

ntroduction to CSR at Dentsu Aegis Network

Dentsu Aegis Network recognizes that it has economic, social and environmental impacts beyond its core business. In 2010, we launched the Future Proof programme – our Corporate Social Responsibility (CSR) strategy – to tackle these impacts, their associated risks and opportunities, and engage all the stakeholders involved. Future Proof reflects the company's material impacts, responds to the challenges facing its people and wider industry, and addresses the issues it is concerned about. More detail on governance can be found in the comprehensive Future Proof Plan, available online.

CSR Steering Group



The five areas of action of 'Future Proof' and targets for 2015

Environment

Reduce the carbon footprint of our products and services by 20%.

Community

Increase our community investment to the equivalent of 1% of our people's time.

Market Place

Enable 90% of our people to understand what 'Future Proof' means in their day -to-day job

Work Place

Involve 90% of our people in creating the best place to work in the industry

Corporate Governance Achieve a GRI A+on our annual CSR reporting The CSR strategy is set by the CSR Steering Group, composed of the leaders of our global functional departments and brand representatives. It is also responsible for setting the CSR targets, as well as ensuring it is aligned to the corporate strategy. The CSR Steering Group, chaired by Nigel Morris, CEO Dentsu Aegis Network Americas & EMEA, also oversees the implementation of Future Proof by the global CSR team and monitors its progress. Nigel Morris is the Dentsu Aegis Network board champion for CSR.

CSR Team

The global CSR team is responsible for the implementation of Future Proof. The team, consisting currently of three full time employees, coordinates the measurement, reporting and management of all CSR campaigns and programmes – including the compliance with the global CSR, Community and Environmental Policies. The global CSR team manages all internal and external communication and engagement with both CSR champions and stakeholders, and assess on a regular basis the risks and opportunities related to CSR. These are reported to the company-wide Risk Committee.

CSR Champions

The CSR team engages on a regular basis with a network of over 300 CSR champions to help execute Future Proof campaigns and programmes in every office around the world. These champions are volunteers and come from a variety of background, both client and functional side. The CSR champions are provided with free campaigns and programmes by the global CSR team to implement, but are also encouraged to pursue specific issues and partnerships that are relevant to the offices, brands and culture locally.



Delivery model

As part of Future Proof, Dentsu Aegis Network also developed an innovative delivery model for CSR:

- Global awareness campaigns that use social media to raise awareness of CSR issues amongst a digital and young audience
- •Global action programmes that leverage the power of digital technology to enable sustainable behavior in the global network
- Integration of CSR considerations into global functional departments such as Technology, Human Resources, Finance, Legal and Corporate Communications to future proof day-to-day operations
- •Engagement of CSR champions to unlock locally meaningful action on the Future Proof agenda

Comments from a CSR Champion

Why is it important that we 'give back' and engage around corporate social responsibility (CSR) as a leading global agency?

Any of us who have a degree of affluence and who enjoy good health are fortunate. It is perhaps easy working in the advertising industry, constantly trying to sell things to consumers with disposable income, to forget that an awful lot of people are much less fortunate than ourselves.

Of course everyone must make their own decisions on an individual basis whether they wish to give anything back. But all our businesses operate in a local community and a national and global market place. Just as the communities support us – with staff, customers, resources to do our jobs – we must support our communities. Working together as a team, with focused and co-ordinated efforts on selected programmes, we can have a positive impact on the communities around us.

We have an extraordinary range of talent and capabilities. If we can direct just a fraction of that capability, even for a small % of time, at helping address some of the challenges in society, then we can have a positive impact.

We value "responsibility" in our group, and this is just one way in which we can live up to our values. By doing so will enhance our company's reputation and help build a virtuous circle by attracting new customers and staff that value the same things we do.

What do you want people to know about your involvement with Future Proof CSR?

There is nothing specific, but if my involvement helps our teams around the world recognize the importance of this to our company, and encourages everyone to get more involved, and give a little bit more time and effort, then that would be very positive.

