

## Publicis Groupe Environmental Policy & Guidance

### Why do we need an Environmental Policy?

Taking care of the company environmental impact is a component of Publicis Groupe's CSR strategy. Since 2007, Publicis Groupe has been involved in the fight against climate change, by signing the United Nations' Caring for Climate initiative. In 2009, the Groupe voluntarily joined the Carbon Disclosure Project (CDP) engaging corporations to reduce their emissions, following now TCFD Recommendations (Task Force on Climate-related Financial Disclosure), and in 2017 became a signatory of the French Business Climate Pledge to play our part in the shared ambition of limiting global temperature rises to 1.5°. Other methodologies and initiatives have now been developed, (e.g. Science Based Targets initiative), that encourage environmental management within an organization. We continue to monitor these with interest, while we work according to our policy.

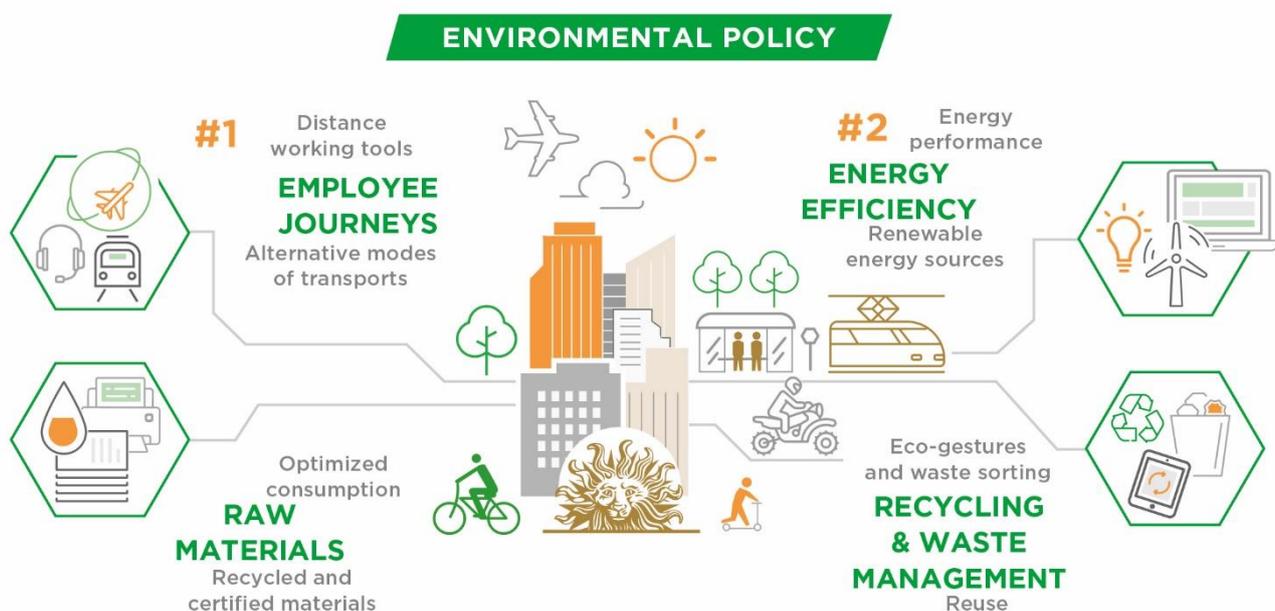
As targets, Publicis Groupe decided in 2009 to follow the European 2020 energy strategy. Beyond this, the EU has launched its own climate & energy framework for 2030 with revised goals and compulsory targets, and so Publicis Groupe will follow suit. Environmental activities and results are published annually in the Groupe Registration document. Consequently, the Groupe, all agencies and BUs need to screen their activities to better anticipate all impacts, reduce emissions and waste as well as strengthen awareness to environmental related factors, such as:

- Dwindling traditional fuel sources – mainly for all transportation modes
- Global warming and climate change – focus on energy consumption
- Availability of primary resources – water, paper in our case
- Encourage recycling and waste disposal

### Who does the Policy apply to?

The policy applies Groupe-wide. Taking action on these themes will serve to reduce Publicis Groupe's resource consumption, environmental impacts and global emissions.

