CSR Procurement Guidelines

Publicis Groupe expectations and commitments with its business partners and providers

These CSR Procurement Guidelines are outlining the key-elements of Publicis Groupe and its agencies’ responsible procurement approach to its business partners and suppliers. They are complementary to the United Nations Global Compact 10 Principles (UNGC) and require commitment to the critical business behaviors described therein. These Guidelines follow French Laws and regulations such as Duty of Care Law (“devoir de vigilance”) and are aligned with the company’s corporate business principles, explained in the Code of Ethics “Janus” and embracing a large number of topics.

Publicis Groupe and its agencies are asking suppliers to pay particular attention to the following items:

1. CSR engagement
   Publicis Groupe expects its business partners and suppliers to be an active member of a national or international CSR agreement or organization (such as the United Nations Global Compact), and to be engaged in fighting against the critical challenges the world is facing such as; human rights, labor practices and environmental issues. Business partners and suppliers must comply to all applicable laws and regulations related to business and operations, including CSR and Sustainability, applying self-regulatory standards and/or best practices when they can.

2. CSR assessment
   All Publicis Groupe RFIs/RFPs strive to include a CSR Procurement Questionnaire or a request for a third party CSR assessment, through the EcoVadis platform. The results of this evaluation will count for 20% of the overall proposal. Business partners and providers are asked to be externally assessed on their sustainability policies and practices by an independent third party.

3. Business Ethics
   Publicis Groupe business partners and providers will have to comply with Publicis Groupe’s code of Ethics “Janus” – as do our employees, particularly on the following mandatory items:
   - Zero Tolerance regarding discrimination, harassment and workplace violence; Publicis Groupe promotes Diversity & Inclusion and the respect of each individual to build a safe workplace,
   - Zero Tolerance regarding bribery and corruption, and all forms of fraud and type of conflict of interest; Publicis Groupe encourages fair trade and the respect of fair competition,
   - Compliance with labor laws and regulations, particularly about worker’s protection (labor contract, standards wages, working hours, underage workers, health & safety and well-being at work…), and to fight against modern slavery, human trafficking, child and forced labor, and all forms of discrimination. Publicis Groupe promotes safe labor in respect of international labor rights as human rights equally for men and women (such as ILO International Labor standards including freedom of association and the right to collective bargaining),
   - Compliance with all types of regulations with regards to intellectual property, data protection and privacy, with a particular attention to the European (+)
   - GDPR (General Data Protection regulation).

4. Confidentiality
   Publicis Groupe keeps business partners and suppliers strategic, commercial, financial and technical information confidential, and is asking for the same from its business partners and providers. In cases of subcontracting, if it is approved by Publicis Groupe, the rules applied are the
same, and our providers should require a written agreement to these ethics rules from the subcontractor.

5. Supplier diversity
Publicis Groupe encourage SMEs and “supplier diversity” companies (e.g.: ethnic minority, women owned or people with disabilities…) to participate in RFI/RFPs.

6. Business relations
Contract terms must be strictly respected by all parties, notably the quality of the products or services, the timeline for delivery, and the final costs. The goal is to encourage mutual respect and transparency about business concerns to mitigate potential risks. Publicis Groupe will respect the payment conditions established in the contract; the company will have a preference to settle amicably any dispute before resorting to legal proceedings.

7. Economic relations
Publicis Groupe will monitor the financial sustainability of suppliers to asses our weight in the partner and supplier business, and will pay attention if the Groupe reaches 25% of its yearly revenue, particularly for SMEs, to avoid economic dependency. In cases of terminating a long term relationship with a supplier, a specific mutually agreed action plan must be implemented (e.g. prepare termination, decrease volume progressively…) to manage the exit phase.

8. Environmental impacts
Due to the increase of climate change challenges, business partners and providers have to make their own efforts in their offers, particularly through environmentally-friendly technologies and operations, ‘green’ and eco-friendly products and services, and have to commit to environmental targets. Publicis Groupe is engaged to protect biodiversity and to limit the use of natural resources, master all types of waste and reduce greenhouse gas (GHG) emissions.