What are you proud of in 2015?

Everyone in the Asia Pacific business made such a great effort in 2014, and showed such a desire and commitment to support CSR initiatives that we have something to really build on in 2015. Our ambition is to turn our efforts into more continuous and sustainable activities rather than a series of one-offs. We will only be able to judge at the end of the year whether we have been able to achieve our aims, and whether our efforts have contributed a bit more.



Nick Waters Winner, Move the Dial Management 2014 DAN Asia & Pacific, CEO



nvironment

Dentsu Aegis Network ran a global environment campaign in 2014 to further reduce our environmental impacts. The global "30 Days of Green" campaign focused on raising the awareness of environmental protection and inspiring positive action. In addition to the global campaign, there were many local activities as part of 30 Days of Green, making a contribution to encouraging more sustainable behaviours.

Global awareness campaign: 30 Days of Green

In 2014, Dentsu Aegis Network ran its 4th annual "30 Days of Green" global campaign to raise awareness of environmental issues around the network, coinciding with the Earth Hour



and Earth Day global events. In 2014, 62 local activities were organised across 17 countries. Together these activities resulted in 3,182 green pledges made via the NEON intranet, Facebook and Twitter, originating from internal and external stakeholders such as clients and partners.

30 Days of Green Case Study 1 Anniversary Tree Planting – Beijing Dentsu Advertising

Since 2012, staff from Beijing Dentsu have planted trees each year to demonstrate their commitment to the environment. In 2014, Beijing Dentsu launched a series of activities to celebrate their contribution to the Chinese advertising industry over the past 20 years. The Anniversary Tree Planting event was a particularly meaningful part of this campaign, as it celebrated Beijing Dentsu's 20th anniversary at the same time as benefitting the environment. 120 employees assembled at the HuaiBei tree planting base, where they were given speeches by Yukiyasu Nagasaki, President of Beijing Dentsu and Xisha Li, Senior Vice-President of Beijing Dentsu. Overall, 200 trees were planted to serve as a metaphor for Beijing Dentsu growing into a fondant forest in the fertile soil of the Chinese advertising industry.







30 Days of Green Case Study 2 Bird Houses – Dentsu Aegis Network Russia

Dentsu Aegis Network Russia came up with a brilliant gift idea around sharing the 30 Days of Green campaign with their clients. The team focused on the native starling bird's habitat and how they could help increase the low bird population. Starlings like to live in gardens and forests in and around Moscow and are known for bringing the first signs of spring. To address this issue, the team decided to give 600 starling birdhouses to clients as gifts. Each client will then be helping to sustain the starling bird population locally and thereby contribute to the cause. This initiative also enhances Dentsu Aegis Network's corporate reputation and brand by engaging outside companies and clients to join the green movement.



Comments from a CSR Champion

Why is it important that we 'give back' and engage around corporate social responsibility as a leading global agency?

A company with a global reach like Dentsu Aegis Network has the ability to make a positive impact on the community, environment and its staff. By 'giving back' we demonstrate we care as individuals and also as a company. There are also opportunities to demonstrate leadership & create innovative solutions that inspire our clients and staff in the area of CSR.

What do you want people to know about your involvement with Future Proof CSR?

I have seen first-hand the impact that Future Proof CSR has had on people inside and also outside, the organization and how it is a team effort. I am part of a team, which extends past Future Proof champions into senior management, operations and vendor organizations that have assisted in making some great CSR initiatives possible.

What are you proud of in 2015?

I am proud to know people across the Dentsu Aegis Network businesses that really care about CSR and feel that it is important. I get to be involved in shaping the CSR **Strategy** and working in a company that can embed sustainability into its culture and truly innovate the way brands are built. I am excited by the transformative business opportunity that this presents.



