

Appendix Net Zero Climate

Description of the activities related to the Janus policy application with examples and 2021 Data

I – Content of the Janus Net Zero Climate policy (reminder)

Why?

In 2003, Publicis Groupe was the first communications company to join the United Nations Global Compact, with a focus on limiting environmental impacts. We since formalized our specific commitment to fight against climate change by signing in 2007 the United Nations' Caring for Climate initiative. The Groupe has voluntarily joined other initiatives such as the Carbon Disclosure Project (CDP), adopted TCFD Recommendations (Task Force on Climate-related Financial Disclosure). In 2015, Publicis Groupe signed the French Business Climate Pledge supporting the Paris Agreement and its 1.5° scenario and joined SBTi (Science Based Targets Initiative) in 2020.

For Whom?

The policy applies Groupe-wide – to all employees in our agencies as change agents.

What?

Strategy

In 2021, following the early achievement of 2030 targets under our existing plan, the Groupe set up new targets to achieve by 2030, aligned with the 1.5°C scenario of the Paris Agreement. These have been approved by the SBTi and re-assessed in 2022, with a Near-Term target by 2030 and a Long-Term target reaching Net-Zero by 2040:

- **2030 Near-Term target: to reduce by 50%**, compared to 2019, the absolute scopes 1+2+3 GHG emissions*
 - including a **shift to 100% Renewable Energy** by direct source before 2030 and become Carbon Neutral before 2030.
- **2040 Long-Term & Net-Zero target: to reduce by 90%**, compared to 2019, the absolute scopes 1+2+3 GHG emissions*
 - and to neutralize the remaining 10% of emissions using permanent carbon removals.

Governance

The policy applies Groupe-wide:

- The ESG Committee of the Supervisory Board is embracing ESG topics including progress in the fight against Climate change. Projects and evolutions are discussed and shared with the Supervisory Board.
- Decisions around climate-related risks and opportunities are under the responsibility of the Directoire. Environment & Climate Change is in the Top Management agenda.
- The Groupe CSR/ESG Department under the supervision of the Publicis Groupe Secretary General, member of the Directoire, is responsible for the Groupe Environmental strategy, action plan, and Environmental Management System (EMS). The team carries out the mandatory annual CSR/ESG reporting, externally audited, and conduct regular reviews with agencies and internal partners (IT, Facilities and shared service centers--Re:Sources). A dedicated working group has
- Local teams in the agencies are responsible for identifying local solutions to reduce environmental impacts. This work is done with partners (Landlord, Building and/or Office management), with local shared services teams and with providers (energy providers or brokers, waste management companies) or other services providing 'green' solutions.

Risk Management

In the context of the Duty of Care plan, Climate change risk is already taken into account when planning our infrastructure and business continuity plans.

Several scenarios aligned with those of the UN IPCC (United Nations - International Panel on Climate Change) are driving the work:

- a low-carbon transition scenario compatible with global warming limited to 1.5°C by 2100 (RCP 2.6)
- a trend scenario leading to global warming of more than 4°C by 2100 (RCP 8.5)



Based on the typology established by the TCFD, scenarios have identified:

- 1- the physical risks associated with the impacts of climate change (offices, employees, data centers) which may impact employees and their working environment and alter the continuity of service for clients,
- 2- the transition risks arising from changes in the market, regulations or technology that limit global warming to 1.5°C, including investments in new technologies, or some regulatory changes such as additional taxes (carbon taxes or similar).