9. Alert system
In any cases of misconduct from the Business partners or Suppliers, Publicis Groupe will require all legal options to be available for ending the contract in the relevant way. If the business partner or supplier, or, if a Groupe employee needs to report any misbehaviors, they can activate the Publicis Groupe whistleblowing system: ethicsconcerns@publicisgroupe.com. These alerts are managed by the Publicis Groupe Secretary General and the VP Internal Audit Director, in a strictly confidential manner and will ensure protection from any form of retaliation.

10. CSR joint efforts
To contribute to the global efforts around the United Nations Sustainable Development Goals (UN SDGs), when opportunities are identified then business partners and suppliers are encouraged to work on some common CSR activities with positive impacts (and metrics) with Publicis Groupe. If joint projects are put in place, these CSR activities have to be reviewed a minimum of once per year, to ensure that the actions have a tangible impact.

Publicis Groupe has been registered for many years as a supplier in EcoVadis and participates in the Carbon Disclosure Project (CDP) whereby the Groupe is evaluated on an annual basis. Publicis Groupe clients have access to these evaluations.

In the 2018 Women’s Forum, with P&G and L’Oreal, Publicis Groupe is partnering with WEConnect International – a global, corporate-led non-profit that facilitates inclusive and sustainable economic growth by empowering and connecting women business owners – as well as with UN Women through its EU-funded programme WE EMPOWER in G7 countries and the Women’s Empowerment Principles (WEPs) secretariat.
A few words of context
In 2003, Publicis Groupe signed the United Nations Global Compact 10 Principles and, in respect of local laws and regulations, wants to encourage its suppliers and business partners to apply these key-principles. Publicis Groupe wants to act as an ethical and engaged economic and social player in all countries where it operates. In 2007, Publicis Groupe established its own Environmental policy “Consume Less & Better” with clear targets, and supported the United Nations Pledge “Caring for Climate”. Considering climate change as one of the largest challenges, the Groupe took part of the French Business Pledge to support the Accord de Paris in 2016, and is asking its providers to contribute to this vital effort.

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In 2010, Publicis Groupe established a CSR Procurement Questionnaire* to assess the depth of suppliers’ involvement in certain important CSR matters, and to better understand how the suppliers are ready to make progress. This questionnaire is regularly updated. For Publicis Groupe, that’s a continuum of joint efforts to improve ethical business behaviors. Since 2014, to ensure business partners and suppliers are engaged in such key-areas about sustainability, Publicis Groupe works with the Ecovadis platform to evaluate CSR supplier's activities, commitments and progress.

In 2015, the company decided to take into account the United Nations Sustainable Development Goals in its CSR strategy, to participate in the global mobilization around global challenges and 10 goals were selected to better measure the company contribution. In 2017, Publicis Groupe set-up its Duty of Care plan to comply with the French Law, and new local regulations with the goal of building a more sustainable supply chain with fair relations.

In 2018, Publicis Groupe signed the United Nations Women Empowerment Principles (WEPs, 7 Principles “Equality means Business”) to support women’s rights as human rights and to build a more equal world.

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(*) Publicis Groupe CSR Procurement Questionnaire, established in 2010 is inspired from the 10 Principles of the UNGC. Based on 40 key-questions, the goal is to assess supplier's engagement and actions in place on: CSR Strategic commitment, Social & Labor policies and practices, Anti-discrimination and equal policies, Training & development, Diversity & Inclusion, Work-Life Balance, Communities’ activity, Ethics Principles, Anti-corruption & bribery, Data protection & privacy, Security & Business continuity, Environmental policy and priorities.

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The United Nations Global Compact’s Ten Principles are derived from: the Universal Declaration of Human Rights, the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

Human Rights
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2: make sure that they are not complicit in human rights abuses.

Labor
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4: the elimination of all forms of forced and compulsory labor;
Principle 5: the effective abolition of child labor; and

Environment
Principle 7: Businesses should support a precautionary approach to environmental challenges;
Principle 8: undertake initiatives to promote greater environmental responsibility; and
Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

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Questions? Ask your Publicis Groupe Procurement or Vendor contact.
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