	(24,600)	588,982

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments	
As of January 1, 2023	36,866	1,880	38,746	609,303
Changes of items during the period				
Dividends from retained earnings			-	(43,391)
Net income			-	61,313
Reversal of general reserve			-	-
Purchase of treasury shares			-	(4)
Disposal of treasury shares			-	508
Transfer of reductions in other capital surplus to retained earnings			-	-
Changes in items other than shareholders' equity during the period – net	3,379		3,379	3,379
Total changes of items during the period	3,379	-	3,379	21,805
As of December 31, 2023	40,246	1,880	42,126	631,108

Independent Auditor's Report

March 6, 2024

The Board of Directors
Dentsu Group Inc.

KPMG AZSA LLC
Hideaki Koyama (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant
Kentarō Maruta (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant
Shuji Ezawa (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Opinion

We have audited the consolidated financial statements, the consolidated statement of financial position, the consolidated statement of income, the consolidated statement of changes in equity and the related notes of Dentsu Group INC. (“the Company”) and its consolidated subsidiaries (collectively referred to as “the Group”), as at December 31, 2023 and for the year from January 1, 2023 to December 31, 2023 in accordance with Article 444-4 of the Companies Act.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position and the results of operations of the Group for the period, for which the consolidated financial statements were prepared, in accordance with the latter part of Article 120-1 of the Ordinance of Companies Accounting that prescribes some omissions of disclosure items required by International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. The Audit Committee is responsible for overseeing the Executive Officers’ and Directors’ performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our

knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the latter part of Article 120-1 of the Ordinance of Companies Accounting that prescribes some omissions of disclosure items required by International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with the latter part of Article 120-1 of the Ordinance of Companies Accounting that prescribes some omissions of disclosure items required by International Financial Reporting Standards.

The Audit Committee is responsible for overseeing the Executive Officers' and Directors' performance of their duties with regard to the design, implementation and maintenance of the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the consolidated financial statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the consolidated financial statements,

including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company and its consolidated subsidiaries which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Reader of Independent Auditor's Report:

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Companies Act, and the translation is done by the Company.

Independent Auditor's Report

March 6, 2024

The Board of Directors
Dentsu Group Inc.

KPMG AZSA LLC
Hideaki Koyama (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant
Kentarō Maruta (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant
Shuji Ezawa (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Opinion

We have audited the financial statements, which comprise the nonconsolidated balance sheet, the nonconsolidated statement of income, the nonconsolidated statement of changes in net assets and the related notes, and the accompanying supplementary schedules (“the financial statements and the accompanying supplementary schedules”) of Dentsu Group Inc. (“the Company”) as at December 31, 2023 and for the year from January 1, 2023 to December 31, 2023 in accordance with Article 436-2-1 of the Companies Act.

In our opinion, the financial statements and the accompanying supplementary schedules referred to above present fairly, in all material respects, the financial position and the results of operations of the Company for the period, for which the financial statements and the accompanying supplementary schedules were prepared, in accordance with accounting principles generally accepted in Japan.

Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements and the Accompanying Supplementary Schedules* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. The Audit Committee is responsible for overseeing the Executive Officers' and Directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the financial statements and the accompanying supplementary schedules does not cover the other information

and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements and the accompanying supplementary schedules, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the accompanying supplementary schedules or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Financial Statements and the Accompanying Supplementary Schedules

Management is responsible for the preparation and fair presentation of the financial statements and the accompanying supplementary schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements and the accompanying supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the accompanying supplementary schedules, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Executive Officers' and Directors' performance of their duties with regard to the design, implementation and maintenance of the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements and the Accompanying Supplementary Schedules

Our objectives are to obtain reasonable assurance about whether the financial statements and the accompanying supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements and the accompanying supplementary schedules.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements and the accompanying supplementary schedules, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw

attention in our auditor's report to the related disclosures in the financial statements and the accompanying supplementary schedules or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate whether the presentation and disclosures in the financial statements and the accompanying supplementary schedules are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the financial statements and the accompanying supplementary schedules, including the disclosures, and whether the financial statements and the accompanying supplementary schedules represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Reader of Independent Auditor's Report:

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Companies Act, and the translation is done by the Company.

Audit Report

The Audit Committee has audited the Directors' and Executive Officers' performance of their duties for the 175th business year from January 1, 2023, to December 31, 2023 and reports as follows in regard to the methods and results of those audits. The Company transitioned from a company with an Audit and Supervisory Committee to a company with a Nomination Committee at the 174th Ordinary General Meeting of Shareholders held on March 30, 2023. The Audit Report for the fiscal year under review is based on the verification of the contents of the audit conducted by the Audit and Supervisory Committee during the period.

