

dentsu International Australia Pty Ltd - Modern Slavery Statement FY23

1. Introduction

This Modern Slavery Statement (Statement) is made by dentsu International Australia Pty Ltd (ACN 147 291 674) (**dentsu, our, us**) pursuant to the Modern Slavery Act 2018 (Cth) (the **Act**). It is for the financial year ending 30 December 2023. This is our fourth Modern Slavery Statement.

dentsu remains committed to conducting business with integrity and to the highest ethical standards, respecting human rights and protecting the interests of both dentsu employees and society. dentsu has zero tolerance of modern slavery and human trafficking and is committed to doing all it can to ensure no form of slavery or human trafficking exists within its supply chain. dentsu expects the same from its suppliers and will not knowingly engage with any person or organisation suspected of being involved in modern slavery or human trafficking in any form.

2. Structure, operations and supply chains

dentsu is a private limited company incorporated in Australia. It is a wholly owned subsidiary of dentsu International Limited (**dentsu International**) a company registered in England and Wales. Its ultimate parent company is dentsu Group Inc, incorporated in Japan. References to dentsu within this Statement are references to dentsu International Australia Pty Ltd and its subsidiaries unless otherwise stated.

dentsu is the parent company for dentsu International's operations in Australia and employs approximately 1,100 staff members across six office sites across the country. Its head offices are located in Melbourne, Victoria. dentsu's service offering in Australia includes leading media, creative, customer experience management and sports marketing capabilities, via our network of agency brands.

Our local brands include Carat, iProspect, dentsu X, SMG, Merkle, Dentsu Creative, MKTG, and Cox Inall Ridgeway.

dentsu works with suppliers across a diverse range of services including:

- Media owners and publishers;
- Research and data companies;
- Technology, software and hardware service providers;
- Creative service suppliers;
- Facilities management and office suppliers, including cleaning and catering providers;
- Travel agents and transport operators.

3. Modern slavery risks

Within our operations

dentsu's employees and contingent labour workforce are predominantly advertising professionals, supported by corporate functions who are engaged in accordance with applicable labour laws and modern award requirements. Due to dentsu's adherence to global dentsu policies (described below) and dentsu's recruitment, remuneration, and compliance programs, there is no risk of modern slavery within our Australian operations.

Dentsu International's group operations include professional services which are provided out of India, and which are utilised by dentsu from time to time, but that these do not pose a modern slavery risk given the types of roles in scope and mandatory compliance with broader dentsu International policies regarding applicable labour laws and employment standards.

Within our supply chains

dentsu's modern slavery risk within its supply chain remains low. Our supply chains do not involve sectors in which modern slavery typically or historically exist. dentsu's primary suppliers are mature corporate organisations operating in the creative, media and data and technology sectors. Accordingly, two supply chains that we focused on in FY23 were:

1. Third party facilities management and office suppliers (Facilities Suppliers): cleaning services and providers are considered higher risk due to the prevalence of unskilled or temporary labour in this sector.
2. Third party event, activation and creative service providers based in Australia (Activation and Production Suppliers): service providers within this sector were considered moderately higher risk due to their reliance on a contractor based workforce.

4. Actions to address risks of modern slavery

Policies and procedures

dentsu operates a comprehensive set of global policies that, amongst other matters, encapsulate the obligations under the Act. The dentsu policies that incorporate the values and objectives of the Act are as follows:

