

CORPORATE SOCIAL RESPONSIBILITY REPORT









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Despite the difficult environment, Publicis had a very good year in 2013. Did this performance have any impact on the Groupe's CSR policy?

Our economic performance is the direct result of the work put in by our people throughout the world. I'd like to thank them and congratulate them on their success and for their good work. Our business is, and will continue for a very long time to be based on intelligence and imagination, whence the need for staff to be well integrated in the company, but also to understand it. This is also why we need to implement a policy conducive to professional fulfillment.

All these aspects must work as a whole. The fact that close to half this CSR report is devoted to social aspects bears witness to the fact that our top priorities are our people – women and men, their training and their careers.

The fact that investors are increasingly interested in CSR is another strong signal, especially for an international group ...

Absolutely! According to recent statistics, 20% of US investors take CSR into consideration when making an investment decision. That may not be a lot, but it's a big improvement on 15 years ago. The bigger funds are showing the way forward, and Paris Europlace recently put forward ten proposals for responsible finance in Europe. CSR isn't a fashion, nor is it just a matter of concern for a handful of people or experts, CSR is everyone's responsibility. It's more and more important to our clients and that spurs us on. It's a driving force in that we have to know how to challenge ourselves and strive to constantly improve.

In your view, what does it take to be successful?

Trust is something that takes time to build up, crisis or no crisis. I'd even be tempted to say that crises can generate trust. It's not about promising that everything will go smoothly, it's about managing this corporate project. To my mind, there are four prerequisites: the necessary ethics, without which there can be no trust, the need to progress through innovation for the benefit of society (because companies accelerate the roll-out of innovations), the need to work together which has become absolutely essential in the digital age, and the need to perform well, which is the only way a company can guarantee its future.

When we talk about trust we're also talking about transparency ...

Yes, indeed. Since Publicis was established, we have always abided by the notion of transparency in our dealings with our clients. Now we are faced with another dimension, born out of the development of social networks and other websites. We must now be more transparent than ever before, even in areas involving confidentiality or our competitors. This is something we are examining collectively. On governance issues, Publicis has played a pioneering role in France insofar as, long before any legal obligation existed, we invited our AGM to adopt the Say On Pay principle regarding the remuneration of our senior executives and officers. Nor should we forget that we have achieved gender parity at the highest level, with our Supervisory Board chaired by Élisabeth Badinter and seven of the fourteen Directors being women.

Maurice Lévy

CHAIRMAN OF THE MANAGEMENT BOARD OF PUBLICIS GROUPE











Does this gender parity exist throughout the group, at all levels?

More than half of our employees are women. Though women account for close to 40% of the management committees in our agencies and 32% of the networks' management committees, we need to take gender parity a step further. Our internal network VivaWomen! is an example of the type of initiative that will take us forward. It was founded in 2011 and now has branches in 16 cities. Like the *Égalité* network (LGBT), other endeavors aim at encouraging and drawing advantages from our diversity. The principle of non-discrimination is one of the Groupe's values, one that has been clearly spelt out and that is regularly restated in our code of ethics. Staff diversity is an outstanding source of wealth and creativity, and one that we cultivate.

How do you manage to apply a common CSR policy in all the countries in which you operate?

The Groupe sets the framework and the main thrusts, we give the policy its momentum. Each network then has considerable independence in choosing and implementing its areas of focus, and that's the way it should be because our agencies are different too. In terms of diversity, their areas of focus are usually quite local or highly targeted, depending on their business lines and recruitment needs. The same rationale applies to our commitments to community issues, as evidenced by *pro bono* campaigns and volunteer work carried out by our staff worldwide (over 360 *pro bono* campaigns in 2013 and over 750 volunteer initiatives). In my view, that's a good performance and I'd like to thank our people for their involvement in these projects.

Given the Groupe's business, expectations run high in both social and society issues...

... and this is where we are most legitimate too, and where we are most eager to move ahead. That said, we are also continuing our efforts in environmental issues, in line with the roadmap we set ourselves, namely to reduce our consumption of paper and energy, limit travelling, and manage our waste that much better. We are working actively on these issues with our staff and our Green Teams (volunteers) on all five continents. I should add that this is the fifth calculation of our greenhouse gas emissions, encompassing the entire Groupe thanks to enhanced traceability of our impact. This improvement is reflected in the figures, but also in concrete examples and good practices. This report is itself an illustration, even though we have a long way to go in numerous areas.

Are Publicis' investments in digital compatible with corporate social responsibility?

Yes, in many ways. Digital now accounts for 40% of our revenue, and this is a good illustration of the Groupe's future. Our acquisitions in recent years have been oriented in this direction. More importantly, the society we live in is being transformed by digital technology. It's not just a matter of new tools and applications. This development is deep, radical and irreversible. Today's society is different because individuals are now empowered by information and shared knowledge. New technologies have enabled individual and group expression that have led to forms of networking that defy traditional hierarchical structures. And I am very pleased that Publicis Groupe is at the very heart of these technical innovations. This will give us the competitive edge that we bring to our clients, and it's with them and thanks to them that we have pursued this development.



PUBLICIS GROUPE WHO ARE WE?

Founded in 1926 by Marcel Bleustein-Blanchet, Publicis Groupe has grown from a small creative agency to the world's third largest communications group. With operations in 108 different countries, the group now has 62,553 employees.

Publicis Groupe is acknowledged as a pioneer in digital and interactive communications and a is leader in fast growing markets. In 1987, Maurice Lévy succeeded Marcel Bleustein-Blanchet and became Chairman of the Management Board of Publicis Groupe, thus becoming the second Chairman since 1926.

The Groupe is one of the world's leading communications groups offering a full range of services and skills: digital services (DigitasLBi, Razorfish, VivaKi, Rosetta), advertising (Leo Burnett, Publicis Worldwide, Saatchi & Saatchi, BBH), public relations, corporate communications and events (MSLGROUP), media buying and strategy (Starcom MediaVest Group and ZenithOptimedia), healthcare communications with Publicis Healthcare Communications Group (PHCG) and the production platforms with Prodigious.

The Human Digital Agency

IQ, EQ and TQ– the combination of insight, emotion and technology. There's a sweet spot at the intersection of digital intelligence and emotion, and that's where you'll find Publicis Groupe: the Human Digital Agency.

Viva la Difference!

The Groupe's vision for the future is to continue providing comprehensive and creative solutions to our clients, using all forms of digital technology and innovation. To help our clients take up the challenges of the ever-changing world of advertising and communications, the Groupe's signature Viva la Difference! is emblematic of its philosophy and the importance it attaches to diversity. This signature uses several languages: the Latin languages (Viva), French (la) and English (Difference).

Awards for creativity

- Since 2004, Publicis Groupe has been ranked No. 1 for Creative Performance by the Gunn Report.
- In 2013, the Groupe's agencies received over 30 international awards for Network or Agency of the Year.
- \bullet Publicis Groupe won $_{174}$ Lions at the 60^{th} Cannes international advertising festival.

Main rankings

Publicis Groupe is:

- the third largest communications group worldwide (AdAge 2013) and one of the leading groups in the world's Top 15 advertising markets (except Japan);
- a leader and pioneer in digital and interactive communications (38.4% of revenue in 2013);
- one of the leading players in the media market, with ZenithOptimedia and Starcom MediaVest Group (No. 1 media network in the world, and 2nd in terms of global media business);
- the No. 3 network in the world (RECMA 2013);
- \bullet the world leader in healthcare communications (PHCG) for the 4^{th} consecutive year (AdAge 2013).









KEY FIGURES

The Groupe employs 62,553 people full-time throughout the world.



Breakdown by gender

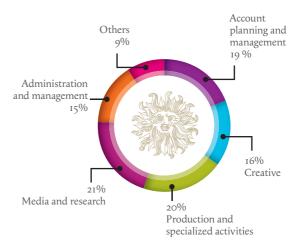


46.6%

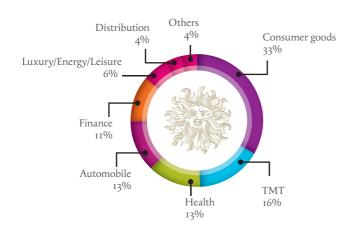


53.4

Breakdown by activity and function



Breakdown by sector



Figures for 2013¹

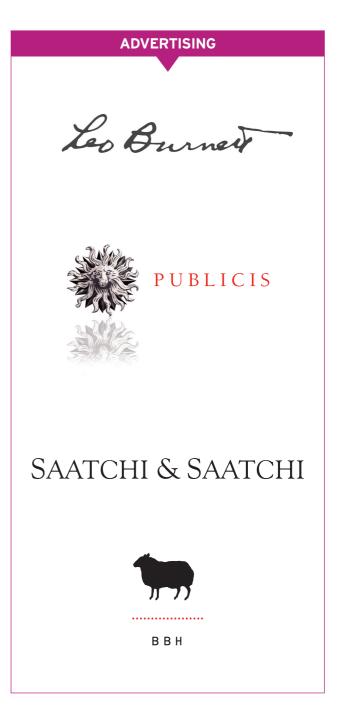
Revenue	6,953 M€
Revenue from digital	38.4%
Operating margin	1,145 M€
Operating margin rate	16.5%
Net income	816 M€
Other expenses	1,396 M€
Depreciation and amortization expense	120 M€
New business	4.5 Bn US\$

¹ 2013 figures: see the 2013 Registration Document, Chap. 4, Consolidated financial statements.

















DIGITAL



razorfish

ROSETTA.

TECHNOLOGY



MEDIA





SPECIALIZED

































































































































PUBLICIS GROUPE'S COMMITMENT TO SUSTAINABILITY



The Groupe has articulated its Corporate Social Responsibility approach around four main areas:

- Social issues (our people and teams);
- Society/Communities (our work in civil society, where our agencies and networks operate);
- Governance/Economic issues (the operating challenges and ethical principles);
- Environment (our direct and indirect impacts).

This CSR report is intended to give an account of what we have achieved and where we can still progress in the various areas under consideration. The Groupe's agencies have continued to improve the way they factor CSR issues and challenges into their day-to-day activities. This is in evidence in our statistics, but also in concrete examples and a number of good practices.

2013 is our fifth year of CSR reporting, the second year we have been audited and the first year after our base year. The Groupe set itself an initial three-year cycle (2009/2010/2011) to fine-tune its indicators for the entire group, though this scope was sometimes readjusted for certain indicators. 2012 is thus the base year in a new three-year cycle, and 2013 is right in the middle of this new cycle. In line with our in-house objectives, the Groupe's CSR report encompasses all its entities (precisely 97% if certain exclusions are taken into account) and the scope of auditing has been expanded.

Back in 2009, Publicis Groupe opted to monitor the indicators based on definitions set forth in version GRI 3 of the Global Reporting Initiative (www.globalreporting.org). This year, we have applied the GRI 4 set 'in accordance' with the Guidelines Core option. The Groupe also signed up to the United Nations Global Compact back in 2003 (www.unglobalcompact.org). We have also drawn inspiration from the guidelines of ISO 26000 to enhance our CSR reporting (www.iso.org), and this led us to analyze more closely how stakeholders are included in all the Groupe's activities.

In 2013, we continued to roll out our CSR policy throughout the Groupe while incorporating it quite naturally into our corporate strategy. Our CSR reporting methods are in compliance with the framework established by French law, notably with the application

of decree No. 2012-557 dated April 24, 2012 relative to the article 225 of the Grenelle II Law, and with decree No. 2010-788 dated July 10, 2010, relating to the obligation on companies to exercise complete transparency on social and environmental matters. The report spans the full year, from January 1 to December 31, 2013.

Elisabeth Ardaillon-Poirier Senior Vice President, Corporate Communication & CSR





Methodological framework:

CSR reporting is based on a complex articulation of two converging internal data flows:

• Firstly, quantitative data are collected in accordance with the rules and procedures governing financial reporting, via the financial data system covering **850 entities**², using a dedicated module (HFM

CSRGRI). These data are processed under the responsibility of the Chief Financial Officers of the networks.

 Secondly, qualitative data collected via a new, dedicated in-house tool (NORMA) that can be accessed by all the agencies. These data are processed under the responsibility of the Heads of Human Resources in the networks. NORMA, which was deployed in 2013, interfaces with the quantitative module for the purposes of consistency and to check relevance.

Upstream, the Shared Services Centers (Re:Sources) teams are closely involved throughout the process, especially during the preparatory period prior to data collection.

² Entities: by "entities" we mean the Groupe's agencies, each of which bears the name of the network to which it belongs, located in different parts of a same city; entities also include the Shared Services Centers (SSCs) often located apart from the agencies.









The in-house CSR Guidelines handbook defines the different levels of data collection and validation, as well as the contents of the various indicators used for the current period. This document has been circulated to the members of a cross-business project team associated with the CSR reporting process (over 100 key people from the different networks), as well as to the CEOs of the entities audited.

All the quantitative and qualitative data are consolidated by the Groupe CSR Department, which coordinates the entire process. The scope of the indicators covered by the non-financial reporting process is determined on the basis of our activities. The goal is to ensure that the indicators used are of a tangible or material nature, in order to illustrate the actual impact of our activities and how this is evolving over time.

The Groupe CSR Department works in conjunction with an internal CSR Steering Committee made up of representatives of the main corporate functions. This committee articulates and structures the Groupe's CSR endeavors, ensuring this process is well integrated into operations while overseeing consistency of the process upstream and downstream. The CSR Department also works with a number of thematic cross-business project teams within the Groupe, its networks and agencies. Finally, as part of its on-going mission, Internal Control ensures that the agencies apply and improve the CSR reporting process.

Scope:

The 2013 CSR report covers 100% of the Groupe, i.e. approximately 97% of staff given the inevitable exclusions. This is because, while all agencies are controlled de facto, agencies acquired during the period under consideration are not taken into account, nor are the agencies that are not financially consolidated. In the course of the audit conducted by SGS, on-site verifications were carried out in 41 agencies (in the USA, the UK, France, Brazil and China) which, between them, accounted for over 25% of total headcount. This scope is a vast improvement on 2012 (when six large agencies were audited, representing less than 10% of headcount). Random checks were carried out regarding quantitative and qualitative indicators, and the final consolidation phase was also audited.

The auditors ran checks at two levels: firstly, regarding the contents of the above-mentioned article 225 which is included in Chapter 1.4 of Publicis Groupe's 2013 Registration Document, and, secondly, the actual contents of this CSR report which is more complete insofar as it aligns with GRI 4. The SGS auditors' final report can be found at the end of this document.

Major highlights of the 2013 report:

- The quality of the data and information collected has been improving constantly (particularly in the section on our environmental impact which is difficult to measure given the nature of our businesses), and greater detail is provided now that we have improved qualitative information collected via our new, in-house tool (NORMA). This testifies to the greater involvement of our agencies and the broader adoption of CSR in its different dimensions.
- The external audit and control process contributes to a better appropriation of the challenges of corporate social responsibility in the agencies. This is the second year we have called on external auditors and, as the number of agencies audited has increased, this has raised the bar as to what we demand and expect of ourselves. These same demands and expectations are also shared by our clients.

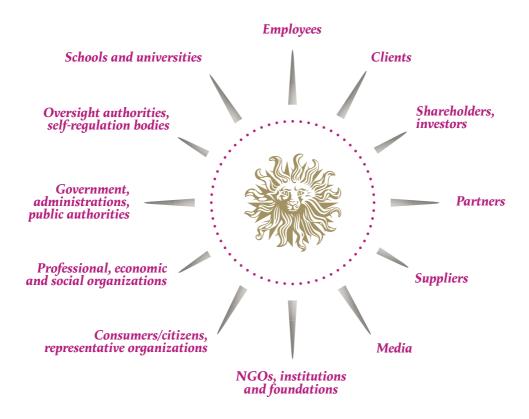
Eve Magnant Vice President, Corporate Social Responsibility Director

Note to readers

In addition to this CSR report, extensive and detailed information concerning the group, its organization and operations can be found in the **2013 Registration Document**. To avoid undue repetition, readers are referred to this Registration Document where applicable, as well as to the **2013 Annual Report**, which provides detailed information on the activities of each of the networks. These documents are also available to the public at www.publicisgroupe.com



Publicis Groupe's stakeholders are all those, whether groups or individuals, whose interests may be affected by the Groupe's decisions or who have a stake in its business activities. Dialogue and engagement with our stakeholders are an essential component of CSR reporting and part of the pursuit of ongoing progress. The Groupe has a great variety of stakeholders, as the diagram below indicates:



As a decentralized company, it is very difficult to report all the exchanges that take place at local level as each agency or entity has its own sphere of influence. The CSR report will give readers an understanding of how Publicis Groupe operates and interacts with the vast majority of its stakeholders based on the issues that unite them and their various expectations (some of these issues have been included for a number of years in our Code of Conduct (Principles and Values)).

OUR RESPONSIBILITIES TO STAKEHOLDERS

To our employees

To attract and retain men and women with a variety of profiles, people who are enthusiastic and talented in their field, by giving them opportunities to progress within the Groupe.

Our objectives:

- To ensure that all employees and their contributions to the company receive due respect, to ensure that non-discrimination is scrupulously applied, and to foster the human diversity that is one of the group's great assets;
- To ensure that all employees are given the opportunity to fulfill themselves and flourish in their jobs through suitable training and by monitoring their career paths with a view to improving their employability;
- To be attentive to working conditions, particularly the work-life balance, as our service activities can be very demanding and enthralling.

To our clients

To provide the best service offering in terms of creativity and strategy, and the most suitable offering from the technological point of view.

Our objectives:

 To help develop our clients' brands, products or services through efficient and relevant communications, taking care to assess the results of our work;









- To ensure that all information shared with our teams remains confidential and to be worthy of our clients' trust, as the only foundation for mutual benefit within a clearly defined contractual framework;
- To propose communication campaigns that abide by the more obvious principles of respect, loyalty (honesty), truth and accountability;
- To enable our clients to benefit from the very latest technological breakthroughs and new opportunities as they emerge.

To our shareholders and investors

To optimize the group's performance in order to repay their trust in us.

Our objectives:

- To rigorously manage the firm to a level of profitability that will enable the Groupe to grow and expand;
- To provide them with regular and accurate communications reflecting the reality of the Groupe's business and performance, in order to uphold our credibility in the eyes of our shareholders and the financial community;
- To ensure all shareholders are treated equally.

To our partners

To cooperate on good terms and ensure we complement one another in managing our joint projects.

Our objectives:

- To leverage our partners' strengths as well as our own strengths and skills so as to devise and provide the best possible solutions for our clients:
- To respect one another in the course of our projects and elsewhere.

To our suppliers

To work together to achieve the highest standards of quality and performance, and to abide by our commitments.