Metrics and Targets

Publicis Groupe discloses data annually on carbon emissions. This is part of the CSR reporting externally audited by an independent third party, covering all agencies in the world, with onsite audits. (See Universal Registration Document, chap 4.3)

To achieve the targets set, Publicis Groupe has identified **8 levers**:

- 1 – **Reduce travel** and transportation impacts, particularly air travel,
- 2 – **Reduce energy** consumption in general, with a target of 100% renewable energy (RE) before 2030 for the entire Group,
- 3 – **Reduce the use of raw materials**: water, paper...,
- 4 – **Reduce waste** and make recycling the norm,
- 5 – **Reduce the carbon emissions of the work we are doing** for our clients, in all activities, thanks to an internal platform: **A.L.I.C.E** (Advertising Limiting Impacts and Carbon Emissions),
- 6 – **Innovate** to help our clients to reduce the impacts of their marketing and communication action. Internal education & training is a key-lever like the **NIBI** program (No Impact for Big Impact),
- 7 – **Reduce environmental impacts from our purchased goods and services**, by asking Groupe providers to be assessed by a third party; all local strategic partners will be asked to provide a self-evaluation on CSR topics including climate change through **P.A.S.S** (Publicis Groupe Providers Platform for a self-Assessment for a Sustainable Supply-chain),
- 8 – Achieve **Net-Zero** before 2040 for the unavoidable impacts, using sequestration Carbon Credits.

Reduction, Compensation, Sequestration

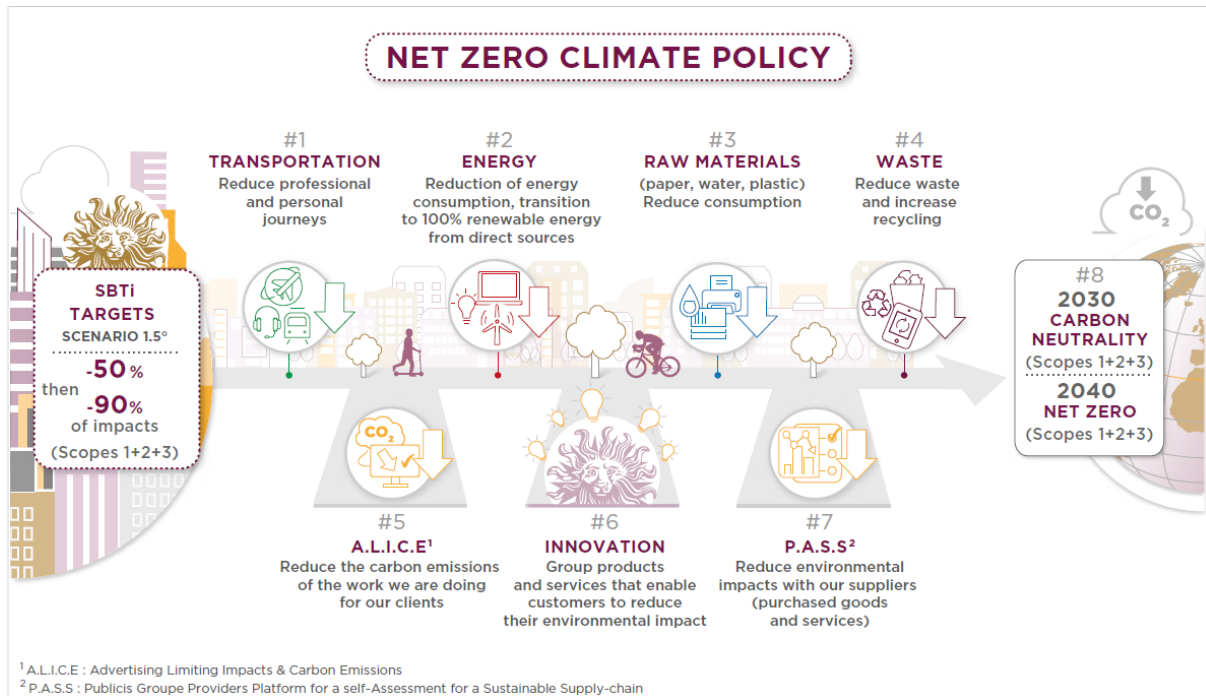
Publicis Groupe decided to invest in a five-year compensation/reduction program (2020-2024) based on certified projects and compliant with international standards, through two projects: Gandhi in India (wind energy) and Madre de Dios in Peru (reforestation & biodiversity). These operations are exclusively managed centrally at the Groupe level by the Groupe CSR Department.

Who?

