

February 14, 2023

Announcement of Partial Amendments to the Articles of Incorporation Accompanying the Transition to a Company with Three Committees

Dentsu Group Inc. (Tokyo: 4324; ISIN: JP3551520004; Representative Director, President & CEO: Hiroshi Igarashi; Head Office: Tokyo; Capital: 74,609.81 million yen; hereinafter referred to as “the Company”) determined at the meeting of the Board of Directors held today to submit a proposal to partially amend its Articles of Incorporation to its 174th ordinary meeting of shareholders scheduled to be held on March 30, 2023.

1. Reasons for the amendments

The Company has consistently engaged in improving its corporate governance with the aim of contributing to the sustainable growth of the dentsu and the enhancement of its corporate value over the medium to long term. Effective from January 1, 2023, dentsu transitioned to a global management structure to accelerate business transformation and further enhance management. In addition, in order to accelerate the decision-making process and to strengthen, and further enhance the transparency of, the supervisory function of the Board of Directors through clear separation of the supervisory function from the executive function of the Company, we now propose to transition to a “Company with Three Committees”, which allows the Board of Directors to broadly delegate authority over business execution to Executive Officers and has three committees, the majority of each of which is composed of Outside Directors. Accordingly, we propose to establish new provisions concerning the Nominating Committee, the Audit Committee and the Compensation Committee and Executive Officers in the Company’s Articles of Incorporation, to delete provisions concerning the Audit and Supervisory Committee and Audit and Supervisory Committee members therefrom, and make other necessary amendments.

2. Details of the amendments

The current Articles of Incorporation shall be partially amended as described below (portions to be amended are underlined).

Current Articles of Incorporation	Proposed Amendments
ARTICLE 1 to ARTICLE 4 (Omitted)	ARTICLE 1 to ARTICLE 4 (Unchanged)
ARTICLE 5 BODIES The Company shall have the following bodies, in addition to the General Meeting of Shareholders and Directors. 1. Board of Directors 2. <u>Audit and Supervisory Committee</u> 3. Accounting Auditor	ARTICLE 5 BODIES The Company shall have the following bodies, in addition to the General Meeting of Shareholders and Directors. 1. Board of Directors 2. <u>Nominating Committee, Audit Committee, and Compensation Committee (hereinafter, the “Three Committees”)</u> 3. <u>Executive Officers</u> 4. Accounting Auditor
ARTICLE 6 to ARTICLE 10 (Omitted)	ARTICLE 6 to ARTICLE 10 (Unchanged)
ARTICLE 11 SHAREHOLDER REGISTRY ADMINISTRATOR	ARTICLE 11 SHAREHOLDER REGISTRY ADMINISTRATOR