Our objectives:

- To establish relations based on trust in order to attain the highest levels of quality, service, performance and price, within a well-defined contractual framework that ensures both sides are treated equally;
- To foster true diversity in order to produce a competitive and effective offering for our clients, while being attentive to the basic principles governing each party's rights and obligations.

To the media

To communicate regularly and clearly about the activities of the Groupe and its subsidiaries.

Our objective is to regularly inform the media about what we do and the initiatives we take.

To NGOs, institutions and foundations

To actively contribute to and support causes of public interest, often at the initiative of parties from civil society, and, when possible, to give them our backing.

Our objective is to support certain undertakings we deem relevant by making our business skills available to them (pro bono campaigns, volunteering, voluntary work, etc.), as appropriate in the local cultural context.

To citizens/consumers, representative organizations

To issue communication and messages that are clear, precise and respectful (this issue is at the very heart of our business).

Our objectives:

- To conduct our business to a very high standard, and to be constantly attuned to citizens/consumers;
- To ensure we work honestly, fairly and responsibly in a manner that is respectful of consumers in all their diversity.

To trade and inter-branch organizations, economic and social organizations

To exchange views with other professionals on the main trends in our society.

Our objective is to take part in different working groups in order to share opinions and work with other sectors of activity and stakeholders on issues of benefit to all (at national and international levels).

To government, administrations and public authorities

To behave as a responsible economic and social player and to raise the awareness of public authorities with regard to our businesses.

Our objective is to be in full compliance with rules and regulations at all times, and to partake in constructive dialogue.

To oversight authorities and self-regulation bodies

To constantly work in conjunction with these authorities and bodies regarding the main issues in our sector in order to improve best practices.

Our objective is to share best practices with a view to facilitating exchanges with all stakeholders, in order to achieve progress in our business activities.

To schools and universities

To help students and teachers discover our businesses (in the throes of rapid change) and to set up projects together.

Our objective is to establish lasting relationships and to keep abreast of educational developments to ensure that our future employees receive the right training for the markets in which we operate.

CHAPTER 1



SOCIAL



We want diversity, fairness and well-being to really go hand in hand with creativity and quality. For Publicis Groupe, with operations in 108 countries, this is a challenge we face on a daily basis.



Recruiting and retaining people

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Listening to our teams

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Encouraging mobility

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Developing professional skills

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Fostering diversity, fighting discrimination

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Health and safety in our workplace: improving the quality of life at work

.

Promoting work-life balance

.

Facilitating social dialogue

•

Protecting human rights

•

Our teams: key figures



62,553 employees

9% increase

in headcount over 2012 (internal and external growth including the integration of LBi)

RECRUITING AND RETAINING PEOPLE

The Groupe's headcount is a good indicator of business development. It rose 9% through a combination of internal and external growth (integration of LBi). The Groupe's *62,553 employees* are mainly permanent staff.

Our agencies regularly take on *trainees* during the summer months, and also welcome students on internships during the year, whether as a compulsory part of their curriculum (apprenticeships included) or as the final part of their studies. The average duration of these internships is three months.

What are the challenges for us?
To encourage creative emulation
and develop professional
skills employee's.

With 30.5% turnover³ in 2013 (compared to 29.3% in 2012), the rate is still high due to the very nature of our business, but also due to the accelerated rollout of our strategy to develop

in digital activities and high-growth markets, areas where staff turnover is structurally higher. Acquisitions aside, 301 employees were recruited this year (after 880 in 2012), with certain agencies freezing recruitment in several countries as a result of the prevailing crisis. A further 159 people left the group, with necessary reorganizations taking place in a number of European countries in 2013, especially in the south of Europe, in order to adjust our structures and headcount to the economic situation of the countries in question.

The work contracts of the Groupe's employees are drawn up on the basis of the local legal and regulatory context as applicable to permanent contracts, temporary contracts and service contracts with independent providers (freelancers).

The dynamics of our business are based on the diversity of our teams and their ability to continually come up with new ideas.

In all the Groupe's agencies, the employees, and particularly the managers, are local people first and foremost (nationals of that country, when they are not from the local town or local culture). A good understanding of the market is an essential part of customer satisfaction and the success of our agencies.

Giving pride of place to the recruitment of local people also furthers regional development in the field of employment. Nevertheless, we are also very much in favor of cultural diversity within our teams, so as to benefit continually from mutual enrichment.

The absenteeism⁴ rate was 2% in 2013 (as in 2012), in line with the norm for the Groupe's business activities.

³ Staff turnover is defined as the aggregate number of departures during the year divided by the annual average number of employees, expressed as a percentage. N.B. By virtue of their activities, some entities have a turnover rate that is no reflection on the way they operate. As a result, a certain number of entities have been factored out of the calculation.

⁴ The absenteeism rate is equal to the total number of days lost, due to absence for reasons other than paid leave or maternity/paternity leave, divided by the total number of days worked in the year, expressed as a percentage.









58% of staff

were asked to complete a satisfaction survey

69% of employees

took part in an annual performance review

In their own words

In 2013, MSLGROUP launched its internal survey called "Engage!"... >>

Sophie Martin-Chantepie, Chief Talent Officer, MSLGROUP



2 LISTENING TO OUR TEAMS

Employee satisfaction surveys

58% of our employees were asked to take part this year, in the form of either a people survey or a climate survey. This is the best way to keep abreast of people's expectations, all the more so that expectations change rapidly in a naturally lively professional environment. The networks organize surveys of this type every year (or every two years). While the principle of consulting staff is universally agreed upon, the practical organization and periodicity vary from one agency to another and are left to the networks to decide. A number of agencies also conduct very local surveys. However, because of the different periodicities from one network to another, surveys are very different to compare from one year to the next (see the 2012 CSR report: A conversation with... Leo Burnett).

Among the positives noted this year, employees have really taken the values of their agency and the philosophy of their network to heart, and have demonstrated a strong sense of belonging. The vast majority said they were satisfied with the missions assigned to them (our business boasts a very high proportion of real enthusiasts!). However, their perception of their career development was slightly behind somewhat, probably as a result of working intensely on several projects in quick succession, which is not conducive to long-term projection. Likewise, perceived in-house recognition was weak.

Annual performance reviews

In 2013, 69% of all employees had an annual performance review. This percentage is consistent with the Groupe's staff turnover rate and the fact that a number of large agencies that have only recently joined the group do not conduct performance reviews as frequently.

In 2013, MSLGROUP launched its internal engagement survey called Engage!
Over 3,000 employees were interviewed.
How did you proceed?

Our goal was to engage in constructive dialogue with our staff. The survey was designed taking into account the particularities of each agency and the cultural sensitivities of each region. We also measured our employees' level of engagement by comparison with the best companies in the sector, the leading firms and other countries

An engagement survey is a strategic tool that provides a better understanding of our employees' expectations. How did management use these insights?

Before the budget discussions, the findings of the survey were shared by the regional Head of HR with the agency CEO and HR Manager to ensure that all levels were involved. Clear objectives were set and priorities established to reinforce employee engagement, preserve our strengths and set goals for the next edition of this internal survey.

What was the most positive feedback and what areas merit greater attention?

The MSLGROUP's employees actively participated in the survey, with a participation rate of 75% and an engagement score of 71%, i.e. fractionally above the industry norm of 70%*. Our employees praised the entrepreneurial spirit at MSLGROUP and enabled us to identify a few areas for improvement. For instance, thanks to the findings of the survey, many new talent management initiatives have been implemented at the start of 2014. "Engage!" is a on-going commitment to listen to our employees and act upon their feedback.

^{*}Source: MERCER.

In their own words

The frequency and model of annual reviews need to be adapted to the digital business.

Nigel Adams, Chief Talent & Administrative Officer, Rosetta



These reviews are an opportunity to take time out, an opportunity for an employee and his/her immediate superior to review the year gone by and the work accomplished, but also to discuss the year to come. This special moment is essential in our constantly changing businesses and activities.

The goal is clear and is inscribed in our Code of Ethics (Janus), i.e. to ensure that all employees are granted an annual performance review.

The annual performance review is an ideal opportunity to talk about career development. How do you address this issue in the digital sector where change happens so fast?

The speed of career expansion options in our industry is tremendous specifically for Rosetta
The annual performance cycle is being stressed to become much more focused on skills development and career path options not always directly resulting in promotion. For 2014 we will be trying out a model much more focused on performance enablement, simplifying process steps and an increasing touch points throughout the year. It is no longer enough to review performance semi or biannually, but must be an ongoing feedback dialogue including coaching and refinements to enhance performance and results throughout the year.

What do employees expect of the review process? Are there any trends emerging?

The explosion of instantaneous feedback through social media is increasing employee expectation of feedback to be much more real-time and event driven than calendar driven. Real time coaching and feedback provides the best response to enhanced expectations. Diverse talent profiles are demanding a flexible approach to assess performance with relevant, realistic objectives that meet personal, team and agency objectives.

Increasingly employees are demanding the performance review process be paired with: recognition for success, developmental focus, and visibility to career path options.

These requirements suggest a holistic approach to enable performance that expands the traditional performance review approach. Rosetta will be partnering with DigitasLBi to explore options for enhancing annual review by responding to talent

6 ENCOURAGING MOBILITY

Lion Talent: the new, Groupe-wide internal mobility portal

Internal mobility is still difficult to measure but is becoming a major challenge in terms of career development. This is because there are more and more opportunities as the Groupe expands. In addition to the fact that our businesses are changing very rapidly, our employees' needs are also undergoing change. They want to evolve, they want a change of job, country or region of the world, they want responsibilities and they want to explore emerging businesses and activities.

To meet these expectations, the Groupe set up an internal mobility portal called Lion Talent in 2013. This portal was designed with the help of the Human Resources Directors of all the networks, and regularly posts the various positions vacant throughout the Groupe to ensure this information is readily available to all employees. They can then discuss vacancies with their immediate superior. A tool like this on a global scale is something quite novel in the world of advertising and communications. Lion Talent is a landmark in the management of human resources. It also reinforces the sense of belonging to a large group, capable of offering a wide array of opportunities in terms of employment and mobility. This tool completes the recruitment system specific to each network, based on the particularities of its businesses.













In their own words

The "Live my Life" program, a unique experience within the Groupe... >>

Severine Charbon,Global Chief Talent & Transformation Officer,
ZenithOptimedia



Internal mobility has numerous advantages. How does the "Live my Life" program help meet employees' expectations in this field?

One of our promise here at ZenithOptimedia is about "giving our people space to grow and discover with unique experiences to enrich their lives". The program is now in its 3rd year. In this time, 323 people have had a life enriching adventure - visiting someone from another market and actually 'living their life' for two weeks. They go to work with them and stay in their home, ensuring they get to fully immerse in the culture. In recent years we've noticed that increasingly, top talent want more than just a great place to work with a solid training and development program. They want to be offered a diversity of exciting 'real life' opportunities and support in developing a career path that enables them to experience different cultures

What are the main advantages for the participants and for the agencies?

This program broadens our people's horizons, stimulate their curiosity and encourages them to think about their career in a new way. Not only are they gaining an understanding of another market's challenges and strengths, they are able to bring their skills to that market and share them – and bring best practice to their home market.

each participant to contribute to ZO market intelligence, by doing a consumer research project while they are abroad. Their 'freshness' to the market generates really interesting insights, and the global consolidation of all these insights are fantastic knowledge for our clients, and our pitches.

This means that along with giving our people a great experience we are creating a real 'open' community of talent, developing our business and strengthening

So far, 75% of the Live my Life participants have been promoted in the year of their trip, and a number of them have applied for permanent international transfers.

On ZenithOptimedia's "Live my Life" program, From India to Romania with Soumak...

**The ZenithOptimedia Romania team welcomed me as though I were a member of the family. It was fascinating to compare the media landscapes of India and Romania, and I was able to question my hosts and their friends about the various challenges, their dreams and their ambitions, all of which I used in my research project. The team even arranged a surprise birthday party for me! This was an experience I will never forget.

From Vietnam to France with Tri...

Each day was a new learning experience. It opened my eyes to the possibility of combining traditional print and digital, each serving the other. I still can't believe how incredibly beneficial this program was! It was also an opportunity to meet people I'd never have met otherwise.



Promoting the professional development of our staff helps with personal fulfillment, boosts their employability and increases customer satisfaction. Whatever their line of business, training plays a key part in the development of our employees. In 2013, 57% of the workforce received training and over 3,600 courses were given worldwide. The figure of 57% remained unchanged by comparison with 2012, thus confirming our investment in training despite the substantial turnover of staff.

Classroom-based or face-to-face training is losing ground to e-learning training sessions, the latter being shorter, more flexible and increasingly widespread in numerous countries. This year, the Groupe organized 100,450 days of training (117,640 days in 2012) and 174,000 hours of e-learning (71,040 hours in 2012). This increase in the volume of e-learning was due to the higher number of training systems and improved traceability, even though training is still difficult to trace. Not all Groupe agencies are equipped with monitoring tools and the array of tools changes very quickly. It follows that the number of hours of training arrived at in 2013 is probably smaller than the volume of training actually delivered.

57% of the workforce

received training in 2013 (comparable to 2012)

174,000 hours of e-learning

100,450 days



To satisfy the needs of their different employees, the networks (and especially Leo Burnett, Publicis Worldwide, Saatchi & Saatchi, but also Starcom MediaVest, DigitasLBi and ZenithOptimedia) are constantly devising increasingly rich and varied training programs.

For instance, at a network like Publicis Worldwide – which has the highest number of employees of any network within the Groupe - over 700 programs are given in any one year. They range from Basic English for juniors in certain countries to a wide variety of more content-oriented courses (strategy, research, prospective studies, etc.), but also include all the basics in our line of business (drafting, oral expression, etc.). While they may appear more traditional, a number of key courses are still very much on the agenda, e.g. creativity, innovation in marketing, analysis of mega-trends in consumption. A number of multicultural courses are also available (depending on countries) to help staff work better together.

Building digital expertise

Our businesses change very rapidly and technological innovation is more than ever an element of creativity, competitiveness and performance. Raising the level of digital skills is a core part of our training programs

The extensive range of training modules dedicated to digital skills enables us to cover the basic techniques: learning to write code in *ad hoc* languages, understanding new applications in the market and knowing how to decipher consumer behavior studies are "must have" skills). The shift towards a digital world obliges us to study every single aspect and possibility in this ever-changing environment, but also to monitor and take part in our major partners' training platforms where the emphasis is on new business skill sets. More advanced programs are regularly offered to a large number of employees in order to keep abreast of technological breakthroughs.

In their own words

« Training to stay at the cutting edge of digital, that's a challenge! »

Alicia Shankland, Chief Human Resources Officer, Razorfish & DigitasLBi



Training is vital in our digital businesses. How do we keep our teams at the forefront?

We do our utmost to keep our people continuously trained. It's known as *just in time* training in the business, i.e. once they need new skills, knowledge or ideas to excel at what they do. We use all the tools and techniques you'd expect, *face-to-face* training, virtual training, *e-learning*, simulation, continuing training, mobile applications, etc. It's not easy to train teams as different, as numerous and with as heavy a workload as our people. These programs are nonetheless imperative if we are to let new recruits choose "how, when and where they are going to learn". *E-learning* is essential if we are to achieve this goal. In 2013, *via* the DigitasLBi network and agencies, our staff received approximately 100,000 hours of *e-learning*.

What are the main benefits of your policy?

We invest in training and development for two reasons. First of all, it keeps our employees up to date with the most recent innovations in the field of digital technology. Our sector is undergoing extremely rapid change and, unless we keep a very close watch on developments, it's very easy to find ourselves lagging behind. Our clients are counting on us to be experts in the marketing tools of today and tomorrow. Secondly, they enable us to retain and motivate our people. The professionals we recruit are very eager to learn and feel fulfilled when they work with the latest technological and creative trends, with the very latest information and everything bordering on the experimental...









Furthermore, the multiplicity of new mobile usages and the new challenges of inter-connectivity have led the agencies to organize continuing education in digital, mobile and connectivity-related areas.Our digital experts also attend courses adapted to their skill levels. Over 900 digital programs have been identified, not to mention the fact that, especially in this field, knowledge and skills are shared continuously and less formally among team members all year round.

Managerial skills still very much on the agenda

Our investment in management and leadership training is ongoing.In our agencies, talented people can advance rapidly, so we need to support them when they take on responsibilities. This particular endeavor resonates very strongly with our in-house culture, and since the turnover is high and our businesses change very rapidly, managers have to regularly share these issues with their teams.

Over 800 programs on leadership and management were identified in the different networks in 2013.

The Executive Development Program (EDP)

The Groupe continued to roll out its Executive Development Program (EDP) in 2013. Every year, between 100 and 150 people take this program, which has been running for nearly six years. Placed under the responsibility of the Groupe's Secretary General, Anne-Gabrielle Heilbronner, this program is aimed at high-potential managers from the various networks. Working in simulated situations, they spend a very intensive week of working together and competing with one another.

The content focuses on proficiency in administration, management and sales development. This is also an opportunity for these future leaders to establish ties with new colleagues while soaking up the Groupe's corporate culture. There are three EDP sessions a year, in Europe, America and Asia, and an association of alumni has just been set up.



EDP - APAC - 2013

In their own words

Training is about enhancing skills, and that includes human skills. >>

Michelle Kristula, EVP, Global Head of People & Culture, Leo Burnett



"We are only as good as our people" is one of Leo Burnett mottos. Given that our industry's new workforce is mainly

composed of young talents, how are you using training promote inter-generational cooperation within agencies?

Indeed, we are constantly developing programs to help our people be the best they can be. The main goal of the "Young and the Restless", a program that is run in the US, is to provide "colleague and colfavoress" to pay employees. The workshop

Training managers is a powerful way of creating

a more constructive environment. What's Leo Burnett's strategy is this area? The global People Management Program (PMP) is designed to help strong contributors and high

53.4% women 46.6% men



Non-discrimination has always been one of the Groupe's core principles and values. This principle has been stated and regularly reasserted as an intangible principle in several internal documents (Code of Ethics, Code of Conduct).

From principles to commitment and action...

With operations in 108 countries, the Publicis Groupe teams are naturally multicultural with very varied profiles in terms of education, training, career paths and experience. We nonetheless continue to implement a pro-active policy focused on *8 aspects:* gender parity, age, disabilities, cultural/ethnic origins, initial training, sexual orientation, religion, and veterans (in the USA). Each agency (and/or network) works from these guidelines to put policy into practice, always in line with the local regulatory environment.



Women in the majority in Publicis Groupe. The challenge here consists in ensuring compliance with the principle of gender parity at all levels of the hierarchy, and in all the countries in which we operate. The workforce is balanced, with **53.4% women and 46.6% men** (compared to 55%/45% in 2012), though men tend to be in the majority in the digital agencies.

