

Sustainability at the Hakuhodo DY Group

The Hakuhodo DY Group has appointed sustainability officers at each Group company to strengthen the effectiveness of its initiatives. This time, the sustainability officers from the Group companies gathered to hold a discussion on sustainability management.

Through human-centered sustainable management, we aim to create a society abounding in *sei-katsu-sha*'s aspirations and where they can live vibrant lives.

Bruce James

Corporate Officer



Creating a Sustainable Future Through the Power of Creativity

The world faces an overwhelming number of serious social challenges—climate change, human rights issues, and more—and traditional approaches are no longer sufficient today to solve these and generate new change in society.

At the same time, as we move into a *sei-katsu-sha*-led society, where *sei-katsu-sha* are at the center of everything, sustainability has become a critical factor in every action taken by people and companies alike. In other words, this is an era in which we must remain conscious of the “two Ss”: *sei-katsu-sha* and sustainability.

Against this backdrop, our Group aspires to be a platform that creates the future—connecting *sei-katsu-sha*, organizations, and society—by using the *sei-katsu-sha*-centered creativity cultivated over many years to generate new relationship value. To evolve into this creativity platform, we recognize that building an environment where diverse talent can thrive and fostering their

development are more important management priorities than ever.

Sustainability Through Independence, Solidarity, and Co-creation Among Group Companies

In 2024, based on our Global Purpose and Medium-Term Business Plan, we formulated the Group's sustainability policy and identified nine material issues, including climate change, human rights, and diversity, equity, and inclusion (DE&I). Led by the Corporate Sustainability Division of Hakuhodo DY Holdings, we are strengthening the effectiveness of sustainability initiatives by appointing directors responsible for overseeing sustainability at each Group operating company. The fact that each company proactively implements initiatives tailored to its own strengths and characteristics, while collaborating and learning from one another to accelerate progress, underscores the importance of promoting sustainability as a Groupwide effort.

In 2024, we held the cross-Group internal Diversity Day. Employees from different operating companies shared different stories and perspectives, providing an opportunity to reflect on our Group's DE&I. In our business activities as well, initiatives such as the Planetary Platformers Initiative—which connects startups, private companies, and government agencies to solve global and social challenges through public-private co-creation—as well as Earth hacks & Co. and Noccac, have begun to gain momentum.

By harnessing the creativity of each of our diverse employees and combining the autonomy of Group operating companies with co-creation across the Group, through human-centered sustainable management we aim to create a society abounding in *sei-katsu-sha*'s aspirations, and where they can live vibrant lives.

Hakuhodo's Sustainability Initiatives

Our core operating company, Hakuhodo, positions itself as a *Sei-katsu-sha* Value Design Company, envisioning, implementing, and growing as businesses the kinds of initiatives, products, services, and systems that positively transform people's lives and society. We believe it is vital to integrate a sustainability perspective into these efforts and to apply creativity to holistically solving challenges faced by organizations and society. For example, we recognize that behavioral change among *sei-katsu-sha* is key to achieving a decarbonized society, and we are developing structures to propose new value to *sei-katsu-sha* that can drive such change.

Hakuhodo also embraces the phrase “the eclectic over the generic” to express the value of diversity in talent. We view DE&I as a natural extension of the culture we have cultivated over the years and are pursuing initiatives for the fulfilling and prosperous growth of both individuals and the organization.

Sustainability at the Hakuholdo DY Group



**Junichiro
Fukui**

Senior Corporate
Officer
Daiko
Advertising

Balancing the Two Dimensions of Sustainability: Society and the Company

From the corporate perspective, sustainability means that we business professionals must ensure the continuous, simultaneous development of both society (the world) and our company (our own organization). Our purpose—igniting thoughts and feelings to create a tomorrow that stretches beyond anyone’s imagination—is also predicated on the sustainable growth of both society and the company. Externally, Daiko Advertising builds brands that continue to be loved by both customers and society by centering its unique strength, direct-driven marketing, on the aspirations of its clients. Internally, we are committed to well-being management, creating a workplace where diverse, happy employees can work autonomously and independently, unleashing their strengths. Drawing out the thoughts and feelings of people around us—and our own—and creating tomorrow together is the driving force behind our sustainability efforts.



**Hirotatsu
Sadaoka**

Member of the
Board and
Managing
Director
Hakuholdo DY
ONE

Realizing Hakuholdo DY ONE’s Growth Strategy for Inventing the Future

At Hakuholdo DY ONE, we position sustainability as more than a social responsibility. We view it as an essential growth strategy for inventing the future. In this post-integration phase, we see the diversity of values within the company as a strength. By focusing on the well-being of each employee, we aim to create an environment where everyone can take center stage. As the leader of the Hakuholdo DY Group’s digital domain, we are committed to deep engagement with the evolution of digital technology—particularly AI—and will leverage its power to differentiate ourselves in an increasingly commoditized market. We believe that the fusion of diverse talent and digital technology is what drives the company’s unique value creation, contributing to sustainable growth for us, our clients, and society.



