

NEWS RELEASE

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FOR IMMEDIATE RELEASE November 16, 2020

Providing SDGs Business Solutions

Seven Companies Including Dentsu Group Companies in Japan to Help Develop a Corporate Circular Economy

Dentsu Inc. (Headquarters: Minato-ku, Tokyo; President & CEO: Hiroshi Igarashi), Dentsu Tec Inc. (Headquarters: Chiyoda-ku, Tokyo; President & CEO: Yasuhiro Matsubara), Dentsu Live Inc. (Headquarters: Chiyoda-ku, Tokyo; President & CEO: Seikyo Son), Dentsu Public Relations Inc. (Headquarters: Minato-ku, Tokyo; President & CEO: Masahiro Makiguchi), Dentsu Digital Inc. (Headquarters: Minato-ku, Tokyo; President: Soichi Kawakami), Information Services International-Dentsu, Ltd. (ISID, Headquarters: Minato-ku, Tokyo; President, CEO & COO: Ryoichi Nawa), and Material ConneXion Tokyo (Operating company: M crossing Co., Ltd.; Headquarters: Minato-ku, Tokyo; CEO : Kumiko Yoshikawa) are seven companies that jointly will provide SDGs Business Solutions, a program supporting circular economy¹ initiatives, scheduled to launch on November 16, 2020.

There is an urgent need for companies to introduce principles of sustainable management if the SDGs are to be achieved by 2030. Specifically, corporate activities must be conducted in accordance with the requirements of a circular economy. Enterprises must implement a system designed to collect and recycle waste resulting from product manufacturing to ensure that there is zero waste.

Companies working to achieve SDGs have expressed a number of concerns. These include the inability to profit from pursuing zero waste goals; difficulties in proceeding with product development from a sustainable perspective; problems companies face when trying, on their own, to collect waste products for recycling; and the lack of progressive thinking within and outside the company.

In order to respond to these corporate concerns, seven companies—including Dentsu Group companies in Japan—will provide consulting services for clients throughout their value chain. This will cover from business strategy formulation to material selection, resource procurement, design, manufacturing, service development, as well as collection and recycling of waste products resulting from the manufacturing cycle. The companies providing consulting services will help develop solutions that support strategic

communications in each process.

The services will be led by Dentsu Team SDGs project members, comprising some 30 SDG-related consultants Group-wide, who will commercialize and disseminate information on SDGs. Dentsu Group companies in Japan will collaborate with Material ConneXion Tokyo, operator of the world's largest material library,² in their areas of expertise.

The goal is to give support in providing: connective power to promote cooperation with collection and recycling companies, which had been difficult for companies to handle on their own; creative power, to help procure the newest sustainable materials for product development; and communicative power, to expand activities within and outside companies.

In short, we will provide full-scale support for the construction of a circular economy that attains SDGs in a way that leads to profits.



SDGs Business Solutions Initiatives and Company Roles

SDGs Business Solutions Menu and Features

It is possible to provide overall solutions and partial solutions according to the conditions in each company.

1. Sustainable roadmap

Management, business, and product strategies are to be reviewed from an SDGs perspective, before a medium- to long-term roadmap is created. We will ascertain global conditions, relevant regulations, and consumer awareness to formulate a path for the flexible response of sustainable solutions.

2. Product materials, design, development

All products should be reconsidered, starting with their component materials. Based on their sustainability, the most suitable materials should be selected before a product is planned, designed, developed and manufactured.

3. Provision, collection, recycling, upcycling

Build a system for the circular economy that covers the entire value chain: development of product provision services; collection of containers after product sale; as well as recycling and upcycle systems.

4. Digital transformation

To advance the circular economy and involve consumers, we will introduce a system of digital transformation to create high-quality customer experiences and incentive designs.

5. Understanding and buy-in

It is necessary to strategically disseminate information during each process in order to increase the number of internal and external supporters of the SDG initiative, and link it to sustainability while increasing societal awareness.

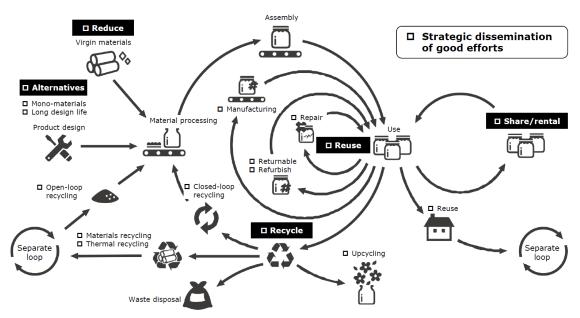
A downloadable SDGs package design guide will be created from an SDG perspective. Starting with this guide and SDGs business solutions, Dentsu Group companies in Japan will continue helping to resolve corporate issues related to the SDGs and to promote the SDGs throughout society.

Participating Companies (In no particular order)

- Dentsu Inc.: <u>https://www.dentsu.co.jp/en/</u>
- Dentsu Digital Inc.: <u>https://www.dentsudigital.co.jp/</u> (Japanese only)
- Dentsu Live Inc.: https://www.dentsulive.co.jp/en/
- Dentsu Public Relations Inc.: <u>https://dentsu-pr.com/</u>
- Dentsu Tec Inc.: <u>https://www.dentsutec.co.jp/company/?lang=en-US</u>
- Information Services International-Dentsu, Ltd.: https://www.isid.co.jp/english/
- Material ConneXion Tokyo: https://jp.materialconnexion.com/ (Japanese only)

Notes:

 Following the linear economy (production → consumption → disposal) and the reuse economy (disposal of waste for re-use), the circular economy seeks to have waste not generated but, instead, collected and recycled from the product development stage. The idea is attracting worldwide attention as a vehicle for future economic growth. If such a system is to be realized, it will touch all corporate activities, from the procurement to the collection of materials.



Source: The Ministry of Economy, Trade and Industry: "Current Status and Issues Related to Resource Recycling Policies"

2. Run by Material ConneXion Tokyo, the library holds Japan's largest collection and variety of crossindustry materials from around the world. It features many sustainable materials, such as packaging, building, apparel, and car interior materials, as well as electronic devices. New materials are selected in New York each month. Displays can be touched and experienced.



Inside the Material Library

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