

# Sustainability

## Message

Message from the Chairperson of the CSR Committee

### New Group-wide Challenges

#### Nobuyuki Tohya

Representative Director  
Executive Vice President



We are approaching an age that demands transformations unlike any that Japanese society has experienced up to now. The changes are required in areas from digitization to the working environment and the realization of a diverse and inclusive society. Amid significant changes in the working environment, there are demands that corporations like ours also embrace this new society.

As a result, the Corporate Social Responsibility (CSR) Committee has been holding serious discussions on a broad range of social issues faced inside the Company as well as by external stakeholders. The issues include the environment, social and governance (ESG) criteria emphasized by institutional investors and the UN's Sustainable Development Goals (SDGs).

In terms of a standard of corporate evaluation, I believe the ESG criteria will become increasingly important. The Dentsu Group's CSR Committee, the main promoter of the criteria, is committed to proactively disseminating relevant information outside the Company. At the same time, we are increasing our focus on the Dow Jones Sustainability Indices and the Carbon Disclosure Project.

To this end and through an employee initiative, we have created Group-wide project teams to engage in such activities as seminars to raise employee awareness, as well as to conduct surveys on consumer awareness of the SDGs. We believe the teams provide each employee an opportunity to consider what their social value is to society, and how they might work for society. We expect this will provide employees with a chance to attain personal growth.

The CSR activities demanded by society are not limited to social contributions, but include those realized through business activities, thus more than anything else, they represent an opportunity for employees to build relationships with society. We will continue to strengthen the efforts directed at our stakeholders and driven by the CSR Promotion Committee members, which promotes CSR activities in each Group department.

Even as times change in the face of progress, the ideas of employees and their gift of visualization remain the core competence of the Group's marketing and communications business. We thus hope to ensure a freer and more flexible environment to facilitate creativity as we take on new challenges Group-wide.

# Sustainability

## Dentsu Group CSR

### Code of Conduct

The Dentsu Group Code of Conduct, basic to our CSR activities, is based on seven key areas of Dentsu CSR activities: corporate governance, respect for human rights, ensuring a safe and civilized working environment, environmental protection, fair business practices, addressing consumer issues, and contributing to the community.

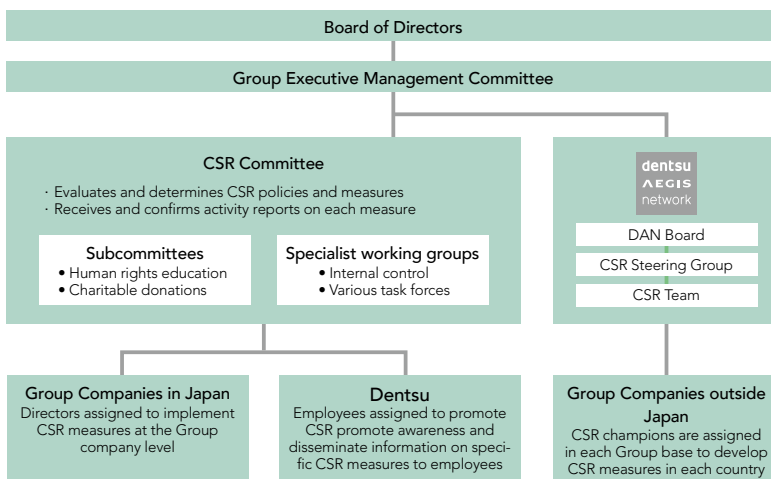
While strictly observing the laws, regulations, and social norms of each country, the code outlines the conduct that all managers and employees in the Dentsu Group must comply with to fulfill their social responsibilities.

### Dentsu Group CSR Promotion System

The Dentsu Group's CSR Committee—comprising five officers and chaired by an executive officer—serves as an advisory body to the Group Management Committee, which is tasked with making important management decisions. In FY2017, the CSR Committee met 11 times.