Publicis Groupe has identified 4 priority action areas where changes (collective and individual behaviors) can be made, along with the mantra of "**Consume Less & Better**"

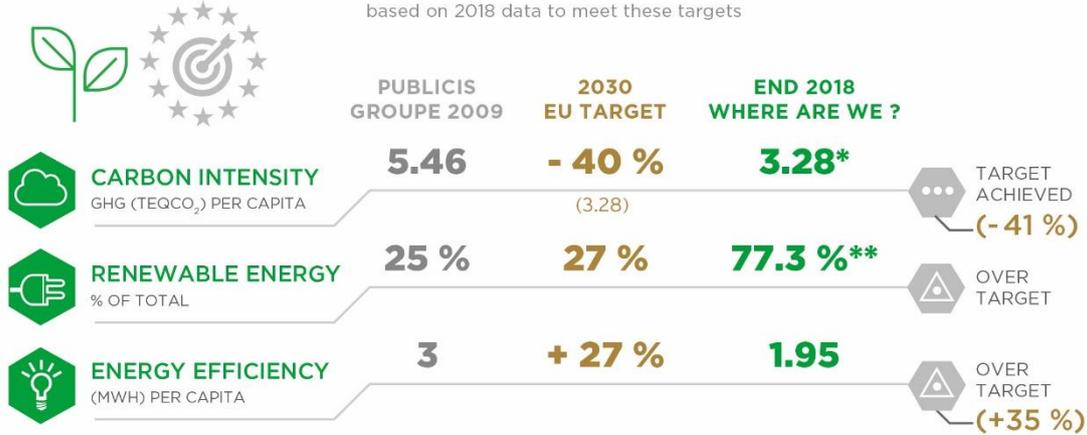


(from 2018 Publicis Groupe Registration Document)



## TARGETS

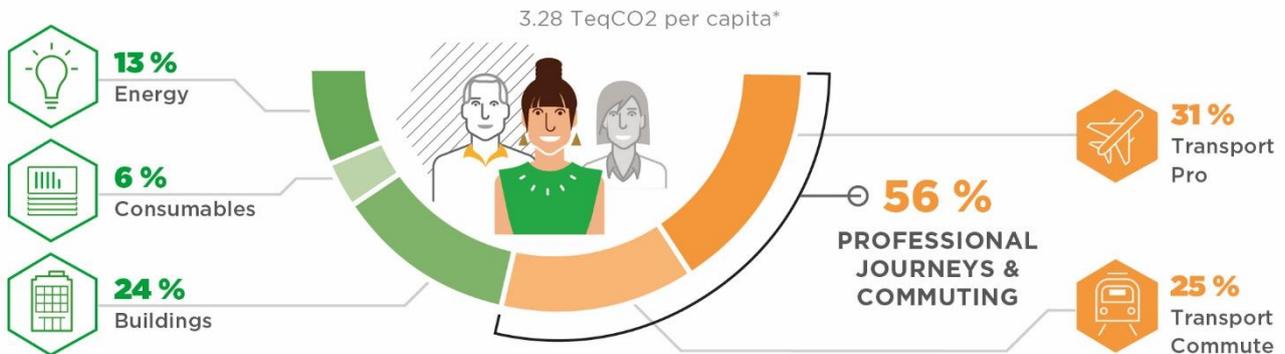
Recorded environment figures, targets and % change required based on 2018 data to meet these targets



### 1 – Travel, Transport & Employee Journeys

Transportation and travel are identified as the largest single contributor to Publicis Groupe’s carbon emissions. 56% of the total groupe emissions are from home-office-home travel and professional travel, as you can see from the below infographic. Publicis Groupe is working with clients to use alternatives to carbon-intensive travel, (Skype, visio or teleconference...), as well as for work efficiency (time lost in transportation, avoidable fatigue...). Employees are also encouraged to use online tools (carbon calculators) when otherwise planning travel and trips, to help them make a full assessment of the environmental impact in terms of the carbon equivalent of their journey.

### COMPOSITION OF CARBON INTENSITY



Publicis Groupe is promoting where possible, employee initiatives that promote the diversity of transport methods for commuting purposes – for example carpooling or car sharing, providing bicycle storage at office locations, participation in local bicycle incentive schemes, financial incentives to encourage public transportation as conditions allow. Solutions like teleworking are to be managed locally on a case by case basis, helping employees’ work/life balance.

Measuring our Carbon Intensity permits us to track our carbon usage, where we can set targets to drive improvements in carbon emissions from the Groupe.