The proportion of women at management committee level in the *agencies* was stable at *39%* in 2013, while the percentage of women on these same committees at *network* level rose 2% in 2013 to reach *32%*. In general, in the agencies, women hold many important management positions and manage major client accounts. The **Publicis Groupe Supervisory Board boasts perfect gender parity** (50/50) and comprises 14 Directors chaired by Élisabeth Badinter. The Groupe's Executive Committee (the so-called P12) chaired by Maurice Lévy and the Strategic Leadership Team (enlarged P12) respectively have 15% (2 women out of 13 members) and 23% (5 women out of 22 members, i.e. 22.73%).

Employment of disabled persons is one area in which the Groupe must progress. It is currently impossible to establish a reliable indicator within the group as the laws governing the identification of disabled persons vary from one country to another. Nevertheless, we are continuing with our initiatives in three directions: raising awareness within the Groupe, recruitment and job retention. For instance, several agencies have organized campaigns to raise awareness among staff regarding the different types of disability, how disabled people are represented (and perceived) and the importance of inclusive behavior (e.g. during National Disability Week in France). In addition to this type of direct approach and in conjunction with the various Procurement Managers, a number of agencies work with sheltered employment institutions (ESATs) providing services to companies in France, or with disabled-friendly companies within the Supplier Diversity program in the USA.

Our agencies need people with very varied profiles, including experienced people and so-called seniors who so often have precious experience and cultural knowledge. While young graduates (or young people with an initial work experience) account for the majority of new hires, the Groupe also takes on people with more experience and who undeniably add value. The age pyramid, as well as a number of other detailed and consolidated social indicators, will be available when the ERP (Enterprise Resource Planning) system will be fully deployed, as the ERP will enable us to fully consolidate certain employment-related data at Groupe level.

Diversity in the USA: the Groupe Diversity Council and affinity groups

The US regulatory framework promotes pro-diversity policies. Since 2008, Publicis has had a Groupe Diversity Council comprised of the people in charge of diversity in its networks. In 2013, it continued to meet every quarter to share good practices in the field of diversity. Each network exercises great independence in its choice of local or highly targeted measures, depending on their business or recruitment needs. The Groupe continued to work on initiatives taken in recent years, e.g. with the Ad Color Awards (ethnic diversity), but also the Most Promising Minority Student program in advertising (ethnic diversity), or the Black Enterprise Women of Power Summit (Afro-American women). New initiatives in 2013 included taking part at the SAMMA conference (South Asians in Media, Marketing and Entertainment), in favor of communities of Asian origin. A new ERG (Employee Resources Group) called MOCA (Men of Color Alliance) was launched. Across the Groupe, other ERGs have been active throughout the year: the Black Employee Network Perspectives (all cultures), Link (for Afro-Americans), Adelante (the Latin Culture Group), Hola (for Hispanic employees), Panasian (employees of Asian origin), not forgetting MERG (the Multicultural Employee Resources Group). The challenges and objectives are the same every time, namely to accompany employees of culturally diverse origins along their career path, to attract future employees with a great variety of profiles and talents and to raise awareness about the Groupe's different businesses and skills.









The Publicis Groupe international women's network V VA W M N

Launched by the CSR Department in 2011, this network now exists in nine countries, is rolled out in 16 cities (including Shanghai, Mumbai, Madrid, Paris, Los Angeles, New York, Chicago, Toronto and São Paulo), and involves all the networks. VivaWomen! is a group of women working in Publicis Groupe, volunteers mobilized to support other women within the Groupe, irrespective of position or profession. The top priority is to promote the personal and professional development of women, in an approach that requires equal input from men and women. In its mission statement, VivaWomen! focuses its work in four areas: Leadership, Mentoring, Carreer Navigation and Worklife Integration. In 2013, over 2,000 women were involved in various events throughout the world (compared to 600 in 2012). The network also carried out a number of external operations in conjunction with other women's networks (corporate and intercompany), and is committed to a number of causes defending women's rights. The agencies have responded enthusiastically to this network, setting up mini-networks at local level to work together on specific projects. This multidimensional facet of VivaWomen! has given the movement a new direction, giving rise to initiatives that are both simple and easily accessible to young women, if only for geographic reasons. In addition to this internal initiative, Publicis Groupe works with various local institutions and associations on issues relating to gender equality, e.g. le Laboratoire de l'égalité (i.e. equality laboratory) in France or other organizations in this area.



VivaWomen! New-York Speakers Series



VivaWomen! Mumbaï



Laura Desmond, Global CEO Starcom MediaVest Group, New-York Speakers Series, 2013.

First-hand accounts of VivaWomen!: US Mentoring Circles with Joanne...

Thank you for creating the Mentoring Circles. It was great to be with people from different agencies and to realize that we're all faced with the same challenges. It was a fabulous opportunity for instant feedback and we should do it again several times a year, if possible.

In their own words

« Diversity
"made in the USA" >>>

Sandra Sims-Williams, Chief Diversity Officier, Re:Sources USA



Diversity spans a whole multitude of topics and initiatives. In what areas has the Groupe progressed this year?

2013 was an eventful year in which we progressed in terms of Diversity & Inclusion. Because the Groupe Diversity Council conferred extensively with its members, we were able to continue our endeavors in training, professional and personal development, the creation of in-house resource groups (Employee Resources Group or ERGs) and in recruitment. Of the most active groups, mention might be made of the women's group - VivaWomen! - which is growing in large cities and which brought a very large number of 600 women together at various events throughout the year in the USA. Égalité (LBGT) also deserves a mention, as it expanded in several cities and was also active outside of the Groupe, and finally the recent creation of a MOCA (Men of Color Alliance) group which has been fighting for more active recruitment of professionals from ethnic

How would you gauge the positive impact of the most successful programs?

Success is measured quantitatively and qualitatively. Over and beyond attendance figures and the quantitative assessment of programs, the feedback we receive directly from participants is very encouraging. Each individual story and the gut feelings of each person are the best evidence of the fact that inclusion is becoming a tangible reality in our agencies, and that intentions are materializing into concrete action. This off-the-cuff feedback is the best form of evaluation and encourages us to continue our projects and to set ourselves even more ambitious goals in the future. We must never let our quard down!

Our agencies recruit talented young people...

In February 2013, Publicis Groupe paid tribute in Poland to Wladyslaw K., the Groupe's oldest employee who had decided to not stop working at 91 years of age! Born in 1922 and a veteran of World War Two, Wladyslaw worked in a number of areas during his career. He joined the Groupe's financial department in 1991, then moved on to Publicis Poland financial team and he is still active as a financial controller. The local press had already acknowledged him as the absolute antithesis to what we usually see in the communications industry, where employees all seem very young. As an optimist and a person of great curiosity, he was happy in his work and led a very full family and social life. He said "I never saw the time pass!"

Veterans

This new area of diversity stems from a reality that is somewhat specific to the USA. Historically, our agencies have always worked to include employees with unusual past experience such as ex-military personnel who saw active duty. Saatchi & Saatchi Los Angeles currently employs three war veterans under a dedicated program known as 'Hiring our Heroes', devised with the US Chamber of Commerce and Saatchi & Saatchi's client Toyota. The Los Angeles agency has worked on tools aimed at a larger number of veterans seeking employment in the civilian sector. These tools notably help veterans in three stages: 'Helping Veterans Build their Brand' consists in helping veterans consider how to put their unique experience to best advantage; 'Resume Engine' helps them draft a resume and already boasts 16,000 users, and 1,300 firms have been signed up to pool their job vacancies; and finally a customized 'Mentoring' module helps them search for jobs or work on a specific professional project. This is a one-on-one, e-Mentoring program running on a web platform, with over 2,000 mentors and protégés already. Support for spouses has also been arranged using a similar approach to help them present this period of their lives in a positive light when seeking employment.

This is an interesting program for Saatchi & Saatchi LA for three reasons: firstly, the agency hires talented people and that includes veterans who integrate very successfully as teams are highly receptive to people with exceptional life experience; secondly, the spirit of mutual cooperation with Toyota has established ties that exceed conventional contractual relations; and thirdly, as 'Hiring our Heroes' is a nationwide program, a very large number of veterans are benefitting and this is having a very positive impact of their return to civilian life. Finally, it should be added that our people are proud to take part in this program!

Diversity in France

In 2013 the Groupe restated its intention to facilitate access to employment and help job retention, for all age groups, by promoting the transfer of know-how and skills. Negotiations were conducted at numerous meetings, notably on the issue of a contract among generations, aimed at reaching an agreement on two preferred forms of action, i.e. the training and sustainable employment of young people, and the advancement of older employees. The Groupe has also continued to implement its ambitious social protection policy, bringing into effect two branch agreements signed in late 2012, one concerning death and disability insurance, and the other concerning the reimbursement of medical expenses.

In the field of diversity, the Groupe continued its partnerships with several associations including:

- "Baisser les barrières" (i.e. lowering the barriers), which provides support to the visually impaired during their university training and in joining the workforce;
- "Nos quartiers ont des talents" (i.e. there's talent in our part of town), which promotes the employability and professional inclusion of young graduates from underprivileged areas and social environments;
- "B.A.ba Solidarité" (i.e. the ABC of solidarity), of which the Groupe is a founding member, is an inter-company association and a private sector initiative that brings together companies eager to promote access to basics (reading, writing and other basic skills) in the workplace. In particular, it focuses its efforts on the fight against illiteracy among employees working in the Groupe's companies, beginning with cleaning staff.

Diversity in the UK

The 2010 Equality Act, which covers the various aspects and challenges of equality, sets a very stringent framework for UK companies, encouraging them to ensure the broadest possible diversity in the workforce. Everyone should be treated on an equal footing, with UK law banning the inclusion of any criterion that might discriminate even in a "positive" way. The Re:Sources HR teams in the UK are therefore working very closely with agency management, running training seminars to explain the day-to-day application of this law. The training sessions are more particularly aimed at managers, to raise their awareness of these issues as regards their recruitment policy, how they behave on a day-to-day basis, and to ensure that they pass the message on to their staff. These modules cover several aspects: legal definitions, the risks of discrimination (direct and indirect) and the legal consequences. They combine theory and practice via roleplays examining various situations that might arise, situations that are then discussed with no holds barred. Quite a number of aspects need to be discussed and analyzed (age, disability, marital status, maternity, race, religious beliefs, sexual orientation, etc.).

Égalité (the internal LGBT network) was launched in London in 2013. It was deployed in the same way and according to the same model as in the USA, where it is active in several cities, and is an inter-agency organization.











6 HEALTH AND SAFETY IN THE WORKPLACE: I MPROVING THE QUALITY OF LIFE AT WORK

Nearly 100% of our employees have social protection (Social security-type medical insurance), irrespective of the local regime in force (State-run, joint State-company-employee, privately operated employer-employee system or other). Furthermore, in addition to traditional preventive action against seasonal illnesses, or in support of national campaigns for the prevention, screening or eradication of certain diseases, a considerable number of initiatives have been taken by our agencies in the battle against stress (and/or psychosocial risks or PSRs) and musculoskeletal disorders (MSDs). The vast majority of our employees work seated in front of a screen. Their work is often both intense and sedentary. Local measures for the prevention of posture-related disorders and the adoption of a healthy lifestyle have been reinforced and diversified:

- visit from an ergonomics expert to make sure every employee is conscious of the dangers of incorrect posture, as well as occasional massage sessions on site with a visiting physiotherapist
- eye exercises recommended by a visiting specialist (e.g. orthoptist) or via awareness webinars;
- organization of gym classes (yoga, relaxation or other) over the lunch break either in the agencies or by special access to nearby sports facilities, or even in the building in which an agency is
- regular meetings with nutritionists, even up to and including the laying on of fresh fruit;
- and for the sportier types, teams are constituted to take part in races or cycling events (over the marathon or semi-marathon distances) among other team sports.

The Injury Rate is estimated at 0.4% for the entire Groupe (after 0.4% in 2012 for a scope corresponding to 76% of the Groupe – ie. work accident rate). The main causes of these injuries are transportrelated (the commute... to or from work). In recent years, agency managers have undertaken a more comprehensive approach using programs that deal with the prevention of stress and stress factors, or broader-based prevention programs when specifically requested or required. In countries where collective bargaining agreements or branch agreements apply, special preventive healthcare initiatives may be implemented. In countries such as these, all employees benefit from collective bargaining or industry agreements when they exist. In most countries, voluntary prevention and healthcare campaigns are carried out by the agencies in the case of seasonal illnesses (e.g. influenza) or in the case of more targeted prevention (e.g. against cancer or cardiovascular disease), campaigns that are sometimes carried out with the support of prevention and healthcare organizations with which the Groupe works. All our agencies are involved in different areas relating to life in the workplace, all strive to create a pleasant environment and take further initiatives

In their own words

BBH: A great place to work... >>

Niall Hadden. Global Talent Chief. **BBH Global**



Bartle Bogle Hegarty London (BBH) is the highest-ranked communications agency

in The Sunday Times "100 Best Companies to work for 2013", what is your key to such a success?

The success of the BBH network has its origins in how the company was established 32 years ago. Nigel Bogle, John Hegarty and John Bartle wanted to create an advertising agency that was truly different, that

to ensure that they provide a workplace where employees feel good, no matter what work they do or where they work.

In this respect, what Prodigious is doing in Costa Rica is a good illustration of an all-round approach. A number of years ago, Costa Rica itself set about establishing a business environment that would attract major corporations, mainly by providing high-level training and education to create a recruitment pool of very talented people (see p. 29).



Because of the nature of the services we provide to our clients, traditionally we have needed to be responsive, readily available and swift. The pressure has only intensified as working methods increasingly go digital. As a result, managing working time has become increasingly complex, calling for greater flexibility on the part of employees and managers alike. This is something we share with our clients who are faced with the same challenges, as our businesses and professions are characterized by periods of high intensity (e.g. during the days running up to an important presentation or just before the launch of a communications campaign). Experience has shown that flexibility on a volunteer basis works well for all concerned, and constitutes a more balanced solution. This is one of the ways we meet current expectations on the part of our employees who aspire to a better work-life balance. This is also an asset when it comes to attracting and retaining employees, especially the members of generation Y who are increasingly figuring largely in our workforce. This young generation has come to expect greater flexibility and an adaptable work environment. Similarly, parental equality means that men are just as entitled as women to a certain degree of flexibility when their children are very young. These matters can be dealt with differently from one network, country or agency to another, and may also be dealt with individually. This flexible approach is one solution to the greater variety of legal arrangements in various parts of the world. The Groupe's employees may benefit, on a case by case basis, from flexible working hours at different stages of their careers, e.g. parttime work, variable working hours, teleworking or other forms of flexibility, provided they volunteer to do so and in accordance with existing arrangements.

In Europe, France has implemented more flexible arrangements for parental leave, in particular its *Passeport Parentalité* (i.e. parenthood passport) and the *CESU* (personal services payment vouchers) for young parents.

In the USA, several networks have rolled out flexible programs for all their employees. At DigitasLBi, management can grant flexible working hours on request, based on criteria such as performance, staffing requirements, workload and, of course, client needs and

Prevention and self-education: the Groupe's Wellness Program in the USA

In the USA, the Groupe has set up an Employee Assistance Program (EAP) to help with issues of disease prevention and healthcare. After harmonizing the various existing schemes to bring agencies into converge on a common program, the Re:Sources teams then set about upgrading the contents of the services that can be made available to employees. The Wellness Program, which was announced in 2012, was widely rolled out in 2013 and met with considerable success. In certain agencies, close to 50% of staff signed up in year one! The services on offer include a very complete self-assessment tool on matters of stress prevention and wellbeing. This tool is based on a detailed questionnaire (Personal Health Assessment - PHA) that improves self-awareness while offering very practical advice on how to change certain habits and take care of one's health. To allow for the particularities of each individual, the program includes access to a coach who will guide each individual through a customized program to help find a balance that really suits him or her. The program does not claim to be a formal medical program, simply a preventive approach with a self-education component that addresses a whole series of behavioral aspects that can be easily acted upon to obtain tangible results rapidly. For instance, the nutrition section of the program claims that when regularly applied, simple recommendations such as a balanced diet, without depriving oneself and in keeping with the lifestyle of our relatively young teams, can have very positive effects very rapidly. The same applies to the need to take daily exercise even when one has a very busy work life.

expectations. MSLGROUP USA has a program called "Flexibility with Accountability" which offers employees a variety of formulas, on request and on a case-by-case basis, such as working from home one day a month (40% of staff benefitted in 2013) or one day a week for senior management, variable working hours during the vacation period and during the summer (some 25% of staff took up this option in 2013) as well as special arrangements for new parents (men and women). The MSLGROUP network's flexibility policy is also being extended to other countries. Canada, for instance, offers a program adapted to the local context, and India's "Work from Home" formula is very popular with juniors (the daily commute can be very long and the public transport system is overburdened) when approved by management (see 2012 CRS Report).









Prodigious Costa Rica: a "production platform" agency like any other

Of the 400 people working for Prodigious Costa Rica, some 200 took part in a training program in 2013. This is an important issue for the agency as continuing training is a necessity in all areas that are essentially digital, and there is a war being waged for talent in Costa Rica too. This is why the Groupe has set up operational schemes whereby our teams can be fully integrated into our clients' projects, even when Prodigious is operating "offshore". This close relationship with clients' project teams is also an opportunity for our teams to develop professionally in other directions. Preventive measures have also been taken to address the issue of wellbeing in the workplace. The agency is also closely involved in volunteering for local causes involving children or environmental projects, which are much encouraged in Costa Rica. In terms of diversity, the agency has its own women's network, inspired by VivaWomen! but with a specific focus on the professional future of women in high-tech sectors.



Our Code of Conduct

Our Code of Conduct clearly states the need to promote social dialogue and to be attuned to staff. One of our strengths is the fact that the average size of our agencies is between 100 and 150 people, which is conducive to frequent, straightforward exchanges between staff and management concerning the firm's business and projects. Freedom of association and the right to collective bargaining are fundamental rights that the Groupe is very keen to respect. Staff representatives and employees in general are regularly consulted and kept informed of projects and developments concerning their agency.



Detailed information concerning the remuneration of Publicis Groupe's corporate officers and senior executives is provided in the 2013 Registration Document (Chapter 1.2.3, Chapter 4 note 3, and Chapter 5 notes 5 and 23). All employees, whether permanent or temporary, have a labor contract drawn up in compliance with local labor law and regulations. The Groupe does not have a consolidated indicator of remuneration for all its employees and comparisons lack relevance due to disparities between countries.