Current Articles of Incorporation	Proposed Amendments
<p>1. (Omitted)</p> <p>2. The Shareholder Registry Administrator and its place of business shall be determined by <u>a resolution of the Board of Directors</u> and shall be notified by way of public notice.</p> <p>3. (Omitted)</p>	<p>1. (Unchanged)</p> <p>2. The Shareholder Registry Administrator and its place of business shall be determined by the Board of Directors or <u>an Executive Officer delegated to make such determination by a resolution of the Board of Directors</u> and shall be notified by way of public notice.</p> <p>3. (Unchanged)</p>
<p>ARTICLE 12 SHARE HANDLING RULES</p> <p>In addition to the applicable provisions of laws and regulations and these Articles of Incorporation, the handling of shares and share options of the Company, procedures applicable upon exercise of shareholders' rights, and fees for such procedures shall be governed by the Share Handling Rules <u>adopted by the Board of Directors.</u></p>	<p>ARTICLE 12 SHARE HANDLING RULES</p> <p>In addition to the applicable provisions of laws and regulations and these Articles of Incorporation, the handling of shares and share options of the Company, procedures applicable upon exercise of shareholders' rights, and fees for such procedures shall be governed by the Share Handling Rules <u>adopted by the Board of Directors or an Executive Officer delegated to make such adoption by a resolution of the Board of Directors.</u></p>
<p>ARTICLE 13 to ARTICLE 14 (Omitted)</p>	<p>ARTICLE 13 to ARTICLE 14 (Unchanged)</p>
<p>ARTICLE 15 PERSON TO CONVENE GENERAL MEETING OF SHAREHOLDERS AND CHAIRPERSON</p> <p>1. Unless otherwise provided by applicable laws or regulations, General Meetings of Shareholders shall be convened <u>by a Representative Director in accordance with a resolution of the Board of Directors, and the Representative Director shall act as chairperson of the General Meetings of Shareholders.</u></p> <p>2. If none of the Representative Directors is able to perform his or her duties above, General Meetings of Shareholders shall be <u>convened by another Director specified in accordance with the order previously determined by the Board of Directors, and that Director shall act as chairperson thereat.</u></p>	<p>ARTICLE 15 PERSON TO CONVENE GENERAL MEETING OF SHAREHOLDERS AND CHAIRPERSON</p> <p>1. Unless otherwise provided by applicable laws or regulations, General Meetings of Shareholders shall be convened <u>in accordance with a resolution of the Board of Directors by a Director designated in advance by the Board of Directors. If the aforementioned Director is unable to perform his or her duties above, General Meetings of Shareholders shall be convened by another Director specified in accordance with the order previously determined by the Board of Directors.</u></p> <p>2. General Meetings of Shareholders shall <u>be chaired by a Representative Executive Officer designated in advance by the Board of Directors. If the aforementioned Representative Executive Officer is unable to perform his or her duties above, General Meetings of Shareholders shall be chaired by another Executive Officer specified in accordance with the order previously determined by the Board of Directors.</u></p>
<p>ARTICLE 16 to ARTICLE 19 (Omitted)</p>	<p>ARTICLE 16 to ARTICLE 19 (Unchanged)</p>
<p>ARTICLE 20 NUMBER OF DIRECTORS</p> <p>1. (Omitted)</p> <p>2. <u>Among the Directors described in the preceding paragraph, the Company shall have no more than six (6) Directors who are Audit and Supervisory Committee Members.</u></p>	<p>ARTICLE 20 NUMBER OF DIRECTORS</p> <p>1. (Unchanged)</p> <p style="text-align: center;"><Deleted></p>
<p>ARTICLE 21 ELECTION OF DIRECTORS</p>	<p>ARTICLE 21 ELECTION OF DIRECTORS</p>

Current Articles of Incorporation	Proposed Amendments
<p>1. (Omitted)</p> <p>2. <u>The election described in the preceding paragraph shall be carried out while distinguishing between Directors who are Audit and Supervisory Committee Members and Directors who are not Audit and Supervisory Committee Members.</u></p> <p>3. (Omitted)</p>	<p>1. (Unchanged)</p> <p style="text-align: center;"><Deleted></p> <p>2. (Unchanged)</p>
<p>ARTICLE 22 TERMS OF OFFICE OF DIRECTORS</p> <p>1. <u>The term of office of each Director who is not an Audit and Supervisory Committee Member shall expire at the conclusion of the Ordinary General Meeting of Shareholders held for the last business year that ends within one (1) year from his or her election. The term of office of each Director who is an Audit and Supervisory Committee Member shall expire at the conclusion of the Ordinary General Meeting of Shareholders held for the last business year that ends within two (2) years from his or her election.</u></p> <p>2. <u>The term of office of a Director who is an Audit and Supervisory Committee Member elected to fill a vacancy shall expire at the time the term of office of his or her predecessor expires.</u></p>	<p>ARTICLE 22 TERMS OF OFFICE OF DIRECTORS</p> <p>The term of office of each Director shall expire at the conclusion of the Ordinary General Meeting of Shareholders held for the last business year that ends within one (1) year from his or her election.</p> <p style="text-align: center;"><Deleted></p>
<p>ARTICLE 23 REPRESENTATIVE DIRECTORS AND ASSIGNMENT OF BUSINESSES</p> <p>1. <u>The Company shall elect one or more Representative Directors from among the Directors who are not Audit and Supervisory Committee Members by a resolution of the Board of Directors. Several Representative Directors may be elected.</u></p> <p>2. <u>Each Representative Director shall represent the Company and conduct the business of the Company in accordance with resolutions of General Meetings of Shareholders and the Board of Directors.</u></p> <p>3. <u>The Company may, if necessary, by a resolution of the Board of Directors, elect a Chairperson of the Company from among the Directors who are not Audit and Supervisory Committee Members, and grant the Chairperson the right to represent the Company.</u></p> <p>4. <u>The Board of Directors may elect Directors who are to be responsible for conducting certain businesses of the Company from among the Directors who</u></p>	<p>ARTICLE 23 DIRECTORS WITH TITLES</p> <p style="text-align: center;"><Deleted></p> <p style="text-align: center;"><Deleted></p> <p>The Company may, by a resolution of the Board of Directors, elect a Chairperson of the Company <u>and other Directors with titles</u> from among the Directors.</p> <p style="text-align: center;"><Deleted></p>