\*After application of Garanties Origin / Renewable energy certificates, (See section 2a). Without this, carbon intensity = 3,78 TeqCO<sub>2</sub> per capita

\*\*After application of Garanties Origin / Renewable energy certificates, (See section 2a). Without this, renewable energy share = 33.5%



## CARBON INTENSITY

In Tonnes equivalent CO<sub>2</sub> per capita, showing verified annual figure as well as the trajectory to be followed to meet targets for 2030.



\*improvement in intensity based on 2009 levels

Carbon intensity (shown in Tonnes equivalent CO<sub>2</sub> per capita), showing verified annual figure as well as the trajectory to be followed to meet targets for 2030

Annual reduction: To reach our target for 2030, we need to make a total reduction of 65% in Carbon intensity, starting from 2009 figure at 5.46 TeqC/capita. 3.28 has been achieved in 2018. Although this target has been reached, we will continue our efforts to reduce this environmental impact.

## 2 – Guidance for Energy Efficiency

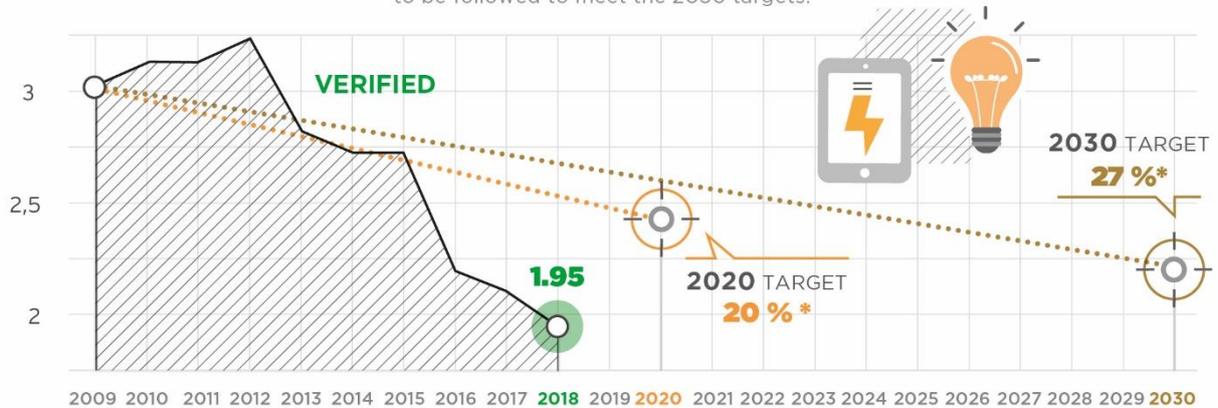
Publicis Groupe is engaging strategies to optimize and monitor energy efficiency and reduce CO<sub>2</sub> emissions;

- i. Setting environmental performance thresholds for prospective properties or offices, with the Real Estate Department, based on local existing norms or Groupe ones.
- ii. Increasing the proportion of renewable energies purchased by the Groupe (total) – through existing energy contracts or with new providers; our targets are set at minimum 20% for 2020, and minimum 27% for 2030 (see Renewable energy in section 2a) below). The goal is to reach 100% Renewable sources of energy for the Groupe.
- iii. Encouraging new electric and IT equipment clearly saving energy, with IT, Facilities and Procurement Departments
- iv. Screening CO<sub>2</sub> emissions from Data centers used by the Groupe on a periodic basis, to ensure emissions are as low as possible while still providing the required performance, with IT Department
- v. Encouraging employee's responsibility via "Switch off" policies (workstation, laptop, light...)



## ENERGY EFFICIENCY

In MWh per capita, showing verified annual figure as well as the trajectory to be followed to meet the 2030 targets.



\*improvement in efficiency based on 2009 levels

Energy Efficiency (MWh per capita), showing observed figure as well as the trajectory to be followed to meet the 2030 targets

Annual reduction: Based on the 2009 figure of 3 to meet energy efficiency targets for 2030 a reduction of 27% is required. As of 2018, we are well on track to meet this target. We will continue to monitor our impact.

## 2a) Renewable energy

### % ENERGY FROM RENEWABLE SOURCES

Showing verified annual figure as well as the trajectory to be followed to meet the 2030 targets.