Though remuneration policy is largely local, the salaries paid to our employees are generally in excess of the legal minimum wage where such a measure exists. The Groupe has always applied the basic principle of equal pay for men and women in the same positions and with the same skills. The Groupe and its management are careful to ensure that this principle is applied in practice, even in times of crisis. All information regarding employee profit sharing and share allocation schemes granted are set out in the 2013 Registration Document (Chapter 5, pp. 210-215 in particular).



A fundamental and inalienable value

Respect for human rights is part of "la difference" in our corporate culture. All employees are reminded of these principles, particularly new recruits attending induction courses. Janus – our internal Code of Ethics – is accessible on all network and agency intranets and circulated to all managers and their teams. This code sets out the obligation for managers and staff to abide by local laws and regulations and by the fundamental principles of the International Labor Organization (ILO). Special attention must be paid to gender equality in terms of equal pay for equal work, expanded and efficient social protection and strengthened social dialogue.

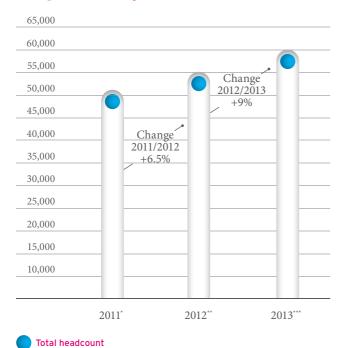
Pro bono campaigns (see the chapter 2 on Society) in support of organizations or causes of general interest relating to human rights, or opposing all forms of exclusion or discrimination, serve as a clear demonstration of the Groupe's commitment to the defense of human rights and freedoms. Contracts signed with the Groupe's major suppliers (central or regional) include various criteria relating to compliance with human rights, and the Groupe Procurement Department's efforts in this regard in 2013 demonstrated a heightened attention to our responsible procurement policy.

Because of the nature of our work, we have little or no exposure to child labor or forced labor. Janus nonetheless explicitly states that child labor, forced labor and compulsory labor are strictly forbidden, and calls for their eradication. These commitments also figure in the Publicis Groupe Procurement CSR Questionnaire sent to all our suppliers (see chapter 3 on Economics and Governance).

N.B. On the question of security staff and the human rights policies relating to their work: security staff are directly employed not by Publicis Groupe, but by specialist service providers. The only exception to this is Groupe's headquarters in Paris, which has its own internal security staff of fire fighters.

OUR TEAMS: KEY FIGURES FOR THE LAST THREE YEARS

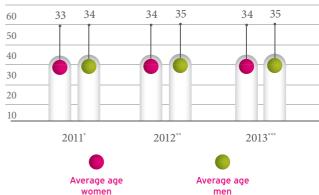
Groupe headcount growth



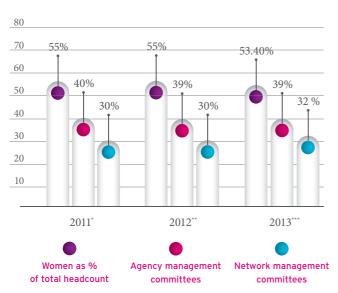
Average age of employees by region and gender

	Men	Women
North America	37	35
Europe	36	35
Asia-Pacific	33	31
Latin America	33	32
Middle East & Africa	34	30

Change in average age by gender



Women on executive committees



Women distribution by region

	% women
North America	57.8
Europe	50.9
Asia-Pacific	54.4
Latin America	48.1
Middle East & Africa	48.1
Groupe average	53.4

^{* 2011} scope: 90% to 95% of Groupe headcount ** 2012 scope: 97% of Groupe headcount

^{*** 2013} scope: 100% (adjusted to 97% of headcount excluding acquisitions)

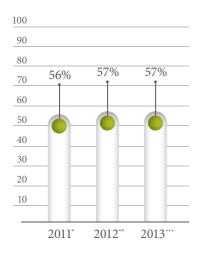




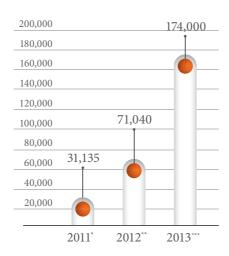




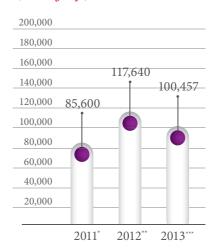
Employees receiving training



E-learning (shared hours)



Classroom-based training (training days)



Occupational injury rate

	2011*	2012**	2013***
Occupational injury rate	-	0.4%	0.4%

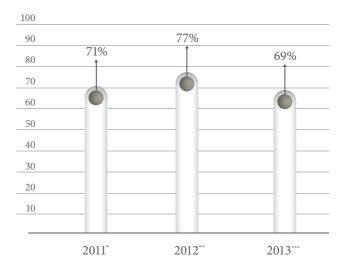
The occupational injury rate is calculated as the number of individuals reporting an occupational accident divided by the total headcount expressed as a percentage (2012 scope = 76% of Groupe headcount). The most common causes of such accidents are transport-related (commuting or business travel). The frequency of occupational injuries is calculated as the total working days lost divided by the total working hours of total Groupe headcount over the year expressed as a percentage: the estimated rate for 2013 is 0.02%.

Employee turnover

	2011*	2012**	2013***
Employee turnover	28.5%	29.3%	30.5%

Employee turnover is calculated as the total number of departures for the year divided by the average headcount for the year expressed as a percentage.

Employee performance review



Absenteeism

	2011*	2012**	2013***
Absenteeism	2%	2%	2%

Absenteeism is calculated as the total number of days lost for reasons other than paid annual leave or maternity/paternity leave, divided by the total number of working days in the year expressed as a percentage.

Employee satisfaction surveys in 2013

58% of the workforce was invited to respond to a people survey or climate survey in 2013. Such surveys are conducted either annually or once every two years, so it is difficult to compare findings from one year to the next.

N.B. Other social indicators (by age, gender, etc.) will become available following the deployment of ERP (Enterprise Resource Planning), which should result in improved data consolidation at Groupe level.

CHAPTER 2



SOCIETY



Staying relevant means keeping in touch with the grass roots, so... 33



Understanding communities' needs, the better to support their causes

Pro bono campaigns
Volunteering
Supporting charities

Cultivating relationships with schools and universities

•

Fostering relationships with professional organizations and institutions



Over 1, 100 initiatives

25.5 million euros

estimated value of pro bono campaigns and volunteering⁵



In their own words

Fun committee: even better than it sounds! >>

Marian Panah, EVP. Global Director of Human Resources and Talent. Publicis Healthcare Communications Groupe





UNDERSTANDING COMMUNITIES' NEEDS, THE BETTER TO SUPPORT THEIR CAUSES

Getting involved: ways and means

Agencies engage in very real terms with their surrounding communities, either by creating pro bono (free) campaigns, or by playing an active part in volunteering and skills sponsorship. Employees are enthusiastic in their support for initiatives of this kind. By getting involved in the life of the communities around them, Groupe employees contribute enormously to the positive impact of our activities on our neighbors and local residents. Taking part in campaigns such as these is an integral component of their career path for agency employees, whatever their profession or responsibilities.

Sponsorship: a question of choice

In accordance with the Groupe's Sponsorship Charter⁶, and for obvious reasons of physical proximity, the choice of cause or organizations to support must be approved by the senior manager(s) of each agency. Nevertheless, these commitments must satisfy objective criteria: they must be directed towards a cause in the public

The driving force behind this dynamic? Our teams, with their commitment and their willingness to engage. >>

We work in a very client driven business and our teams are passionate about their work;

our teams are passionate about their work; hence work life balance may be a challenge: what is the role of the Touchpoint "Fun Committee"?

We are very passionate about delivering quality work to our clients at PHCG, and we are also very focused on ensuring the well-being of our employees.

The Touchpoint Fun Committee organizes events to

How can you measure the benefits of this initiative (and similar ones) on your teams? Our office staff has a high retention rate, low turnover, and good employee satisfaction survey results, though we are always working to improve. Also, the Touchpoint Fun Committee is completely voluntary and so is participation in events. It's clear that our employees value the "camaraderie" that these events create,

⁵Estimated value of all Groupe commitments, pro bono campaigns and volunteering initiatives, excluding provision of free media space (also known as society or social investment)

⁶ Available on the Groupe website www.publicisgroupe.com







interest, centered on an issue of real importance to the agency and its teams, and take into account the agency's annual workload, to ensure that the project is managed in the best possible way. In 2013, the value of total Groupe commitments, through pro bono campaigns and volunteering (a total of over 1,100 initiatives), was estimated at 25.5 million euros (excluding free media space, estimated at a further 25 million euros).

Pro bono campaigns on the increase

Groupe agencies produced over **360 pro bono** campaigns in 2013 (up from 300 in 2012), excluding one-off services rendered free of charge that did not constitute campaigns as such. The increase clearly shows that agencies kept up their level of commitment despite the challenging economic situation. Their efforts focused mainly on major multichannel campaigns, while a number of agencies lent their name to public fundraising drives.

Some of the main themes of these campaigns included child protection, local community initiatives, general health and specific health measures (cancer prevention, fighting AIDS, the war on drugs, serious disease prevention, etc.), and environmental protection.

Many of these campaigns are featured on the Groupe website (www.publicisgroupe.com), or on individual agency websites. Some are listed in the CSR Reports published since 2009.

Médias & Régies Europe

Médias & Régies Europe (MRE) encompasses all the Groupe's historic advertising network activities in France, including Mediavision, Metrobus, Mediagare and Mediarail. All the networks have a long history of stepping up when asked to support pro bono campaigns. In 2013, they provided ad hoc assistance and support on communication campaigns for some 50 organizations and issues of general interest. The free media space they provided, short in duration but high on impact (such as outdoor or cinema advertising), provided a major boost for the causes in question, representing several million euros' worth of media visibility.

In their own words

The art of reconciling generosity and professionalism. >>

Erik Vervroegen, International Creative Director, Publicis Worldwide, and Andy Bird, Executive Creative Director, Publicis London





Publicis Worldwide is widely known for

its many pro bono campaigns. How do you go about managing these projects?
"We are more than happy to put our talent and creativity to work on behalf of good causes. It's the best way of giving something back. The work we've been doing on the ground over the past ten years for Depaul International, the parent company of a

Are their any differences in relationships with pro bono clients as opposed to

"Publicis has always maintained that there is no such thing as a small client. So, although we are selective as regards the organizations we work with (for obvious reasons of resources), we make sure they are treated in exactly the same way as any other client and that all the talents needed to make

PUTTING OUR TALENTS TO WORK FOR GOOD CAUSES AND LEADING CHARITIES: SELECTION OF PRO BONO CAMPAIGNS*

Human Rights

1

MRY - DigitasLBi - USA The "End Trafficking" project for UNICEF

Over the years, MRY has developed a strategic partnership with the CauseWay Agency to support digital marketing for NGOs such as the United States Fund for UNICEF. These organizations generally operate on very tight budgets, and our ability to negotiate free media space for their campaigns is often a make or break factor. The goal of the End Trafficking project is to raise awareness of child trafficking and encourage the community to take action. These efforts have helped the United States Fund for UNICEF to continue to grow and develop, using a range of tools including advertorial, mobile and digital video campaigns as well as various emerging technologies.

-



Leo Burnett - Warsaw "Empathy Calendar" for Amnesty International

The agency teamed up with Amnesty International to raise public awareness of the plight of prisoners of conscience serving lengthy sentences. We all have to measure

time, so why not do it the way prisoners do? The idea is to bring prison time into the world of the free. The Empathy Calendars cover not the usual 12-month period but the terms prisoners have to serve. A 100-meter long wall calendar invited the citizens of Warsaw to measure time the prisoner's way, by marking off each day on a section of wall, as a gesture of solidarity.

3

SMG and Leo Burnett - Chicago "1st Humanitarian Day » on behalf of the United Nations

The United Nations launched its #TheWorld-NeedsMore campaign to raise funds and celebrate the humanitarian spirit. Leo Burnett took on the task of creating the campaign, and Starcom planned and negotiated all the media space donations. Brands and individuals were invited to sponsor a key word for a better world (examples: #education, #inclusion.) Every word from the list shared via a hashtag unlocked a donation from the sponsor associated with the word.

Women

1

Discovery - PHCG - Chicago"Women in the Industry" for MAFA Masters

MAFA Chicago was founded to support diversity and inclusion within the advertising, marketing and communications industries while connecting top diverse talent with some of the city's most reputable agencies and companies. In December 2013, MAFA Chicago paid tribute to outstanding women within the advertising, communications and marketing industries at an event entitled "MAFA Masters: Celebrating Women in the Industry".

5

Publicis Mojo - Sydney "I am woman, hear me ramble on" for Marie Claire

The November 2013 issue of women's magazine Marie Claire Australia title was dedicated to the female body and women's body issues. The media and advertising worlds are often criticized for pushing an unrealistic vision of women's bodies.

The aim of the campaign was to tackle the problem head-on and come up with an ad that promotes self-acceptance. It is fair to say it is hard writing an ad that asks nothing



^{*} This selection of campaigns should be read in conjunction with those mentioned in the 2013 Annual Report and those featured on Groupe and agency websites.







of the consumer, but with this brief it was more about recognizing the body issue so common among today's women and writing a compelling enough ad to make women stop and think for a second.

6

Publicis Events - Paris Gala for "Tout le monde chante contre le cancer"

For the past 10 years, the organization ("Everyone sings out against cancer" in English) has acted as a rallying point for all those involved in fighting cancer, with the aim of bringing moments of happiness and respite into the lives of cancer sufferers and their families. Publicis Events organized their annual concert, held at the Olympia music hall, which attracted 2,000 people and some substantial financial donations. It was an evening of fun and warmth despite the seriousness of its subject, a subject that increasingly affects children and adults, men and women alike. The aim was to look at the disease from a different angle.

Child protection

7

ZenithOptimedia - Vienna "Patenschaftskampagne" for SOS Children's Villages

The agency is deeply committed to its partnership with the Austrian branch of SOS

Children's Villages, one of Austria's biggest NGOs. The "Patenschaftskampagne" (sponsorship campaign) was launched in March 2013, with the aim of attracting new sponsors keen to help children in need by making a regular monthly donation.

8

Rosetta - Cleveland Supporting the Center for Families & Children

The aim of the project was to help the Center for Families & Children upgrade its online donation interface and manage its donor relations more successfully, but also to redesign and re-platform part of the website. We mimicked a full-scale Rosetta project and formed cross-functional teams that worked together to accomplish the task.

9

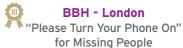


Publicis - Shanghai "Happy Shot" in partnership with Sanofi

Intravenous therapies can be a source of considerable stress and fear, especially for children. So what could Publicis Shanghai think up to help them relax? In association with our client, Sanofi China, we found a way: coordinating a PR event in hospitals called "Happy Shot". Devising a brightly colorfull container resembling a balloon to hold the drip bag is a great way of helping children to overcome their fear of needles and feel more relaxed.

Communities

10



The campaign was designed to raise awareness of the Missing People charity and its phone hotline 116000, which helps those who are missing to reconnect with their families. An interactive film urged cinema audiences to switch on their phones and dial in on a missing boy's attempt to reconnect with his mother. By interacting with the story audiences were informed about the charity's role, and received a text message with the 116000 number to store in their phones. Those who interacted directly not only learned more about the charity's role, but also received a text message so they could record the 116000 hotline number directly on their mobile phone. The campaign brought the charity thousands of new followers and considerable media attention.



11

Digitas - Boston"Pie in the Sky" for Community Servings

Digitas Boston and Community Servings have been working together for the past 17 years. Community Servings is a charity that delivers nutritious meals to people who are critically ill and homebound. Two fundraising campaigns are organized every year, the biggest being the "Pie in the Sky" fundraiser. Coming up each November before Thanksgiving, Boston's finest chefs, restaurants, bakeries and hotels bake up and donate pies, which are then sold as a 100% donation.

12

Fallon - Minneapolis "We Can Do Better" for the Children's Defense Fund

The We Can Do Better campaign for the Children's Defense Fund tackles the issue of gun violence in the US head-on. The provocative campaign uses some powerful statistics hard-hitting statistics to inspire action and provides real ways for parents and children to make a difference. The CDF unveiled the new social media campaign as part of its "Protect Children Not Guns" initiative, marking the anniversary of the Sandy Hook massacre.

13

ZenithOptimedia - Spain Christmas cards signed by Angeles Urbanos

Every year, Zenith Spain sends out seasonal greetings cards to its clients and media contacts. This time, however, the agency decided to team up with Angeles Urbanos, an NGO devoted to physically and mentally handicapped. The NGO's members spent two weeks making Christmas-themed drawings, as an occupational therapy. Five of the numerous drawings produced were chosen to be printed as cards, with a brief description of Angeles Urbanos and its work on the back of each card: a source of pride and profileraising for the NGO.

The homeless

14

MSLGROUP - London Campaign for the Depaul Box Company

Big cardboard boxes are often associated in people's mind with the homeless. Depaul UK took this negative association and turned it on its head. by buying a cardboard box from Depaul, consumers help ensure that a young person is less likely to have to sleep on a cardboard box. MSLGROUP London gave its support to the launch of the Depaul boxes and handled the media coverage, helping to drive sales and thus generating funding for the organization.

15

Leo Burnett - Toronto "The Street House. A tour of homelessness" for Raising the Roof

Every year, Toronto hosts a festival called "Doors Open". Hundreds of the city's beautiful and normally private spaces are opened for the public to visit. During the festival, the agency built The Street House, made entirely of cardboard in a downtown alleyway, and opened its doors to reveal to the public a world rarely seen.

This unique exhibit was designed to demystify the everyday struggles faced by homeless people. The feedback was universally positive, and Raising the Roof has praised The Street House as one most successful campaigns ever.











PHCG - London Campaign for The Passage

The Passage runs London's biggest day center for the homeless. The agency stepped in to boost donations and raise public awareness of the charity's work. Volunteers with collection boxes held up signs made from cardboard - a widely recognizable symbol of homelessness -. The first part of the message on the sign listed things most of us, including the volunteers themselves, normally take for granted while the emotional second half would hopefully move people to contribute money.

Saatchi & Saatchi - Berlin "Days of Hope" for Diakonie

To highlight the growing problem of homelessness on the streets of major European cities, a number of homeless people were invited to present the winter weather news on live TV. With telling illustrations of the effects of the winter cold, each day's presenter gave viewers a piercing insight into the daily lives of the homeless. They spoke direct to the TV audience, inviting them to make donations to their nearest homeless shelter or agency. The live images were watched over 2 million viewers, and the campaign did much to raise awareness of the difficulties facing homeless people, particularly in winter.