Environmental impacts review is a daily task driven by all managers and their teams reporting to agencies' CEOs. This is coordinated by the Groupe CSR Department under the supervision of Publicis Groupe's Secretary General, member of the "Directoire" (Management Board).



II – Action plan: the 8 levers



1 – Reducing Travel, Transport & Employee Journeys

Transportation and travel are identified as a large contributor to Publicis Groupe’s carbon emissions. Publicis Groupe objective is to reduce business travel particularly by air, by asking employees to re-think their business trips and is working with clients to use alternatives to carbon-intensive travel (Teams, Zoom or teleconference...); the company car policy promotes low-emissions vehicles such as electric or hybrid aligned with EU standards (less than 95gr CO₂). Employees are encouraged to use online tools (carbon calculators) when otherwise planning travel and trips, to help them make a full assessment of the environmental impact.

Publicis Groupe is promoting where possible, employee initiatives that facilitate a diversity of transport methods for commuting purposes – for example carpooling or car sharing, providing bicycle storage at office locations, participation in local bicycle incentive schemes, financial incentives to encourage public transportation as conditions allow. Working from Home (WFH) or Teleworking is organized based on Groupe guidelines and is managed locally, based on individual type of job or situation, to ensure business efficiency and improve employees’ work/life balance.

2 – Reducing Energy Consumption and shift to 100% Renewable Energy sources

Publicis Groupe is engaging strategies to optimize and monitor energy efficiency:

- Setting environmental performance thresholds for prospective properties or offices, with the Real Estate Department, based on local existing norms (LEED, BREAM, HQE, Energy Star...) or Groupe ones,
- Encouraging new electrical and IT equipment with a new generation of machines clearly saving energy, with a focus on IT, Facilities and Procurement Departments,
- Screening CO₂ emissions from Data centers used by the Groupe on a periodic basis, to ensure emissions are as low as possible while still providing the required performance, with IT Department,
- Encouraging employee responsibility via “Switch off” policies (workstation, laptop, lights...).

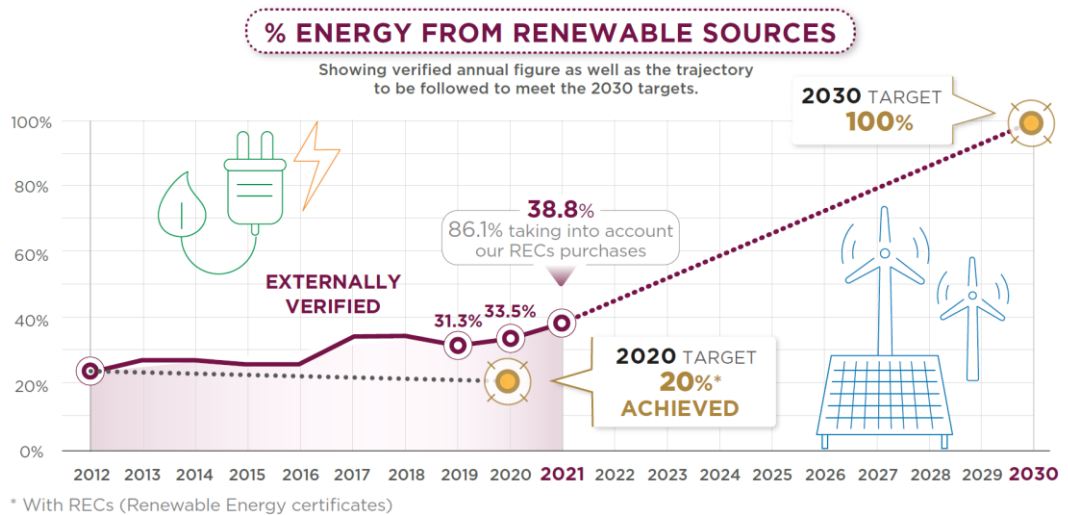
➤ Renewable Energy (RE)

In addition to the goal to become more energy-efficient, and independent to the SBTi emissions reductions targets, our goal is to have **100% of our energy from Renewable sources before 2030**.