Subordinate advisory committees are set up under the CSR Committee to examine specific facets of the Company. CSR activities for our overseas businesses are formulated by Dentsu Aegis Network Board of Directors, before being reported to the Management Committee and CSR Committee. CSR promotion committee members have been designated in all Dentsu Head Office divisions, in an effort to promote awareness of specific CSR policies among all employees. At the same time, executive officers in charge of CSR have been appointed in Group companies in Japan, while in Group companies abroad, CSR Champions have been appointed. These efforts are designed to advance CSR activities on a Group-wide basis.

Dentsu Group CSR Promotion System



### Participation in International Initiatives

Dentsu participates in international initiatives in order to contribute to global social development, and strives to address activities with a focus on environmental, social and governance (ESG) issues and to promote information sharing. The Company joined the United Nations Global Compact in December 2009 and upholds its 10 principles on human rights, labor, the environment, and anti-corruption. It submits a CSR report every year to the UN Global Compact, and compiles an annual stand-alone activities report (Communication on Progress: COP) aimed at the realization of the 10 principles. Dentsu also has become a member of CSR Asia, the largest CSR-related think tank in the Asia-Pacific region, which focuses on deliberation of ESG issues in Asia and the strengthening of alliances with companies in Asia.



# Dentsu Group Medium-Term CSR Strategy 2020

In accordance with the Dentsu Group Code of Conduct, based on the medium-term CSR strategy—stipulating the four key areas and common goal—the Group will continue contributing to the realization of a sustainable society by steadily promoting CSR activities worldwide.





## CSR Planning: Realizing a Sustainable Society

Nations around the world face a number of social issues, including those that are environment-related, such as global warming, as well as human rights violations that are found in some countries and regions. Many of the issues are the result of corporate activities, since the increased social expectations and demands are causing companies to focus on a variety of activities to fulfill their responsibilities. The advertising industry being no exception, we have persevered in our effort to manage the impact on the environment and society.

However, the role that should be played by the advertising industry is far greater than we had anticipated. That said, we have a significant impact on consumer behavior as it relates to the buying of such goods as daily consumer items, and extends to once-in-a-lifetime major purchases. While being aware of the magnitude of the impact that advertising has on consumption, we also should remain aware of our responsibilities in terms of the fairness of the content and of goods and services that consumers purchase. When it comes to environmental and social impact, we believe advertising companies should bear in mind both direct and indirect impact.

Based on the above considerations, we developed a plan that defines the common goal of the Dentsu Group. The plan—involving the collection of data regarding the Group’s resources and knowledge in Japan and overseas—will be steadily executed with a view to realizing a sustainable society, and through the promotion of sustainable business activities.





### Four Key Areas

 <p><b>Environment</b> To tackle climate change through reducing our environmental footprint across our operations</p>	 <p><b>Community</b> To build a more effective civil society through a wide variety of community activities</p>
 <p><b>Supply Chain</b> To develop a more resilient supply chain through developing sustainable procurement practices</p>	 <p><b>Responsible Marketing and Sustainable Consumption</b> To promote a sustainable society through implementing responsible marketing practices as well as encouraging sustainable behavior</p>

### Quantitative Targets in Japan and Group Companies outside Japan

**dentsu**  
Dentsu Group companies in Japan

**dentsu**  
**LEGIS**  
network  
Group Companies outside Japan

	Dentsu Group companies in Japan	Group Companies outside Japan
 <b>Environment</b>	Reduce our carbon footprint per person by 30%	Reduce our carbon footprint per person by 40%
 <b>Community</b>	Have 90% of the employees participate in Dentsu’s CSR program and contribute to community development	Enable 500 charities to build communications capabilities
 <b>Supply Chain</b>	Cooperate with 90% of our main suppliers to promote sustainable business activities	Achieve 100% compliance with our supply chain charter principles
 <b>Responsible Marketing and Sustainable Consumption</b>	Provide 90% of our employees with training in the responsible execution of their duties and use their skills and expertise to give something back to society	Engage 1,000,000 people with sustainable consumption campaigns

## Respect for Human Rights

### Human Rights Policy and Systems

The Dentsu Group is engaged in business activities that incorporate a respect for global human rights in all communications related to business activities, including advertising. We ensure that our activities maintain high ethical standards and reflect awareness of human rights, with the aim of helping to realize a sustainable and rich communication society. We recognize protecting employee human rights to be an important responsibility, and so strive to prevent harassment and honor the human rights and individuality of all our employees, in order to make the most of their abilities. Dentsu Aegis Network released the Group's declaration with regard to slave labor and human trafficking, which echoes the stipulations of the United Kingdom's Modern Slavery Act 2015.

