COMPENSATION POLICY FOR CORPORATE OFFICERS ADOPTED BY THE COMBINED GENERAL SHAREHOLDERS' MEETING OF MAY 27, 2020

Paris, May 28, 2020

Pursuant to Article R 225-56 1 IV of the French Commercial Code, as resulting from Decree 2019-1235 of November 27, 2019, the compensation policy as published in the 2019 Universal Registration Document, pages 79 to 92, and approved by the Combined General Shareholders' Meeting of Publicis Groupe S.A. of May 27, 2020, as well as the date and result of the related vote, are set out below and will remain available at least during the period to which this policy applies.

A - COMPENSATION POLICY FOR CORPORATE OFFICERS - EXTRACT OF 2019 URD

3.2.1 Compensation policy for corporate officers for the 2020 financial year

Pursuant to article L. 225-82-2 of the French Commercial Code, the General Shareholders' Meeting of May 27, 2020 will be asked to approve the compensation policy for corporate officers for the 2020 financial year. To this end, four resolutions are tabled for the members of the Supervisory Board, the Chair of the Supervisory Board, the members of the Management Board and the Chair of the Management Board, respectively. As required by law, the General Shareholders' Meeting will be asked to vote on this policy at least once a year as well as whenever there is a major change to the compensation policy.

In exceptional circumstances, the Supervisory Board may derogate from the compensation policy where this is temporary, in the best interests of the Company and necessary to ensure the Company's long-term future and viability.

3.2.1.1 Principles applicable to all corporate officers

General principles and Governance

The compensation policy for corporate officers is determined by the Supervisory Board on the back of proposals from the Compensation Committee.

The Compensation Committee plays a key role in determining the compensation policy and the individual decisions. In this regard, the Compensation Committee meets at least once a year to review the compensation policy for corporate officers, confirm the quantitative and qualitative performance results from the previous year and determine the new performance criteria for the current year. To this end, the Compensation Committee bases itself in particular on the work done and presented by the Secretary General. It specifically looks at past practices in terms of the compensation of corporate officers, looks at external benchmarks as well as the terms and conditions of compensation and employment of employees and other managers within the Groupe. In addition, the Compensation Committee takes various measures to avoid or manage conflicts of interest. Composed of 80% independent members in 2019 (see Section 3.1.3.9 "The Supervisory Board's Specialized Committees"), it ensures the application of the Supervisory Board's internal rules, notably by asking its members to report any conflicts of interest and, if such a conflict arises, by verifying that the persons concerned abstain from participating in the debate or vote on the matter, that they do not request or communicate any information relating thereto, or that they resign from their position (see Section 3.1.1.4 "No convictions for fraud or conflicts of interest"). The resulting policy is then submitted to the Supervisory Board before being voted on by the General Shareholders' Meeting.

This policy is adopted once the Supervisory Board has ensured i) that it is in line with the best interests of Publicis Groupe while ensuring that it is attractive and competitive to make it possible to attract and retain top talent and ii) that it will contribute to the Groupe's long-term future while at the same time serving the commercial strategy set out in section 1.3.2 of this document. In this regard, the compensation policy is built on a fair balance between the items of compensation (fixed compensation, target variable compensation and performance shares) to reflect market practices and incorporate the Groupe's performance criteria over the medium to long-term. The financial criteria (namely organic growth and operating margin), and the Groupe's structural projects (in particular the Groupe's digital transformation and reorganisation), represent a key part in the variable compensation of corporate officers.

In line with the decision of the Supervisory Board, and in addition to the exceptional items related to the Covid-19 pandemic described below in the section "Exceptional items related to the Covid-19 pandemic", it should be noted that the following substantial changes were made to the compensation policy compared to the compensation principles and criteria approved by shareholders at the last General Shareholders' Meeting on May 29, 2019:

- Addition of two CSR criteria to the non-financial criteria of the 2020 variable compensation. These CSR criteria apply to all members of the Management Board (the relative weight of this criterion varies between members). The criteria are, on the one hand, an increase in the number of women on the various Executive Committees (the scope in question may, however, be different for each corporate officer) and, on the other hand, an increase in the share of renewable energy in our consumption.
- Change of criterion relating to the organic growth in the Company's net revenue within Groupe-related financial criteria. The Supervisory Board has simplified this criterion by setting a Commitment-related objective instead of setting it in comparison with the organic net revenue growth of peer companies (Omnicom, WPP and IPG). Since the Commitment is set with ambitious objectives, meeting this criterion is still difficult to achieve. This change applies to all corporate officers.
- The Supervisory Board reviewed Steve King's financial and non-financial objectives for 2020. In terms of financial criteria, quantitative criteria linked to the Groupe's financial performance remain unchanged. Those linked to Publicis Media were adjusted to take a combined Publicis Media and PMX performance into consideration. The Supervisory Board made substantial changes to the non-financial criteria applicable to Steve King, in particular, taking his new European

role into consideration. Steve King's bonus objectives are, therefore, related to the setting up of an effective, clear and robust management in Europe, with specific targets for each individuals, relating to the impact that the cross-fertilization of skills between countries and disciplines may have on growth and the implementation of global services.

Terms of the compensation policy applicable to all corporate officers

Generally speaking, Publicis Groupe has introduced a stringent compensation policy designed to motivate employees so that they make a real contribution to the achievement of the Groupe's strategic objectives and to ensure long-term performance. The compensation structure is communicated to employees, shareholders and investors in a clear and transparent manner. Publicis Groupe refers to the recommendations of the Afep-Medef Code.

The compensation policy for corporate officers is based on the same principles as applicable to employees: clarity, competitiveness (vis-à-vis competitors and in the markets in which Publicis Groupe operates), internal fairness, performance incentives and gender equality. The structure of compensation is based on the position and responsibilities within the Groupe and combines the following elements: the basic salary (reflecting experience and responsibilities), the target variable compensation (reflecting performance during the year) and awards of performance shares (reflecting the contribution to the Groupe's medium and long-term performance on the basis of quantitative criteria).

The compensation policy sets out the measurement methods to be applied to corporate officers to determine the extent to which they have satisfied the performance criteria specified for variable compensation and share-based compensation. To determine the extent to which corporate officers have satisfied these performance criteria, the Supervisory Board has regard to the proposals and work of the Compensation Committee, which prepares and checks, with the support in particular of the Secretary General and of the Executive Vice President, Group Chief Financial Officer, the level of achievement of performance criteria. These checks are documented and made available to the members of the Supervisory Board.

The criteria used to distribute the annual fixed sum allocated by the General Shareholders' Meeting to Supervisory Board members are set out in Section 3.2.1.2 of this document.