Current Articles of Incorporation	Proposed Amendments
<p>are not Audit and Supervisory Committee Members.</p> <p><u>5. The Company may elect Executive Officers by a resolution of the Board of Directors and have them execute the business of the Company assigned to them.</u></p>	<p><Deleted></p>
<p>ARTICLE 24 to ARTICLE 26 (Omitted)</p>	<p>ARTICLE 24 to ARTICLE 26 (Unchanged)</p>
<p><u>ARTICLE 27 DELEGATION OF POWER TO MAKE DECISIONS ON EXECUTION OF IMPORTANT OPERATIONS</u></p> <p><u>The Company may, pursuant to the provisions of Article 399-13, Paragraph 6 of the Companies Act, delegate all or part of the power to make decisions on the execution of important operations (excluding the matters listed in each Item of Paragraph 5 of the same Article) to Directors by a resolution of the Board of Directors.</u></p>	<p><Deleted></p>
<p>ARTICLE <u>28</u> to ARTICLE <u>29</u> (Omitted)</p>	<p>ARTICLE <u>27</u> to ARTICLE <u>28</u> (Unchanged)</p>
<p>ARTICLE 30 REMUNERATION FOR DIRECTORS</p> <p>Remuneration for Directors shall be determined by a resolution of a <u>General Meeting of Shareholders while distinguishing between Directors who are Audit and Supervisory Committee Members and Directors who are not Audit and Supervisory Committee Members.</u></p>	<p>ARTICLE 29 REMUNERATION FOR DIRECTORS</p> <p>Remuneration for Directors shall be determined by a resolution of the <u>Compensation Committee.</u></p>
<p>ARTICLE <u>31</u> (Omitted)</p>	<p>ARTICLE <u>30</u> (Unchanged)</p>
<p style="text-align: center;"><u>CHAPTER 5</u></p> <p style="text-align: center;"><u>AUDIT AND SUPERVISORY COMMITTEE</u></p> <p><u>ARTICLE 32 AUDIT AND SUPERVISORY COMMITTEE</u></p> <p><u>The Audit and Supervisory Committee shall exercise the authority necessary to execute its duties in addition to deciding upon matters as provided for in the applicable laws and regulations.</u></p>	<p><Deleted></p> <p><Deleted></p>