We will make an effort to prevent human trafficking, slavery, and forced labor by identifying and evaluating potential human rights impacts and risks in our business activities and supply chain.

Statement on UK's Modern Slavery Act 2015 → <http://www.dentsuaegisnetwork.co.uk/modern-slavery-statement>

### Human Rights Promotion System

The Dentsu Group Human Rights Education Conference is held twice a year for those in charge of human rights education at the Company, and for human rights education managers at Group companies in Japan. In addition to fundamental human rights issues, topical themes are also covered.

### Human Rights Awareness

To increase human rights awareness, the Group runs human rights awareness training programs based on both employee hierarchy and occupational field. The Dentsu Group Human Rights Education Conference is held twice a year for those in charge of human rights education at the Company, and for human rights education managers at Group companies. There are also various opportunities to raise awareness of human rights. Textbooks with information on human rights and explanations of their connection to advertising are utilized by employees.

The Human Rights College, a site that collects past examples of advertising expressions related to human rights, is posted on the Company's intranet. This initiative enables continuous online learning that increases knowledge and realizes the pursuit of better communication. Further, a newsletter dealing with timely human rights-related topics is distributed within the Group twice a month.

In the area of advertising and human rights, the Group has a permanent consulting contact, to ensure that expressions communicated to the world are appropriate, and to respond to Group-wide inquiries. In addition to this, we cooperate with human rights-related seminars held at the Japan Advertising Agencies Association, and make efforts to raise awareness throughout the advertising industry.



Site screen of the Human Rights College

### Internal Reporting to Protect Human Rights

We established a contact desk that responds to inquiries from Group employees and allows the identification of possible human rights-related risks associated with the right of expression in advertising. During FY2017, the desk received 296 inquiries. These were handled individually, in a bid both to prevent any recurrence of the issues and to increase human rights awareness.

All harassment-related issues are centralized at the Harassment Counseling Section, which has contact points at Dentsu branches as well as law firms outside the Company, and provides consultation services. The section coordinates with harassment contacts at each Group company, in a bid to prevent harassment across the Group.

To ensure that employee education prevents both power and sexual harassment at Dentsu offices, we have issued an educational book entitled STOP! HARASSMENT. We also hold training sessions tailored to target audiences, including new employees and new managers, and post messages on bulletin boards calling attention to the Company's anti-harassment policy as well as Human Resource Management Division manager's assistant and CSR promotion committee members.

# Ensuring a Safe, Civilized Work Environment

## Development of Human Resources

Recognizing that human resources are its greatest asset, the Group provides employees with appropriate capability-developing opportunities and supports employee self-development, in line with each individual's career and the organization's goals.

## Diversity Promotion

### Promoting Female Participation

Dentsu helps develop and support the careers of female employees. To maximize the Company's strength, we formulated an action plan for the promotion of diversity to run from January 1, 2015 until December 31, 2019. Through the plan, Dentsu is striving to expand its existing female-friendly work environments so that female participation in the workplace might increase.

#### Summary of the Action Plan

##### Goals

1. Increase the ratio of women among new graduate recruits (permanent employees) to at least 35% by 2020.
2. Increase the ratio of women among managers to at least 10% by 2020.

##### Specific efforts

1. Adopt measures to recruit and select female employees.
2. Enhance management skills of managers.
3. Foster career awareness among female employees.
4. Dispel uncertainty over work-family balance (raising children, providing care) by revising current systems and support measures.
5. Redesign work style to encourage greater output, reduce long working hours.

Summary of the Action Plan → <http://www.dentsu.com/csr/workingenvironment/workplaceenvironment.html>.