- (1) *The Global Code of Conduct*. dentsu is committed to conducting business with honesty and integrity and upholding high standards to protect the interests of its employees, clients, shareholders, stakeholders and communities in which they work. All employees are required to confirm adherence to the Code of Conduct annually and behave consistently with its terms.
- (2) *Supplier Code of Conduct*. This reflects dentsu's commitment to our employees, clients and stakeholders, and the obligations expected from all of our suppliers, affiliates, consultants, contractors and agents.
- (3) *Global Business Principles*. This document summarises dentsu's commitments to its clients, suppliers and other stakeholders, via our policies and frameworks and includes our commitment to honour internationally recognised principles of human rights and our zero-tolerance approach to all forms of slavery.
- (4) *Global HR Policy*. This states dentsu's commitment to uphold fair employment practices and observe the laws that pertain to, among others, the prohibition of forced, compulsory and child labour and the laws relating to the elimination of any improper treatment or discrimination of employees.
- (5) *Global Speak Up Process*. This encourages employees to raise, in confidence, any concerns they may have about a suspected wrongdoing in the workplace which includes

any concerns regarding the risk of modern slavery or human trafficking. All employees are given training on the speak up process including how and when to use it.

Compliance Assurance Framework

dentsu operates a mature compliance assurance framework to monitor, prevent and remediate compliance risks. Key components of this framework include:

- (1) *Annual Compliance Statement.* Each dentsu market CEO is required to annually certify that the business has operated in compliance with all applicable policies, laws and regulations.
- (2) *Risk and Compliance Committee.* This committee (made up of key stakeholders including the ANZ CEO, and senior representation from Finance, Legal and HR) meets regularly to identify, monitor, and remediate compliance risk affecting the business.
- (3) *Internal Ethics and Compliance Function.* This function exists to promote and maintain ethical and compliant behaviour in our business, identify and investigate ethics and compliance risks within our business, and to provide support to prevent or mitigate such risks.
- (4) *Risk and Audit Function.* This function is accountable for implementing and updating the Risk Management policy and framework; and undertaking assurance and verification activity in respect of policy compliance.
- (5) *HR & Legal.* These business functions are responsible for; monitoring changes to legislation, updating and implementing local policies and conducting investigations into potential instances non-compliance with our policies and/or applicable legislation.

Risk assessment

In FY23 dentsu:

1. undertook a review and update to MKTG's processes of engaging third party suppliers. All newly onboarded suppliers in MKTG are now required to complete a modern slavery questionnaire as part of onboarding processes. This requirement is in addition to a contractual obligation that all suppliers will comply with applicable modern slavery legislation, which will exist in addition to the existing creative supplier terms and code of conduct.
2. continued to carry out due diligence practices of all new Facilities Suppliers. This practice revealed no instances nor risks of modern slavery within our supply chains.

In FY24, dentsu will implement a new platform for requesting and receiving modern slavery questionnaires from all of our newly onboarded non-media suppliers and plans to undertake a global internal audit of supply chain processes and procedures to identify areas of risk or opportunity.

Assessing effectiveness

In FY23, dentsu continued to focus on validating its supply chain risks. In FY24, dentsu intends to expand its due diligence and monitoring processes, with the implementation of the new procurement platform which will enhance modern slavery compliance assessments.

In FY24, dentsu also intends to review its global internal training requirements to consider whether localised training on modern slavery is required.

For FY24, the effectiveness of the steps taken by dentsu to ensure that modern slavery and human trafficking is not taking place within its operations and supply chain will be measured by the following key performance indicators (KPIs):

- (1) The implementation of a procurement platform which will require 100% of newly onboarded non-media suppliers to complete a modern slavery questionnaire as part of onboarding;
- (2) No instances of modern slavery and/or human trafficking identified as part of the dentsu supplier due diligence process.

For FY23, dentsu can report that; (1) 80% of newly onboarded non-media suppliers completed a modern slavery questionnaire; and (2) there were no instances of modern slavery and/or human trafficking identified as part of that process.

5. Consultation

This statement reflects the position of dentsu and each of its wholly owned subsidiaries within Australia. All wholly owned subsidiaries within Australia operate under management control of dentsu International Australia Pty Ltd and are subject to dentsu group policies.

6. Approval and publication

This statement will be published on the internet on the Australian Government's Online Register for Modern Slavery Statements.

This statement was approved by the board of dentsu International Australia Pty Ltd on 1 July 2024.



Patricio De Matteis – Director



James Millen - Director