Health

Leo Burnett - São Paulo "Death of a Bentley" for the Brazilian Organ Transplant Association

To launch Brazil's National Organ Donation Week and raise public awareness of the shortage of organ donors, Leo Burnett Tailor Made came up with a PR stunt in association with Francisco Scarpa Filho, an eccentric Brazilian millionaire known as "The Count". He announced on Facebook that he planned to bury his prized possession, a \$1.5 million Bentley. Public opinion was outraged, but on the day of the supposed "funeral", with hordes of journalists and photographers in attendance, the Count revealed that he would be doing nothing of the sort. He did make the point, however, that the indignation aroused by the idea of burying his Bentley was ridiculous, when no one is shocked by the fact that healthy vital organs, that could save lives, are buried every day as a matter of course.

19



BBH - London "A World Apart" for Mothers2Mothers

Advances in medicine and treatments mean that mother-to-child transmission of HIV can now be prevented. Charity Mothers2Mothers asked the agency to come up with a awareness campaign. The film shows a young mother-to-be finding out she is HIV positive. She lives in a Western country, but is faced with all the problems an African mother would encounter in the same situation. The juxtaposition of two worlds makes the shock and horror all the more poignant. That's what makes this such a powerful campaign.

20



Digitas - New York "(Up)Beat Cancer"

for the Joe Andruzzi Foundation

Following successful treatment for cancer. former NFL player Joe Andruzzi set up the Joe Andruzzi Foundation to help patients and families fighting cancer. With no clear identity beyond that of Joe's name, however, the foundation needed to find a way of standing out on the overcrowded NGO scene in the United States. The solution lay in the way Joe handled his fight against the disease: with good humor and a positive attitude. The new name, (Up)Beat Cancer, offers a new philosophy and a new launch pad for social engagement.



2



Leo Burnett - Paris "If Only For a Second" for the MIMI Foundation

"You know what I miss the most? Being carefree!" These are the words that inspired the If Only For A Second project. Twenty cancer patients were invited along to a studio for a hair and make-up makeover, but they were asked to keep their eyes closed so they would not see the transformation taking place. A photographer stood ready to capture the moment when they first opened their eyes. Their sheer surprise enabled them to forget their illness, if only for a second. The collection of photos was published in book form and the video, posted online in December 2013, has received over 15 million views.

22

Publicis Conseil - Paris "Nathalie" for the French Cardiovascular Research Foundation

Women are just as likely as men to suffer a heart attack. The campaign features Nathalie, a stressed-out, hyperactive, multitasking woman, very much of her time, who suffers a heart attack. The film is a stark warning to women and the medical profession to make women's heart disease a public health priority.

Arts and Culture

23

Saatchi & Saatchi - Moscow Campaign for the Shusev State Museum of Architecture

There is a story behind every building façade, and what we know of that story is only the tip of the iceberg. Everyone knows about the Night at the Museum event, but not many know of the Shusev Architecture Museum. The agency decided to train a spotlight on the city's buildings. The aim of the campaign was to encourage Muscovites and tourists to explore the history of the city and its architectural heritage by visiting the museum on Museum Night to discover the full story behind Moscow's finest buildings.

24

Spark SMG - Chicago Campaign for the Art Institute of Chicago

In 2013, Spark organized the planning of exhibitions for the Art Institute of Chicago (AIC). The aim was to create the most strategic media plans possible, utilizing relevant media formats and placements. This approach provides flexibility throughout the planning cycle and presents the opportunity to focus on exhibition-relevant partners. Spark works with AIC to provide strategy recommendations and plan execution against various campaigns, including equity, tourism, membership, and many others.

25

BBH - São Paulo "Little Kisses" for the Festival Mix Brasil

The Mix Brasil Festival of Diversity Culture is an event focused on the LGBT community that features a wide variety of artistic events: film, music, dance and literature. The festival is also famous for the controversies and polemics it sparks through the themes it addresses. The main aim of the campaign, with its brightly colored "pop" approach, is to make the point that the festival is not just for the LGBT community, but welcomes anyone interested in culture and diversity.

26

Publicis - Sofia

"Facts we forget, experiences never" for the National Museum of History

Bulgaria's National Museum of History in the country's capital, Sofia, was keen to set up an interactive education center but lacked the funds. The idea was for children to study history in a novel way - by experiencing it! Three of Sofia's landmark monuments were enveloped in cloth wrappings asking the key question: do you know what is hidden behind the facts?

Only a few hours later, the campaign had become a media sensation. A series of visuals was created to call for financial support, all accompanied by the same key message: "Facts we forget, but experiences we remember".











Environment

27

Leo Burnett - Sydney "Earth Hour" for the WWF

For the past seven years, Leo Burnett has partnered the WWF in Earth Hour, a movement that encourages everyone to turn off the lights for an hour (at 8 pm local time) in as many cities as possible around the world, as a gesture against global warning. This year, protecting the Great Barrier Reef was one of the climate change issues closest to Australian hearts. Earth Hour is an initiative that draws people together and overcomes social divides.

28

SMG - New York "Earth Hour" for the WWF

Starcom USA worked closely with Leo Burnett to help raise awareness and involve as many people as possible in the event, across the USA. Starcom has handled the planning and buying of (free!) media space for Earth Hour over a number of years, helping to raise support. Public spaces and buildings, skyscrapers, shops, homes and individuals... the number of people and places turning off at 8 pm is rising!

29

Saatchi & Saatchi - Germany "Farmageddon"

for United Nations World Water Day Everything was fine until March 22nd, 2013, when a devastating drought suddenly hit the virtual farms on the Farmerama accounts of over 45 million online farmers around the world! Parched fields and withered grass meant catastrophe for every single one of them.

All the crops that had been so carefully planted and painstakingly cultivated were devastated by the world's first online drought. The aim of the UN campaign was to raise public awareness of water scarcity and raise funds for the real-life victims of drought.

Animal welfare

30

Leo Burnett - Milan "Pets4Pets" for WWF Italy

The future of the world belongs to our children. That's why 80 elementary school children were asked to create a new campaign for WWF. First they learned the basics of advertising, then they were given a brief to work from. Using it as their starting-point, they went on to present their ideas and creations.

They then discussed their original sketches with the professionals, attended the preproduction meeting and all the shooting sessions, and oversaw the recording of radio spots. The results: 8 print campaigns, 2 TV and 4 radio spots.

31



Saatchi & Saatchi Shanghai

"Paper Cuts Life" for Greenpeace

As most of us know, paper cuts really sting. But cutting down trees for paper does much more harm to forests, animals and their habitat.

The Paper Cuts Life campaign was launched under this neat double entendre to remind us all of the alarming truth that lies behind every sheet of paper. As part of the campaign, an art exhibition was held at the Shanghai Library and M50 Creative Garden.

"Awarded pro bono campaigns: ADC Germany, Boston, AdClub, CA's Award of Excellence, Cannes Lions, Clio Awards, Communication Arts in D, Creative Circle Silver, D&AD, EPICA, Eurobest Silver, FARA Awards Bulgaria, Golden Drum, Golden Hammer, GPC 7+, Grand Prix de la Communication Solidaire, IDEA, KIAF, KTR, LIA, New York Festivals, Pororoca 2013 and Crista (Brazilian digital award). Silver Shark award. The Pro Awards, etc."



In their own words

More than volunteering; a shared state of mind. >>

Milano Revna, Worldwide Chief Talent Officer, Saatchi & Saatchi



The positive impact of volunteer work in the community has long been recognized:

how do you deal with employee commitment in this field at S&S?

Our Saatchi & Saatchi teams are sincerely keen to "do some good". Our CSR approach breaks down into five key areas: social, community relations, economic, the environment and, the keystone of the whole structure, education, in which voluntary work has a major contribution to make. Our approach

With so many good causes crying out

for support, how do you set your priorities? You never know where an initiative might lead. All these causes had one thing in common: educating people for a better world in one way or another.

One of our favorite projects of this year addressed the themes of culture, sustainable development and education: the Big Egg Hunt in New York, which we organized with Fabergé, to raise funds and the

* All Publicis Groupe CSR Reports published since 2009 are available online at www.publicisgroupe.com

Volunteering also on the increase

Volunteering is a practice that is gaining ground in countries around the world. Over 750 initiatives were reported in 2013. The increase also reflects better recording of agency involvement with not-for-profits, NGOs, foundations or good causes in general. It usually involves drafting in one or more teams, for a limited period, to provide operational assistance on projects on behalf of good causes, or to pitch in on pro bono campaigns. Sometimes it includes fundraising with employees' support. These moments of shared engagement bring people together, and teams find them very rewarding. Many examples of organizations and not-for-profits that agencies have worked with on volunteering projects over the years can be found in the Groupe CSR reports published since 2009, or on agency websites.

Philanthropy in the community

Our agencies take part in a few charity events, but the Groupe's priority is focused on concrete commitments such as pro bono campaigns, skills sponsorship or voluntary work, because this is where our assistance can be most effective. Agencies, management and staff alike, are always swift to respond to any emergency in their country, region, city or, indeed, anywhere in the world. Natural disasters and major accidents trigger spontaneous outpourings of generosity, with management and employees coming together to offer whatever help they can. As a general rule, the Groupe favors a decentralized approach, as being more flexible and easier to organize, and also providing simpler and immediate traceability of what has been done.



The Groupe has enjoyed close and regular relationships with schools and universities for years - indeed, for decades in some cases. In 2013, we identified close on 800 partnerships with institutions of learning. Because the skills required in our business are constantly and rapidly evolving, we continue to develop new partnerships to help us diversify our links and the profiles we might be looking to recruit. Every agency builds up its own network of relationships with a certain number of local schools and universities (Groupe CSR reports published since 2009 list the main links between agencies and educational institutions).

Ongoing relationships and regular encounters

Overall, there are four main types of event:

- 1) Careers Fairs, with agencies often joining forces to take part;
- 2) Regular Open Days where students can see the kind of work we do, sometimes in conjunction with local inter-branch organizations staging cross-sector events;
- 3) Teaching, with many of our managers contributing to school or university courses on an ad hoc or regular basis; agencies are









Volunteering

Pink Fridays for Breast Cancer money drive -Publicis London



→ Volunteer to promote volunteering -Leo Burnett Melbourne





■ Zoo Funday -ZenithOptimedia Barcelona



■ Big Impact Day -VivaKi Detroit



New York Aids Walk -Team Razorfish New York



■ Big Impact Day -VivaKi Seattle





Houses for Homeless -Zenith Optimedia Buenos Aires





Coat Drive - BBH New York



→ Hit the Beach To Clean
It Up - VivaKi Chicago



Cleveland Community
Service Day - Rosetta Cleveland



Support children at school – Zenith Optimedia Ho Chi Minh

In their own words

The art of war... for talents. >>

Cassandra Yates, Chief Talent Officer,



Talented young people are much sought after nowadays. What are VivaKi's main advantages in this "war for talents"?

As the nerve center or digital accelerator for the Publicis Groupe, our competitive edge in the talents war is the ability to offer completely new experiences in the marketing industry thanks to our unique palette of technologies. Our teams work closely with hi-tech partners, including those way out on the leading edge, and soon become Ad Tech experts. They are building

What is your strategy for continuing to attract top talents?

on young people with two years' experience or more.
But we also take a close interest in key schools and universities where there is scope to work together on developing course programs. We have a specific strategic approach to young talents, as soon as the graduate. At VivaKi, they are given the resources to develop their skills fast ("on-the-job skill building").

- keen to build such relationships over the long term, but also to diversify their contacts so as to offer opportunities for students with a range of profiles;
- 4) Student internships, offered by all agencies, whether as a compulsory part of the curriculum or end-of-course internships. The work of the communications sector is becoming increasingly complex, and internships are the ideal opportunity for young graduates to acquire a better understanding of a job or a profession that will help them in their choice of future career.



FOSTERING RELATIONSHIPS WITH PROFESSIONAL **ORGANIZATIONS** AND INSTITUTIONS

Agency managers all over the world have a long tradition of involvement with their respective professional organizations. Over recent years, new opportunities for ad hoc inter-branch collaboration have emerged, with communications professionals working closely together as stakeholders in the shared tasks and reflection undertaken with local institutions and organizations.

Lasting commitments

In addition to the many local initiatives under way, the Groupe is keen to ensure the continuity of its commitments over the

• In the field of *education*, for example, this means continuing to participate in the European MediaSmart program (PubMalin in France), designed to help primary and secondary school teachers to educate their pupils in how to interpret advertising messages. The program relies on a wide range of partners, including media representatives, teachers, consumer organizations and oversight bodies.



• In the matter of industry cooperation, the Groupe continues to promote the new Advertising and Marketing Communication Practice - Consolidated ICC Code (International Chamber of Commerce - www.iccwbo.org). For professionals, the code is the international benchmark on all matters of self-regulation and code of good conduct. Its latest edition

also covers the new issues raised by digital communications and mobile applications.

- On a similar note, Groupe experts are involved in the work of the 4A's Privacy Committee and the Advertising Self Regulatory Council in the United States, and in the European Advertising Standards Alliance, three forums for dialogue and interaction between advertising professionals and the relevant authorities.
- In the area of *standards*: the Groupe continues its involvement in the implementation of ISO 26000 (as it applies to the communications sector) and its stakeholder-centric approach.









UNIVERSITIES AND SCHOOLS Some of our partnerships around the world



NORTH AMERICA

CANADA

Simon Fraser University, Burnaby - Mohawk College, Hamilton - Queen's University, Kingston - University of Western Ontario, London - Concordia University, Montreal - Centennial College, Toronto - University of Toronto, Toronto

UNITED STATES

University of Akron, Akron - Alma College, Alma - University of Michigan, Ann Arbor - University of Georgia, Athens - Emory University, Atlanta - Georgia Institute of Technology, Atlanta - The Creative Circus, Atlanta - University of Texas, Austin - University ty of California, Berkeley - Indiana University, Bloomington - Boston University, Boston - Harvard University, Boston - Howard University, Boston - Massachusetts Institute of Technology, Boston - Hult International Business School, Cambridge - Chicago Portfolio School, Chicago - Depaul University, Chicago - Loyola University, Chicago - University of Chicago, Chicago - Case Western Reserve University, Cleveland - Lee University, Cleveland - University of Missouri, Columbia - Ohio State University, Columbus - University of Dayton, Dayton - College for Creative Studies, Detroit - Michigan State University, East Lansing - Northwestern University, Evanston - University of Arkansas, Favetteville - California State University, Fullerton - Grove City College, Grove City - University of Iowa, Iowa City - Otis College of Art and Design, Los Angeles - University of California, Los Angeles - University of Southern California, Los Angeles - Tufts University, Medford - Miami Ad School, Miami - University of Minnesota, Minneapolis - Central Michigan University, Mount Pleasant - Yale, New Haven - Binghamton University, New York - Columbia University, New York - Cornell University, New York - Fordham University, New York - Miami Ad School, New York -Miami University, New York - New York University, New York - Rochester Institute of Technology, New York - School of Visual Arts, New York - St. John's University, New York - Syracuse University, New York - Miami of Ohio, Oxford - Philadelphia University, Philadelphie - University of the Sciences, Philadelphie - Princeton University, Princeton - Brown University, Providence - Virginia Commonwealth University, Richmond - California State Polytechnic University, Pomona - University of Rochester, Rochester - California Academy of Sciences, San Francisco - Presidio Graduate School, San Francisco - Stanford University, San Francisco - San Jose State University, San José - California Polytechnic State University, San Luis Obispo - University of California - Santa Barbara, Santa Barbara - Ringling College of Art & Design, Sarasota - Savannah College of Art and Design, Savannah - University of Washington, Seattle - Pennsylvania State University (Arts), State College - Syracuse University, Syracuse - University of Illinois, Urbana-Champaign - Georgetown University, Washington D.C. - American University, Washington D.C.

LATIN AMERICA

ARGENTINA

Escuela Superior de Creativos Publicitarios, Buenos Aires

• BRAZIL

Centro Universitário da Fundação Educacional Guaxupé, Guaxupé - Associação Educacional Luterana Bom Jesus/Ielusc, Joinville - Federal de Pelotas University, Pelotas - SENAC Pelotas, Pelotas - Universidade Católica de Pelotas, Pelotas - Escola Superior de Propaganda e Marketing, Porto Alegre - Universidade do Vale do Sapucaí em Pouso Alegre, Pouso Alegre - Universidade Federal do Rio Grande do Sul, Rio Grande do Sul - Escola Superior de Propaganda e Marketing, São Paulo - Miami Ad School, São Paulo

• PORTO RICO

Sacred Heart University, San Juan

Universities and schools



EUROPE / RUSSIA

AUSTRIA

Fachholchschule St. Pölten, Sankt Polten

BELGIUM

Vlerick Leuven Gent Management School, Gent – KU Leuven, Leuven

• BULGARIA

National Art Academy, Sofia - New Bulgarian University, Sofia

• CZECH REPUBLIC

Economic University in Prague, Prague – VSFS, Prague

• DENMARK

Copenhagen Business School, Copenhaguen

• FRANCE

ESSEC, Cergy Pontoise – Université Léonard de Vinci, Courbevoie – HEC, Jouy-en-Josas – EM Lyon, Lyon – Euromed, Marseille – Audencia, Nantes – CELSA, Paris – École des Mines de Paris, Paris – École Normale Supérieure, Paris – EFAP, Paris – Epitech, Paris – ESCP Paris, Paris – European Business School, Paris – École des Gobelins, Paris – INSEEC, Paris – Iscom, Paris – Sciences Po Paris, Paris – Sup de Pub, Paris – Université Paris Dauphine, Paris

• **GERMANY**

ESCP Berlin - Miami Ad School, Berlin - Fachhochschule des Mittelstands (FHM), Bielefeld - FH Köln, Köln - Hochschule Darmstadt, Darmstadt - Goethe University, Frankfurt - MTP Marketing zwischen Theorie und Praxis, Frankfurt - Zeppelin University, Friedrichshafen - EBC Hochschule Hamburg, Hamburg - Hochschule Fresenius, Idstein - Fachhochschule Mainz University, Mainz - Munich Business School, München - Technische Hochschule Nürnberg, Nürenberg

• IRELAND

University of Limerick, Limerick

• ITALY

University of Bologna, Bologna – Accademia Di Comunicazione, Milan – Bocconi University, Milan – Polytechnic University of Milan, Milan – University of Milan, Milan – Palermo University, Palermo

• NETHERLANDS

VU Amsterdam University, Amsterdam

NORWAY

Norwegian School of Economics, Bergen-Norwegian Business School, Oslo

• POLAND

London School of Public Relations in Warsaw, Warsaw – **Warsaw University,** Warsaw

• PORTUGAL

IADE, Lisbonne

• RUSSIA

Higher School of Economics, Moscow – Lomonosov Moscow State University, Moscow – Moscow State Institute of International Relations, Moscow – Peoples' Friendship University of Russia, Moscow – State University of Management, Moscow