In FY2013, we launched the Female Employees Promotion Project, to create a working environment in which temporary leaves of absence will not jeopardize employees' careers. In addition, at an early stage of their careers, women are given ample opportunities to think about their careers at, for example, lunch meetings with senior female employees. This gives them the chance to hear about the experiences of others, and to attend career seminars held by lecturers invited from outside the Company.

### Employing People with Disabilities

As part of its efforts to promote the employment of people with disabilities, in April 2013 the Company established Dentsu Solari, a wholly owned Group company that was designated as a special-purpose subsidiary in November of that year. The employment rate of people with disabilities at three Group companies (Dentsu, Dentsu Works, and Dentsu Solari) is 2.14% (as of 1st of June, 2018). The Company also employs people with disabilities in account management, as well as in creative and other areas. Along with Dentsu Solari, we are trying to expand their employment opportunities.

## Contributing to the Community

### Dentsu Group Initiatives

Recognizing that local communities are important stakeholders and as a leader in the sphere of communications, Dentsu develops social contribution and community activities. These facilitate the resolution of issues, as well as promote development within, and build relationships of trust with, local communities.

### Employee Participatory Community Activities

At Dentsu, we provide opportunities for employees to collaborate with local communities and support volunteer activities.

In 2017, Dentsu twice conducted an in-house volunteer foreign currency coin sorting activity, led by the NPO Japan Habitat Association. Fifty-seven employees took part, with the sorted coins then changed to US dollars and used in Southeast Asian countries for afforestation projects and to help improve the living conditions of local children.



Employee Participatory Community Activities



### SOCIETY AND THE POWER OF COMMUNICATION

**Kyoko Ikeda**

Director, Corporate Philanthropy Dept. Administration Division

For business to be sustainable, it must coexist in harmony with, and be beneficial for, society. Under the slogan The Power of Communication for Society, Dentsu leverages the know-how and skills accumulated through our core business to support human resource cultivation and activities that tackle social issues.

One of our core activities is the Advertising Elementary School project in Japan. During a study period, students create a commercial intended to improve their communication skills and encourage self-discovery. The activity leads them to discover issues in an educational environment, resulting in the creation of better curriculums through the development of educational materials and class support.

Further, our social contribution activities enable us to contribute to the United Nations' Sustainable Development Goals (SDGs). In conjunction with the National Federation of UNESCO Associations in Japan, we have developed a variety of NPO support programs and projects. For many years, we have also been engaged in activities focused on education, hunger, responsible use, the environment and other of the 17 SDGs.

One result of the activities having been conducted over the long term is that they have had a positive impact on communities. At the same time, the employees involved have learned a lot, while gaining a sense of the enjoyment of social contribution. We plan to create a platform that combines the knowledge of our business partners and stakeholders with the know-how of our employees to further expand the scope of activities in which Dentsu can play an important part.

# Responsible Marketing Communications

## Dentsu Group Initiatives

In recognition of the substantial impact advertising has on society, Dentsu has established behavioral principles and guidelines related to creative work, and pays the utmost attention to advertising production.

### Dentsu Creative Code

Society is substantially impacted by creative output and processes centered on advertising. In recognition of our social responsibility and in order to fulfill our role, we position the success of our customers and the creation of a better society as our mission. To this end, we established the Dentsu Group Creative Operational Code, a behavior policy for every employee involved in creative businesses in all Dentsu Group companies, units and divisions. We make an effort to improve ethics and creativity within creative businesses by constantly learning and improving.

### Guidelines Regarding Advertising and Marketing That Affect Children

In 2016, NGO Save the Children Japan published *Guidelines Regarding Advertising and Marketing that Affects Children* formulated by the NGO's Children's Rights and Marketing/Advertisement Review Committee. Dentsu cooperated with the formulation of these guidelines through Global Compact Network Japan.

### Publicity Business Guidelines

Dentsu has formulated Publicity Business Guidelines, and conducts its publicity business in accordance with these guidelines.