The principles of the compensation policy applicable to corporate officers, subject to approval by the General Shareholders' Meeting on May 27, 2020, are also intended to apply to newly appointed corporate officers or those who are reappointed at the General Shareholders' Meeting. For the Chair of the Supervisory Board and the Chair of the Management Board and the newly appointed members of the Management Board, the Supervisory Board may, on the proposal of the Compensation Committee, temporarily decide the fixed and variable compensation of the newly appointed corporate officer, taking into account, in particular, his or her profile and experience. This decision must be in the best interests of the Company and necessary to ensure the Groupe's long-term future and/or viability.

Exceptional items related to the Covid-19 pandemic

For 2020, the Covid-19 pandemic is resulting in a considerable slowdown of the world's economies through the cessation of non-essential economic activities. There is talk of the largest recession in modern times, comparable to or even greater that experienced in times of war.

The budgets prepared by the Groupe must therefore be reviewed regularly so that they can be adapted to economic developments as quickly as they become known, while at the same time taking appropriate measures to safeguard the future of the Company.

As a result, even though the system of compensation adopted by the Supervisory Board on the proposal of the Compensation Committee can be considered appropriate, it is clear that the budgets on which it was based are no longer up to date. In accordance with the law, which gives the Board full latitude to decide on executive compensation when exceptional circumstances so require, it is proposed that the proposals adopted by the Board be maintained with the insertion of the following clause.

In accordance with article L. 225-82-2 III, paragraph 2 of the French Commercial Code, the Supervisory Board may derogate from the application of the compensation policy if such derogation is temporary, triggered by exceptional circumstances, complies with the corporate interest, and necessary to ensure the sustainability or viability of the Company.

Such circumstances result from and are already being observed as a result of the Covid-19 pandemic and require exceptional management of the Company, and the Supervisory Board meeting, following the recommendation of the Compensation Committee, used its best judgment to determine the variable compensation of corporate officers.

In these very exceptional circumstances of an expected sharp recession, as already announced by experts and major institutions, the Supervisory Board will take into account, in its assessment of the performance of each member of the Management Board, whose overall variable compensation as a percentage of the fixed compensation remains unchanged, the manner in which the crisis will have been managed on the following fundamental aspects:

- ensure the health and safety of the Groupe's employees;
- maintain smooth operations;
- protect clients' revenue and portfolios;
- rigorously manage costs;
- take appropriate measures for the strict management of resources and the protection of the Group's assets.

The principle of ad-hoc management for 2020 has been established with a regular review of situations and a plan to adapt our costs and resources to expected revenues with a regular review by the Supervisory Board.

Compensations determined on these bases will be set by the Supervisory Board after recommendation the Compensation Committee, set out in full transparency and will be subject to an ex-post "say-on-pay" vote by the General Shareholders' Meeting for the corporate officers concerned.

Furthermore, individual and voluntary decisions to temporarily reduce compensation were made by Maurice Lévy, Arthur Sadoun, Anne-Gabrielle Heilbronner and Steve King. These decisions are detailed in Sections 3.2.1.3, 3.2.1.4 and 3.2.1.5.

3.2.1.2 Compensation policy for members of the Supervisory Board

The compensation policy for members of the Supervisory Board includes i) the items common to all corporate officers as presented in Section 3.2.1.1, and ii) specific items submitted below.

The compensation policy for members of the Supervisory Board of Publicis Groupe SA aims to reward the expertise and involvement of its members, against the backdrop of their ever-increasing commitment.

Total amount of compensation

The total amount of compensation awarded to members of the Supervisory Board is voted on by the General Shareholders' Meeting of Publicis Groupe SA.

As such, the Groupe's General Shareholders' Meeting of May 28, 2014 set an annual amount of euro 1.2 million for the compensation of members of the Supervisory Board, valid for each financial year and until a new decision by shareholders.

Above and beyond the recommendations of the Afep-Medef Code, Publicis Groupe compensates the members of the Supervisory Board exclusively for their actual attendance at meetings of the Supervisory Board and of its committees.

In accordance with the total amount of compensation approved by the General Shareholders' Meeting, each member of the Supervisory Board receives euro 5,000 for each Supervisory Board Meeting and each Committee Meeting attended.

The payment of items of compensation for a financial year takes place the following year.

For reference, 59.58% of the compensation budget authorized for members of the Supervisory Board was used for 2019.

Exceptional compensation

According to article 17 III of the Company's bylaws, the Supervisory Board may grant, in accordance with applicable laws, exceptional compensation for specific assignments and duties entrusted to its members.

This compensation shall be determined by the Supervisory Board by taking into account the length and complexity of the assignment after obtaining the Compensation Committee's opinion.

For information, this option was not used in 2019.

Compensation for the Vice-Chair

Aside from her compensation as a member of the Supervisory Board for her effective attendance at meetings, Élisabeth Badinter does not receive any specific compensation in respect of her position as Vice-Chair of the Supervisory Board. Élisabeth Badinter does not have an employment contract with Publicis Groupe SA or any of its subsidiaries.

The compensation policy for members of the Supervisory Board in respect of the 2020 financial year will be subject to approval by the General Shareholders' Meeting of May 27, 2020 in its seventh resolution pursuant to article L. 225-82-2 (II) of the French Commercial Code.

3.2.1.3 Compensation policy for the Chair of the Supervisory Board

The compensation policy of the Chair of the Supervisory Board is based on the same principles as all corporate officers set out in Section 3.2.1.1, the items applicable to members of the Supervisory Board presented in Section 3.2.1.2, as well as the specific items submitted below.

In line with article 17 (I) of the Company's bylaws, the Chair may, aside from compensation as a member of the Supervisory Board, receive specific compensation in his role as Chair. The amount of this compensation is determined by the Supervisory Board taking into account the tasks that are allocated to him, upon the Compensation Committee's proposal.

The compensation awarded, if applicable, is a fixed amount, and excludes variable elements, additional benefits, and share-based compensation.

In his role as Chair of the Supervisory Board, Maurice Lévy actively assists the Management Board, though without operating responsibility, and more specifically, maintains with the Groupe's major clients the relationship of trust established in many cases decades ago. He is consulted by the members of the Management Board, as required, on significant events, coordinates efforts with public authorities in the countries where Publicis Groupe operates and provides the Groupe with the benefits of his 49 years of experience.

In consideration of this investment and waiving the gross annual non-compete compensation of euro 1,800,000 for three years which he received under his non-compete agreement authorized by the Supervisory Board on March 17, 2008 and approved by the General Shareholders' Meeting of June 3, 2008, the Supervisory Board Meeting of March 1, 2017, set the gross annual compensation of Maurice Lévy as Chair of the Supervisory Board at a fixed amount of euro 2,800,000.

Maurice Lévy nevertheless wished to reduce his compensation from euro 2,800,000 to euro 1,900,000 and informed the Compensation Committee and the Supervisory Board of this. Following deliberation, the Compensation Committee accepted the proposal and presented it for deliberation by the Board that then approved it. His compensation is thus set at euro 1,900,000 as from June 1, 2019.