(1) Methods and Contents of Audits

In regard to the content of resolutions of the Board of Directors regarding the matters stated in Article 416, paragraph (1), items (i)(b) and (i)(e) of the Companies Act, as well as the systems developed pursuant to those resolutions (i.e., internal control systems), the Audit Committee periodically received reports from Directors, Executive Officers, and employees, etc. regarding the status of the establishment and operation of those systems and as necessary requested explanations and expressed opinions in regard thereto, in addition to which the Audit Committee conducted audits using the following methods.

- (i) In accordance with the "Code of Audit Committee Auditing Standards" established by the Audit Committee, and in accordance with the audit policies and division of duties, etc., the Audit Committee set key audit themes, attended important meetings such as meetings of the Board of Directors, received reports from Directors, Executive Officers, etc. on matters related to the performance of their duties, requested explanations as necessary, reviewed important documents, etc., and received regular reports from the Internal Audit department and Legal department, etc., and inspected the status of operations and assets including compliance systems and risk management systems. From the perspective of auditing group companies, the Company have established a system to audit the entire group through the Audit Committee and the audit committee of the organization that oversees domestic and overseas operations, respectively, received reports from these audit committees to communicate and exchange information, and received reports on the status of audits of group companies from Internal Audit department.
- (ii) The Audit Committee oversaw and verified whether the Accounting Auditor maintained an independent position and conducted an appropriate audit, received reports from the Accounting Auditor on the status of the performance of its duties, and requested explanations as necessary. Additionally, the Audit Committee received notification from the Accounting Auditor that, in accordance with the "Quality Control Standards for Audits" (Business Accounting Council), etc., it had developed systems in order to ensure that its duties are appropriately performed (i.e., notification of the matters stated in the items of Article 131 of the Ordinance on Accounting of Companies) and requested explanations as necessary.

Using the methods above, the Audit Committee examined the Business Report, the supplementary schedules thereto, the accounting documents (i.e., the balance sheet, statement of income, statement of changes in net assets, and explanatory notes to accounting documents), the supplementary schedules to the accounting documents, and the consolidated accounting documents (i.e., financial statements (comprising the consolidated

balance sheet statement of financial position, consolidated statement of income, consolidated statement of changes in net asset equity, and explanatory notes to consolidated accounting documents financial statements, prepared in accordance with stipulations of Article 120, Paragraph 1 of the Ordinance on Company Accounting, which allow for preparation with the omission of a portion of items required for disclosure by International Financial Reporting Standards) for the business year.

(2) Audit Results

(1) Results of audit of Business Report, etc.

- (i) We find that the Business Report and the supplementary schedules thereto accurately present the status of the Company in accordance with laws, regulations, and the articles of incorporation.
- (ii) We do not find any misconduct nor any material fact constituting a violation of any law, regulation, or the articles of incorporation in relation to the Directors' and Executive Officers' performance of their duties.
- (iii) We find the content of the resolutions of the Board of Directors regarding internal control systems to be reasonable. Additionally, we do not find any matters that should be commented upon in regard to the statements in the Business Report or the Directors' and Executive Officers' performance of their duties relating to the internal control systems. We have confirmed that the measures promoted by the "denstudentsu Japan Reform Committee" are being implemented in response to the Tokyo 2020 Olympic and Paralympic Games-related matters described in the Business Report. Also In addition, we will continue to monitor the confirm the implementation of remedial measures for the identified causes of the financial impact of the DACH incident area, which is also described in the Business Report, to ensure that remedial measures are steadily implemented to address the identified causes and we will continue to closely monitor the strengthening of overseas financial reporting systems.

(2) Results of audit of accounting documents , supplementary schedules thereto and consolidated accounting documents

We find the methods and results of the audit by the Accounting Auditor, KPMG AZSA LLC to be reasonable.

March 6, 2024

Dentsu Group Inc.: Audit Committee

Audit Committee Member Gan Matsui

Audit Committee Member Keiichi Sagawa

Audit Committee Member Mihoko Sogabe

Audit Committee Member Yuka Matsuda

(Note) Audit Committee Members Gan Matsui, Keiichi Sagawa, Mihoko Sogabe and Yuka Matsuda are Outside Directors provided for in Article 2, item (xv) and Article 400, paragraph (3) of the Companies Act.

Shareholders' Memo

Fiscal year	January 1 to December 31	Administrator of the shareholders' register	Mitsubishi UFJ Trust and Banking Corporation
Record date	December 31 (year-end dividend) June 30 (interim dividend)	Agency administrating special accounts	Mitsubishi UFJ Trust and Banking Corporation
Trading unit	100 shares	Method of displaying public notices	Published in The Nikkei newspaper
Listing	Prime Market of the Tokyo Stock Exchange		

Information concerning the buyback and additional purchase system for numbers of shares less than one trading unit (fractional shares) Numbers of shares less than one trading unit (hereinafter "fractional shares") cannot be traded on the stock exchange, so the Company has prepared the following system for those shareholders who wish to dispose of fractional shares.

Please inquire at the brokerage firm or other agency where you opened your account. Where the fractional shares are held in a special account, please direct inquiries to the agency administrating special accounts.