This will be a coordinated effort between Procurement, Re:Sources – our shared services centers - and local teams, to identify opportunities to increase the proportion of renewable electricity share under their jurisdiction.

Until this goal of 100% is achieved, Publicis Groupe is investing annually in Energy Attribution Certificates (EACs) in the countries where we have most of our employees: USA, Canada, India, France, UK, China. These certificates in the form of RECs, i-RECs, GOs will help reduce the impacts of the actual use of non-renewable energy sources before achieving 100% RE by direct source.



3 – Reducing usage of Raw Materials

In terms of most raw materials consumption, water, paper (and inks) are consumed systematically across the Groupe. Water consumption must be managed locally in conjunction with landlords and Facilities teams, to find ways it can be reduced.

Publicis Groupe is continuing to strengthen its focus on sustainable suppliers to encourage certified paper (NFC, PEFC) and recycled products for office furniture when appropriate. Improvements are coordinated by local Re:Sources teams, to achieve tangible results while also raising awareness of sustainability issues.

In 2020, the Groupe launched its “**Zero Single Use Plastic**” plan in order to eliminate these types of plastic and replace them with recyclable and environmentally friendly products.

4 – Reducing Waste, Improving Recycling process

Publicis Groupe wants to apply a waste hierarchy to materials, to maximize recycling (and therefore minimize the need for final disposal), in all practicable locations. These processes and organization will have to be managed with local Re:Sources teams to identify the best options (partners, solutions) and encourage circular economy and employee engagement on a daily basis. As an example, with WEEE (Waste Electrical & Electronical Equipment) practice extended in our agencies, the goal is to ensure that 100% of our digital and IT machines are managed via contractual clauses with suppliers or with specialist contractors, volume reduction, as well as widespread re-use and/or recycling of other waste materials.

Waste - Our ambition is to achieve **zero waste to landfill**. To reach this goal, we aim to ensure that all our buildings have the facilities for employees to separate their waste (paper, plastic, cans, glass...) as well as maintaining at least a 2% annual reduction in the Groupe overall waste figures.

5 – Reduce the business impact from all our activities for our Clients



A.L.I.C.E.

Eco-design and Eco-production is the new norm. To help our teams across the business better **understand and limit** the environmental impact of their work in terms of carbon emissions, we have developed the online platform **A.L.I.C.E** (Advertising Limiting Impacts and Carbon Emissions). This internal platform allows our teams to carry out a simulation of the carbon emissions generated by a



Client’s project or campaign, according to decisions taken regarding format, production, energy consumption for example. The output is aligned with GHG Protocol and methodology and calculations are supervised by Bureau Veritas, bringing its expertise in calculations, and acting as an independent third party. **A.L.I.C.E** can be used as a guide for our teams and our clients to assist them with any decisions about reducing or offsetting this impact.



N.I.B.I.

6 – Innovate to shift from climate challenges to new solutions contributing to the imperative reduction of global impacts

Publicis Groupe teams started their Climate innovation journey in 2017. First step is to educate all of the Groupe employees, through the dedicated programs **NIBI** (No Impact for Big Impact) and its elearning + physical workshops that are embracing all activities: Creation, Production, Media, Data, Digital Business Transformation. This educational program is also done with the Client’s teams. Technical solutions are used like **Razoscan**, allowing teams to screen energy consumption from each digital page. New products like **eMission** – a software from Publicis Sapient is allowing the clients to track their carbon emissions in real time.



P.A.S.S.

7 – Supplier Engagement

In accordance with our Publicis Groupe CSR for Business Guidelines, Suppliers are questioned about their actions and objectives in terms of reducing environmental impacts. Publicis Groupe is asking all suppliers to take action and limit global warming rises over 1.5°.