## Contributing To Sustainable Development

At the September 2015 United Nations Sustainable Development Summit, the Sustainable Development Goals (SDGs) were announced as an action plan for humanity, the Earth and prosperity. The plan comprises 17 goals and 169 targets. The Dentsu Group, which provides a diverse array of value in the communications field and always looks to the future, is contributing to the resolution of global social issues. Through seminars and workshops, we are helping to provide support for stakeholder SDG initiatives. As part of these activities, in November 2017 we invited photographer Leslie Kee to create portraits of Dentsu employees engaged in efforts to achieve the SDGs. In this way it was hoped that awareness of the SDGs would be further inculcated within the Company. In addition, we created the SDGs Communication Guide. It is a guide for employees engaged in corporate management and advertising, as they go about their advertisement-related and promotional activities in connection with the SDGs.

Further, the Dentsu Group is participating in the groundbreaking initiative called Common Ground, with the world's five other top advertising and marketing services groups (Havas, IPG, Omnicom, Publicis, and WPP). The Group is focused on Goal 3, which is health, and is working with NGOs to counter global infectious diseases such as malaria and tuberculosis.

Common Ground ⇒ <http://www.dentsu.com/csr/commonground.html>

SDGs Communication Guide ⇒ [http://www.dentsu.com/csr/team\\_sdgs/pdf/sdgs\\_communication\\_guide.pdf](http://www.dentsu.com/csr/team_sdgs/pdf/sdgs_communication_guide.pdf)



Photographed by LESLIE KEE



SDGs Communication Guide



## Supply Chain

### Dentsu Group Initiatives

To ensure that procurement activities are socially responsible throughout its supply chain, the Dentsu Group distributes guidelines and CSR-related questionnaires to its business partners, while monitoring environmental, social and governance risks.

### Dentsu Basic Procurement Policy

In line with the Dentsu Group Code of Conduct and desire for fair business dealings with its suppliers and business partners, the Company established the Dentsu Basic Procurement Policy.

#### 1. Fair business dealings

We shall conduct fair business dealings.

- (1) Our business dealings shall comply with laws and regulations.
- (2) When selecting suppliers and business partners, we shall not only take into account economic factors, but also give due consideration to compliance and environmental issues.

#### 2. Cooperation with Dentsu's management system

When our suppliers and business partners collaborate with us, we request understanding of, and cooperation with, Dentsu's management system, including the Dentsu Group Code of Conduct, the Dentsu Procurement Guidelines and other Dentsu Group rules.

Dentsu Basic Procurement Policy, Dentsu Procurement Guidelines →  
<http://www.dentsu.com/csr/compliance/procurementactivities.html>

### Dentsu's CSR Procurement Activities

The Dentsu Group promotes CSR initiatives even with regard to procurement. By distributing Dentsu procurement guidelines among its business partners, we expect them to respect human rights, comply with prevailing laws and regulations, support environmental conservation, and show respect for intellectual property rights in terms of the production and provision processes of all services.

The Dentsu procurement guidelines were revised in March 2014, in order to observe the addition of international anti-corruption regulation tenets (the 1977 US Foreign Corrupt Practices Act and the 2010 UK Bribery Act), as well as regulations pertaining to conflict minerals (Section 1502 of the US Dodd-Frank Act of 2010) as part of our business ethics with the aim of realizing CSR procurement that helps contribute to human rights.

To monitor environmental, social, and governance (ESG) risks in the supply chain, Dentsu conducts supply chain assessments. These are online surveys comprising 30 ESG-related questions. By 2020, we aim to have collected survey responses from 900 companies. Having already received responses from 246 companies, it was revealed that 182 companies (73.9%) are specifically aware of the existence of the Dentsu Group Code of Conduct.

In addition, we ask all new clients to comply with the requirements of CSR-related procurement by incorporating a subcontractor basic agreement clause governing CSR procurement activities.