• SLOVENIA

Academy of fine Arts and Design, Ljubljana

• SPAIN

Centro Universitario Villanueva, *Madrid* – Universidad San Pablo CEU, *Madrid* – Creactiva Escuela de Creativos, *Madrid* – Escuela Europea de Direccion y Empresa, *Madrid* – Rey Juan Carlos University, *Madrid*

SWEDEN

Berghs School of Communication Stockholm, Stockholm – Gothembourg School of Economics, Goteborg – Stockholm School of Economics, Stockholm

• UNITED KINGDOM

Barnet and Southgate College, Barnet – Cambridge University,
Cambridge – Falmouth University, Falmouth – University for the
Creative Arts, Farnham – Lancaster University, Lancaster –
University of Leeds, Leeds – London Business School, London –
London College of Communication, London – London School of
Economics and Political Science, London – ESCP London, London –
Oxford University, Oxford – Southampton University, Southampton –
West Herts College, Watford









Universities and schools



ASIA / PACIFIC

AUSTRALIA

 $\label{eq:continuity} {\bf RMIT~University}, {\it Melbourne-Adschool}, {\it Sydney-University~of~Sydney}, {\it Sydney-Charles~Sturt~University}, {\it Victoria}$

CHINA

Hong Kong Design Institute, Hong Kong – Hunan Institute of Science and Technology, Yueyang – ECV-School of Visual Communication, Shanghai – Shanghai Normal University, Shanghai

• INDIA

 $\label{local_problem} \textbf{Indian Institute of Mass Communication}, \textit{Delhi} - \textbf{Indian Institute} \\ \textbf{of Technology}, \textit{Delhi}$

• MALAYSIA

IACT, Petaling Jaya - Taylor University, Selangor

• NEW ZEALAND

ACG New Zealand International College, Auckland – Auckland University of Technology, Auckland

• PHILIPPINES

University of the Philippines, Los Baños – Ateneo de Manila University, Lungsod Quezon – De La Salle Lipa, Manila – Polytechnic University of the Philippines, Manila – University of the Philippines Diliman, Manila

• SINGAPORE

Singapore Polytechnic, Singapore

• THAILAND

Dhurakij Pundit University, Bangkok



AFRICA / MIDDLE EAST

• EGYPT

American University in Cairo, Cairo

• LEBANON

Lebanese American University, Beirut – Universite Saint Esprit Kaslik, Jounieh – American University of Beirut, Beirut

• QATAR

Qatar University, Doha

• SOUTH AFRICA

AAA School of Advertising, Johannesbourg

• TURKEY

Bahçesehir University, Istanbul – Istanbul Bilgi University, Istanbul – Istanbul University, Istanbul – Yeditepe University, Istanbul

• UNITED ARAB EMIRATES

Dubai, Dubai – Institute of Management Technology Dubai, Dubai – American University of Dubai, Dubai

CHAPTER 3



ECONOMICS • GOVERNANCE



Ethical behavior and economic performance are not mutually exclusive.

In order to reconcile them, we focus on... 33











Raising teams' awareness of ethical principles

Earning the loyalty of our clients

Working with our suppliers

Ethics: the new challenges posed by digital

Shared Services Centers (Re:Sources)

Shareholders and investors relation

Media relations

Compliance





The Groupe's key values were laid down many years ago. They are based on core elements that are set out in the Code of Conduct, whose first pages set out the standards of conduct and behavior expected of Groupe employees and the basic rules to be followed. This document is available to the public at www.publicisgroupe.com and on all network or agency Intranets.

The Groupe Code of Conduct

Janus, as the code is known, includes the Groupe Standards of Conduct and Behavior, specific Standards of Conduct for Groupe and brands key officers (CEOs & CFOs), and the operating rules applying to all managers and their teams. Some of the more technical chapters are primarily for the use of management.

The networks and agencies are constantly upgrading their internal programs to raise awareness and circulate information on the Code and its content: special sessions (Induction or Onboarding Programs) are held for new arrivals (whatever their position), to set out the basic rules by which the company operates and with which they are expected to comply. Some agencies require their new hires to sign an undertaking that they are fully aware of the Code's stipulations. Special attention is paid to the issues of human resources, IT and confidentiality, in order to ensure the protection of sensitive information.

Whoever our stakeholders may be, respect, mutual profitability and the quality of our services are the keys to a lasting relationship. 33

Anti-corruption policy and procedures

The Code of Conduct makes frequent reference to the issues of gifts and inappropriate relationships – or relationships that might be construed as unethical – with suppliers or clients.

Janus also lays down very strict rules prohibiting any form of corruption or bribery. Human Resources or Finance Departments are responsible for organizing training/awareness-raising sessions at which the issues can be addressed and discussed in much more concrete terms. Many Business Units incorporate sections or extracts from Janus into their induction manuals, in the same way as they provide information on the agency's in-house culture or working methods.

At the same time, agencies also issue frequent reminders on some of the topics covered in Janus, to ensure that important details remain fresh in everyone's mind. Some agencies also run dedicated training courses for managers to give them a greater insight into internal rules and help them navigate the local legal and cultural context. Groupe legal experts, based in the Shared Services Centers (Re:Sources) and reporting to the Groupe's Legal Department, play a key role in developing awareness and implementation of anti-corruption legislation and regulations. They keep agencies informed of new developments and establish compliance procedures specific to each local market. In 2012, the Groupe's legal experts drafted a new anti-bribery policy, initially implemented in the United Kingdom and then gradually deployed in other countries over the course of 2013.

One of the responsibilities of the Internal Audit teams is to bring the Groupe's rules regarding corruption and business ethics to the attention of local managers (details of the work of the Internal Audit team are to be found in the 2013 Registration Document, Chapter 1.1.5).

4 main areas of activity

Advertising (30%) Specialized Agencies (19%) Media (18%) **Digital** (33%)



Many of the Groupe's clients are world or sector leaders in their industry. The Groupe derives approximately half of its revenue from international clients, i.e. clients with operations in more than five countries. The top 30 clients account for 41% of Groupe consolidated revenue (see the 2013 Registration Document, Chapter 2.4.5).









Quality of relations

This is the best guarantee of a long-lasting relationship and the key to productive work. The Groupe's client retention rate is outstanding, averaging 45 years for our ten biggest clients. CSR creates opportunities for varying the way we work with certain clients, who may require different degrees and levels of vigilance from our agencies: as regards the messages of a responsible communications campaign, for example, or the eco-design of campaigns, (materials and media used, such as paper, etc.) and, on the supplier side, vigilance as regards certain types of partner (see Chapter 3.3).

Customer satisfaction surveys

Groupe agencies conducted over 7,000 customer satisfaction surveys in 2013 (7,450 in 2012*). This figure reflects only a part of the total number of customer surveys, some of which are conducted via questionnaires sent out by agencies or through annual interviews and performance reviews. Agencies do not have full access to all customer survey data, however; several of our major international clients conduct their own surveys using proprietary tools (or conducted by third parties). This makes it difficult for agencies to obtain detailed feedback on the survey method used or the number of opinions consulted on the client's side, since they generally receive only a summary report of survey findings. In 2013, the consolidated summary of customer satisfaction surveys (based on various sources, including the overall consolidation of information collected via NORMA7) showed the average level of satisfaction reported at close on 4 on a scale of 1 to 5 (where 5 represents the highest level of satisfaction). The Groupe measures client satisfaction against seven main criteria (and other secondary criteria): the knowledge and skills of its teams; their capacity for innovation and the pertinence of the strategies they recommend; their professionalism; the quality of the work they produce; their human qualities; prospects for further collaboration in the future; their ability to meet expectations as regards new technologies or services.



Dedicated tools

The Groupe Procurement Department maintained its involvement in monitoring supplier compliance with CSR criteria. In addition to the in-house charter (CSR Procurement Charter) aimed at the Groupe's international team of buyers and designed to encourage the inclusion of CSR criteria in invitations to tender (ITT), the Groupe also requires its major suppliers to complete an ad hoc questionnaire (CSR Procurement Questionnaire).

In their own words

Client loyalty, a key indicator in measuring satisfaction!

Barbara Jobs, EVP, Global Human Resources Director, Starcom MediaVest Group



How are you tracking client satisfaction and how are you sharing this feedback internally?

SMG has always made client satisfaction one of its top priorities. To that end, we recently asked our clients from around the globe to rank us from 1 to 5 (with 5 being "most satisfied"). Over 90% ranked us a 4 or higher. In addition to this survey and the annual reviews that most of our clients conduct on their own, two of the best indicators of client satisfaction are retention and organic growth.

As an example, MediaVest experienced 100% client retention in 2013 with organic growth accounting 50% of the agency growth throughout the year.

In our digital and fast-working world, where are now the expectations from our clients?

We believe that we are one decade into a two-decade transition, where clients are increasingly seeking a human-experience company. Three key themes are emerging for this second decade: Mobility Reinventing Shopping, Data-Driven Marketing and Liquid Experiences. Monitoring – and staying on top of – these trends allows us to deliver plans to our clients that are timely, relevant and consumer-focused. In addition, SMG's Experience Design Journey enables the agency to better define opportunities to drive clients' businesses forward by intersecting cultural, consumer and brand truths to develop effective strategies. In an increasingly more digital and data driven world we design experiences that are data inspired, digitally enabled and content rich. SMG is ideally placed to anticipate our client's future needs.

⁷ NORMA is the Publicis Groupe's qualitative data collection system for CSR reporting.

2013 inventory

An inventory carried out by the Groupe Procurement Department in 2013 identified the highest-scoring internal indicators:

- systematic inclusion of CSR questionnaires in centrally and regionally managed ITTs (RFIs/RFPs);
- factoring of responses to the questionnaire into the final scoring of supplier proposals;
- supplier acceptance of our internal clauses on major themes such as human rights, labor law and environmental impact.

Deeper and closer dialogue

The Groupe's Procurement Department sometimes becomes directly involved at the client's request, when the client needs a commitment from its communications agency on supplier-related issues. Recent regulatory developments (such as the Small Business Act in the USA and its equivalent for Europe) are encouraging this trend. Similarly, many countries are starting to focus on issues of diversity (and social policy), grouped under the heading of Supplier Diversity. These issues are monitored internally, either by dedicated teams in direct contact with the clients (a practice adopted by Leo Burnett a number of years ago – see opposite), or with the support of external experts working in Groupe agencies (at Saatchi & Saatchi, for example, or PHCG). The issues associated with supplier relations form a basis for closer dialogue between clients' purchasing departments and the Groupe Procurement Department, and may pave the way for joint projects.

External contributions

Communications activities under direct agency control may also need to take on board contributions from external sources such as experts, freelancers or ultra-specialized small entities. This subcontracting is often carried out under strict conditions imposed by the client. The Groupe is careful in its dealings with these providers to set reasonable deadlines and make timely payments.

Extension

The Groupe Procurement Department has also involved the Real Estate Department in the CSR approach, establishing a rigorous approach that takes CSR considerations into account when renovating agency premises or looking for new office space.

Diversity Supplier & Small Business Practice: the example of Leo Burnett USA

For more than 15 years, the Chicago agency has had a highly structured procurement organization in place. It meets all Supplier Diversity and Small Business Act criteria, as part of a twofold aim: firstly, to provide the agency with a dedicated organization that is able to familiarize teams with the absolute necessity of choosing suppliers who meet these very specific criteria (diversity, very small businesses, etc.), of establishing more regular collaboration and varying the choice of service providers; secondly, meeting the requirements of certain clients who expect us to make firm sourcing commitments under the contract. Some require 5% or even as much as 15% of the spent for their campaign to be sourced from suppliers in these two categories.

Leo Burnett tackles the challenge at three levels: identifying the service providers who meet the criteria (on issues of sourcing, and monitoring of their development, skills, capacity); as far as possible, establishing regular collaboration to build trust in client-supplier relations; and, finally, producing qualified reporting on purchases made from the service providers to present to the client as proof of our compliance with the commitments given (assessed using the Leo Burnett Vendor Auditing Process).

The team responsible for monitoring Diversity and Small Business procurement works closely with the internal Compliance Department to make sure the system is sufficiently rigorous. Activity reports are always reviewed with the agency teams handling the client, for their approval and to get their own operational feedback. The report is then submitted to the client.

Supplier Diversity and Small Business Practice is an integral part of the agency's ISO 9001 scheme, which is subject to annual inspection, and has the full support of network management. In certain instances, Leo Burnett also shares its expertise with other Groupe agencies, especially when they are working together on behalf of the same client.

Thanks to this dedicated system, Leo Burnett also takes part in a number of professional events; these offer opportunities not only to meet new service providers, but also to play an active role, as a representative of the Groupe, on influential national bodies such as the National Minority Supplier Development Council and the Women's Business Enterprise National Council.











Our principles

The Groupe Code of Conduct lays down a certain number of key principles and standards of conduct and behavior applying to all employees in the exercise of their profession: respect for others, confidentiality of information, prevention of conflicts of interest, and the Groupe's refusal to engage in partisan campaigns, a stance that is fairly rare in communications sector. These rules (publicly available at www.publicisgroupe.com) apply to all employees and are the foundation on which our corporate culture is built. The Groupe also firmly upholds certain values, which must be adhered to in our behavior and in our work, such as rigor, honesty and respect for others.

Transparency and data protection

Publicis Groupe group operates in the business-to-business industry. The direct issues arising out of the Groupe's communications activities are therefore closely linked to the nature of its clients' businesses (brands, products, services, etc.). One of the challenges facing digital communications is that of personal data protection, especially with the growth in mobile communications. Groupe experts take part in a number of national and international multiparty working groups set up to discuss good practices, standards issues and regulatory changes, at a time when practice standards are evolving rapidly. The common objective of these groups is greater transparency in these new ways of communicating and interacting with end-users; the Groupe sets great store by the concepts of free will and freedom of choice for consumers/citizens.

Dedicated processes

CSR reports for previous years have already described the processes introduced by VivaKi on Online Behavioral Advertising (OBA) or Audience on Demand (AOD). On OBA, Groupe agencies apply the Self-Regulatory Principles for Online Behavioral Advertising in the United States, and the Best Practice Recommendation for Online Behavioral Advertising in Europe. In other countries, similar work is under way and similar rules are being introduced through joint efforts with the regulatory authorities or through a process of self-regulation. VivaKi hi-tech tools provide monitoring, detection of any problems, traceability and oversight to ensure that the practices of the multiple partners involved are compliant and their systems secure. VivaKi works with the vast majority of Internet players. Our aim is to enable our clients to work confidently with a large number of providers, secure in the knowledge that both their own data and that of their online end-customers is well protected. Personal data protection is a burning issue worldwide, in many areas of activity other than the Groupe's; it is a subject hotly debated by stakeholders, as technological progress advances in leaps and bounds.

Collective action

In a world of big data, one of the major concerns for all those involved in digital is the risk of fraud – at any level. Fraud can be extremely damaging to many sectors, including communications, in terms of both actual damage done and harm to the credibility of online advertising. The measures needed to anticipate and prevent fraud are inevitably complex and sophisticated, so collective action at industry level is a must. VivaKi places special emphasis on education and training for client, partner and provider staff, to raise their awareness of the various types of potential fraud, and of how to detect and prevent them. Sharing experience is vital, so that all concerned can be better armed and work together to provide the highest level of protection.

VivaKi's SkySkraper platform

VivaKi's involvement occurs in the earliest stages of communications campaign development, and addresses a number of highly technical aspects. As mentioned in 2012, the VivaKi Verified Process enables teams to constantly monitor the effectiveness of brands and consumers safety by testing all data (media websites, data and technology partners). The aim is to provide greater transparency and security for clients whenever systems interface to work with a partner. VivaKi brings the same approach to its Online Behavioral Advertising (OBA) or Video on Demand (VOD) processes, as explained in the 2012 and 2011 CSR reports.

A significant milestone for VivaKi was the creation of its proprietary SkySkraper platform (SkySkraper Data Collection Process). The platform was designed as a vast smart library (data storage), a powerful centralized data service for Publicis Groupe agencies that gathers and «processes» all existing studies and data in the public domain, from around the world. Its aim is to save agencies spending amounts of time searching for and sorting data. Housing multiple data sources in one common platform creates operational efficiencies. Groupe agencies can tap into its data as needed for their client campaigns. Client sensitive data is also protected throughout this process and VivaKi complies scrupulously with all provisions on these key issues, with every concern for data protection and security. The platform doesn't gather any personally identified information (PII). Access to Skyskraper databases is controlled by a highly secure process, using monitored infrastructures (AWS, ISO27001 certified).



LES SHARED SERVICES CENTERS (RE:SOURCES)

The Shared Service Centers (Re:Sources) cover most of the support services vital to the work of our agencies: accounting, cash management, tax, legal services, real estate, purchasing, remuneration and benefits, insurance, IT, etc.

Re:Sources not only seek constantly to improve processes already in place, but also contribute their expertise in terms of local regulations and the Groupe's internal rules, with each center operating from a single platform in each of the Groupe's main markets. The centers more than meet the professional and internal control standards laid down for our frequent client and external audits, and also guarantee compliance with strict, measurable productivity standards.

In the IT field in general, Publicis Groupe is continuing to optimize its infrastructure, through the introduction of collaborative tools (portal, e-mail, instant messaging, telepresence, VoIP) and of private corporate Clouds, to provide the agility the Groupe's activities require and to tackle the issues of security and the protection of proprietary data. Asia will soon join the Americas and Europe in having its own Cloud. The Re:Sources teams were kept busy in 2013, successfully demonstrating the robustness of our infrastructure and their unflagging commitment to serving the Groupe's agencies and clients.

6 SHAREHOLDER AND INVESTOR RELATIONS

The Investor Relations Department handles day-to-day relations with investors and shareholders, organizing numerous meetings and exchanges in various countries (see the 2013 Registration Document, Chapter 6.4.2).



Periodic press releases issued by the Groupe are available on the corporate website, www.publicisgroupe.com

The Groupe's Communications Department is responsible for corporate communications, coordinating the schedule of official Groupe announcements and messages from the Chairman and senior management. Much of this work is carried out in close collaboration with the Investor Relations Department. Agencies generally organize their communication in consultation with their clients. They release regular information on their latest achievements, campaigns, awards and accolades. All this information is available on www.publicisgroupe.com

The Altair project

The Groupe is continuing to prepare for its migration to a global enterprise resource planning (Global ERP) platform known as Altaïr. The aim of the project is to harmonize the processes governing client service and administrative functions across all the countries in which Groupe agencies operate.

