### Sustainability of Dentsu and Society



## Overcoming challenges by leveraging our creative power and engaging with society

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#### Facing the emergence of global risks

The world is facing a major challenge in 2020. The damage caused by the COVID-19 pandemic is far more serious than we imagined, not only in terms of health, but also in terms of the impact on the economy. We need to rebuild and, in doing so, build a resilient, inclusive, and sustainable economy.

In the 2020 edition of the Global Risk Report published annually by the World Economic Forum (WEF), the spread of infectious diseases, such as this one, is highlighted as a major risk. However, environment-related items, such as abnormal weather and failure of climate change countermeasures, remain among the most likely to occur in the future. I am convinced that these risks are not unrelated to our daily life under the current economic model.

# Pursuing business models that generate societal and economic value

Social and economic performance have often been seen as difficult concepts to reconcile. However, by involving a wide range of stakeholders and collaborating to address these issues, we believe that it is possible to create new innovations beyond the traditional framework of CSR measures. We have set tackling social issues as one of the axes that will help us realize our new medium-term management plan. A business model that pursues both the resolution of social issues and the generation of profits is essential to our growth strategy, and we plan to develop multiple profit models that can be shared within the Group in the future.

### Developing a Group-wide sustainability strategy

Among the social issues we are facing today are those that are closely related to the business activities of the Group, such as climate change, diversity, as well as sustainable production and consumption. By focusing on these areas, we will maximize Group resources and create solutions through collaboration with various stakeholders.

Following the adoption of a new holding company structure in January 2020, the CSR Committee was reorganized to form a conference structure consisting of members from Group companies including Dentsu Japan Network, Dentsu Aegis Network, Dentsu Inc., ISID and Carta Holdings, Inc. who will integrate the CSR activities of their respective companies to formulate a Group-wide sustainability strategy for the year 2030. We will continue to explore global macro-economic trends through the lens of our most material impacts, and the opportunity we have to resolve these issues.

### Overcoming global issues along with our stakeholders

A global sustainability leader aims to solve global issues through alliances that transcend existing frameworks with a long-term perspective. Our Group has set greenhouse gas emission reduction targets for 2030 and 2050, which are accredited by the Science Based Targets initiative, and we have made a commitment to procure renewable energy across our global markets. We are signatories to the United Nations Global Compact and RE100 and are co-founders of #BrandsforGood, helping us to promote sustainability initiatives not only within the Group but also with companies in other industries. In addition, Common Ground, which works with the United Nations and major advertising holding groups, continues to support Malaria No More, a non-governmental organization dedicated to malaria control.

As we pursue these activities, it is essential that all of our 66,000 Group employees consider the role we play in society, demonstrate their creativity through their businesses, and create innovation to deliver social impact. It is only by working together, with our employees and our stakeholders, that we will overcome this challenge.



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