The compensation principles and criteria for Maurice Lévy as Chair of the Supervisory Board in respect of the 2019 financial year were approved by the General Shareholders' Meeting of May 29, 2019 (fourteenth resolution) pursuant to article L. 225-82-2 of the French Commercial Code (*ex-ante* vote).

Maurice Lévy does not have an employment contract with Publicis Groupe SA or any of its subsidiaries and does not receive any other compensation from Publicis Groupe SA or any of its subsidiaries.

The compensation policy for the Chair of the Supervisory Board in respect of the 2020 financial year will be subject to approval by the General Shareholders' Meeting of May 27, 2020 in its sixth resolution pursuant to article L. 225-82-2 (II) of the French Commercial Code.

In the exceptional environment of the Covid-19 pandemic, Maurice Lévy informed the Company of his decision to reduce his annual compensation by 30%.

3.2.1.4 Compensation policy for members of the Management Board

The compensation policy for the members of the Management Board is based on the same items as all corporate officers set out in Section 3.2.1.1 and includes the specific items submitted below.

In accordance with article 10 IV of the Company's bylaws, compensation for the Chair and members of the Management Board is set by the Supervisory Board and reviewed on the recommendation of the Compensation Committee. For members of the Management Board other than the Chair, the Chair of the Management Board shall make proposals to the Compensation Committee.

The compensation policy of the Publicis Groupe Management Board aims to align the interests of the Groupe's Executives with those of the shareholders by establishing a strong link between performance and compensation. Within this context, its essential purpose is to encourage the achievement of ambitious objectives and create value on a long-term basis, by setting stringent performance criteria.

In order to do so, the compensation structure of the Publicis Groupe executives is based on fixed compensation and on annual and multi-year variable compensation directly linked to their individual performance as well as their contribution to Groupe performance.

Furthermore, it is based on an analysis (using the services of external consultants where necessary) of market trends observed in France and abroad, both in major international companies in general and, more specifically, in the companies competing with Publicis Groupe in terms of both business and talents.

The main competitors of Publicis Groupe are American and British companies.

This compensation policy is based on the following objectives:

- attract, develop, retain and motivate the most talented individuals in a business sector/industry fundamentally based on the quality of employees, and where competition for talent is particularly fierce, especially in the context of the digital transformation, underway throughout the industry;
- encourage the management to achieve a level of performance which is high, growing and long-lasting within a very competitive environment, where new players from consulting or technological firms have become direct competitors of Publicis Groupe.

It is guided by three principles:

- competitive and coherent compensation package with regard to market trends;
- internal equity, based on individual and collective performance, in order to ensure fair and balanced compensation reflecting the level of individual success of each person, measured both quantitatively and qualitatively;
- achieving all the short, medium and long-term financial and operating results directly linked with the Groupe's strategic objectives and for the benefit of all stakeholders, our clients, our employees, our shareholders and all stakeholders.

These principles apply to all Groupe executives and are adapted based on the geographical location of the individuals, taking into consideration the differences in terms of regulations, market practices and competitive environment.

Components of the compensation of the members of the Management Board

Management Board members' compensation comprises (i) a fixed portion, as well as (ii) a predominant variable portion, primarily based on performance and alignment of their interests with those of the Company and its shareholders. This variable compensation is made up of annual variable compensation and long-term variable compensation in the form of performance shares and/or stock options. This compensation structure applicable to the members of the Management Board is in line with that proposed to the Groupe's top executives.

Fixed compensation

The fixed part is determined by taking into account:

- the scope of responsibility and the complexity of tasks;
- the career path and experience of the person holding the position;
- consistency compared to the other Groupe functions (internal equity);
- market practice for identical or comparable positions (external competitiveness).

The level of fixed compensation is reviewed every two years both for the Management Board members as for the other Groupe executives in order to regularly assess its relevance and competitiveness.

Compensation for Management Board members is generally reassessed at relatively long intervals, in accordance with the Afep-Medef Corporate Governance Code recommendations, and when such a revision is justified, for example in the event of a change in scope or an adjustment relative to market practices or internal practices.

Annual variable compensation

Annual variable compensation is intended to represent a substantial part of the total annual compensation of the Management Board member, if objectives set are achieved. It encourages overperformance as a specific reward is paid when the objectives are exceeded.

Annual variable compensation is subject to financial, and non-financial, quantifiable performance conditions.

No minimum amount is guaranteed. Annual variable compensation is calculated on a prorata basis for the year of the start of the term of office to the year of the end of the term of office.

It is based on several quantifiable and qualitative criteria, assessed separately, which take into account:

- the Groupe's overall performance (organic growth and operating margin) and/or the performance of the network to which the manager belongs;
- achieving the personal objectives of the manager assessed *a posteriori* by taking into account the quantitative results and the context in which the performance was achieved.

These parameters are determined in advance for each financial year and proposed by the Compensation Committee to the Supervisory Board for approval.

For the purposes of illustration, in 2020, the organic growth and operating margin targets will be the same for all Management Board members and defined as follows:

- the organic growth of Publicis Groupe's net revenue measured against the Commitment objectives presented to the Supervisory Board;
- the operating margin of Publicis Groupe will be compared to the operating margin of peer group companies. If Publicis Groupe posts the best margin, 100% of the variable compensation for this criterion will be attributed. If Publicis Groupe does not post the best margin, the percentage awarded then depends on ranking and on whether Publicis Groupe is in second or third position. No variable compensation is awarded on the basis of this criterion if Publicis Groupe comes in fourth.

Detailed elements of annual variable compensation for the 2020 financial year are explained below in Section 3.2.1.5 for the Chair of the Management Board and further down this section for the other members of the Management Board.

Variable long-term compensation

The share-based compensation program is meant to incentivize on a long-term basis. It is subject to stringent performance conditions to develop loyalty and encourage the organization's key talents over the long-term and common interests with Publicis Groupe SA shareholders (see Section 6.6 Note 30 to the consolidated financial statements).

Grant of performance shares

The performance shares are not only intended to incentivize Executive corporate officers over the long-term but also to retain them and to help align their interests with the best interests of the Company and shareholders.

The members of the Management Board may therefore receive compensation in the form of Publicis Groupe shares, specifying that the allocation of shares is subject to performance and continued presence conditions to be met over a period generally set at three years.

By way of illustration, the members of the Management Board currently benefit from the "**LTIP *Directoire***" performance share plan, which is set up every three years. The acquisition of Publicis Groupe shares is subject to performance criteria that are measured following a three-year period, such that the total number of shares delivered will depend on the level of achievement of financial performance objectives, namely achieving a certain rate of organic growth and an operating margin compared to a peer group of companies competing with Publicis Groupe. Since 2019, some of the Publicis Groupe shares awarded are also subject to a CSR (Corporate Social Responsibility) criterion. The number of shares actually awarded is determined in accordance with the level of attainment of these performance targets. Moreover, the vesting of Publicis Groupe shares is also subject to the fulfillment of continued presence during the three-year vesting period. To take into account the three-year grant period, this plan is subject to an annual valuation during the three-year vesting period in the financial statements.