Altaïr will eliminate both hardware and software duplication and any interfaces incapable of operating internationally. Its deployment will mark the final stage in migrating our key processes to regional centers of excellence, in Europe and Asia in particular. A number of change management and training programs have been developed to ease the transition, and agency and Re:Sources teams are working together to ensure the smooth migration of the various existing systems to the future ERP.











Publicis Groupe, whose activities consist essentially of providing intellectual services, recorded no incidents involving child labor or forced or compulsory labor, or any breach of the rights of indigenous peoples.

Pending litigation: the legal proceedings involving a former employee of MSLGROUP in the United States, which was mentioned in the 2010, 2011 and 2012 CSR Reports, are still pending. In March 2014, the United States Court ruled that the case did not qualify for the status of class action, which the Groupe considers to be a positive step. The individual lawsuit is still pending. The Groupe continues to maintain that the claim is unfounded and remains determined to defend its case in the courts.

Publicis Groupe recorded no incidents of non-compliance with:

- regulations and voluntary codes concerning consumer health and safety;
- regulations and voluntary codes concerning its product and service information;
- regulations and voluntary codes concerning the provision and use of its services;
- Publicis Groupe was involved in no claims for breach of privacy or loss of client data.
- in 2012, a very small number (in single figures) of agencies experienced incidents of non-compliance with communications regulations and voluntary codes, generally in the form of notices and notifications issued by oversight or self-regulatory bodies, generating immediatly creations.
- no legal action was brought against Publicis Groupe for breach of antitrust laws or for unfair competition or monopolistic practices.

CHAPTER 4



ENVIRONMENT



In order to consume less, we need to consume better... and measure what we consume.











Harnessing our initiatives to the drive for ongoing progress

•

Pursuing a collaborative approach on an international scale: the Green Teams

Curbing our consumption and emissions

Environment: key figures





In 2007, Publicis Groupe signed the United Nations Caring for Climate pledge, as a mark of its willingness to engage actively in tackling the climate issues within its purview. Our current target remains in line with the European Union's 20-20-208 environmental policy. Our strategy is based on creating synergies between local projects, particularly those undertaken by the Green Teams of volunteer employees, and wider-reaching initiatives launched by the CSR Department and the Procurement Department and with the support of local Shared Services Centers (Re:Sources) teams.

4 key priorities

In the interests of promoting greater awareness of the major issues at stake, the environmental policy drawn up by the Groupe several years ago focuses on four key priorities in promoting awareness of the major issues at stake:

- 1) reduce raw materials consumption;
- 2) limit energy consumption;
- 3) reduce business travel and its impacts;
- **4)** enhance recycling and organized waste management programs. This commitment calls for changes in behavior. If we are to achieve our objectives and reduce our carbon footprint, we must:

Consume less, consume better.))

- limit business travel by deploying more remote working solutions, collaborative tools and continuing the rollout of telepresence rooms;
- reduce our energy consumption by gradually replacing older equipment with more energy-efficient versions, and by encouraging good practices and eco-friendly habits;
- *improve the energy efficiency* of our buildings and IT equipment by opting for low-energy systems with each new investment;
- use renewable energy whenever possible;
- reduce our consumption of raw materials mainly paper and water, by changing the types of paper or printing methods used;
- make selective sorting the norm for everyday waste and set up recycling programs for waste electrical and electronic equipment (WEEE).

In view of the highly decentralized nature of the Groupe, and the number of agencies involved, a central Environmental Management System (EMS) covering the whole of the Groupe was not felt to be a viable option. Many of the larger agencies have deployed a local EMS, however, including Leo Burnett, Arc, Saatchi & Saatchi, ZenithOptimedia and Starcom Mediavest in London, and Saatchi & Saatchi Brussels (EMAS-EASY); all are ISO 14001 certified.

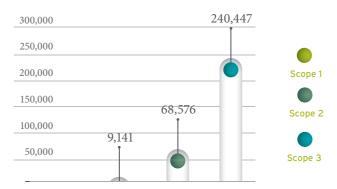
Certification policy

Agency certification is dependent on local circumstances. In the United States, United Kingdom and France, over 20 Groupe agencies are ISO 14001 and/or ISO 9001 certified. This number is growing smoothly and stems from voluntary initiatives, sometimes in response to client expectations or prompted by the local regulatory context. There are also other forms of voluntary certifications setting standards for the communications industry, as well as more technical certifications awarded by technology partners.

5th greenhouse gas (GHG) emissions report

Calculated annually for the Groupe, the report provides a snapshot of the overall carbon footprint of our activities, plus a more detailed view for each country and agency. This makes it an invaluable tool to help us improve our environmental policy and adjust our objectives. For the fifth edition of the report, the Groupe's GHG emissions were calculated with the aid of Bureau Veritas. The scope covered represents over 95% of the Groupe. Method and scope are unchanged from 2012, but total emissions in 2013 are slightly higher.

2013 GHG EMISSIONS



Scope 1 GHG: energy sources: gas, fuel oil and other fluids + business travel (auto)
Scope 2 GHG: purchased electricity
Scope 3 GHG: other husiness travel and computing (incl. air rail, etc.) + fixed as

Scope 3 GHG: other business travel and commuting (incl. air, rail, etc.) + fixed assets + consumables + waste

⁸ The European Union 20-20-20 strategy sets targets for 2020: reduce EU greenhouse gas emissions by at least 20% from 1990 levels, raise the share of EU energy consumption produced from renewable resources to 20%, and improve the EU's energy efficiency by 20%.

NB: The GHG protocol calculating method is based on average emission factors (and therefore include a certain degree of uncertainty), thus it only provides estimations by order of size, with its vocation being to encourage reducing GHG emissions and measure the progress made. The degree of uncertainty linked to drawing up the assessment of Publicis Groupe's 2013 GHG emissions is estimated at 20%.









Renewable energy 26%

Energy consumption down 6%

Energy intensity down 13%

(2.8 MWh per employee)



Consistent GHG emissions reporting has been maintained over recent years in order to identify the Groupe's major impacts. The natural growth in the Group's business, however, has masked the improvements made in a number of areas, including energy and travel. The Groupe's *carbon intensity* remained steady at *5 TeqC per employee* (average for service sector companies: 5.3 to 8.8 TeqC – source: Bureau Veritas).

Up: emissions related to business travel

Business travel, estimated at **1,034,110,000** *km* in 2013 (compared to 865,856,000 km in 2012⁹), most of it by air, remains the single biggest source of GHG emissions by the Groupe. The increase over 2012 is a direct and automatic consequence of the Groupe's growth.

The continued deployment of remote working solutions and easier access to telepresence rooms is nonetheless offering teams new opportunities for avoiding business travel and working remotely with colleagues in different locations, especially on the internal aspects of project management. Our clients are increasingly familiar with the tools in question, making it much easier to transform more and more face-to-face meetings into telemeetings. For some things, however, nothing can replace face-to-face meetings and discussions.

A number of initiatives on good practices adopted by our agencies over recent years – and which have had very positive direct environmental and economic impacts – deserve a mention:

- journeys of under 3 hours to be made by rail rather than air (when the infrastructure permits);
- investment in a fleet of company cars with emissions below the legal minima (example: not exceeding 130g CO2 in Europe);
- introduction of financial incentives to encourage employees to use public transport (particularly in urban areas) and set up car-pooling schemes, and installation of bicycle parking facilities to encourage employees to cycle to work.

Down: consumption of energy, paper, water...

After travel, our major items of consumption and sources of impacts are, in descending order of magnitude:

• Energy: at an estimated 173,201 MWh (173,201,270 kWh compared to 185,070,100 kWh in 2012*) of which almost 26% came from renewable sources (on the basis of information published by energy suppliers), our energy consumption was down 6% compared with 2012 and our energy intensity (energy consumption per employee) down 13%. The progress made in reducing our consumption is not necessarily high profile, stemming largely from automated systems (which automatically switch off lighting, computers, heating or air-conditioning), changing supplier, replacing existing lighting systems with low-energy bulbs, raising teams' awareness of good practices and eco-friendly habits (switch off policy, etc.).

Changes in regulations introduced in many countries (and sometimes even at city level) provide further incentives for progress. The Groupe's commitment on environmental issues is by no means new; agencies are encouraged to discuss environmental issues with building managers and to work with them on making real improvements, especially as regards major items of equipment such as heating or air-conditioning systems. Experience has shown that every time an agency has invested in upgrading its energy system, appreciable savings were achieved as early as the first or, sometimes, the second year. Overall, the reductions in energy consumption may be anything from 15% to 30%, even if it is difficult to arrive at precise figures for buildings in which we are not the sole tenants. This "small steps" policy has proven extremely effective: the positive impacts are often swift and, most importantly, tangible!

• Fixed assets (buildings, office equipment including IT hardware, servers, etc.) are assessed mainly on our consumption of office and IT equipment, since most of our agencies rent their office space. Our fixed asset base in 2013 (desktop and laptop computers, tablets, photocopiers) was 86,816 machines (up from 77,610 in 2012). The increase of almost 12% in the number of machines is consistent with the increase in Groupe headcount (equipment is replaced every three years) and the growing number of mobile devices. IT product

⁹ Calculated as: business travel + commuting.

Down 19%

Paper consumption per employee

lifecycle management is a key sustainable development issue, particularly in France, and most of our IT waste is disposed of via the Waste Electrical and Electronic Equipment (WEEE) collection and management program. Other aspects of the IT equipment lifecycle are either addressed directly at source under the terms of contracts with manufacturers, or dealt with downstream by organizations specializing in reuse.

• Paper: 2013 consumption was 1,560 metric tons (compared to 1,792 metric tons in 2012), down 13% in overall volume and down 19% per employee, and consumables (ink cartridges, office supplies, etc.) have decreased of almost 5%. Some of our agencies have managed to become virtually 100% digital, thanks to the specialized nature of their business. All the Groupe's agencies, however, have made efforts to reduce their consumption and continue to keep a watchful eye on paper quality and sourcing. In recent years, the number of printers deployed in the Groupe's larger agencies has been cut by 20% and replaced by multi-function printers (MFPs).

Merchandise Mart: quite some building...

The building, one of Chicago's oldest and most imposing, was awarded LEED-EB Silver certification in 2007, making it the largest certified structure in the world at that time. In 2013, it was awarded Gold Certification by the US Green Building Council (USGBC), and also for the Energy & Environmental Design Program. All the work on the building's energy performance was carried out in conjunction with the tenants, including a number of Groupe agencies. The rules applicable to all tenants are simple yet strict. They cover everything from cleaning materials, which must meet the high standards of Green Seal Certification, to the decorating materials (paints, carpets) used. The building's electrical systems were completely overhauled, as were the water supply and consumption systems, cutting consumption by almost half. The building also has its own bicycle parking and has set up a 24/7 hybrid car-sharing program known as I-Go for those working in the building. Considerable efforts have also been made on waste management and selective waste sorting, by encouraging employees to adopt eco-friendly habits.

All printing should preferably be in black and white and two-sided (with the exception of graphic color printers). Almost 100% of the paper used in agencies is now certified or green, the sole exception being special graphic papers; these are gradually falling out of use, however, as more and more activities go digital. Media agencies receive large quantities of newspaper and magazines, and some have joined forces with specialist organizations to ensure that all the paper is reused or disposed of through dedicated recycling schemes.

• Water: estimated consumption of 777,020 m³ for 2013, equivalent to 12.4 m³ per employee, was down 2% on 2012 (732,000 m³, or 12.7 m³ per employee). Because the Groupe's activities are service-related, it is not always easy to obtain information on sources of supply.

Note: the widespread use of water fountains and water filter systems has sharply reduced consumption of bottled water, now reserved solely for meetings and external visitors. In the case of water use for sanitary purposes, agencies are pressing ahead with measures to reduce their consumption (installation of sensors or water-saving devices).

Waste management and recycling

At an estimated **5,750 metric tons** (compared to 4,580 metric tons in 2012), our waste volume is up by 26%. The increase is largely to be laid at the door of better data traceability, especially at the media agencies, which receive large volumes of daily newspapers and magazines. Most of this waste is made up of paper and cardboard, over 50% of which is disposed of through traceable recycling systems (some agencies have achieved 100% traceability for their waste paper volumes, depending on the local system in place and the service providers chosen).

Green certification for Groupe agencies in **Germany**

It is with considerable pride that our agencies made the announcement: it's official; the Groupe offices in Dusseldorf are now certified by the German Sustainable Building Council (http://www.dgnb.de/en/) as an economically and environmentally sustainable building. The building is home to the headquarters of ZenithOptimedia Germany and to the Performics - Newcast, VivaKi, and Saatchi & Saatchi agencies as well as the Re:Sources to the support of the property of the support of the s

Perhaps the most distinctive feature of this brand new building is the system that heats and cools rooms by circulating hot or cold water. Other key features include mechanical ventilation systems in the conference rooms and a building façade made up of 45% glass. Last but not least of its virtues, the building is powered by 100% green energy.









Selective waste sorting is becoming the norm for agencies, especially for paper/cardboard, packaging (plastic/aluminum/glass) and other waste (mostly on a voluntary basis). Agencies have achieved outstanding performances, sometimes managing to halve their volumes of waste. Trade-in systems to encourage the recycling of printer ink cartridges (exchanging an empty cartridge for a full one) are working well, irrespective of the partner involved. The introduction of special collection bins for used batteries is also gaining ground.

Computers and other electronic devices (including mobile phones, smartphones and tablets) are, as mentioned above, automatically recovered when new replacements are issued, to ensure that they either embark on a second life (re-use) or are sent for traceable recycling/destruction.



United we stand

The in-house commitment to CSR issues is alive and well. Led by the CSR Department and agency managers, teams of voluntary employees, known as the Green Teams, are encouraged to come up with initiatives to raise eco-awareness in their respective agencies. The fact that these initiatives are local and backed up by a strong sense of personal involvement makes them all the more effective.

200 Green Teams 100 agencies

geared up for «Create & Impact 2013»

Create & Impact: a month of action in June 2013

The Green Teams' third year marked a turning point in the history of collaborative projects. June 2013 was designated a Month of Action, with a single watchword: Create & Impact 2013. For a whole month, the combined efforts of over 100 agencies (mainly in the United States and Europe) converged on a single focus. The remaining agencies were free to take part in the initiative in their own time over the course of the year.

The aim behind this approach was to encourage everyone with ideas on CSR issues to come together, whilst leaving agencies entirely free to decide on their own particular priorities. Some agencies brought on board not just their employees, but clients, suppliers and partners, too. A real momentum built up, resulting in concrete actions leading to results that were immediate, visible and all the stronger for being part of a joint effort.

Create and Impact 2013 Flexibility and simplicity for greater effectiveness

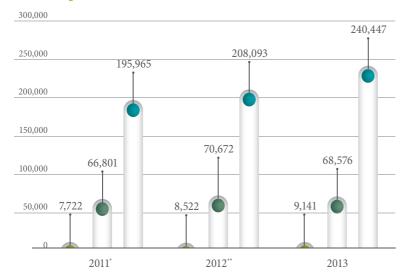


Our agencies engage with social, societal and environmental issues on a day-to-day basis. Environmental initiatives, for example, can be divided into four main categories: eco-transport (green transport), changing habits at work, awareness of environmental issues and recycling.



ENVIRONMENT: KEY DATA FOR THE LAST THREE YEARS

Change in GHG emissions



Carbon intensity by scope in TeqC

	2011*	2012**	2013
Scope 1	0.14	0.11	0.15
Scope 2	1.24	1.23	1.10
Scope 3	3.65	3.62	3.84
Total emissions Scope 1 + 2 + 3	5	5	5

Scope 1 GHG = energy sources: gas, fuel oil and other fluids + business travel (auto)

Scope 2 GHG = purchased electricity
Scope 3 GHG = other business travel and commuting (incl. air, rail, etc.) + fixed assets + consumables + waste



* 2011 scope: 90% to 95% of Groupe headcount ** 2012 scope: 97% of Groupe headcount

Carbon footprint by emissions factor in TeqC

	2011*	2012**	2013
Scope 1			
Energy (direct emissions + fluids)	5,445	6,332	6,389
Transport (direct emissions from owned vehicles)	2,277	2,190	2,751
Total Scope 1 emissions	7,722	8,522	9,141
Change in Scope 1 (%)	-	10%	7 %
Scope 2			
Energy (indirect emissions)	66,801	70,672	68,576
Total Scope 2 emissions	66,801	70,672	68,576
Change in Scope 2 (%)	-	6%	-3%
Scope 3			
Energy	5,880	6,173	5,870
Consumption	25,718	32,212	32,030
Freight	226	296	282
Transport (commuting/emissions from non-owned vehicles)	35,018	37,457	46,051
Transport (business travel/ emissions from non-owned vehicles)	71,650	72,644	91,551
Waste	629	543	689
Fixed assets	56,845	58,768	63,973
Total Scope 3 emissions	195,965	208,093	240,447
Change in Scope 3 (%)	-	6%	16%
TOTAL EMISSIONS SCOPE 1 + 2 + 3	270,489	287,287	318,163
Change in Scope 1 + 2 + 3 (%)	-	6%	11%









Energy (MWh)

	2011	2012	2013
Electricity consumption	170,519	185,070	173,201
Energy intensity per employee	3.2	3.2	2.8
Change in energy intensity (%)	-	stable	-13%
Renewable energy as a proportion of total consumption	21%	23%	26%

Water (m³)

	2011	2012	2013
Total water consumption	800,000	731,334	775,106
Total water consumption per employee	14.8	12.7	12.4
Change in water consumption per employee	3.65	3.62	3.84

Raw materials consumption (metric tons)

•	2011	2012	2013
Paper consumption	1,910	1,792	1,558
Paper consumption per employee	0.035	0.031	0.025
Change in paper consumption per employee	-	- 11%	- 19%

Waste (metric tons)

	2011	2012	2013
Total waste	5,250	4,577	5,750
Waste per employee	0.10	0.08	0.09
Change in waste per employee	-	-19%	13%

Business travel (km)

	2011	2012	2013
Business travel - by air	392,225,952	396,859,915	457,386,307
Business travel - by rail	10,819,904	12,775,955	13,352,833
Business travel - by road	54,920,716	126,812,060	119,413,971
Total distance covered	457,966,572	536,447,930	590,153,111



REPORT OF THE INDEPENDENT EXTERNAL AUDITOR



At the request of Publicis Groupe, SGS ICS carried out an audit of the information included in the Corporate Social Responsibility report for the year ended December 31, 2013, in accordance with Decree no. 2012-557 dated April 24, 2012 relative to companies' social and environmental transparency obligations, with regard to the application of article 225 of law no. 2010-788 dated July 12, 2010 and article 12 of law no. 2012-387 dated March 22, 2012, which amended article L. 225-102-1 of the French Commercial Code and the order of May 13, 2013 determining the procedure to be used by the independent third-party organization when conducting its audit.