**Hidemi
Nagatsu**

Director and
Executive
YOMIKO
ADVERTISING

Helping to Realize a Sustainable Society as a Game-Changing Partner

We embrace the vision of being a “game-changing partner that takes on change together for the sustainable growth of business and society.” To realize a sustainable society, we are advancing sustainability efforts both within our company and through our business activities to help solve social challenges. Examples of our environmental contribution activities include adopting renewable energy across all domestic offices and obtaining certification under the international environmental standard ISO 14001. We also focus on human capital management, demonstrated by achieving 100% paternity leave uptake for three consecutive years and earning a two-star Eruboshi certification for promoting the advancement of women. In addition, from the CIVIC PRIDE® perspective of fostering pride and affection for local communities, we support product development and urban revitalization initiatives that leverage regional resources—efforts we will accelerate further to solve societal challenges.

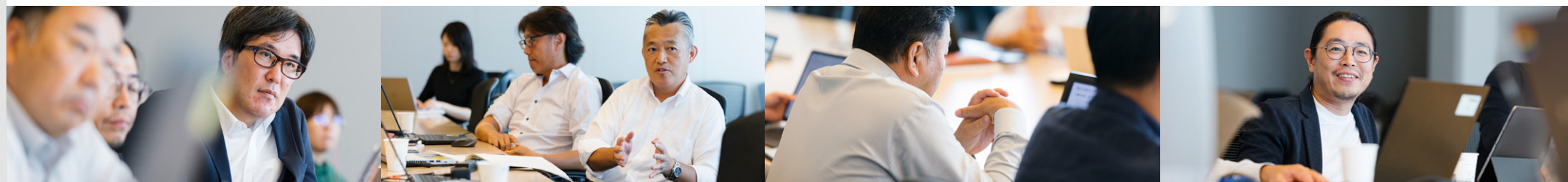


**Nobuyuki
Miyatake**

Executive
Officer
SoldOut

Achieving Sustainable Communities Through a Local- & AI-First Approach

Since its founding in 2009, the SoldOut Group has supported the growth of dedicated small and medium-sized enterprises (SMEs) across Japan, including in outlying regions. Japan’s declining population, aging society, and labor shortages are exerting serious pressure on the survival and growth of local businesses. In response, under our Medium-Term Business Plan, we are promoting Local & AI First, leveraging generative AI to enhance productivity and support sustainable management for regional companies. Placing employee growth at the center, we are strengthening human capital this fiscal year through companywide AI infrastructure development, training programs, personnel rotations, and talent development initiatives. We will continue to envision the future alongside regional communities, supporting the challenges of SMEs, and contributing to the realization of a sustainable society.



Sustainability at the Hakuholdo DY Group



**Makoto
Fukuyo**

Executive
Officer
HAKUHODO
Technologies

Harnessing the Power of Technology to Design the Ideal Future

Established in 2022 as the technology strategy company for the Hakuholdo DY Group, HAKUHODO Technologies believes that technology has the power to create an ideal future by leveraging the transformative changes AI and other technologies are bringing to society. DE&I is embedded at the core of our organizational development, ensuring an environment where diverse talent can maximize their abilities. Harnessing the creativity this generates, we vigorously promote proactive technology use to solve social challenges and co-create value with diverse stakeholders. As a world-class marketing and technology company, we are committed to helping design a sustainable future.



**Yutaka
Inukai**

Senior Corporate
Officer
Hakuholdo
Product's

Staying True to Our Essence Through Honest and Earnest Steady Action

To continuously contribute to society through the expertise and implementation capabilities we have cultivated since our founding, Hakuholdo Product's is advancing its initiatives under a cross-functional expert team called Sustainable Engine. Beyond decarbonization and human rights considerations in advertising and promotion production processes, we are implementing ideas that encourage sustainable behavioral change among *sei-katsu-sha*. Our approach is not driven by external pressure or disclosure requirements, but by self-reflection: "Why must we commit seriously to sustainability management now?" and "What must we as people living today, do—even if it causes pain—for the children of the future and the future employees of Hakuholdo Product's?" Staying true to our essence, we will continue to take honest and earnest steady action.



**Yasutoshi
Hiratsuka**

Director
kyu
Senior Corporate
Officer
Hakuholdo DY
Holdings

Leveraging Advanced Overseas Examples as a Driving Force for the Group

Since its founding in 2014, as a strategic operating unit of Hakuholdo DY Holdings, kyu has developed into a group of cutting-edge and unique creative service companies, primarily in North America and Europe, providing clients with advanced capabilities overseas. In recent years, kyu has actively collaborated with a variety of stakeholders on urgent global challenges such as climate change and environmental issues, undertaking initiatives that bring transformation to *sei-katsu-sha*, clients, and society. Collaboration between kyu companies advancing sustainability abroad and Group companies in Japan increases year by year. As a driving force within the Hakuholdo DY Group, kyu will continue contributing to the creation of a sustainable society.



