

dentsu

Environmental Policy

OP7

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Applicable to: all dentsu international employees and entities including new acquisitions

Purpose: to comply with all applicable environmental legislation, identify and manage our environment impacts to achieve best in class environmental performance and ensure our staff are aware of the environmental impacts of their work activities

Scope: this Policy applies to all our operations, and the employees and contractors who work in them

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Contents

Executive Summary	p. 3
01 Our target	p. 4
02 Our goals	p. 4
03 Our metric	p. 4
04 Our commitment	p. 5
05 Scope and applicability	p. 5
06 Reporting our progress	p. 5

Executive Summary

It is our aim to drive sustainable growth for dentsu, for our clients' and for society as a whole. For business growth to be truly sustainable we must accelerate the transition to a low carbon future and reduce the future impacts of climate change. Dentsu International therefore commits to achieving net-zero emissions by 2040. Net-zero refers to achieving an overall balance between emissions produced and emissions taken out of the atmosphere. This balance is achieved through a combination of robustly reducing a company's operational emissions both internally and also throughout its upstream and downstream value chain, and then taking the remaining residual emissions out of the atmosphere through carbon removals offsetting projects.

The Environmental Policy outlines the shared responsibilities of everyone at dentsu international in achieving our net-zero ambition. It is implemented through the dentsu international *Social Impact* strategy, which is governed by the dentsu international Social Impact Steering Committee.

This Policy will be reviewed annually, or more frequently in light of significant or organisational changes. It will be made available to all dentsu international staff, contractors, and key stakeholders through our website and is available upon request.

01 Our target

We will achieve net-zero greenhouse gas (GHG) emissions across our global operations by 2040. To do so we will reduce our total global Scope 1, 2 and 3 GHG emissions by at least 46.2% by 2030 and by at least 90% by 2040 (compared to our 2019 baseline). We will neutralise the remaining emissions (10%) through credible and verifiable GHG removal projects.

02 Our goals

In support of our target:

- We will align all emissions targets with the latest climate science, revising the ambition of our targets when and if required. Dentsu International has therefore committed to a 1.5°C-aligned Science-Based Target with appropriate workstreams to reduce own operational emissions in areas such as buildings, business travel (flights) and IT. Our net-zero target has been externally validated by the Science-Based Targets Initiative.
- Dentsu International is also a signatory to the UN Global Compact's 'Business Ambition for 1.5C', which aligns dentsu international with leading companies.
- We will maintain our commitment to being powered by 100% renewable electricity in all countries in which we operate, procuring 100% renewable electricity from in-country sources where it is possible to do so, and working with partners to overcome policy and market barriers in countries where it is not. This supports our ongoing membership of and commitment to the RE100 initiative of companies aiming to use 100% renewable electricity in their operations.
- We will neutralise the remaining hard-to-decarbonise emissions by using certified greenhouse gas removal projects which, where possible, deliver co-benefits aligned with our Vision 2030 ambition of a fair and open society. Where feasible, such co-benefits will be targeted towards supporting dentsu international's public commitment to the UN Sustainable Development Goals.
- We will promote transparency and consistency in climate action by aligning our climate risk assessment and corporate reporting with the recommendations of the Taskforce on Climate-related Financial Disclosures.

03 Our metric

We use a metric which measures GHG emissions associated with our operations: metric tonnes of CO2 equivalent expressed in absolute volume.

04 Our commitment

Our commitment is to:

- Comply, as a minimum, with our compliance obligations including relevant environmental legislation, permits and other environmental requirements, such as the management of hazardous waste, the Waste Electrical and Electronic Directive (WEEE) and Restriction of Hazardous Substances (ROHS);
- Regularly assess our environmental risks and opportunities in relation to our operations and manage those risks;
- Engage our stakeholders – all interested parties – around environmental management by our business;
- Continuously improve our environmental performance and integrate recognised environmental management best practice into our operations;
- Reduce our consumption of resources and improve the efficiency of those resources;
- Manage our business operations to protect the environment by preventing adverse environmental impacts and by preventing the adverse impacts of environmental conditions;
- Give due consideration to environmental issues and energy performance in the acquisition, design, refurbishment, location and use of buildings;
- Procure 100% renewable electricity from in-country sources where it is possible to do so – wherever possible prioritising local “green tariffs” over Renewable Energy Certificates, or Energy Attribute Certificates, in line with RE100 best practice;
- Ensure environmental, including climate change, criteria are considered in the procurement of goods and services;
- Enhance the way our products and services are designed, delivered and consumed;
- Report and disclose our environmental performance to all our stakeholders.

05 Scope and applicability

This Policy applies to all dentsu international’s operations and the employees and contractors who work in them. Where dentsu international does not have operating control, we encourage our partners to demonstrate the commitments reflected in this Policy.

06 Reporting our progress

We transparently report our progress annually through our Social Impact Report and the Dentsu Group Inc. integrated annual reports and accounts. Our climate change strategy, governance, metrics, and performance are also publicly disclosed via our annual response to the CDP Climate Change questionnaire.

Signed: Anna Lungley, Chief Sustainability Officer



Date: January 2022