Type of plan	LTIP 2019-2021		
Performance conditions	Organic growth rate of Publicis Groupe compared to a peer group	Operating margin of Publicis Groupe compared to a peer group	A CSR criterion[1]
Type of performance conditions	Relative performance compared with the peer group Omnicom, WPP, IPG, Publicis Groupe		
Weighting[2]	45% of shares awarded	45% of shares awarded	10% of shares awarded
Acquisition[3]	• Highest organic growth rate compared to the peer group: 100% of the shares delivered; • Growth rate in 2nd position: 75% of the shares delivered; • Margin in 3rd position: 50% or 30% of the shares delivered depending on the difference with the 2nd position: if the difference is minimal (< 10%), 50% may be delivered, and if the difference is significant (> 15%), 30% will be delivered. For a difference between 10% and 15%, the Compensation Committee will decide the percentage of the shares that may be delivered. This requires final approval from the Supervisory Board.	• Highest operating margin compared to the peer group: 100% of the shares delivered; • Margin in 2nd position: 75% of the shares delivered; • Margin in 3rd position: 50% or 30% of the shares delivered depending on the difference with the 2nd position: if the difference is minimal (< 10%), 50% may be delivered, and if the difference is significant (> 15%), 30% will be delivered. For a difference between 10% and 15%, the Compensation Committee will decide the percentage of the shares that may be delivered. This requires final approval from the Supervisory Board.	• 10% of the shares awarded will be delivered if the CSR performance condition is achieved: at least 40% women on the Groupe's Executive Committees, in Solutions, and main countries.
Performance period	Following a three-year period at the end of which performance is calculated		

(1) A CSR criterion was added to the performance conditions in 2019.
(2) New weighting for the 2019-2021 plan to include the CSR performance condition.
(3) New standardized performance conditions for organic growth and operating margin.

Stringent criteria

Publicis Groupe strives to use appropriate and ambitious criteria. These criteria are primarily based on a quantifiable, performance-related assessment (encouraging Publicis Groupe management to deliver the best results in the market) as well as complete transparency, results being mostly measured against public data. These decisions turn the plans into a tool for motivating and retaining Publicis Groupe management. The historic rates of achievement of performance conditions for the various plans that have been established show how fitting and extremely ambitious the criteria used are, making it possible to align Groupe and shareholder interests over the long term.

As an illustration, the rates of achievement of performance conditions for plans awarded in 2013 and 2016 demonstrate that grants are based on strict conditions and that they are consistent with shareholders' interests over the long-term.

Plan	2013-2015 LionLead2	LTIP 2013-2015 Directoire	LTIP 2016-2018 Directoire	2016-2018 LionLead3
Percentage	50%	53.2%	50%	75%

The LTIP 2019-2021 *Directoire* plan shares will be delivered, subject to final validation and an external opinion on the performance conditions, on June 14, 2022.

Stability of the performance conditions

The Supervisory Board considers that consistency in the performance conditions helps to create long-term value. This is why the performance criteria concerning organic revenue growth and the Groupe's operating margin have been used since 2003 in long-term compensation programs and for annual variable portions.

In accordance with the Afep-Medef Corporate Governance Code revised in June 2018, a CSR criterion was introduced in 2019.

Uniqueness of the performance conditions

The same performance conditions have been used to date for all of the Groupe's long-term compensation programs, whether they relate to Management Board members or other executives. The main objective is to align the interests of the entire management team with the Groupe's strategic objectives.

Vesting period

In order to favor the retention of members of the Management Board, no shares are acquired by the beneficiaries before the end of a continued presence condition in the Groupe, and subject to the performance conditions being satisfied. This vesting period is three years.

Continued presence condition

Except in the specific case of death, disability or retirement, or in exceptional circumstances explained by the Supervisory Board and made public, the acquisition of shares is subject to compliance with the continued presence condition for Management Board members until the end of the vesting period.

This condition may only be waived upon recommendation of the Supervisory Board after obtaining the opinion of the Compensation Committee.

Maximum share grant level

Publicis Groupe share awards to Management Board members are limited to 0.3% of the Company's share capital, a ceiling that also applies to stock options. This ceiling is far from being achieved.

Mandatory holding

The Supervisory Board has decided that, in addition to the specific plan rules, Management Board members must maintain ownership of at least 20% of the shares they were awarded, in registered form, throughout their term of office. In addition, in accordance with the Afep-Medef Corporate Governance Code, Management Board members undertake not to use hedging instruments on shares to be received or shares received but which are non-transferable.

Grant frequency

Share compensation plans are awarded (or their conditions are set) after the publication of the net income for the previous financial year.

Stock option plan

The Management Board reserves the right to grant stock options.

These awards are limited to 0.3% of the Company's share capital, a ceiling that also applies to performance shares.

Supplementary pension plan

The Groupe has currently not chosen to implement a supplementary pension plan for corporate officers who are under the French system.

Collective health and welfare insurance and systems

Management Board members may benefit from collective health and welfare insurance based on applicable local regulations.

Unemployment insurance for corporate officers

Private insurance coverage under the French plan was offered to the members of the Management Board who cannot benefit from the compulsory unemployment insurance for employees.

Employment contract

With the exception of the Chair of the Management Board, the members of the Management Board may have an employment contract with a company of the Groupe.

Severance payment

The members of the Management Board may be entitled to severance payment in case of imposed departure, granted in accordance with current law and the Afep-Medef Corporate Governance Code. In accordance with said code, the cumulative amount of the severance payment and non-compete compensation may not exceed twenty-four months of total compensation (annual fixed and variable compensation).

Detailed elements of severance payments are explained in Section 3.2.1.5 for the Chair of the Management Board and further down this section for the other members of the Management Board.

Non-compete agreement

The members of the Management Board may be bound by a non-compete agreement and, in consideration, benefit from non-compete compensation in accordance with current legislation and the Afep-Medef Corporate Governance Code. The Supervisory Board reserves the right to forgo this commitment. In accordance with said code, the cumulative amount of the severance payment and non-compete compensation may not exceed twenty-four months of total compensation (annual fixed and variable compensation). It should also be recalled that, in accordance with article R. 225-56-1 (III) of the French Commercial Code, the payment does not apply when the interested party is retiring.

Other elements

Management Board members may be entitled to benefits based on local regulations and compensation practices, such as the use of a Groupe company car.

Where a member of the Management Board has been hired from outside the Groupe, the Supervisory Board may decide to compensate the loss of benefits, in whole or in part, due to his or her leaving the former employer.

