

Reduction of Environmental Footprint

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 engaging in environmental communication activities.

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 February 2019.

● 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*¹ certified under the Eco-First System* set up in 2004 by the Ministry of the Environment of Japan. In 2017, Dentsu declared its commitment to the Eco-First System, which aims to help realize sustainable societies through cooperation with stakeholders. Our Company-wide environmental conservation efforts have been praised by the Ministry of the Environment, which certified Dentsu as an Eco-First Company. We will continue to promote awareness and understanding of environmental issues, as we work to reduce environmental burdens.



WEB Eco-First System details (Ministry of the Environment website) http://www.env.go.jp/guide/info/eco-first/pdf/eco-first_en.pdf

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

*2 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.

● Eco-First Promotion Council Initiatives

The Eco-First Promotion Council is an organization established with the aim of connecting Eco-First companies and further expanding and enhancing environmental conservation activities. Dentsu is a member of the council. With 2018 having marked 10 years of the Eco-First system, and the tenth anniversary of the council's creation, Dentsu participated in the Talanoa Dialogue*, which presented council efforts and ideas regarding climate change countermeasures.

As the chair of the Talanoa working group in the council, Dentsu compiled the opinions of constituent companies and released examples of initiatives in a publication—entitled *If the Private Sector Does Nothing, Decarbonized Societies Will Not Materialize*—that outlines the Company's vision for the future. As announced by the Ministry of the Environment in September 2018, if the council goals are to be achieved, it will be necessary to limit global warming relative to a pre-industrial baseline. The global average temperature increase will have to be kept at between 1.5°C and 2.0°C above pre-industrial levels.

*Effort aimed at realizing the agreement with corporate and other member efforts shared as a story to achieve the Paris Agreement with the goal of improving the willingness to address climate change countermeasures proposed by the Fijian chairman of the 23rd Conference of the Parties to the Climate Change Convention (COP23).

● 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 CO₂ 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 CO₂ emissions 24% by 2030 compared with 2014 levels, and to reduce Scope 3 (business trips) CO₂ emissions 25% per employee by 2050 compared with 2015 levels. We plan to continue tackling climate change issues by making further efforts to reduce CO₂ 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.