07. Conflicts of Interest

▶ **AT A GLANCE**

- Groupe employees should always **avoid conflicts of interest** and related party transactions.
- Employees must **disclose actual or potential conflicts** of interest and related party transactions as soon as they arise.
- **Key Executives** must complete a conflict of interest declaration annually.

FOR WHOM?

All employees.

WHAT?

This policy explains how to identify and disclose actual or potential conflicts of interest related to your employment in the Groupe. It also covers potential conflict of interest arising from related parties transactions.

HOW?

Conflicts of Interest

- A conflict of interest arises when an employee's personal interest diverges from that of the Groupe.
- Personal interest includes direct or indirect monetary or non-monetary benefit to an employee or any member of the employee's family or household.
- If financial or other benefits from outside of Publicis could compromise the decision-making or other responsibilities as a Publicis employee, then an actual or potential conflict of interest may exist.

Related Party Transactions

- A potential conflict of interest always exists when related parties engage in a transaction.
- Parties are considered related if one party can control or exercise significant influence over the other party in making financial or operating decisions.
- This relationship could stem from financial ownership, management control or close family ties.
- A related party transaction is any transaction involving the Groupe and a related party directly or indirectly, and an exchange or transfer of resources or obligations, regardless of whether fees are involved.
- Related party transactions are extremely sensitive for the Groupe as they could potentially lead to acts that are inconsistent with the Groupe's best interests, including fraud.
- For clarity, a related party to the Groupe may be a Key Executive, a close family member of a CEO or CFO of a Groupe entity, or a joint venture.

Examples

- A conflict of interest may exist when an employee or a member of the employee's family or household:
  - holds financial, management, or other interest in a supplier, client or partner with which the employee deals in the course of their employment;
  - receives personal benefits, such as gifts, favors or entertainment, from third parties, such as suppliers, due to the employee's position in the Groupe;
  - has an ownership interest in premises used by the Groupe.
- A conflict of interest may also exist when an employee:
  - has outside employment and works simultaneously for the Groupe and outside the Groupe;
  - sits on the board of a company in a line of business similar to that of the Groupe;
  - has a personal family relationship with another employee in the same Groupe entity, especially in case of reporting lines or decision-making authority.

Disclosing Conflicts of Interests

Groupe employees must avoid conflicts of interest and related party transactions.

Employees must therefore disclose actual or potential conflicts of interest and related party transactions as soon as they arise, as follows.

All employees

- They must disclose actual or potential conflicts of interest (including related parties and related party transactions) as soon as they arise via any local declaration process managed by HR or to their manager and Business Unit CFO.
- The circumstances leading to the conflict of interest must be promptly resolved or mitigated to eliminate any risk to the best interests of the Groupe;
- Any unresolved or unmitigated conflict of interest must be brought to the attention of the Groupe Secretary General.

Key Executives

- They must disclose any actual or potential conflict of interest (including related parties and related party transactions) to the Groupe Secretary General via the DCOI (Conflict Of Interest Declaration) platform for review as soon as they arise and at least annually.

All Country CEOs and CFOs

- They must declare compliance with this policy annually and declare all related parties and related party transactions which would create a conflict of interest for the Groupe.
- The required declaration of related party transactions is under the responsibility of the Country and is part of the management certification process by Country CEOs and CFOs each year.
- A Country summary of all related parties and related party transactions must be attached to the Country management certification letter sent to the Groupe CFO.
- It must also be communicated to the Groupe Secretary General at the same time.

WHO?

All employees, all Key Executives, all Business Unit CEOs and CFOs, Country CEOs and CFOs.

Policy available to the public on the Groupe website.