

## CSR for Business Guidelines

### **Publicis Groupe expectations and commitments with its Business partners and providers**

These CSR/ESG\* Guidelines for Business (the “Guidelines”) outline the key-elements of Publicis Groupe and its agencies’ responsible procurement approach in dealing with its business partners, suppliers, their employees, agents and subcontractors (herein referred to as the “Business Partners”). The Guidelines are complementary to the United Nations Global Compact 10 Principles (UNGC) and require our Business Partner’s commitment to the critical business behaviors described therein. These Guidelines follow French Laws and regulations such as Sapin 2 Law (Anti-corruption), Duty of Care Law (“devoir de vigilance”) and are aligned with the company’s corporate business principles, explained in the Code of Ethics “Janus” and embracing a large number of topics.

Publicis Groupe and its agencies are asking suppliers to be compliant and vigilant regarding the following items:

#### 1. CSR engagement

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

#### 2. Business Ethics – Social & Labor general principles

Publicis Groupe **Business Partners** will have **to comply with Publicis Groupe’s code of Ethics “Janus” – as do our employees**, particularly on the following mandatory items:

- **Zero Tolerance regarding discrimination**, harassment and workplace violence; Publicis Groupe promotes Diversity, Equality & Inclusion and the respect of each individual, to build a safe and inclusive workplace, aligned with its Diversity, Equality & Inclusion Key-Principles,
- Publicis Groupe promotes **Diversity & Inclusion at large** as defined in its policy and expects its business partners to do the same, with proactive measures to ensure equal opportunities between all employees, with **specific attention to underrepresented groups**.
- Publicis Groupe promotes **safe labor** in respect of international labor rights as human rights, gender equality such as ILO International Labor standards including freedom of association and the right to collective bargaining.
  - Compliance with labor laws and regulations are mandatory, particularly those on **worker’s protection** such as: age (eg majority), underage workers, labor contracts, minimum wage and equal pay for equal work, maximum working hours, people security and safety at the workplace, health and well-being at work, aligned with our HR General policy.
  - Fighting for Human rights at large and for Social Justice, **against modern slavery in all forms**, human trafficking, child and forced labor, and rejecting all forms of discrimination and harassment or violence is required from all providers and Business Partners.
  - In compliance with the French Law defining the **Duty of care** of Parent companies and subcontractors, asking them to prevent ESG risks (Environment, Social, Governance) related to their activities, Publicis Groupe is asking suppliers to comply with and be assessed on the highest standards related to Human rights and labor condition, health and security for people and environmental impacts.

#### 3. Anti-corruption and Bribery

**All forms of fraud, bribery and corruption**, including any type of conflict of interest are strictly prohibited. In compliance with the French regulation Sapin 2, the United Kingdom BA (Bribery Act)



and the US's FCPA (Foreign Corrupt Practice Act), Publicis Groupe promotes business integrity, fair trade and the respect of fair competition, aligned with its public Anti-bribery and Anti-corruption policy,

4. Data Protection & Information Security

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

Where applicable to the product or service, Groupe Security Office (GSO) teams conduct a technical review combined with tests (due diligence) on the security of suppliers' systems in order to verify their compliance and security, and alignment with Information Security policy. They validate the continuity plans proposed by suppliers. ISO 27001 certification might be required for some activities.

5. Environmental impacts

Due to the **climate change emergency**, Business Partners have to make their own efforts in their offers, particularly through **low carbon emissions' solutions** limiting drastically the use of natural resources and preserving biodiversity, environmentally friendly technologies and operations, 'green' and eco-friendly products, and have to reduce greenhouse gas (GHG) emissions.

Publicis Groupe requires suppliers to commit to environmental targets **in line with the Accord de Paris and its scenario 1.5°** and aligned with its Environmental Policy. ISO 14001 certification might be required for some activities.

6. Climate & Net Zero targets

Publicis Groupe Science-Based Targets (SBTi) are: 50% reduction before 2030 in Scopes 1+2+3, and, 90% reduction before 2040 in Scopes 1+2+3. Publicis Groupe Business partners are expected to have **validated or committed to targets to become Net Zero**. Engagement in robust and certified projects protecting biodiversity or compensating/removing carbon emissions should be done as a last resort.

7. Accessibility & e-accessibility

At Publicis Groupe, we are committed to accessibility and expect our suppliers and business partners to hold the same standard in both physical and digital world in order to provide **equal access to people with disabilities**. To maintain this commitment, we ask our suppliers to conform to relevant accessibility standards, particularly the latest version of the Web Content Accessibility Guidelines (WCAG) level AA across all products, software and services provided to Publicis Groupe.

8. CSR assessment

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

**First step for all suppliers** is to sign up through the Groupe proprietary platform **P.A.S.S.\***; the results of the P.A.S.S. self-evaluation will be transparent to the suppliers. Following this, Publicis Groupe expects suppliers to be assessed on CSR by an international independent third party (like Ecovadis or similar).

The CSR assessment (via P.A.S.S. or through an independent third party) will count towards 20% of the Business Partner's overall proposal.

