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NEWS RELEASE

DENTSU INC.

1-8-1, Higashi-shimbashi, Minato-ku, Tokyo 105-7001, Japan http://www.dentsu.com

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Dentsu Revamping Labor Culture to Better Support Diverse Values and Work-Life Balance

Dentsu Inc. (Tokyo: 4324; ISIN: JP3551520004; President & CEO: Tadashi Ishii; Head Office: Tokyo) is evaluating specific measures to create a new labor culture at Dentsu in Japan. These measures are considered vital for dramatically improving the workplace environment. We intend to review the value that we provide to society and customers and reappraise our role as a corporate citizen while deploying policies that empower us to transform our labor culture.

As part of those efforts, Dentsu in Japan is evaluating how our organizational management and assessment systems shape Dentsu's labor culture in Japan. We have decided thus far to undertake the following initiatives:

- In fiscal 2017, we will inaugurate 360-degree evaluations that incorporate employee assessments of supervisors so as to reflect the diverse values and work perspectives of our people.
- In January 2017, we will begin discussions between labor and management with the aim of introducing medium-term objectives, such goals focusing on individual growth and career development, in the performance evaluations of people not in supervisory positions.
- From fiscal 2017, we will introduce an organizational management benchmark to materialize a workplace environment that respects work-life balance. The average number of employees taking more than 50% of their paid leave has already been reached, however our goal is to achieve this level across all divisions.
- We will begin consulting with vendor and sub-contractor partners to formulate new rules
 and process management techniques for outsourced work. The goal being to ensure that
 people at production companies and other external entities do not work late or for long
 hours.

We have also decided to cease including the 10 Principles that Hideo Yoshida, our fourth president devised, in employee notebooks and other materials.

The Dentsu Working Environment Reforms Commission that we established on November 1 has already received many suggestions from employees in all areas of our organization.



Through this and other forums we will strive to create a new culture, one in which our people remain free to suggest new ideas and engage in vigorous debate.

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Contact: Shusaku Kannan

Corporate Communications Director

Telephone: (813) 6216-8042 E-mail: s.kannan@dentsu.co.jp