

## CSR for Business Guidelines

### Publicis Groupe expectations and commitments with its business partners and providers

These CSR Guidelines for Business (the “Guidelines”) are outlining the key-elements of Publicis Groupe and its agencies’ responsible procurement approach in dealing with its business partners, suppliers, their employees, agents and subcontractors (herein referred to as the “Business Partners”). The Guidelines are complementary to the United Nations Global Compact 10 Principles (UNGC) and require our Business Partner’s commitment to the critical business behaviors described therein. These Guidelines follow French Laws and regulations such as Sapin 2 Law (Anti-corruption), 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 be compliant and vigilant to the following items:

#### 1. CSR engagement

Publicis Groupe expects its Business Partners **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 **must comply with all applicable laws and regulations related to business and operations, including CSR and Sustainability**, applying self-regulatory standards and/or best practices wherever applicable.

#### 2. Business Ethics – general principles

Publicis Groupe **Business Partners** 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 and inclusive workplace, aligned with its Diversity & Inclusion Key-Principles,
- 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 labor laws and regulations are mandatory, particularly those about **worker’s protection** such as: age and majority, underage workers situation if it happens, labor contract, standards and minimum wages, maximum working hours, security and safety at the workplace, health and well-being at work, aligned with its HR and Talents Policy and its Health & Safety key-principles.
  - Fighting against modern slavery, human trafficking, child and forced labor, and all forms of discrimination and violence is required from all providers and Business Partners.
  - In compliance with the French Law defining the **Duty of care** of Parent companies and subcontractors, asking them to prevent ESG risks (Environment, Social, Governance) related to their activities, Publicis Groupe is asking suppliers to comply with and be assessed on the highest standards related to Human rights and labor condition, health and security for people and environmental impacts.

#### 3. Anti-corruption and Bribery

**All forms of fraud, bribery and corruption**, including any type of conflict of interest are strictly prohibited. In compliance with the French regulation Sapin 2, the United Kingdom BA (Bribery Act) and the US’s FCPA (Foreign Corrupt Practice Act), Publicis Groupe promotes business integrity, fair trade and the respect of fair competition, aligned with its public Anti-bribery and Anti-corruption policy,



#### 4. Data Protection

Compliance with all applicable laws and regulations with regards to **intellectual property, data protection and privacy**, such as EU GDPR – General Data Protection Regulation or CPA – California Consumer Protection Act, aligned with its [Data privacy policy](#).

#### 5. CSR assessment

All Publicis Groupe RFIs/RFPs strive to include a **mandatory CSR assessment**.

**First step for all suppliers** is to sign up through the Groupe proprietary platform **PASS\***; the result of PASS evaluation will be transparent to the suppliers. Following this, Publicis Groupe expects suppliers to be assessed on CSR by an international independent third party (like Ecovadis or other). The CSR assessment (via PASS or through independent third party) will count towards 20% of the Business Partner's overall proposal.

#### 6. Confidentiality

Publicis Groupe keeps Business Partners **strategic, commercial, financial and technical information confidential**, and is asking for the same commitment from its Business Partners. In cases of subcontracting, if it is approved by Publicis Groupe, Business Partners will ensure that their own suppliers and subcontractors will commit in writing to the same requirements.

#### 7. Supplier diversity

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

#### 8. 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 mutually agreed 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. Publicis Groupe believes that an amicable agreement approach should be favoured in case of dispute; if such amicable settlement agreement cannot be achieved, the dispute shall be referred to and finally resolved by arbitration under the then existing Rules of Arbitration of the International Chamber of Commerce.

#### 9. Economic relations

Publicis Groupe will monitor the **financial sustainability of suppliers to assess our weight** in the Business Partner's revenue, 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 Business Partner, a specific mutually agreed action plan be implemented (e.g. prepare termination, decrease volume progressively...) **to manage the exit phase** under applicable laws and regulations.

#### 10. Environmental impacts

Due to the **climate change emergency**, Business Partners have to make their own efforts in their offers, particularly through environmentally friendly technologies and operations, 'green' and eco-friendly products, and have to reduce greenhouse gas (GHG) emissions. Publicis Groupe requires suppliers to commit to meaningful environmental targets aligned with the Accord de Paris (scenario 1.5°). Publicis Groupe is engaged to decrease significantly its own impacts: protecting biodiversity, limiting the use of natural resources, and mastering all types of waste have to be shared goals between the Groupe and its suppliers.

#### 11. Alert system

In any cases of **misconduct** from the Business Partners, Publicis Groupe reserves the right, at its sole discretion, to cease all business relationship with the Business Partners without any remedies, by all means permitted by law. If the Business Partner, or, if a Groupe employee needs to report any misbehaviors, they can activate the Publicis Groupe whistleblowing system : [ethicsconcerns@publicisgroupe.com](mailto:ethicsconcerns@publicisgroupe.com).



These alerts are managed by the Publicis Groupe Secretary General, in a strictly confidential manner and, if acting in good faith, will ensure protection from any form of retaliation in compliance with applicable law.

## 12. 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 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.

If a Business partner is not compliant with these CSR Guidelines or some of its key-principles, it can be considered a non-selection criterion.

A sustainable supply chain is a virtuous circle that can help to build a better world: each player has to do its own part to make improvements, whatever and whenever we are; as a client or as a provider. In that respect, 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.

To illustrate this virtuous circle in another way, 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.



*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*

*[Principle 6](#): the elimination of discrimination in respect of employment and occupation.*

### **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.*



## 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 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 2015, and is asking its providers to contribute to this vital effort.

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.

2014, to ensure Business Partners are engaged in such key-areas about sustainability, Publicis Groupe works with the Ecovadis platform to evaluate CSR supplier’s activities, commitments and progress.

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.

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. This plan is built around 3 pillars

- **Human rights and fundamental freedoms, including social and labor standards,**
- **Personal health & safety,**
- **Environmental impact and climate change.**

These elements are part of these CSR for business Guidelines. This why Publicis Groupe required its global providers to be assessed on CSR by an independent third party like Ecovadis or similar.

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

2020, Publicis Groupe set up **PASS\*** (Publicis Groupe Platform for Providers’ self-Assessment for a Sustainable Supply chain), a proprietary platform dedicated to suppliers’ self-assessment on CSR topics. PASS assessment will be mandatory for all suppliers. (PASS is replacing the CSR Procurement Questionnaire).



# PASS

## \*PASS – Publicis Groupe Platform for Providers’ Assessment for Sustainable Supply-chain

- What is it?

PASS is a proprietary platform gathering information from suppliers related to their CSR activities or products and services. This self-assessment under the supplier’s responsibility, will never replace an independent, third-party evaluation. Publicis Groupe wants its supply chain members to be active in building a more sustainable world through real action plans with KPIs. Each company is unique and the ways to tackle sustainability can vary between suppliers; Publicis Groupe truly respect providers’ choices but want its business partners being active to fight social and environmental challenges.

- How is it working?

As a Groupe or agency supplier, you will be invited to join PASS for a CSR self-assessment. PASS content is transparent, and it is inspired from the 10 Principles of the UN Global Compact.

Based on 50 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.

PASS will provide an immediate score to the provider through a transparent process; this score will be then checked and confirmed by the Groupe CSR Department.