Detailed quantified elements of the compensation policy are explained in Section 3.2.1.5 for the Chair of the Management Board and in this section for the other members of the Management Board.

Modification to the Management Board's composition

If a new Management Board is appointed or a new member joins the Management Board, the above compensation policy applicable to Management Board members is applicable to them. The Supervisory Board, upon the recommendation of the Compensation Committee, will determine, within the framework of this policy, depending on the specific situation of the person concerned, the fixed and variable components of their compensation, as well as the parameters, objectives and criteria for the variable elements of their compensation.

Policy applicable to Jean-Michel Etienne, Management Board member

Annual fixed compensation

The gross annual fixed compensation of Jean-Michel Etienne amounts to euro 840,000, unchanged from 2016.

The Supervisory Board had approved this compensation in line with:

- his experience and performance in his capacity as Financial Director;
- the widened scope of his duties following the acquisition of Sapient; and
- the market practices in compensation observed for this level of responsibility in France and for Publicis Groupe business sector abroad.

Annual variable compensation

The Supervisory Board, upon the recommendation of the Compensation Committee, decided on the criteria for the variable compensation of Jean-Michel Etienne for the 2020 financial year.

The variable compensation of Jean-Michel Etienne, which, if targets are met, may represent up to 100% of his fixed compensation, without exceeding this percentage, is based on the following for the 2020 financial year:

- two quantitative criteria linked to the financial performance of the Groupe, the assessment method of which was changed for 2020, each being taken into account on an equal basis, for 30% of the variable compensation:
  - organic growth based on the Commitment objectives submitted to the Supervisory Board (see Section 3.2.1.4 "Annual variable compensation"), and
  - operating margin, compared to a peer group (see Section 3.2.1.4 "Annual variable compensation");
- four individual financial and non-financial criteria (including three governed by precise quantitative objectives), for 60% of the variable part, each one being taken into account on an equal basis:
  - management and execution of the savings plan in accordance with the initial Sprint to the Future program, only applied to 2020,
  - cash flow management,
  - employee expenses, and
  - achievement of the objectives of the "All In One" real estate program.
- two CSR criteria, accounting for 10% of variable compensation:
  - 40% women on Executive Committees, and
  - 6% increase in the Groupe's consumption of renewable energy to the detriment of fossil fuels (compared with 2019 - rate set at 37,1%).

In addition, as indicated in Section 3.2.1.1 and in the exceptional context of the Covid-19 pandemic, the assessment of the performance of Jean-Michel Etienne for the year 2020 will take into account his ability to manage the crisis, without modifying his overall variable compensation as a percentage of the fixed compensation: ensure the health and safety of the Groupe's employees, maintain smooth operations, protect client's revenue and portfolios, rigorously manage costs, take appropriate measures for the strict management of resources and the protection of the Groupe's assets.

Long-term variable share-based compensation

Jean-Michel Etienne joined the LTIP 2019-2021 *Directoire* performance shares plan. The number of shares that may be delivered in 2022 at the end of a three-year vesting period (except in the event of death or disability), will depend – for 90% of the shares awarded – on Publicis Groupe's average financial performance over a three-year period (2019-2021) as compared with the average financial performance of a peer group comprising WPP, Omnicom, IPG and Publicis Groupe, plus a CSR condition for 10% of the shares awarded.

Assuming the performance conditions are met, entitlement to receive shares is subject to continued employment until the end of the vesting period.

Any entitlement to receive shares under the LTIP 2019-2021 *Directoire* plan will be lost upon resignation.

In the event of forced departure or a departure due to a change in control or strategy and except in the event of serious or gross misconduct, shares awarded more than two years prior may be retained *prorata temporis*, subject to performance conditions.

In the event of retirement, he may, at the end of the vesting period and upon approval by the Supervisory Board, in accordance with the compensation policy approved by shareholders and applicable at that time, receive the shares granted to him more than two years prior *prorata temporis*.

Benefits in kind

The use of one of the Company cars.

Collective health and welfare insurance and systems

Jean-Michel Etienne benefits from the coverage applicable to executives of his level under the French system.

Employment contract

Jean-Michel Etienne continues to benefit from an employment contract with one of the Groupe's subsidiaries.

Severance payment

The current commitments to Jean-Michel Etienne provide that in the event of a forced departure due to a change in control or strategy and other than in the case of serious or gross misconduct, Jean-Michel Etienne would be entitled to a severance payment.

Provided that Jean-Michel Etienne does not continue to be employed by Publicis Groupe, the amount of the severance would be equal to one and a half years' total gross compensation (fixed compensation and variable component paid).

He would also have the right to exercise the subscription and/or purchase options that have been awarded to him, and to retain *prorata temporis* the performance shares already granted to him more than two years prior, subject to the performance conditions set out in the regulations for the plan in question being satisfied.

In addition, the payment of the severance amount would be subject to a performance condition: the severance amount would only be due in its full amount if the average annual amount of the variable compensation acquired by Jean-Michel Etienne for the three years prior to the termination of his duties is equal to at least 75% of his "target variable compensation". If the average annual amount is less than 25% of the "target variable portion", no sum or benefits will be due. If the average annual amount is between 25% and 75% of the "target variable compensation", payments and benefits will be calculated on a proportional basis between 0% and 100% using the rule of three.

The severance payment may only be paid after the determination by the Supervisory Board that the performance conditions had been achieved at the date on which his term as a member of the Management Board ended.

The severance payment and any compensation under the employment contract may not exceed two years of total compensation (fixed and variable compensation paid).

These commitments were authorized by the Supervisory Board on September 12, 2018 and approved by the Combined Ordinary and Extraordinary Shareholders' Meeting of May 29, 2019 in its sixth resolution for commitments formerly subject to the procedures on related-party agreements.

Policy applicable to Anne-Gabrielle Heilbronner, Management Board member

Annual fixed compensation

The gross annual fixed compensation of Anne-Gabrielle Heilbronner was euro 600,000, unchanged from 2016.

The Supervisory Board, upon the Compensation Committee's recommendation, had approved this compensation in line with:

- the widened scope of Anne-Gabrielle Heilbronner's responsibilities as the Groupe's Secretary General, which include legal and corporate Governance functions, human resources, internal audit, internal control and risk management, procurement, the complexity of which was increased following the acquisition of Sapient;
- the market practices in compensation observed for this level of responsibility in France and for Publicis Groupe business sector abroad.

CSR was included in her scope in the summer of 2017.

In the exceptional environment of the Covid-19 pandemic, Anne-Gabrielle Heilbronner informed the Company of her decision to relinquish 20% of her fixed compensation for a period of six months starting in April 2020. The Company has duly noted Anne-Gabrielle Heilbronner's decision, which leaves unchanged and has no effect on the Company's other obligations to her.