\*EU Targets

% Energy from renewable sources, showing 2030 target, as well as the trajectory to be followed to meet it

In 2018, the Groupe embarked on a project of renewable energy provision. In conjunction with our partners EcoAct, and verification by EcoVadis, the purchase of “Garanties d’origines Renouvelables” and Renewable Energy Certificates was carried out to attain levels of 100% provision of renewable electricity in the following three operating countries: USA (wind energy), India (hydraulic energy), France (hydraulic energy). These three countries contain over 50% of the Groupe total headcount. This work has enabled us to report that for 2018, 77.3% of the total Groupe electricity consumption comes from renewable sources.



### 3 - Raw Materials

In terms of raw material consumption, water and paper (and inks) are the highest consumed across the Groupe. Water consumption must be managed locally in conjunction with landlords and Facilities teams, to find ways it can be reduced.

Publicis Groupe is continuing to strengthen its focus on sustainable suppliers to encourage certified paper (NFC, PEFC) consumption and recycled products for office furniture when appropriate. Improvements are coordinated with local Re:Sources teams, to achieve tangible results while also raising awareness of sustainability issues in all of our agencies.

Paper – in 2018, Publicis Groupe reduced its overall paper consumption by approximately 39%, when compared with the base figure of 1770 tonnes in 2009. To continue this trend, a target of minimum 5% reduction year on year to 2030 will ensure the Groupe maintains a reduction in demand for this particular resource.

Water – Publicis Groupe consumed 9.7 m3 per capita of water in 2018. The intention is to reduce its year-on-year water consumption by 2% per year. This is an agency-based goal, even if we know that it is very difficult to measure this in some buildings.

### 4 - Recycling and Waste Management

Publicis Groupe wants to apply a waste hierarchy to materials, to maximize recycling (and therefore minimize the need for final disposal), in all practicable locations. These processes and organization will have to be managed with local Re:Sources teams, to identify the best options, (partners, solutions...) and encourage circular economy and employee engagement on a daily basis. To give just a few examples, the goal for WEEE is to ensure that 100% is managed via contractual clauses with suppliers or with specialist contractors, volume reduction, as well as widespread re-use and/or recycling of other waste materials. The results and progress of all recycling activities have to be shared with employees on an annual basis.

Waste - Publicis Groupe is committing to reversing the recent trend of increasing waste generation. Using the management strategies outlined above, our ambition is for Publicis Groupe to be able to implement worldwide a goal of zero waste to landfill. To reach this goal, we aim to ensure that all our buildings have the facilities for employees to separate their waste (paper, plastic, cans, glass...) as well as maintaining at least a 2% annual reduction in the groupe overall waste figures.

### 5- Further Information (TCFD Recommendations)

To find out more about Publicis Groupe's engagement with regards climate-related issues, you can see the content on the following subjects in our various publications, aligned with TCFD recommended disclosures.

#### Governance:

The organization's governance around climate-related risks and opportunities, the board's oversight and management's role in assessing and managing these climate-related risks and opportunities are to be found in the [Risks and Risk Management](#), [Governance and Compensation](#) chapters of the Company Registration Document.



#### Strategy & Risk Management:

The actual and potential impacts of climate-related risks and opportunities relating to business strategy and financial planning are available in the Risks and Risk Management chapter of the Company Registration Document.

#### Metrics and Targets:

Publicis Groupe has been disclosing data annually on emissions and related environmental indicators since 2009. This data is publicly available in a consolidated format via our CSR SMART DATA website, at the following link: CSR SMART DATA

## **6- Responsibility**

Local teams, through Environmental Management Systems, are responsible for identifying local solutions that can help the agencies to reduce their environmental impacts. This work has to be done with partners (Landlord, Building and/or Office management) and with providers (energy providers, energy brokers, waste management companies). Groupe CSR Department is responsible for the Groupe Environmental strategy, with regular reviews with internal partners such as IT departments, facilities and shared service centres providing support to the local teams. We are aware that the risk to the business from climate change is increasing, this risk is therefore taken into account when planning our infrastructure and business continuity plans. Publicis Groupe publishes each year a global picture of the company carbon emissions in the Groupe CSR Report publicly available online. This calculation is externally audited by an OTI, and covers all agencies and BUs, with selected onsite verifications. Following the control and consolidation of Groupe data, the Groupe's Carbon footprint is calculated by Bureau Veritas, and forms part of the Groupe's disclosures to comply with the EU directive on non-financial reporting.