Patrick O'Reilly Winner, Move the Dial CSR Champion 2014



Community

Dentsu Aegis Network ran a global community campaign and programme to increase the awareness of volunteering in the local community. The global "Volunteer Challenge" campaign focused on raising the awareness of "giving back" to the local community and the major impact this has on both the volunteers and the beneficiaries. The global "GlobalGivingTIME" action programme is the company's digital volunteering community where Dentsu Aegis Network volunteers directly help small- and medium-sized charities. In addition to the global campaign and programme, there were many local charity partnerships to tackle specific issues and concerns in 2014.

Global awareness campaign: Volunteer Challenge

The Volunteer Challenge campaign takes place and raises awareness of the valuable contribution that volunteering can make to people and communities. Between June and August 2014, the campaign engaged over 10,000 participants in 92 offices globally, with a total of 36,792 hours volunteered in two months on 106 locally led initiatives including, the launch of Asia Pacific's "One Day for Change" volunteer service day.







Global action programme: GlobalGivingTIME

GlobalGivingTIME is Dentsu Aegis Network's exclusive online volunteering community, where staff can volunteer to respond to media and marketing challenges from grassroots charities around the world. It has unlocked positive action with GlobalGivingTIME engaging over 700 volunteers on a monthly basis. By end of 2014, it had facilitated a total of \$26,000 pro-bono donations and 1,623 answers have been posted. More than 396 charities have so far benefited from support on GlobalGivingTIME with 43% reporting that they have improved their communications capability.

Volunteer Challenge Case Study 1 One Day for Change

In July, Dentsu Aegis Network Asia Pacific launched their One Day for Change initiative that encouraged all staff to give up a day of their time, on the same day, to support a cause or a charity. Agencies from across the region came together in support of each other as they in turn, supported local communities. Collaboration across the many different agencies that participated helped to maximise client and supplier support, creating a full circle of positive impacts on communities. The initiative gave 9,000 staff across Asia Pacific the opportunity to volunteer together in support of local or national causes of which 7,221 people gave 29,583 hours of their time to volunteer in their communities.

Volunteer Challenge Case Study 2 Carathon – Carat Ireland

The Carathon is Carat Ireland's annual charity softball tournament. Industry and media owners are invited to join the competition and donations are collected at the event. Since 2011, Carathon has helped to fundraise €55,000 for many different charities, including €15,000 for Carat's partnership with the Crumlin Children's Hospital. In 2014, Carathon featured 16 media owner teams and 4 Carat teams totaling over 200 people participating. After a fierce competition, Carat claimed the winning title first time in Carathon history. Not only was the event a great opportunity to raise much needed funds for charity, but it was also a chance for the industry to come together and build camaraderie amongst media professionals.









Global awareness campaign: Care & Share

In December 2014, the Care & Share campaign inspired good deeds during the holiday season through local activities supporting vulnerable groups in the lead-up to the New Year. This annual campaign links into many local activities that give back at the end of each year. In 2014, over 4,600 participants volunteered locally, helping to provide food, clothing and gift drives in over 17 countries and regions.

CARE& Share



Global action programme: #1000Cranes

For the first time in 2014, Dentsu Inc. and Dentsu Aegis Network partnered to launch the #1000Cranes initiative. The initiative was designed to bring colleagues from across the global network together, while raising awareness in support of global disaster relief efforts. The campaign kicked off in December and centered on a number of workshops, which involved over 2,500 colleagues across 16 global markets. The workshops featured a video tutorial filmed and produced by Dentsu Inc., in which Dentsu staff and President and CEO Tadashi Ishii himself, demonstrated how to fold an origami crane. Over 3,000 origami cranes were created and uploaded to the #1000Cranes website using a hashtag. Participants were asked to donate £1 to participate in workshops, with £3,500 raised for the charities.







Comments from a CSR Champion

Why is it important that we 'give back' and engage around corporate social responsibility as a leading global agency?