Annual variable compensation

The Supervisory Board, upon the recommendation of the Compensation Committee, decided on the criteria for the variable compensation of Anne-Gabrielle Heilbronner for the 2020 financial year.

The variable compensation of Anne-Gabrielle Heilbronner, which, if targets are met, may represent up to 100% of her fixed compensation, without exceeding this percentage, is based on the following for the 2020 financial year:

- two quantitative criteria linked to the financial performance of the Groupe, the assessment method of which was changed for 2020, each being taken into account on an equal basis, for 30% of the variable compensation:
  - organic growth based on the Commitment objectives submitted to the Supervisory Board (see Section 3.2.1.4 "Annual variable compensation"), and
  - operating margin, compared to a peer group (see Section 3.2.1.4 "Annual variable compensation");
- five individual non-financial criteria in line with main areas of responsibility, accounting for 70% of variable compensation:
  - internal audit and control (15%): quality of execution and achievement of objectives (including follow-up),
  - procurement (15%): reduction of purchasing costs,
  - human resources (10%): roll out of the HRIS platform such as to enable the Marcel platform to operate,

- legal (15%): performance and operational quality of Legal Department, and
- CSR (15%): 40% women on the Groupe's main executive committees and 6% increase in the Groupe's consumption of renewable energy to the detriment of fossil fuels (compared with 2019 – rate set at 37.1%).

In addition, as indicated in Section 3.2.1.1 and in the exceptional context of the Covid-19 pandemic, the assessment of the performance of Anne-Gabrielle Heilbronner for the year 2020 will take into account her ability to manage the crisis, without modifying her overall variable compensation as a percentage of the fixed compensation: ensure the health and safety of the Groupe's employees, maintain smooth operations, protect clients' revenue and portfolios, rigorously manage costs, take appropriate measures for the strict management of resources and the protection of the Groupe's assets.

Long-term variable share-based compensation

Anne-Gabrielle Heilbronner joined the LTIP 2019-2021 *Directoire* performance shares plan.

The number of shares that may be delivered in 2022 at the end of a three-year vesting period (except in the event of death or disability), will depend – for 90% of the shares awarded – on Publicis Groupe's average financial performance over a three-year period (2019-2021) as compared with the average financial performance of a peer group comprising WPP, Omnicom, IPG and Publicis Groupe, plus a CSR condition for 10% of the shares awarded.

Assuming the performance conditions are met, entitlement to receive shares is subject to continued employment until the end of the vesting period.

Any entitlement to receive shares under the LTIP 2019-2021 *Directoire* plan will be lost upon resignation.

In the event of forced departure or a departure due to a change in control or strategy and except in the event of serious or gross misconduct, shares awarded more than two years prior may be retained *prorata temporis*, subject to performance conditions.

In the event of retirement, she may, at the end of the vesting period and upon approval by the Supervisory Board, in accordance with the compensation policy approved by shareholders and applicable at that time, receive the shares granted to her more than two years prior *prorata temporis*.

Benefits in kind

The use of one of the Company cars.

Moreover, Anne-Gabrielle Heilbronner is covered by the job-loss insurance taken out by Publicis Groupe for its corporate officers, as the French unemployment office (Pôle Emploi) does not cover this.

Collective health and welfare insurance and systems

Anne-Gabrielle Heilbronner benefits from the coverage applicable to executives of her level under the French system.

Employment contract

Anne-Gabrielle Heilbronner continues to benefit from an employment contract with one of the Groupe's subsidiaries.

Severance payment

The current commitments to Anne-Gabrielle Heilbronner provide that in the event of a forced departure due to a change in control or strategy and other than in the case of serious or gross misconduct, Anne-Gabrielle Heilbronner would be entitled to a severance payment.

Provided that Anne-Gabrielle Heilbronner does not continue to be employed by Publicis Groupe, the amount of the severance would be equal to one year's total gross compensation (fixed and variable compensation paid). She would also have the right to exercise the options to subscribe to and/or to purchase the shares that have been awarded to her, and to retain, *prorata temporis*, the performance shares already granted to her more than two years prior, subject to the performance conditions set out in the regulations for the plan in question being satisfied.

In addition, the payment of the severance amount would be subject to a performance condition: the severance amount would only be due in its full amount if the average annual amount of the variable compensation acquired by Anne-Gabrielle Heilbronner for the three years prior to the termination of her duties is equal to at least 75% of his "target variable compensation". If the average annual amount is less than 25% of the "target variable portion", no sum or benefits will be due. If the average annual amount is between 25% and 75% of the "target variable compensation", payments and benefits will be calculated on a proportional basis between 0% and 100% using the rule of three.

The severance amount may only be paid after the determination by the Supervisory Board that the performance condition had been achieved at the date on which her term as a member of the Management Board ended.

The severance payment and any compensation under the employment contract may not exceed two years of total compensation (fixed and variable compensation paid).

These commitments were authorized by the Supervisory Board on September 12, 2018 and approved by the Combined Ordinary and Extraordinary Shareholders' Meeting of May 29, 2019 in its seventh resolution for commitments formerly subject to the procedures on related-party agreements.

Non-compete agreement

She is subject to a non-compete clause in her employment contract concluded upon her arrival at Publicis Groupe in 2012, *i.e.* before her appointment as a member of the Management Board. This non-compete clause is valid for a maximum of two years and provides a maximum financial compensation to be paid equal to 30% of the gross salary, excluding variable elements. Publicis Groupe may waive this clause.

Policy applicable to Steve King, Management Board member

Annual fixed compensation

Steve King's gross annual compensation from June 1, 2017 is GBP 900,000, *i.e.* euro 1,026,324.

His compensation is determined and paid in pounds sterling. The translation into euros was carried out at the average rate of 1 pound sterling = euro 1.14036 in 2019.

In the exceptional environment of the Covid-19 pandemic, Steve King informed the Company of his decision to relinquish 20% of his fixed compensation for a period of six months starting in April 2020. The Company has duly noted Steve King's decision, which leaves unchanged and has no effect on the Company's other obligations to him.

Annual variable compensation

The Supervisory Board, upon the recommendation of the Compensation Committee, decided on the criteria for the variable compensation of Steve King for the 2020 financial year.

The variable compensation of Steve King, which, if targets are met, may represent up to 160% of his fixed compensation, without exceeding this percentage, is based on the following for the 2020 financial year:

- two quantitative criteria linked to the financial performance of the Groupe, the assessment method of which was changed for 2020, each being taken into account on an equal basis, for 20% of the variable compensation:
  - organic growth based on the Commitment objectives submitted to the Supervisory Board (see Section 3.2.1.4 "Annual variable compensation"), and
  - operating margin, compared to a peer group (see Section 3.2.1.4 "Annual variable compensation");
- three quantitative criteria linked to the financial performance of Publicis Media and PMX in relation to the objectives, for 30% of variable compensation, each being taken into account on an equal basis:
  - organic growth,
  - operating margin, and
  - cash generation;
- three individual criteria in line with his new role in Europe, each being taken into account on an equal basis and accounting for 45% of variable compensation:
  - setting up effective, clear and robust management in Europe, with clear objectives for each individuals,
  - impact on growth of cross-fertilization of skills between countries and disciplines, and
  - setting up global services with the aim of creating clear, value-added services and impacting growth;
- two CSR criteria, accounting for 5% of variable compensation:
  - 40% women on Executive Committees in Europe, and
  - 6% increase in the Groupe's consumption of renewable energy to the detriment of fossil fuels (compared with 2019 - rate set at 37,1%).