NATURE AND SCOPE OF THE AUDIT

SGS ICS observes that the Publicis Groupe voluntarily complies with the indicators of GRI G4 "Key Criteria" in terms of social and environmental matters and took this into consideration in carrying out its audit.

The audit performed by SGS ICS consisted of:

- reviewing the statement on sustainable development policies in relation to the social and environmental impacts of the Company's business activities, its societal commitments and any actions that might stem from these policies and commitments;
- verifying that the Company has a data collection process in place to ensure that the information mentioned in the Corporate Social Responsibility report is complete and consistent, and identifying any irregularities.
- stating, at the request of Publicis Groupe, that we have arrived with reasonable assurance at the conclusion that the CSR information presented is sincere.

TESTS

SGS ICS conducted its audit of Publicis Groupe including its subsidiaries and controlled companies within an international geographic scope, with Publicis Groupe preparing consolidated financial statements.

SGS ICS conducted an initial audit from November 19, 2013 to March 22, 2014, of all the information contained in the 2013 management report (see the 2013 Registration Document), followed by a second audit completed on May 22, 2014, of all the information contained in the 2013 Corporate Social Responsibility report, including additional random checks on the quantitative and qualitative data during the consolidation process. 41 subsidiaries, representing over 25% of the Groupe's headcount, were audited and eight interviews were conducted with representatives of the main corporate functions. Checks were made on quantitative and qualitative data during the consolidation phase. We consider that the sampling methods and the size of the samples we used enable us to arrive at our conclusions with reasonable assurance.









STATEMENT OF INDEPENDENCE AND COMPETENCE

SGS is the world's leading inspection, verification, testing and certification company. Recognized as the global benchmark for quality and integrity, SGS employs more than 80,000 employees and operates a network of more than 1,500 offices and laboratories around the world.

SGS ICS is a wholly owned French subsidiary of the SGS Group. SGS ICS declares that its audit and findings were prepared in complete independence and impartiality with regard to Publicis Groupe and that the tasks performed were completed in line with the SGS Group's code of ethics and in accordance with the professional best practices of an independent third party.

Auditors are authorized and appointed to each audit assignment based on their knowledge, experience and qualifications.

ASSURANCE OPINION

Based on Publicis Groupe's statement on sustainable development policies, the social and environmental impacts of the Company's business activities, its societal commitments and the due diligence implemented, we declare that we found no significant irregularity that would call into question the fair presentation of the information included in the 2013 Corporate Social Responsibility report.

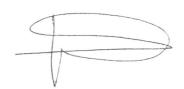
OBSERVATIONS

- The internal reference base for the reporting of environmental, social and societal indicators has been enhanced for greater pertinence. Training for validators and contributors around the world has, on the whole, been well followed through.
- The Publicis Groupe introduced a new information system, "NORMA", with the aim of improving the collection of qualitative data and at the same time improving data quality and reliability. This aim was achieved. The improvement in reporting has enabled the Company to provide its stakeholders with more, and more accurate, information in its 2013 Corporate Social Responsibility report, the better to illustrate the efforts being made. Some agencies, however, need to become more familiar with how best to use the new software.

- Although there have been improvements in the collection and consolidation of information, more work is needed to ensure that all contributors fully understand and adopt the indicators.
- Internal control now includes checks on agencies' non-financial data. Our site audits are evidence that the new procedure has been deployed.

Signed in Arcueil, May 23, 2014 SGS ICS France 29 avenue Aristide Briand F- 94111 ARCUEIL Cedex Téléphone + 33 (0) 1 41 24 88 56 Fax + 33 (0) 1 41 24 71 29 www.sgs.com

Technical Audit Director, Stéphane LANGLOIS



CORRESPONDENCE TABLE

	GRI G4 "Essential criteria"		Find information here	Global Compa Principles	
GENERAL REPORTING PRING	CIPLES				
Strategy and analysis	G4-1	p. 4-5	2013 CSR Report A Meeting with Maurice Lévy 2013 Registration Document* Activities and strategy, chap. 2.4, p. 69		4.7; 6.2; 7.4.2
Organizational profile	G4-3 to G4-16	p. 6-7 p. 8-9 p. 10-11 p. 17-31 p. 33-47	2013 CSR Report Groupe profile Publicis Groupe networks The Group's clients Social Community 2013 Registration Document* Consolidated financial statements, chap. 4, p. 111-118 2103 Annual Report*	3, 4, 6 and 7	6.3.10; 6.4.1; 6.4.2; 6.4.3; 6.4.4; 6.4.5; 6.8.5
Identified material aspects and boundaries	G4-17 to G4-23	p. 6-7 p. 12-13	2013 CSR Report The Publicis Groupe networks Methodological framework		5.2; 7.3.2; 7.3.3
Stakeholder engagement	G4-24 to G4-27	p. 14-15	2013 CSR Report Our stakeholders		5.4
Report profile	G4-28 to G4-33	p. 12-13 p. 68	2013 CSR Report Methodological framework Auditor's report		7.5.3; 7.6.2; 7.7.4
Governance	G4-34	p. 7-25	2013 Registration Document Governance and remuneration, chap. 1.2, p. 7-25		6.2; 7.4.3; 7.7.5
Ethics and integrity	G4-56	p. 50 p. 55	2013 CSR Report Raising teams' awareness of ethical principles Compliance 2013 Registration Document* Internal control and risk management procedures, chap. 1.1.5.2 p. 23-25 Code of ethics, chap. 1.1.7 p. 27 Our principles and values* Code of Conduct*	10	4.4; 6.6.3
SOCIAL INFORMATION					
a) Employment					
Total headcount	G ₄ -9	p. 4-5 p. 30-31	2013 CSR Report Profile of the Groupe Our teams: key figures		6.4.3
Employees by gender, age and region	G4-10; LA1; LA12	p. 4-5 p. 18-31	2013 CSR Report Profil du Groupe Chapitre social		6.2.3; 6.3.7; 6.3.10; 6.4.3; 6.8.1; 6.8.2; 6.8.5; 6.8.7
Recruitment and dismissals	EC6; LA1	p. 18	2013 CSR Report Recruter et maintenir dans l'emploi		6.4.3
Remuneration and changes	EC1; EC5	p. 29	2013 CSR Report La politique de rémunération 2013 Registration Document Gouvernance et rémunérations, chap.1.2, p. 28-44 chap.5.4 Note 5, p.201 et Note 23, p.210		6.3.7; 6.3.10; 6.4.3; 6.4.4; 6.8.1-6.8.2; 6.8.3; 6.8.7; 6.8.9
Labor practices	LA16	p. 19-20 p. 20-21 p. 55	2013 CSR Report Listening to our teams Encouraging mobility Compliance		6.4

^{*} Documents available on the Publicis Groupe website www.publicisgroupe.com









п	GRI G4 Essential criteria"		Find information here	Global Comp Principles	
SOCIAL INFORMATION					
b) Organization of work					
Organization of working hours		p. 28-31	2013 CSR Report Promoting work-life balance		6.4.6
Absenteeism		p. 18, 30-31 p. 27-28	2013 CSR Report Recruiting and retaining people Health and safety in the workplace		6.4.6
c) Labor relations					
Organization of social dialogue: rules and procedures for information, consultation and negotiation with employees	LA4	p. 29 p. 26	2013 CSR Report Facilitating social dialogue Diversity in France	3	6.3.10; 6.4; 6.4.3 ; 6.4.4; 6.4.5
Review of collective agreements		p. 26	2013 CSR Report Diversity in France	3	6.4.3; 6.4.6
d) Occupational health and safe	ty				
Occupational health and safety conditions	LA2; LA5	p. 27-28	2013 CSR Report Health and safety in the workplace	4 and 5	6.4.4; 6.4.6; 6.8.7
Review of formal agreements with trade unions or employee representatives on occupational health and safety	LA8	p. 26 p. 27-28	2013 CSR Report Diversity in France Health and safety in the workplace	4 and 5	6.4.6
Frequency and severity rates of work-related accidents and recording of occupational diseases	LA6; LA7	p. 27-28, 30-31	2013 CSR Report Health and safety in the workplace	4 and 5	6.4.6; 6.8.8
Occupational diseases	LA6	p. 27-28	2013 CSR Report Health and safety in the workplace	4 and 5	6.4.6; 6.8.8
e) Training					
Training policy implemented	LA10; LA11	p. 22-23	2013 CSR Report Developing professional skills		6.4.7; 6.8.5
Total number of hours of training delivered	LA9; HR2	p. 22-23 p. 29	2013 CSR Report Developing professional skills Protecting human rights		6.4.7
f) Equal opportunity					
Measures taken to promote equal opportunity	LA3; LA12; LA13	p. 24-26 p. 28 p. 29-31	2013 CSR Report Fostering diversity, fighting discrimination Promoting work-life balance Facilitating social dialogue Remuneration policy	1, 2 and 6	6.2.3; 6.3.7; 6.3.10; 6.4.3; 6.6.6
Measures taken to promote employment and employment opportunities for the disabled	LA12		2013 CSR Report Fostering diversity, fighting discrimination	1, 2 and 6	6.2.3; 6.3.7; 6.3.10; 6.4.3
Anti-discrimination policy	LA12		2013 CSR Report Fostering diversity, fighting discrimination	1, 2 and 6	6.2.3; 6.3.7; 6.3.10; 6.4.3

 $^{^{\}ast}$ Documents available on the Publicis Groupe website www.publicisgroupe.com

CORRESPONDENCE TABLE

и	GRI G4 Essential criteria''		Find information here	Global Comp Principles	
SOCIAL INFORMATION					
g) Promotion of and respect for I	LO fundamental conv	entions			
Freedom of association and collective bargaining	HR4	p. 29 p. 50 p. 55	2013 CSR Report Protecting human rights Raising teams' awareness of ethical principles Compliance Our principles and values* Code of Conduct*	3	6.3.3; 6.3.4; 6.3.5; 6.3.8; 6.3.10; 6.4-5; 6.6.6
Elimination of discrimination in respect of employment and occupation	HR ₃	p. 24-26 p. 50 p. 55	2013 CSR Report Fostering diversity, fighting discrimination Raising teams' awareness of ethical principles Compliance Our principles and values* Code of Conduct*	3	6.3.6; 6.3.7; 6.3.10; 6.4.3
Abolition of forced or compulsory labor	HR6	p. 29 p. 50 p. 55	2013 CSR Report Protecting human rights Raising teams' awareness of ethical principles Compliance Our principles and values* Code of Conduct*	4	6.3.3; 6.3.4; 6.3.5; 6.3.10; 6.6.6
Effective abolition of child labor	HR5	p. 29 p. 50 p. 55	2013 CSR Report Protecting human rights Raising teams' awareness of ethical principles Compliance Our principles and values* Code of Conduct*	5	6.3.3; 6.3.4; 6.3.5; 6.3.7; 6.3.10; 6.6.6; 6.8.4
ENVIRONMENTAL INFORMATIO	N				
a) General environmental policy					
Measures taken by the organization to deal with environmental issues and, where appropriate, environmental assessment or certification approaches	G4-1	p 58	2013 CSR Report Harnessing our initiatives to the drive for ongoing progress	7,8 and 9	6.5.1; 6.5.2
Employee training and information initiatives on issues of environmental protection		p. 59-61 p. 61	2013 CSR Report Curbing our consumption and emissions Pursuing a collaborative approach	7,8 and 9	6.5.1; 6.5.2
Resources devoted to the prevention of environmental risks and pollution	EN31	p. 59-61 p. 61	2013 CSR Report Curbing our consumption and emissions Pursuing a collaborative approach	7,8 and 9	6.5.4
b) Pollution and waste managem	b) Pollution and waste management				
Measures taken to prevent, recycle and eliminate waste		p. 59-61 p. 60-63	2013 CSR Report Curbing our consumption and emissions Waste management and recycling	7,8 and 9	6.5.3; 6.5.4; 6.7.5
c) Sustainable use of resources					
Water consumption and supply depending on local constraints	EN8; EN9	p. 59-63	2013 CSR Report Curbing our consumption and emissions	7,8 and 9	6.5.4

^{*} Documents available on the Publicis Groupe website www.publicisgroupe.com









"[GRI G4 Essential criteria"		Find information here	Global Comp Principles	
ENVIRONMENTAL INFORMATIO	N				
Raw materials consumption and measures taken to ensure more effective use	EN1; EN2	p. 59-61 p. 61-63	2013 CSR Report Curbing our consumption and emissions Pursuing a collaborative approach	7,8 and 9	6.5.4
Energy consumption and measures taken to improve energy efficiency and the use of renewable energy	EN3; EN5; EN6; EN7	p. 59-61 p. 61-63	2013 CSR Report Curbing our consumption and emissions Pursuing a collaborative approach	7,8 and 9	6.5.4; 6.5.5
d) Climate change					
Greenhouse gas (GHG) emissions	EN15; EN16; EN17; EN18; EN19; EN30	p. 58 p. 59-63	2013 CSR Report 5 th GHG emissions report Curbing our consumption and emissions	7,8 and 9	6.5.5
Adaptation to the consequences of climate change	G4-28 to G4-33	p. 58 p. 59-63	2013 CSR Report 5 th GHG emissions report Curbing our consumption and emissions	7,8 and 9	6.5.5
INFORMATION ON SOCIETAL CO	DMMITMENTS IN FA	VOR OF SUSTA	AINABLE DEVELOPMENT		
a) Regional, economic and social	impact of the compa	any's activity			
As regards employment and regional development	EC1; EC6; EC7; EC8	p. 4-5 p. 51	2013 CSR Report Profile of the Groupe Working with our suppliers 2013 Registration Document Governance and remuneration, Chap. 1.2, p. 28-44 Consolidated financial statements p. 111 Chap. 5.4 Note 5, p.201 and Note 23, p.210		6.4.3; 6.7.9; 6.8.1; 6.8.2; 6.8.3; 6.8.7; 6.8.9
On neighboring or local populations	EC6; EC7; EC8; HR8; SO2	p. 34-44 p. 36-41 p. 43 p. 61	2013 CSR Report Understanding communities' needs Putting our talents to work for good causes Our teams and their commitment Create & Impact		6.4.3; 6.7.9; 6.8.1; 6.8.2; 6.8.3; 6.8.7; 6.8.9
b) Relations with stakeholders ar	nd interested parties				
Conditions of dialogue with stakeholders	G4-26; G4-37	p. 12-13 p. 14-15 p. 44	2013 CSR Report Methodological framework Our stakeholders Fostering relationships with professional organizations and institutions		5.3; 6.8.9
Partnership or sponsorship initiatives	EC7	p. 24-26 p. 34-44 p. 36-41 p. 43 p. 61	2013 CSR Report Cultivating diversity Understanding communities' needs Putting our talents to work for good causes Our teams and their commitment Create & Impact Sponsorship Charter*		5.3; 6.8.9
c) Subcontractors and suppliers					
Provision made in purchasing policy for social and environmental issues	LA14; LA15; EN33; HR5; HR9; HR10; HR11	p. 51 p. 60	2013 CSR Report Working with our suppliers Curbing our consumption and emissions		6.3.3; 6.3.4; 6.3.5; 6.3.7; 6.3.8; 6.3.10; 6.4; 6.4.3; 6.4.4; 6.6.6; 6.8.4

 $[\]ensuremath{^*}$ Documents available on the Publicis Groupe website www.publicisgroupe.com

CORRESPONDENCE TABLE

	GRI G4 "Essential criteria"		Find information here	Global Comp Principles	
INFORMATION ON SOCIETAL (COMMITMENTS IN FAV	OR OF SUSTA	NINABLE DEVELOPMENT		
c) Subcontractors and suppliers	•				
The importance of subcontracting and CSR in relations with suppliers and subcontractors	LA14; LA15; EN32; EN33; HR5; HR9; HR10; SO9; SO10	p. 51 p. 55 p. 60	2013 CSR Report Working with our suppliers Compliance Curbing our consumption and emissions	1 and 2	6.3.3; 6.3.4; 6.3.5; 6.3.7; 6.3.8; 6.3.10; 6.4; 6.4.3; 6.4.4; 6.6.6; 6.8.4
d) Fair practices					
Anti-corruption measures	G4-56; G4-57; G4-58; SO3; SO4; SO5	p. 50 p. 55	2013 CSR Report Anti-corruption policy and procedure Compliance 2013 Registration Document* Code of Ethics, Chap. 1.1.7, p. 27 Risks associated with the Groupe's international presence, Chap. 2.8.4, p.94 Code of Conduct*	10	6.7.3
Measures to promote customer health and safety	EN27; PR1; PR2; PR3; PR4; PR6; PR7; PR8; PR9	p. 50 p. 52-53 p. 55	2013 CSR Report Raising teams' awareness of ethical principles Ethics: the new challenges posed by digital Compliance Our principles and values*	10	4.6; 6.5.3; 6.5.4; 6.5.5; 6.7.1; 6.7.2; 6.7.3; 6.7.5; 6.7.6, 6.7.7; 6.7.9
Other initiatives to protect human rights	HR1; HR2; HR7; HR8; HR9; HR10; HR11; HR 12	p. 29 p. 37 p. 43 p. 51	2013 CSR Report Protecting human rights Putting our talents to work for good causes Our teams and their commitment Working with our suppliers Our principles and values*	I and 2	6.3.1; 6.3.2; 6.3.3; 6.3.4; 6.3.5; 6.3.6; 6.6.6

NON PERTINENT INDICATORS	GRI G4 «Essential criteria»
ENVIRONMENTAL INFORMATION	
a) General environmental policy	
Amount of provisions and warranties against environmental risks	EC2; EN29
b) Pollution and waste management	
Measures taken to prevent, reduce or mitigate releases to air, water or soil with significant environmental impacts	EN10; EN20; EN21; EN22; EN23; EN24
Measures taken to prevent, recycle and eliminate waste	EN28
Consideration of noise and other forms of pollution specific to an activity	EN24
c) Sustainable use of resources	
Land use	ENII
d) Climate change	
Measures taken to conserve or develop biodiversity	EN12; EN13; EN14; EN26

^{*} Documents available on the Publicis Groupe website www.publicisgroupe.com









Note to readers

In addition to this CSR report, readers are invited to consult a number of other publications which provide detailed information on the Groupe, its operations and organization:

- 2013 Registration Document
- 2013 Annual Report
- Code of Conduct: Groupe Standards of Conduct and Behavior
- Code of Conduct: Groupe Standards of Conduct for Groupe CEo and CFO and Brand CEOs and CFOs
- Publicis Groupe Principles and Values
- Publicis Groupe Sponsorship Charter
- United Nations Global Compact Communication on Progress

All these documents are available to the public at www.publicisgroupe.com

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