### **Respect for Laws and Regulations and Various Rights in Business Activities**

In order to maintain fair business practices in communications activities, compliance with various laws and regulations is expected and Dentsu aims to take the lead to be the cornerstone of legal norms in order to maintain its stakeholders' and society's trust. To this end, efforts are taken to ensure compliance with various laws such as the Act against Unjustifiable Premiums and Misleading Representations, for the appropriate offering of premiums and advertising; Act on the Protection of Personal Information, for the adequate protection of personal information of consumers who participate in campaigns and questionnaires; the Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors, to conduct fair and appropriate dealings with subcontractors; and the Financial Instruments and Exchange Act, to conduct appropriate stock trading.

As part of such efforts, for intellectual property rights in the realm of creative expression for advertising works, such as trademarks, design rights, copyrights, and publicity rights, Dentsu works to (1) improve the knowledge and awareness of employees through continuous educational and training programs, (2) disseminate information through easy-to-understand legal handbooks and manuals and the Company intranet, and (3) establish a designated department for consulting on legal and creative affairs. Going forward, Dentsu will continue to protect intellectual property rights and develop an environment for legal compliance in order to be a cornerstone for legal norms.

### **Tax Behavior Principle**

The Dentsu Group formulated its Tax Mission Statement and Tax Strategy to maintain consistency with Dentsu Group business strategies and activities, corporate values and social responsibilities, as well as to maintain and improve Group value by taking appropriate tax positions and paying taxes as appropriate.

## Structures for Environmental Activities

### Dentsu Group Initiatives

Recognizing environmental problems to be a key issue in terms of the Group's corporate social responsibility, Dentsu established the Dentsu Eco Program to promote Group-wide environmental protection initiatives.

In recognition of these efforts, Dentsu was certified as an Eco-First Company by the Ministry of the Environment. As a result, the Group will continue these activities and contribute to the realization of a sustainable society by collaborating with all stakeholders and environmental communication initiatives.

### Environmental Policy

The Dentsu Group aims to make each employee strongly conscious of its corporate philosophy of Good Innovation and, based on the Dentsu Group Code of Conduct, reduce the environmental burden generated through its business operations in order to contribute to the realization of a sustainable society.

- In order to realize a sustainable society, we will correctly assess the environmental impact of its business activities and work to reduce its burden on the environment.
- Work to develop and propose environmentally conscious business activities and contribute to the improvement of environmental issues.
- Ensure thorough implementation of environmental compliance and engage in ongoing improvements to boost environmental performance through more precisely defined environmental objectives and outcomes.

### Environmental Protection

- Actively endeavor to prevent pollution, alleviate climate change, and conserve biodiversity and ecosystems.

### Environmental Communication

- Actively engage in environmental education, for the next generation and environmental communication activities for business partners and employees, to raise recognition of environmental issues.

### Structures for Environmental Activities and Management System

Dentsu designated environmental managers to advance Group-wide efforts for the environment. Additionally, we adopted the Dentsu Group Eco Program (ongoing) in January 2005, and we acquired ISO 14001 certification in May 2005. Integrated Group certification that included subsidiaries in Japan was acquired in June 2006. Dentsu and 17 Group companies hold this certification as of January 2017.

### Raising Awareness

At Dentsu, we promote environmental slogans, eco-awards, and other awareness activities as measures aimed at heightening employee environmental awareness. In addition, we encourage employees to take the Tokyo Chamber of Commerce and Industry's Certification Test for Environmental Specialists and acquire certification.

Our activities include providing handbooks for use in employee education, including the Green Event Guide to promote eco-friendly green events, and the Greenwash Guide to eliminate advertisements that are misleading in terms of their impact on the environment.

### Eco-First Commitment Declaration

Dentsu is an Eco-First company<sup>1</sup> certified under the Eco-First System<sup>2</sup> set up in 2004 by the Ministry of the Environment. In 2017, Dentsu declared its commitment to the Eco-First System, which aims to help realize sustainable societies through cooperation with stakeholders. We will continue to promote awareness and understanding of environmental issues, as we work to reduce environmental burdens.



1. Dentsu was certified under the government's market greening policy in 2008.

2. For Eco-First System details, see Ministry of the Environment website: <https://www.env.go.jp/en/focus/docs/files/20111109-07.pdf>, pp. 15, 18.