In addition, as indicated in Section 3.2.1.1 and in the exceptional context of the Covid-19 pandemic, the assessment of the performance of Steve King for the year 2020 will take into account his ability to manage the crisis, will take into account his ability to manage the crisis without modifying his overall variable compensation as a percentage of the fixed compensation: ensure the health and safety of the Groupe's employees, maintain smooth operations, protect client's revenue and portfolios, rigorously manage costs, take appropriate measures for the strict management of resources and the protection of the Groupe's assets.

Long-term variable share-based compensation

Steve King joined the LTIP 2019-2021 *Directoire* performance shares plan.

The number of shares that may be delivered in 2022 at the end of a three-year vesting period (except in the event of death or disability), will depend – for 90% of the shares awarded – on Publicis Groupe's average financial performance over a three-year period (2019-2021) as compared with the average financial performance of a peer group comprising WPP, Omnicom, IPG and Publicis Groupe, plus a CSR condition for 10% of the shares awarded.

Assuming the performance conditions are met, entitlement to receive shares is subject to continued employment until the end of the vesting period.

Any entitlement to receive shares under the LTIP 2019-2021 *Directoire* plan will be lost upon resignation.

In the event of forced departure or a departure due to a change in control or strategy and except in the event of serious or gross misconduct, shares awarded more than two years prior may be retained *prorata temporis*, subject to performance conditions.

In the event of retirement, he may, at the end of the vesting period and upon approval by the Supervisory Board, in accordance with the compensation policy approved by shareholders and applicable at that time, receive the shares granted to him more than two years prior *prorata temporis*.

Benefits in kind

Steve King benefits from the reimbursement of expenses related to his vehicle.

Collective health and welfare retirement insurance and systems

Steve King benefits from the coverage applicable to executives of his level in the United Kingdom.

Employment contract

Steve King benefits from an employment contract with one of the Groupe's United Kingdom subsidiaries.

Severance payment

Steve King benefits from a severance payment and the terms of the non-compete agreement as they appear in his employment contract with one of the Groupe's subsidiaries in the United Kingdom. No other compensation will be due.

In the event of a forced departure due to a change in control or strategy and other than in the case of serious or gross misconduct, Steve King would be entitled to this single severance payment.

Provided that Steve King does not continue to be employed by Publicis Groupe, the amount of the severance would be equal to one year's total gross compensation (fixed and variable compensation paid), calculated using the average of the latest 24 months of compensation.

He would also have the right to exercise the options to subscribe to and/or to purchase the shares that have been awarded to him, and to retain the performance shares already granted to him *prorata temporis* more than two years prior, subject to the performance conditions set out in the regulations for the plan in question being satisfied.

In addition, this severance payment would be subject to a performance condition: the severance amount would only be due in its full amount if the average annual amount of the variable compensation acquired by Steve King for the three years prior to the termination of his duties is equal to at least 75% of his "target variable compensation". If the average annual amount is less than 25% of the "target variable compensation", no sum or benefits will be due. If the average annual amount is between 25% and 75% of the "target variable compensation", payments and benefits will be calculated on a proportional basis between 0% and 100% using the rule of three.

The severance payment may only be paid after the determination by the Supervisory Board that the performance conditions had been achieved at the date on which his term as a member of the Management Board ended.

The Supervisory Board reaffirmed that this severance payment and any compensation for a non-compete obligation (see below) may not exceed 12 months of total compensation (fixed and variable compensation paid).

These commitments were authorized by the Supervisory Board on September 12, 2018 and approved by the Combined Ordinary and Extraordinary Shareholders' Meeting of May 29, 2019 in its eighth resolution for commitments formerly subject to the procedures on related-party agreements.

Non-compete agreement

Steve King is subject to a non-compete obligation in his employment contract with a British subsidiary of the Group. This obligation does not give rise to financial consideration as permitted by applicable local regulations.

The Supervisory Board reaffirmed that any severance payment and any compensation for a non-compete obligation may not exceed 12 months of total compensation (fixed and variable compensation paid).

The non-compete agreement was specifically approved by the General Shareholders' Meeting of May 31, 2017. This agreement remains in force until a decision to the contrary by the Supervisory Board.

The compensation policy for Management Board members in respect of the 2020 financial year will be subject to approval by the General Shareholders' Meeting of May 27, 2020 in its ninth resolution pursuant to article L. 225-82-2 (II) of the French Commercial Code.

3.2.1.5 Compensation policy for the Chair of the Management Board

The compensation policy for the Chair of the Management Board is based on the same items as all corporate officers set out in Section 3.2.1.1 and includes the items applicable to Management Board members presented in Section 3.2.1.4 as well as the specific items submitted below.

Fixed compensation

The Chair of the Management Board receives fixed compensation in consideration for his role.

The gross annual compensation of Arthur Sadoun as Chair of the Management Board of Publicis Groupe SA amounts to euro 1,000,000 per year, unchanged since June 1st 2017.

In the exceptional environment of the Covid-19 pandemic, Arthur Sadoun informed the Company of his decision to relinquish 30% of his fixed compensation for a period of six months starting in April 2020. The Company has duly noted Arthur Sadoun's decision, which leaves unchanged and has no effect on the Company's other obligations to him.

Annual variable compensation

The Chair of the Management Board may receive annual variable compensation.

The Supervisory Board, upon the recommendation of the Compensation Committee, decided on the criteria for the variable compensation of Arthur Sadoun for the 2020 financial year.

The variable compensation of Arthur Sadoun, which, if targets are met, may represent up to 200% of his fixed compensation, without exceeding this percentage, is based on the following for the 2020 financial year:

- three quantitative criteria, two of which being financial criteria and the other being value creation, accounting for 75% of the overall weight of the criteria, taking into consideration trends in Publicis Groupe growth and profitability:
- organic growth in Groupe revenue based on the Commitment objectives submitted to the Supervisory Board for 25% (see Section 3.2.1.4 "Annual variable compensation"),
- operating margin (the highest in the market compared with that of a peer group comprising three other major international communications groups, *i.e.* Omnicom, WPP and IPG) accounting for 25% (see Section 3.2.1.4 "Annual variable compensation"),
- and for 25%, the rate of change of the Groupe's headline diluted earnings per share (headline diluted EPS), comparing

the headline diluted earnings per share of the financial year and the average headline diluted earnings per share of the two previous financial years and the TSR (Total Shareholder Return) which reflects the difference between the share price of Publicis Groupe SA at the end of the financial year under review and the share price at the start of that same year (on the basis of the average of the opening listed share prices recorded in the last 20 trading sessions in the year, compared to the average of the opening listed share prices in the first 20 trading sessions of the year), increased by the amount of the dividends paid during the financial year. This criterion is directly linked to the interests of shareholders.