Yoji Sugai

Director
Hakuholdo DY
Corporate
Initiative

Enhancing Sustainable Market Value Through Groupwide Capabilities

Hakuholdo DY Corporate Initiative has set its mission as "contributing to the Group's market value enhancement through corporate capabilities." To achieve this, we promote responses to the material issues (materiality) with a view to 2030 defined in the Group's sustainability policy as a Groupwide corporate function. We also play a key role in strengthening integrity across the Group—the foundation of all corporate activities—and in robustly supporting the creation of sustainable corporate and social value. In a rapidly changing social environment, through these initiatives we will contribute to the Hakuholdo DY Group's goal of creating a society abounding in *sei-katsu-sha*'s aspirations and where they can live vibrant lives.



Sustainability at the Hakuholdo DY Group

To pursue human-centered sustainable management, in 2024 the Hakuholdo DY Group established its sustainability policy and identified material issues (materiality). Based on the principles of independence and solidarity, we will leverage the unique business characteristics and strengths of each Group company to advance sustainability initiatives that are distinctively our own.

Sustainability Policy

Aspirations Unleashed

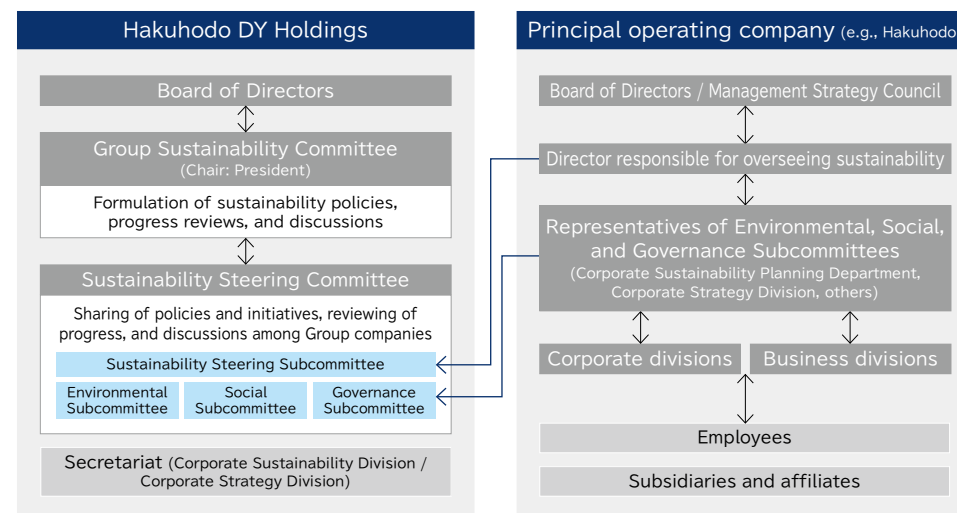
PURPOSE

break down boundaries, open new doors and usher in new eras for every *sei-katsu-sha*, organization and society.

Human-centered sustainable management	E Contributing to a sustainable global environment	We will fulfill our corporate commitment to coexist in harmony with the global environment and realize sustainable behavioral change by leveraging <i>sei-katsu-sha</i> insight and our ability to connect <i>sei-katsu-sha</i> , organizations and society.
	S Unleashing creativity through the growth of and respect for diverse individuals	We will address the challenges faced by <i>sei-katsu-sha</i> , organizations and society, leveraging <i>sei-katsu-sha</i> insight and the power of co-creation, which enhance specialization and innovation and unleash the creativity of each employee.
	G Pursuing compliance and integrity	We will create a positive impact on society with each employee fulfilling their responsibility to meet society's expectations and apply their creativity in an appropriate manner.

Sustainability Implementation Structure

Under the Board of Directors, which serves as the decision-making body, we have established the Group Sustainability Committee to discuss topics related to sustainability. Presidents of Group companies participate in this committee, further strengthening top-level commitment. At Hakuholdo, a dedicated organization has been established, and for key sustainability issues in particular, the company is reinforcing its implementation structure through collaboration with existing committees and divisions, as well as by establishing task forces.



Fiscal 2024 Agenda Items

First Group Sustainability Committee Meeting	Second Group Sustainability Committee Meeting
<ul style="list-style-type: none"> Group sustainability implementation Update of Group Sustainability Policy Progress report on human rights due diligence initiatives 	<ul style="list-style-type: none"> Progress report on Group social contribution activities Progress report on DE&I implementation Environmental/Governance progress report