(1) Buyback of fractional shares

Fractional shares may be sold back to the Company.

(2) Additional purchase of fractional shares

Additional fractional shares may be purchased from the Company to bring the total number of fractional shares up to one trading unit (100 shares), and combined into one trading unit.

Administrator of the shareholders' register (contact details) Mitsubishi UFJ Trust and Banking Corporation Stock Transfer Agency Department
1-1 Nikkocho, Fuchu-shi, Tokyo
Phone: 0120-232-711
(toll-free, reception hours: 9:00 AM to 5:00 PM excluding weekends and public holidays)
Postal address:
Mitsubishi UFJ Trust and Banking Corporation Stock Transfer Agency Department
P.O. Box 29, Shin Tokyo Post Office 137-8081

Agency administrating special accounts

Mitsubishi UFJ Trust and Banking Corporation Stock Transfer Agency Department
1-1 Nikkocho, Fuchu-shi, Tokyo
Phone: 0120-232-711
(toll-free, reception hours: 9:00 AM to 5:00 PM excluding weekends and public holidays)
Postal address:
Mitsubishi UFJ Trust and Banking Corporation Stock Transfer Agency Department
P.O. Box 29, Shin Tokyo Post Office 137-8081

Share-related inquiries

- (3) Shares held in an account at a brokerage firm or other agency
Please inquire at the brokerage firm or other agency where you opened the account.
The administrator of the shareholders' register cannot respond to these inquiries.
- (4) Shares held in a special account
Please contact the agency administrating special accounts.
- (5) Unclaimed dividends and mail from the Company
Please contact the administrator of the shareholders' register

General Meeting of Shareholders venue access map

Venue: Belle Salle Shiodome

B1, Sumitomo Realty & Development Shiodome Hamarikyu Building
8-21-1, Ginza, Chuo-ku, Tokyo

Staff will be positioned along the route through the **underground walkway** from the direction of Shimbashi Station to guide you.

Shimbashi Station

(10 minutes by foot)

- JR Karasumori Exit or Shiodome Exit
- ◎ Toei JR Shimbashi Station
Asakusa Line Shiodome underground gate
- ◎ Tokyo Gate for JR Line
Metro Ginza Line

Shiodome Station

(5 minutes by foot)

- ◎ Toei Exit for Shimbashi Station
Oedo Line

< Inquiries regarding the General Meeting of Shareholders >

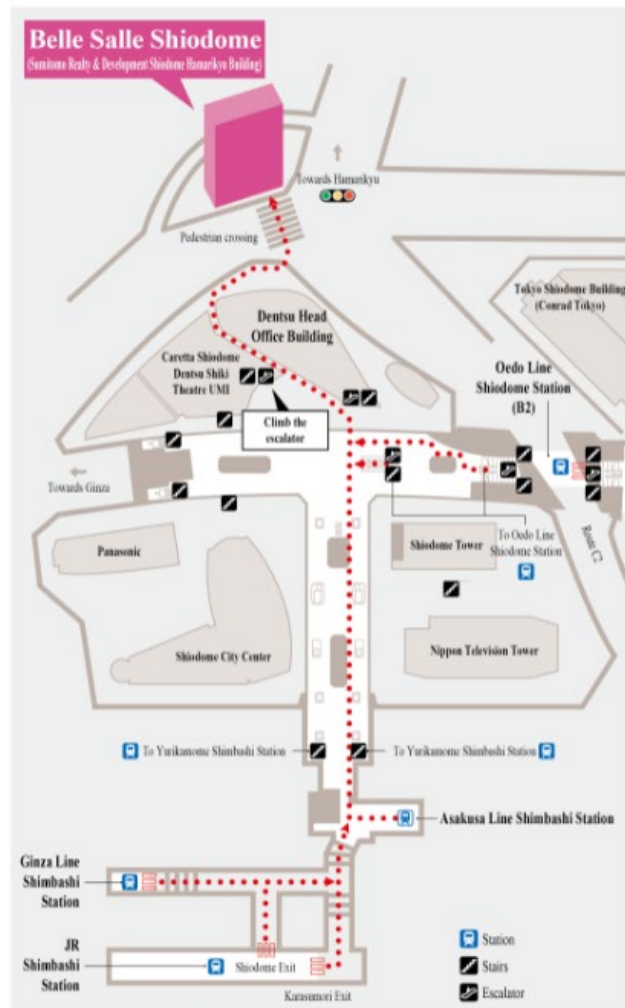
Dentsu Group Inc.

1-8-1, Higashi-shimbashi, Minato-ku, Tokyo 105-7050

Phone: 03-6216-8950

Requests: * Please refrain from traveling to the meeting by car, as heavy traffic is expected in the roads and car parks in the vicinity of the venue on the day.

* No gifts or souvenirs have been prepared for shareholders who attend the General Meeting of Shareholders. We request your understanding in this matter.



Note: Buildings, stores, etc. shown on the access map are as of February 2023.