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Message of the Chairperson of CSR Committee



Improving all ESG values and pursuing the realization of a better society

Kunihiro Matsushima

Chair of the CSR Committee,
Director

Dentsu Group's consolidated performance for 2015 (calendar-year basis) showed significantly robust growth with revenue increasing 12.8% year-on-year and underlying operating profit increasing 20.3%. However, in terms of future forecast, a variety of risks exist, including geopolitical issues and business model innovations.

Under such circumstances, it is difficult for many companies to grow and continuously increase corporate value solely by pursuing financial performance. The Corporate Governance Code, for which implementation began in June 2015 in Japan, promotes innovation aiming at medium- to long-term growth of the Company through a constructive dialogue with stakeholders. The Code places importance on the ESG (environmental, social, governance) perspective above all and seeks corporate value creation in the non-financial area. In addition, the institutional investors, both within and outside of Japan, also place importance on the Principles for Responsible Investment (PRI), and over 1,500 investors have already signed on to the PRI globally.

In order to properly respond to such momentum, in December 2015, the Group formulated the Dentsu Group Medium-term CSR strategy 2020, setting targets to be achieved by 2020. The plan aims to increase the corporate value from the ESG perspective and highlights the four key domains: environmental conservation, community, supply chain, and responsible marketing and sustainable consumption.

The Company is a "public institution" of society, and it cannot achieve sustainable growth without substantive collaboration with various stakeholders. To that end, the Company will continuously strive to achieve the following initiatives:

- Provide responsible marketing communication services to enable our clients to build better relationships with stakeholders through business activities
- Engage in a wide range of CSR activities in collaboration with our business partners within the supply chain
- Support all employees of the Dentsu Group to act as professionals with high aspirations and energy by further promoting a work-life balance.

We believe these initiatives, among others, help ensure our sustainability as a member of society, separate and aside from the pursuit of financial sustainability. We will improve all ESG values in conjunction with our business activities to further enhance the corporate value of the Dentsu Group and pursue the realization of a better society.