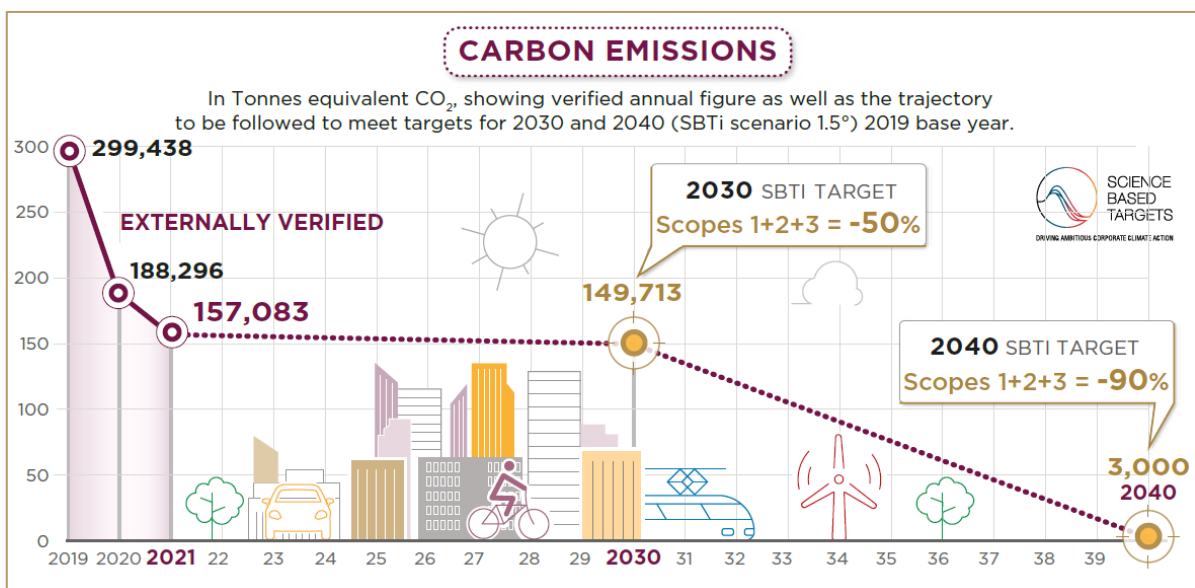
Groupe and strategic vendors have to be assessed by an independent external third party (like Ecovadis and others). Local and critical vendors must use our own proprietary CSR self-evaluation tool for suppliers, named **P.A.S.S** (Publicis Groupe Providers Platform for a self-Assessment for a Sustainable Supply-chain).

Refusal to engage with an environmental action plan will constitute a non-selection criterion.

The Group and its agencies’ procurement policy is also proactive in terms of eco-responsible, eco-designed products from the circular economy or goods that have been responsibly sourced or have a recognized environmental certification

8 – Achieving Net Zero Carbon before 2040

While all the above actions will enable a managed reduction in Carbon emissions from the Group over time, there will always be an unavoidable carbon emissions footprint, due to reasons such as availability of Renewable energy in a market, certain raw materials without equivalent, and of course, professional and personal transportation, including commuting and some business travel. This policy commits to achieving Net Zero carbon, whereas as a last resort, carbon offsetting in the form of purchase of voluntary carbon credits will be undertaken.





Reduction, Compensation, Sequestration

Publicis Groupe decided to invest in a five-year compensation/reduction program based on certified projects and compliant with international standards, through

- 90% via a wind project in India – Gandhi Project – providing renewable energy to hundreds of villages in 3 regions (Gujarat, Karnataka, Maharashtra) also providing education to kids and supporting women entrepreneurship and financial autonomy
Project aligned with SDGs 7, 8, 13.
- 10% via a reforestation project in Peru – Madre de Dios – protecting rainforest and local biodiversity and doing real carbon sequestration
Project aligned with SDGs 8, 11, 15.

The two projects are certified Gold Standards for the UN SDGs (United Nations Sustainable Development Goals), VCS (Verified Carbon Standard) and CCBA (Climate, Community & Biodiversity Alliance).

These operations are exclusively managed centrally at the Groupe level by the Groupe CSR Department.

Publicis Groupe environmental data, emissions and evolution are publicly available on [CSR Smart Data](#).