9. Supplier diversity

Publicis Groupe works with many small and diverse suppliers and encourages **SMEs and diverse suppliers** to participate in RFIs/RFPs. Publicis Groupe defines a Diverse Supplier as any company 51%+ owned and operated by a person (or persons) in any of these categories: women, ethnic/ racial minority, veteran/service disabled, LGBT, and disabled or diverse-abled. To engage with more diverse suppliers, Publicis Groupe is working with a third party Supplier.io; the company welcomes proposals coming from the social economy, social entrepreneurs or part of the solidarity economy. (Cooperatives, voluntary organizations or associations, charities, non-profit or foundations).

10. Confidentiality

Publicis Groupe keeps Business Partners **strategic, commercial, financial and technical information confidential**, and is asking for the same commitment from its Business Partners. In

*\*CSR: Corporate Social Responsibility – \*ESG: Environment, Governance, Social*



cases of subcontracting, if it is approved by Publicis Groupe, Business Partners will ensure that their own suppliers and subcontractors will commit in writing to the same requirements.

11. Business relations

**Contract terms must be strictly respected by all parties**, notably the quality of the products or services, the timeline for delivery, and the mutually agreed final costs. The goal is to encourage mutual respect and transparency about business concerns to mitigate potential risks. Publicis Groupe will respect the payment conditions established in the contract. Publicis Groupe believes that an amicable agreement approach should be favored in case of dispute; if such amicable settlement agreement cannot be achieved, the dispute shall be referred to and finally resolved by arbitration under the then existing Rules of Arbitration of the International Chamber of Commerce (ICC).

12. Economic relations

Publicis Groupe will monitor the **financial sustainability of suppliers to assess our weight** in the Business Partner's revenue, and, will pay attention if the Groupe reaches 25% of its yearly revenue, particularly for SMEs, to avoid economic dependency. In cases of terminating a long-term relationship with a Business Partner, a specific mutually agreed action plan be implemented (e.g. prepare termination, decrease volume progressively...) to **manage the exit phase** under applicable laws and regulations.

13. Alert system

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

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

14. CSR joint efforts

To contribute to the global efforts around the **17 United Nations Sustainable Development Goals** (UN SDGs), when opportunities are identified then Business Partners are encouraged to work on some **common CSR activities with positive impacts** (and metrics) with Publicis Groupe. If joint projects are put in place, these CSR activities must be reviewed a minimum of once per year, to ensure that the actions have a tangible impact.

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

A sustainable supply chain is a virtuous circle that can help to build a better world: each player has to do its own part to make improvements, whatever and whenever we are; as a client or as a provider. In that respect, Publicis Groupe has been registered for many years as a supplier in Ecovadis and participates in the Carbon Disclosure Project (CDP) whereby the Groupe is evaluated on an annual basis. Publicis Groupe clients have access to these evaluations.

To enrich this virtuous circle in another way, in the 2018 Women's Forum, with P&G, L'Oreal and other companies, Publicis Groupe is partnering with WEConnect International – a global, corporate-led non-profit that facilitates inclusive and sustainable economic growth by empowering and connecting women business owners – as well as with UN Women through its EU-funded programme WE EMPOWER in G7 countries and the Women's Empowerment Principles (WEPs) secretariat.



# P.A.S.S.

\*P.A.S.S – Publicis Groupe Platform for Providers’ self-Assessment for a Sustainable Supply-chain

- What is it?

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

- How is it working?

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

Based on around 80 key-questions, the goal is to assess supplier’s engagement and actions in place on: CSR Strategic commitment, Social & Labor policies and practices, Anti-discrimination and equal policies, Training & development, Diversity & Inclusion, Work-Life Balance, Communities’ activity, Ethics Principles, Anti-corruption & bribery, Data protection & privacy, Security & Business continuity, Environmental policy and priorities. Most of the answers must contain proof of evidence.

P.A.S.S will provide an immediate score to the provider through a transparent process; this score will be then checked and confirmed by the Groupe CSR Department. Suppliers will be asked to refresh their responses one time per year.

P.A.S.S assessment is required from all strategic business partners, global or local.

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Publicis Groupe joined the United Nations Global Compact in 2003; in 2015 the Groupe adopted the United Nations Sustainable Development Goals (UNSDGs) by identifying 10 of them of which the company can contribute. This is part of the mandatory Non-Financial Reporting, publicly available.



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

#### **Human Rights**

[Principle 1](#): Businesses should support and respect the protection of internationally proclaimed human rights; and

[Principle 2](#): make sure that they are not complicit in human rights abuses.

#### **Labor**

[Principle 3](#): Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

[Principle 4](#): the elimination of all forms of forced and compulsory labor;

[Principle 5](#): the effective abolition of child labor; and

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

#### **Environment**

[Principle 7](#): Businesses should support a precautionary approach to environmental challenges;

[Principle 8](#): undertake initiatives to promote greater environmental responsibility; and

[Principle 9](#): encourage the development and diffusion of environmentally friendly technologies.

#### **Anti-Corruption**

[Principle 10](#): Businesses should work against corruption in all its forms, including extortion and bribery.

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Questions? Ask your Publicis Groupe Procurement or Vendor contact – More general information? [csr@publicisgroupe.com](mailto:csr@publicisgroupe.com)