



Environmental Protection

Social Issues	The Dentsu Group's Approach
<ul style="list-style-type: none"> • Promotion of environmental communication • Efforts on reducing the environmental burdens by each employee 	<p>Dentsu considers environmental issues a key CSR issue and established the Environmental Strategy Council, chaired by the president & CEO. As an environmental management system, Dentsu Eco Program sets out an environmental policy and environmental targets to advance company-wide efforts for environmental protection. These efforts have been recognized, and Dentsu was certified as an Eco-First Company by the Ministry of the Environment. Dentsu will continue to advance environmental protection activities, not only through internal activities, but also through efforts in cooperation with our stakeholders and the implementation of environmental communications, in order to contribute to the realization of a sustainable society.</p>

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.

Environmental Objectives

1. Promotion of activities to business partners, consumers and employees to raise recognition of environmental issues
2. Promotion of activities to prevent global warming and conserve ecosystems
3. Maintaining waste reduction and recycling at a high rate

Structures for Environmental Activities

In July 2008, Dentsu strengthened its arrangement for implementing environment-related measures with the establishment of the Environmental Strategy Council, chaired by the president & CEO, to promote environmental strategy as a corporate group. Additionally, the CSR Committee, one of the Company's principal committees, designated environmental managers to advance Group-wide efforts for the environment. CSR Promotion Committee members advance environmental activities at respective Dentsu divisions (offices). At each Group company, board members in charge of the Eco Program, environmental managers, supervisors, and promotion committee members are appointed to advance environmental activities.

Dentsu Group Eco Program

In January 2005, we adopted the Dentsu Group Eco Program (ongoing), and in May 2005, we acquired ISO 14001 certification. Integrated Group certification that included subsidiaries in Japan was acquired in June 2006. Dentsu and 16 Group companies hold this certification as of December 31, 2016.

Raising Awareness

Environmental education

Dentsu provides employees with a broad range of environmental knowledge so that they might play a leading role in addressing environmental issues. As an example, Dentsu encourages its employees to take the Certification Test for Environmental Specialists, sponsored by the Tokyo Chamber of Commerce and Industry. Employees who acquire the certification are appointed as eco officers to promote Dentsu's environmental activities. In fiscal 2016, the certification was awarded to 107 employees.

Awareness-raising using handbooks

Dentsu creates handbooks as part of its awareness-raising activities for employees and uses them for new employee training and other purposes.

For example, the term “greenwash” is used in reference to labels and advertising that use unsubstantiated information or partial data to give the impression that products or corporate activities are more environmentally friendly than they actually are. Dentsu’s business is deeply concerned about greenwashing, and we enhance the knowledge of our employees about related matters through our Greenwash Guide. Dentsu defines a green event as an event that is an environmentally friendly one, and the *Green Event Guide* is used for organizing such events. The guide describes how to organize green events from the viewpoint of a PDCA cycle, in line with the flow of event management, from the planning stage to implementation and post-event evaluation. The guide includes case studies that are useful in putting these instructions into practice.

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 Group’s Environmental Strategy Council and CSR Committee, before being reported to the 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 20% 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.

Activities to Tackle Climate Change

Perpetual Recycling of Paper Dentsu Aegis Network

In 2016, Dentsu Aegis Network (DAN) India HR Director Sunil Seth led an effort to recycle and reuse paper with the cooperation of partners Green O Tech (Gurugram) and RaddiConnect.com (Mumbai), launching two interesting office programs that have made great strides toward environmental conservation. The DAN India office in the Delhi region recycled and reused 2,782 kilograms of paper, saving 25 trees. Green O Tech worked with local children to plant 15 trees, equivalent to the elimination of 5,461 kilograms of CO₂, enabling the conservation of 44,640 liters of water that would have been required for making new paper. In addition, DAN used recycled paper to make 910 notebooks that it donated to school children.



Big Results from Small Efforts Dentsu Aegis Network

Small efforts can lead to big results. During Sustainable Development Week 2016, our Paris office came up with three innovations. First, the Paris office began lending a Hybrid car for use during business trips to local areas and recommends car pool services as an environmentally friendly way to commute. Second, the office offers free bicycle inspections and provides a bicycle concierge service, so that employees can safely go out for lunch and return to the office every day. Third, the Paris office has launched paperless interviews. The HR team no longer uses paper CVs and, instead, uses paperless digital media such as computers and tablets to access work histories.