These financial and stock exchange performance criteria were chosen by the Supervisory Board, following the proposal of the Compensation Committee, because they best express the quality of the Company's performance. Two of them are measured in comparison with the main competitors of Publicis Groupe, they encourage overperformance. Apart from the growth-related criterion (which is now set in relation to Commitment rather than in comparison with a peer group), the other criteria are unchanged from 2019;

- non-financial individual criteria corresponding to 25% of the overall weight of the criteria in order to value the implementation of key strategic actions which will yield long-term effects on the Groupe's development:
- development of "Data and Epsilon Cloud" accounting for 8%,
- execution of the Digital Business Transformation (Publicis Sapient) development plan accounting for 8%, and
- two CSR criteria accounting for 9%:
  - 40% women on the Groupe's key Executive Committees, and
  - 6% increase in the Groupe's consumption of renewable energy to the detriment of fossil fuels (compared with 2019 - rate set at 37,1%).

In addition, as indicated in Section 3.2.1.1 and in the exceptional context of the Covid-19 pandemic, the assessment of the performance of Arthur Sadoun for the year 2020 will take into account his ability to manage the crisis, will take into account his ability to manage the crisis without modifying his overall variable compensation as a percentage of the fixed compensation: ensure the health and safety of the Groupe's employees, maintain smooth operations, protect client's revenue and portfolios, rigorously manage costs, take appropriate measures for the strict management of resources and the protection of the Groupe's assets.

Long-term variable share-based compensation

The Chair of the Management Board may receive long-term variable share-based compensation.

For the purposes of illustration, Arthur Sadoun joined the LTIP 2019-2021 *Directoire* performance shares plan. The number of shares that may be delivered in 2022 at the end of a three-year vesting period (except in the event of death or disability), will depend – for 90% of the shares awarded – on Publicis Groupe's average financial performance over a three-year period (2019-2021) as compared with the average financial performance of a peer group comprising WPP, Omnicom, IPG and Publicis Groupe, plus a CSR condition for 10% of the shares awarded.

Assuming the performance conditions are met, entitlement to receive shares is subject to continued employment until the end of the vesting period.

Any entitlement to receive shares under the LTIP 2019-2021 *Directoire* plan will be lost upon resignation.

In the event of forced departure or a departure due to a change in control or strategy and except in the event of serious or gross misconduct, shares awarded more than two years prior may be retained *prorata temporis*, subject to performance conditions.

In the event of retirement, he may, at the end of the vesting period and upon approval by the Supervisory Board, in accordance with the compensation policy approved by shareholders and applicable at that time, receive the shares granted to him more than two years prior *prorata temporis*.

Benefits in kind

The Chair of the Management Board receives some benefits in kind.

Arthur Sadoun benefits from the use of a taxi firm and get a refund for his taxis and entertainment expenses.

Collective health and welfare insurance and systems

Arthur Sadoun benefits from the coverage applicable to executives at his level under the French system.

Employment contract

The Chair of the Management Board cannot have an employment contract with the Company.

Arthur Sadoun's employment contract with Publicis Conseil dated December 5, 2006 was terminated when he was appointed Chair of the Management Board.

Severance payment

In the event of a forced departure due to a change in control or strategy and other than in the case of serious or gross misconduct, Arthur Sadoun would be entitled to a severance payment.

The amount of the payment would be equal to one year of total gross compensation (fixed and variable portion paid) calculated using the average of the latest 24 months of compensation.

He would also have the right to exercise the options to subscribe to and/or to purchase the shares that have been awarded to him, and to retain the performance shares already granted to him *prorata temporis* more than two years prior, subject to the performance conditions set out in the regulations for the plan in question being satisfied.

In addition, the payment of the severance amount would be subject to a performance condition: the severance amount would only be due in its full amount if the average annual amount of the variable compensation acquired by Arthur Sadoun for the three years prior to the termination of his duties is equal to at least 75% of his "target variable compensation". If the average annual amount is less than 25% of the "target variable compensation", no sum or benefits will be due. If the average annual amount is between 25% and 75% of the "target variable compensation", payments and benefits will be calculated on a proportional basis between 0% and 100% using the rule of three.

The severance payment may only be paid after the determination by the Supervisory Board that the performance conditions had been achieved at the date on which his term as a member of the Management Board ended.

In the event of a forced departure or one related to a change in control or strategy, Arthur Sadoun will not be subject to a non-compete commitment or to non-solicitation.

These commitments were authorized by the Supervisory Board on September 12, 2018 and approved by the Combined Ordinary and Extraordinary Shareholders' Meeting of May 29, 2019 in its fifth resolution for commitments formerly subject to the procedures on related-party agreements.

Non-compete agreement

The Chair of the Management Board may be subject to a non-compete obligation in return for financial consideration.

The Supervisory Board accordingly decided to require from Arthur Sadoun in the event of his resignation a non-compete agreement and an agreement not to solicit personnel during the two years following the end of his Chairmanship of the Publicis Groupe SA Management Board.

In consideration of his observance of this non-compete agreement, Arthur Sadoun will receive monetary compensation (payable monthly in advance) in an amount equal to two years of total gross compensation (fixed and targeted variable portions) calculated using the average of the latest 24 months of compensation.

The Supervisory Board may waive this clause.

Arthur Sadoun will not be held to a non-compete obligation in the event of a forced departure. In any case, Arthur Sadoun may not receive both a severance payment and an indemnity in respect of the non-compete agreement.

In its twenty-first resolution, the General Shareholders' Meeting of May 31, 2017 approved this non-compete indemnity in respect of the commitments subject to the related-party agreements procedure.

The compensation policy for the Chair of the Management Board in respect of the 2020 financial year will be subject to approval by the General Shareholders' Meeting of May 27, 2020 in its eighth resolution pursuant to article L. 225-82-2 (II) of the French Commercial Code.

B - RESULT OF VOTES ON THE COMPENSATION POLICY FOR CORPORATE OFFICERS

- Compensation policy for the Chair of the Supervisory Board, 6th resolution adopted with 90,37% support
- Compensation policy for the other members of the Supervisory Board, 7th resolution adopted with 99,87% support
- Compensation policy for the Chair of the Management Board, 8th resolution adopted with 89,05% support
- Compensation policy for the other members of the Management Board, 9th resolution adopted with 89,05% support