The system is operated by the Ministry of the Environment for companies that promote initiatives for environmental conservation, involving initiatives that support environmental conservation, such as those designed to ameliorate the effects of global warming, as well as curb waste and support recycling and other environment-friendly conservation efforts.

# Climate Change Countermeasures

## Governance

The CSR Committee takes a lead in determining Company policies and key items related to global climate. These are discussed by the CSR Committee, before being reported to the Group Executive Management Committee.

## Strategies and Responses

Based on the Group's environmental policy, the CSR Committee conducts performance evaluations on sustainability and provides feedback to business units through the CSR Promotion Committee. During this process, risks and opportunities are discussed from medium- and long-term perspectives. This is imperative, given that environmental protection is one of the key targets of the Group's Medium-term CSR Strategy 2020.

## Risks and Opportunities

With the recent expansion of our international business involving M&As and other arrangements, our global environmental burden may increase. Recognizing the issue as an emerging risk, in collaboration with DAN we are working on ways to reduce this burden.

## Initiatives to Reduce CO<sub>2</sub> through SBT

To realize a decarbonized society, the Dentsu Group aims to achieve the 2°C target\* stipulated in the Paris Agreement, an accord within the United Nations Framework Convention on Climate Change, with the goal of reducing greenhouse gas emissions based on scientific evidence by establishing Science Based Targets (SBT). Dentsu received the international Science Based Targets initiative certification in recognition of having established science-based goals. The Dentsu Group aims to reduce Scope 1 and 2 CO<sub>2</sub> emissions 24% by 2030 compared with 2014 levels, and to reduce Scope 3 (business trips) CO<sub>2</sub> emissions 25% per employee by 2050 compared with 2015 levels. We plan to continue tackling climate change issues by making further efforts to reduce CO<sub>2</sub> emissions.



\* According to the framework for global warming countermeasures adopted at COP 21, the planet's average temperature increase is to be held at under 2°C compared with pre-industrial revolution levels. It was agreed that we must reduce global greenhouse gas emissions to zero during this century.

## Data Summary

### Employment Data (Parent Company only)

#### Number of Employees (Each year-end)

	March 2014	March 2015	December 2015	December 2016	December 2017
Consolidated	39,427	43,583	47,324	55,843	60,064
Non-consolidated	7,425	7,348	7,261	6,799	6,927

#### Ratio of Women among Managers (FY2017)

(Unit : %)

Total	8.0%	(including personnel seconded to the Company and excluding personnel seconded from the Company)
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#### New Graduates Hired

	April 2014	April 2015	April 2016	April 2017	April 2018
Total	135	132	144	145	145
Male	91	92	88	82	84
Female	44	40	56	63	61
Female Component	32.6%	30.3%	38.9%	43.4%	42.0%

#### Number of New Graduates and Mid-career Personnel Hired

	FY2013	FY2014	FY2015	FY2016	FY2017
Total	169	167	152	176	244
Male	114	120	108	115	158
Female	55	47	44	61	86
Female Component	32.5%	28.1%	28.9%	34.7%	35.2%

### Work-Life Balance

#### Average Number of Paid Vacation Days Taken

	FY2013	FY2014	FY2015*	FY2016	FY2017
Total	10.3	10.8	8.4	11.2	12.8
Male	9.2	9.6	7.5	10.2	12.1
Female	13.1	13.8	10.6	13.9	14.5
Leave Taken	51.5%	54.0%	42.0%	56.0%	64.0%

#### Annual Paid Vacation in Hour Increments Taken (Part of paid vacation days)

	FY2013	FY2014	FY2015*	FY2016	FY2017
Total Hours Taken	45,005	49,712	38,275	47,138	49,459
Total Number of People Taking Leave	17,111	14,568	14,308	18,217	19,401
Number of Hours Taken at One Time	2.6	3.4	2.7	2.6	2.5