People are becoming more interested in the social and environmental effects of corporations and they, as important and influential members of society, are responsible to help maintain and improve the society's overall welfare. Priorities must change. Corporations are not in business to make maximum profit any more. They're in business to serve society. Profit is the reward for doing it well.

What do you want people to know about your involvement with Future Proof CSR?

Employees benefit from a socially responsible corporate culture. Innovation, teamwork, cooperation, trust and involvement in 'saving the world' make us proud of where we work. I'm happy I could help 'move the dial'.

What are you proud of in 2015?

I'm proud of getting the Move the Dial, Highly Commended Award for my work in CSR and helping those in need. I'm a little super hero!



Muriel Zografou Move the Dial Highly Commended Champion 2014

Comments from a CSR Champion

Why is it important that we 'give back' and engage around corporate social responsibility as a leading global agency?

The main word here that explains everything is "responsibility". The bigger our business is the bigger is our responsibility to all our stakeholders – employees, clients, suppliers etc. Companies, especially networks such as ours (working on so many business fields with prime focus on media to deliver value to our clients) must take the lead in bringing business and society back together and open up our clients for the opportunities to serve new needs, gain efficiency, create differentiation, and even expand markets throughout their social engagement. We can reset the boundaries of social responsibility by transforming it into creating a shared value strategies for our clients benefitting both their core business and their customers all at once. The most efficient tool to give a voice to any sustainable business and deliver on its brand promise is in our hands – the media.

What do you want people to know about your involvement with Future Proof CSR?

One thing for sure – corporate responsibility should not be an end in itself, but a thoroughly developed future proof strategy - integral to company's profitability and competitive position. Successful collaboration surely is core business driven, but not part of the business periphery, clearly linked to defined outcomes, well connected to the goals of all stakeholders, and tracked with clear metrics. It leverages the unique resources and expertise of the company to create economic value by creating social value.

This is the only way we can progress in doing good – utilizing our skills, resources, and management capability to lead social progress in ways that even the best-intentioned governmental and social sector organizations can rarely match.

What are you proud of in 2015?

My team – committed and dedicated 100% to what they are doing!



Maria Grachnova Move the Dial, Highly Commended Management 2014



Market Place

Dentsu Aegis Network ran a global market place campaign and programme in 2014 to increase the awareness of the place of CSR in day-to-day client work. The global "Media for Good" campaign focused on raising the awareness of the potential of advertising and media to do good when used to support charitable organisations. The global "Comms Lab" action programme educates people on how brands are using CSR as part of their communications, consumer engagement and growth strategies. In addition to the global campaign and programme, there were many local pro bono partnerships with charitable organisations as part of Media for Good.

Global awareness campaign: Media for Good

Between September and November 2014, Dentsu Aegis Network helped charities around the world to get their message across through the Media for Good campaign. This annual campaign highlights the power of advertising in doing good when it comes to helping small and medium sized charities get their message out to a wider audience. Our people donated their media knowledge and expertise to the tune of 6,887 pro bono hours on 13 campaigns, helping charities garner over \$10 million US in media value.

MEDIA FOR GOOD





Global action programme: The Comms Lab

Launched in October 2014, the Comms Lab is an internal hub on the NEON intranet that engages and educates people on how brands are integrating CSR as part of their communications, consumer engagement and growth strategies. The Comms Lab showcases how advertising and marketing can transform the world by delivering social and environmentally positive outcomes, benefitting our business, our clients and the markets in which we operate.



Media for Good Case Study 1 Movember – Dentsu Aegis Network Global

Since 2012, Dentsu Aegis Network has globally supported charity Movember to raise funds and awareness for men's health. Movember is a worldwide charity that aims to "change the face of men's health" and help fund programmes, which work to improve the lives of men affected by prostate cancer, testicular cancer and mental health issues. In 2014, Dentsu Aegis Network secured over \$4.9 million in advertising space in over 300 media networks, in 17 countries around the world and advertising space was unlocked in the Belgium and Singapore markets for the first time ever. In 2014, the global team helped to innovate the campaign with new and exciting ambient branding such as taxi wraps and putting a moustache on the Auckland ferry, all of which generated much press coverage. Movember's social media campaign was also evaluated and the team helped increase the charity's digital advertising presence during the campaign. In addition to the media pro bono work, 327 employees across all offices helped raise a sum of \$66,000 for the cause.