Current Articles of Incorporation	Proposed Amendments
<p><u>ARTICLE 33 CONVOCAION OF AUDIT AND SUPERVISORY COMMITTEE</u> <u>1. The Audit and Supervisory Committee may be convened by any Audit and Supervisory Committee Member.</u> <u>2. A notice of a meeting of the Audit and Supervisory Committee shall be dispatched to each member of the Audit and Supervisory Committee at least three (3) days prior to the date of such meeting; provided, however, that in case of emergency, such period may be shortened.</u> <u>3. With the consent of all Audit and Supervisory Committee Members, the Audit and Supervisory Committee may be convened without following the procedure for convening the meeting.</u></p>	<p><Deleted></p>
<p><u>ARTICLE 34 RULES OF THE AUDIT AND SUPERVISORY COMMITTEE</u> <u>In addition to the applicable provisions of laws and regulations and these Articles of Incorporation, all matters concerning the Audit and Supervisory Committee shall be governed by the Rules of the Audit and Supervisory Committee adopted by the Audit and Supervisory Committee.</u></p>	<p><Deleted></p>
<p><Newly established></p> <p><Newly established></p>	<p><u>CHAPTER 5</u> <u>THREE COMMITTEES</u></p> <p><u>ARTICLE 31 ELECTION OF COMMITTEE MEMBERS</u> <u>Members of the Three Committees shall be elected from among the Directors by a resolution of the Board of Directors.</u></p>
<p><Newly established></p>	<p><u>ARTICLE 32 COMMITTEE RULES</u> <u>In addition to the applicable provisions of laws and regulations and these Articles of Incorporation, all matters concerning each of the Three Committees shall be governed by the rules of each committee adopted by the Board of Directors.</u></p>
<p><Newly established></p> <p><Newly established></p>	<p><u>CHAPTER 6</u> <u>EXECUTIVE OFFICERS</u></p> <p><u>ARTICLE 33 ELECTION OF EXECUTIVE OFFICERS</u> <u>Executive Officers shall be elected by a resolution of the Board of Directors.</u></p>

Current Articles of Incorporation	Proposed Amendments
<Newly established>	<p><u>ARTICLE 34 TERM OF OFFICE OF EXECUTIVE OFFICERS</u> <u>The term of office of each Executive Officer shall expire at the conclusion of the first meeting of the Board of Directors held after the conclusion of the Ordinary General Meeting of Shareholders held for the last business year that ends within one (1) year from his or her election.</u></p>
<Newly established>	<p><u>ARTICLE 35 REPRESENTATIVE EXECUTIVE OFFICER AND EXECUTIVE OFFICERS WITH TITLES</u> <u>1. Representative Executive Officers shall be elected from among the Executive Officers by a resolution of the Board of Directors.</u> <u>2. By a resolution of the Board of Directors, the Company shall elect one (1) Executive Officer & President, and may elect one or more Executive Officers & Vice Presidents and other Executive Officers with titles from among the Executive Officers.</u></p>
<Newly established>	<p><u>ARTICLE 36 REMUNERATION FOR EXECUTIVE OFFICERS</u> <u>Remuneration for Executive Officers shall be determined by a resolution of the Compensation Committee.</u></p>
<Newly established>	<p><u>ARTICLE 37 EXEMPTION OF EXECUTIVE OFFICERS' LIABILITY</u> <u>If the requirements provided for in the applicable laws and regulations are satisfied, the Company may, by a resolution of the Board of Directors, exempt an Executive Officer (including a person who was an Executive Officer) from the liability provided for in Article 423, Paragraph 1 of the Companies Act; provided, however, that the exemption shall be limited to an amount calculated by deducting the minimum amount of liability provided for in the applicable laws and regulations from the total amount of the Executive Officer's liability.</u></p>
<p>CHAPTER 6 ACCOUNTING AUDITOR</p> <p>ARTICLE 35 to ARTICLE 36 (Omitted)</p>	<p>CHAPTER 7 ACCOUNTING AUDITOR</p> <p>ARTICLE 38 to ARTICLE 39 (Unchanged)</p>
<p>ARTICLE 37 REMUNERATION FOR ACCOUNTING AUDITOR Remuneration for an Accounting Auditor shall be determined by a Representative Director with the consent of the Audit and Supervisory Committee.</p>	<p>ARTICLE 40 REMUNERATION FOR ACCOUNTING AUDITOR Remuneration for an Accounting Auditor shall be determined by a Representative Executive Officer with the consent of the Audit Committee.</p>
<p>CHAPTER 7 ACCOUNTING</p>	<p>CHAPTER 8 ACCOUNTING</p>

Current Articles of Incorporation	Proposed Amendments
ARTICLE <u>38</u> to ARTICLE <u>41</u> (Omitted)	ARTICLE <u>41</u> to ARTICLE <u>44</u> (Unchanged)

3. Timeline

The day when the Company holds the general meeting of shareholders to adopt these partial amendments to the Articles of Incorporation: March 30, 2023 (Thursday)

The effective date of these partial amendments to the Articles of Incorporation: March 30, 2023 (Thursday)

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