#### Employee Composition (December 31, 2017)

	Male	Female	Total
Executive officers, others	43	2	45
Management staff	1,531	136	1,667
Non-management staff	2,575	1,028	3,603
Contract employees	269	288	557
Clerical staff	1	532	533
Partners / Senior staff	117	43	160
Part-timers, others	32	24	56
Seconded from other entities	211	95	306
Total	4,779	2,148	6,927

#### Average Age of Employees

Overall	40.1
Male	41.8
Female	36.4

#### Average Number of Consecutive Years Served

Overall	40.1
Male	41.8
Female	36.4

Note: "Executive officers, others" indicates senior corporate advisors, special advisors and executive officers (excluding Directors and Audit and Supervisory Committee Member). "Part-timers, others" indicates permanent part-timers, non-permanent part-timers and employees of overseas branches.

Note: Employees on temporary transfer are excluded.

#### Employees Taking Childcare Leave, Reinstatement Ratio

	FY2013	FY2014	FY2015*	FY2016	FY2017
Total	51	60	81	81	106
Male	11	10	15	31	47
Female	40	50	66	50	59
Reinstatement ratio	96.1%	100%	100%	100%	100%

Note: In FY2014, we recounted the number of the employees who took childcare leave in the past and revised the number in conjunction with the reinstatement ratio.

#### Total Hours Worked per Year (Per Non-management Employees)

	FY2013	FY2014	FY2015*	FY2016	FY2017
Total	2,265	2,252	2,187	2,166	2,031

Note: 1. Employees on temporary transfer are excluded.  
2. Following the change in the working hours management, the number of actual working hours has been revised from FY2017  
3. Including management positions from FY2017.

## Leveraging Diverse Human Resources

	Employment Rate of People with Disabilities (Unit : %)				
	June 2014	June 2015	June 2016	June 2017	June 2018
Total	1.79%	2.01%	2.04%	2.07%	2.14%

## Social Contribution Activities

	Community Investment (Unit : British Pound)				
	Cash Donations	Time Donations	In-kind Donations	Management costs of CSR	total
DAN	689,463	2,188,574	8,632,475	432,090	11,942,602

## Employee Engagement Survey

	Survey on the Company and Work (Unit : %)				
	January 2014	January 2015	January 2016	January 2017	January 2018
Q. Have you gained experience and knowledge made possible only by working at Dentsu?	94.0%	95.1%	94.4%	93.2%	92.3%
Q. Are you proud to work at Dentsu?	87.3%	88.1%	86.8%	80.2%	78.4%
Q. Going forward, do you want to continue working at Dentsu?	78.9%	78.5 %	75.6%	73.5%	72.1%

Source: "Employee Engagement Survey 'Dentsu Now in 2018' results summary (comparisons between rank and class)" March 2018

## Environmental Performance Data

	FY2015	FY2016	FY2017
CO <sub>2</sub> emissions (tons)	109,840	124,698	113,134
Dentsu (non-consolidated)	29,188	30,886	28,991
Dentsu Group in Japan	19,360	18,584	16,443
DAN (Dentsu Group Overseas)	61,292	75,229	67,700
CO <sub>2</sub> emissions per FTE	2.49	2.42	2.11
Scope 1 (tons)	4,482	5,170	5,611
Dentsu (non-consolidated)	577	594	452
Dentsu Group in Japan	310	409	417
DAN (Dentsu Group Overseas)	3,595	4,166	4,742
Scope 2 (market-based, tons)	53,836	55,126	48,573
Dentsu (non-consolidated)	20,938	21,867	20,287
Dentsu Group in Japan	11,432	10,496	8,258
DAN (Dentsu Group Overseas)	21,466	22,762	20,028
Scope 3 (tons)	51,523	64,403	58,949
1. Purchased goods and services	4,844	3,066	2,396
5. Waste generated in operations	884	933	1,110
6. Business travel	42,460	57,372	52,603
7. Employee commuting	3,334	3,030	2,841

### Scope and Method of Calculation

- Excluding some of Dentsu Group companies
- Based on the calculation standards of WRI (World Resources Institute) GHG Protocol
- For CO<sub>2</sub> emissions, Categories 1, 5, 6, and 7 were calculated for Scope 3