Media for Good Case Study 2 Le Chaînon – Carat Canada

Carat Canada has worked closely with charity Le Chaînon for the past 3 years. In 2014, they brought together other Dentsu Aegis Network brands to help promote the charity, whose mission is to support more than 10,000 women in difficulty each year. Since 2013, the team has helped secure over \$2.1 million in media value on TV, radio, print, digital media and out-of-home advertising as well as leading strategic initiatives in native advertising, content and experiential marketing to amplify the charity's call to action. In addition, Carat Canada's CEO, Ody Giroux, has played an integral role in raising awareness for Le Chaînon by authoring articles for business publications and appearing on television broadcasts to discuss the importance of providing support to women in need.







Workplace

Dentsu Aegis Network ran a global workplace campaign and programme in 2014 to further improve our company as the best place to work in our industry. The global "Wellbeing" campaign focused on raising the awareness on maintaining a healthy work/life balance. The global "Please Cycle" programme encouraged people to cycle, run and walk to work using an innovative mobile app. In addition to the global activities, there were many local activities as part of the campaign.

As part of global functional integration, CSR partnered with the Human Resources department to deliver a tailored CSR programme for the company's high potential development programme "Route 500". The aims were twofold: for the volunteers to develop their leadership skills and for the charities to gain access to strategic consultancy assistance over a longer period.

Global awareness campaign: Wellbeing

In May 2014, the first global "Wellbeing" campaign was launched to enhance and support awareness of a healthy "work/life balance". In just one month, 65 local fitness activities were available to our people with over 600 participants. Activities included running and



training for marathons, hosting yoga, meditation and fitness classes, signing up for Dentsu Aegis Network sports league teams and more. As a result, the campaign helped to seed and establish many local, long-term and on-going initiatives and increase awareness around wellbeing.

Global action programme: Please Cycle

"Please Cycle" is Dentsu Aegis Network's award-winning mobile app that promotes a greener and healthier commute by encouraging people to cycle, run or walk to work. Logging their journeys unlocks small rewards for free coffees or discounts. In 2014, we launched Please Cycle across 9 countries encouraging 10% of our colleagues to take up cycling to work. The programme made a significant impact on the company's carbon footprint with 602 colleagues covering 30,000 miles in over 7,700 journeys, thereby saving 10 tonnes CO2 emissions as a result of their green commutes. They also burnt over 1 million calories in the process. Please Cycle has helped raise the awareness of the longer term environmental impacts of commuting to work and helped permanently create more cyclists and runners at Dentsu Aegis Network, with 30% of users reporting that they now cycle more than before.





Wellbeing Case Study 1 Work Hard, Play Heart – iProspect Montreal

To encourage physical activity instead of screen time among youth in Canada, iProspect Montreal partnered with the Heart and Stroke Foundation to initiate the "Work Hard, Play Heart" challenge. In total, 77 staff accepted the 'challenge' by taking part in over 130 training exercise sessions that not only helped them get physically active, but also helped to raise funds for the cause and prepare them for a special sailing competition. The iProspect team developed a website platform (pro bono) in order to raise awareness and funds while following the progress of participants. The six-month challenge ended with a sailing trip, where teams sailed 1630 km from Quebec to Saint-Pierre-et-Miquelon aboard one of the fastest sailboats in the world to test their physical wellbeing and mettle. Over \$17,000 was raised to benefit the cause during the "Work Hard, Play Heart" challenge.

