

## COMPLEMENTARY INFORMATION

### **Supplementary defined-benefit pension plan for the Chairman of the Management Board, effective on January 1<sup>st</sup> 2022:**

Publicis Supervisory Board, upon the recommendation of the Compensation Committee, has chosen to implement a supplementary pension plan for the Chairman of the Management Board, similar to what at least three-quarters of the Executives of CAC40 Companies benefit from or will benefit from, whether defined-benefit plans, defined-contribution plans, life insurance plans or cash-based contribution plans or any other equivalent provisions enabling the constitution of pension rights.

#### **Internal fairness**

This decision is based on a principal of internal fairness in light of mechanisms available for other executives in the Groupe abroad, due to market practices and *intuitu personae* mechanisms legacies from the past, whereas Publicis historically had no complementary or supplementary pension systems for its executives in France.

#### **New mechanism from Pacte law**

To this end, Publicis has elected the new defined-benefit system of «Article L.137-11.2 CSS» resulting from Pacte Law, which makes it possible to combine:

- the performance, which is an element of motivation for the executive: the defined benefits are based on annual vesting subject to the performance of the executive, in accordance with legal requirement and with Publicis compensation philosophy;
- the portability of rights, in the event of the executive leaving the company, as required by the European Directive of April 16<sup>th</sup>, 2014;
- a lower cost for the company compared to other mechanisms constituting retirement rights.

#### **Comparable amounts with other companies having such mechanisms**

Publicis opted for a recent mechanism, whose use is constantly growing amongst French companies, as it has already been implemented across an increasing number of listed companies in Paris (including CAC40), in particular Carrefour, Sodexo, Bouygues, Lagardère, Faurecia.

The determined amounts have been benchmarked against similar mechanisms recently implemented within the CAC40, positioned in a comparable range to other companies and also taking into account the implementation of this mechanism late in the executive's career.

Whilst the law authorises up to 3% of the annual reference compensation, Publicis' mechanism provides for an annual acquisition from 1% to 2.5% depending on the performance of the company and on the basis of stringent criteria. The other companies have rates ranging from 0.5% to 3%, sometimes progressive, based on age groups or seniority, and sometimes combined with other pension scheme, which had been implemented before this mechanism.

This agile mechanism addresses Publicis' expectations, which is on the one hand to motivate the beneficiary, the benefit rate being based on performance, and on the other hand to ensure that the retention objective is achieved.

The total cumulated amount is capped at a maximum of 30%.

## **LTIP Directoire 2019 – 2021 – Achievement of the performance conditions:**

	Average 2019-2021
<b>1. ORGANIC GROWTH</b>	
WPP	1,3%
OMNICOM	0,7%
IPG	10,0%
PUBLICIS	0,7%
<b>Average Reference Group</b>	<b>3,2%</b>
<b>Level of achievement of the 1st criteria (for 45% of the grant)</b>	<b>13,50%*</b>
<i>*Publicis is in 3rd position and the difference with the 2nd highest organic growth is higher than 15% so that 30% of the shares are acquired under this criterion</i>	
<b>2. MARGIN (on net revenue, except Omnicom)</b>	
WPP	12,57%
OMNICOM	14,70%
IPG	14,00%
PUBLICIS GROUPE	16,93%
Rank	1st
<b>Level of achievement of the 2nd criteria (45% of the grant)</b>	<b>45,00%</b>
<b>3. CSR</b>	
40% of women in Groupe's Executive Committees	
<b>Level of achievement of the 3rd criteria (10% of the grant)</b>	<b>10,00%</b>
<b>Total</b>	<b>68,50%</b>

Calculations are based on published results respectively in 2022 by Omnicom on February 8<sup>th</sup>, IPG on February 12<sup>th</sup> and WPP on February 24<sup>th</sup>; in 2021 by Omnicom on February 18<sup>th</sup>, IPG on February 10<sup>th</sup> and WPP on March 11<sup>th</sup>; in 2020 by Omnicom on February 11<sup>th</sup>, IPG on February 12<sup>th</sup> and WPP on February 27<sup>th</sup>.

### **Annual variable compensation of the Chairman of the Management Board to be paid in 2022 for financial year 2021 – Calculation of the EPS criterion:**

The EPS criterion has been restated for the mechanical effect linked to the share buyback programmes realized by WPP and Omnicom both in 2020 and in 2021, this calculation thus placing greater emphasis on operating performance directly linked to the decisions of the Management Board and its Chairman. Results have been then converted into dollars for the whole peer group to avoid currency distortions.

<b>Evolution of Headline EPS, fully diluted, in USD</b>	<b>Growth 2021 vs 2019</b>
WPP	-15.1%
Omnicom	+4.2%
IPG	+37.9%
<b>Publicis Groupe</b>	<b>+5.0%</b>

*Publicis Groupe ranks 2<sup>nd</sup> of the peer group.*