Wellbeing Case Study 2 Energize! – Dentsu Aegis Network Germany

Dentsu Aegis Network Germany established a health management and well-being program called "Energize!" across all of their offices in 2014. "Energize!" consists of established sports programs that can be tailored to each office. Staff can choose between four different sports classes (TRX, Zumba, Yoga and a Power Workout) which each take place once a week. Classes are led by professionals and staff has the opportunity to participate in 16 classes on offer each month. "Energize!" helps to motivate people to get out from behind their desk and increase their health and overall satisfaction, and is also a way for colleagues to get to know each other better – leading to better collaboration and a positive impact on Dentsu Aegis Network.





Route to Good

As part of "Route 500" – Dentsu Aegis Network's high potential global learning and development programme – CSR and HR launched "Route to Good" in March 2014. "Route to Good" helps "Route 500" members to grow their leadership skills and behaviour through an 18-month team mentoring relationship with small and medium-sized charities, with the aim of helping those charities improve their marketing and communications. In 2014, there

were 65 "Route to Good" participants working in 19 countries across 16 Dentsu Aegis Network brands, helping charities on everything from communication strategies and marketing plans, digital and social media, media planning, fundraising and more.





Corporate Governance

Dentsu Aegis Network places great importance on corporate governance and considers effective risk management and business continuity management core components of the internal control process.

A comprehensive Business Continuity Management System (BCMS) is in place, which is aligned to the requirements of the International Standards Organisation – ISO 22301 Standard and is sponsored at an executive level within Dentsu Aegis Network. The programme comprises of the following core elements;





as well as staff welfare, roles and responsibilities, recovery actions and priorities, and communication with key stakeholders.

Individual plans are designed to reflect the services delivered at each Dentsu Aegis Network location, with a hierarchical structure used to elevate the criticality of an event from the response at a local site operational level through to a globally impacting event, with assigned ownership for tactical and strategic response and recovery. This level of response would be managed as part of Crisis Management, which within Dentsu Aegis Network is a framework of communication, command and control procedures to prepare, manage and respond to a crises.

Exercising of plans is a critical component of the BCMS, ensuring the continued effective response to a given event.

Disaster recovery is an integral part to the design of all Dentsu Aegis Network IT environments, all IT infrastructure is delivered with an appropriate level of resilience.

Programme activities are continually reviewed as part of the management system, ensuring that plan creation, review, development and testing activities are undertaken aligned to current and emerging threats and structural changes.



Speak Up! Policy

The risk of fraud and other wrongdoing is a threat to the Group's profitability and reputation and must be the concern and responsibility of all levels of staff across the Dentsu Aegis Network business. Senior management have a specific responsibility to set a standard of transparent and ethical behaviour. Appropriate legal and/or disciplinary action will be taken against the perpetrators of fraud or other wrongdoing, with appropriate disciplinary action also taken against directors, managers and supervisors.

Dentsu Aegis Network believes it is important to have a culture and working environment in which employees feel able to raise, in confidence, genuine concerns about suspected wrongdoings at work.

'Speak Up!' is our programme for reporting any incident of concern or suspicion of wrongdoing where any workplace concerns can be reported. Examples could include:

- Bullying or harassment
- Theft or fraud
- Bribery and corruption
- Information security breaches (e.g. loss or theft of personal/ sensitive data)
- •Abuse or inflation of expenses
- •Non-compliance with contractual obligations
- Accounting and tax malpractice



Employees can make a report to Line Managers, HR contacts, Senior Managers or follow internal grievance procedures. Dentsu Aegis Network also employs Safecall Limited, an independent specialist which employees can contact on an anonymous basis, 24 hours a day, 365 days of the year in a number of different languages via phone, email and website. Action will not be taken against anyone who raises a genuine concern in good faith and concerning a matter which he or she reasonably believes to be true.

If managers receive a report that is of a serious nature they have a responsibility to report this to the Dentsu Aegis Network Director of Risk & Audit or the Dentsu Aegis Network General Counsel.