



ADDITIONAL INFORMATION

1. Say on Pay Kevin Roberts

The decision was made by the Supervisory Board to change the structure of Kevin Roberts' variable compensation to better reflect his new responsibilities.

The Head coach role is a completely new one, that has been well established by Kevin in 2015. The Supervisory Board has considered that this was already a great achievement as it is always extremely challenging to establish a new role in a big and mature company such as Publicis Groupe.

This role is described in the Registration Document and covers the following areas: steering the reflection of work groups on Publicis Groupe's repositioning, steering of the redefinition exercise for the group's strategy and reorganization, individual support for P12 members in the development of their respective scopes of responsibility.

The work performed by Kevin Robert in these areas was exceptional and led to Publicis Groupe renewed strategy and purpose and to its new organization that was announced in December 2015 and is now being implemented successfully.

Kevin Roberts' implication in this process of transformation was of paramount importance: he led the work done at the P12 level to redefine Publicis Groupe's purpose, has played a key role in the San Francisco seminar where more than 300 executives of Publicis Groupe were gathered to work on the new strategy and the group's transformation, he organized the main work streams following up on the key challenges defined by the P12 as priorities for the group's transformation, he made sure that each of Publicis Groupe executives actually embraced the transformation and its importance for the future of the group.

This work continues in 2016 and remains of the utmost importance in the context of the reorganization and huge transformation that Publicis Groupe is implementing.

2. Say on Pay Anne-Gabrielle Heilbronner

- *With respect to Anne-Gabrielle Heilbronner target bonus of 100%*

The increase in Anne-Gabrielle Heilbronner target bonus from 70% to 100% was announced last year and made public in 2014 registration document.

The Supervisory Board, based on the Compensation Committee's opinion, has engaged in a gradual review of Anne-Gabrielle Heilbronner's compensation based on a continuous assessment of her scope of responsibilities, her performance and her potential.

The decision to increase the target bonus was made on the basis of internal benchmark (her appointment to the Directoire where the other members of the Directoire have target bonus of 100% and 240%) and assessment of Anne-Gabrielle Heilbronner's performances and potential.

- *Non-financial indicators accounting for 60% of the variable compensation*

The Supervisory Board, based on the Compensation Committee's opinion, has analyzed the relevant performance criteria to be assigned to the Secretary General whose scope of responsibility is not always easy to assess through financial data.

Despite the 60% of the target bonus being referred to as "non-financial", a number of quantitative items are taken into consideration to account for the global 60%. For instance the Compensation Committee has been informed of results obtained on various KPIs such as:

- the number of litigation and results of these litigations,
- contribution to the savings resulting from the integration of Sapient,
- the number of internal audit reviews performed in comparison to the internal audit plan and number of targeted analysis performed on key risks areas for Publicis Groupe,
- etc.

For 2016 and going forward, more quantitative indicators have been determined to be taken into consideration to decide on Anne-Gabrielle Heilbronner's bonus.

- *With respect to the exceptional bonus for 2015*

The Compensation Committee has recommended that exceptional performance observed in 2015 is translated into an exceptional bonus. The Supervisory Board has followed this recommendation, considering that:

- Anne-Gabrielle Heilbronner has delivered exceptional results in the context of the acquisition of Sapient, her involvement in the transaction having been a key factor of a rapid closing and integration,
- having been appointed to the Directoire in September 2014 when the Directoire LTIP was ongoing, she could not benefit from this plan and was, at the same time, losing her possibility to benefit from the LTI plan put in place for the other executives of Publicis Groupe.

In this context and taking these aspects under consideration, the Supervisory Board has decided to put in place an exceptional bonus payment in 2015.

It is well intended that this remains an isolated decision for this given year and that the LTI part of the compensation for Anne-Gabrielle Heilbronner becomes significant, consistent with Publicis Groupe willingness to ensure a good alignment of the interests of Publicis Groupe management team with that of the shareholders.

3. Restricted share plan

We would like to emphasize the significant effort made by Publicis Groupe to continuously improve both the structure of its share plans and their transparency.

- *Performance conditions*

With respect to our performance criteria, as indicated in our complementary document to shareholders, the distribution rate of the past plans, using the same performance conditions, has been circa 50% only, which shows clearly that these criteria are challenging. In particular, the performance condition linked to organic growth was not met for three consecutive years, 2013, 2014 and 2015, which shows that this condition is actually very stringent and exceptionally hard to achieve.

On the three year specific plan that is going to be launched for approx. 200 participants who accept to invest in Publicis Groupe shares, the plan being accessible only to those executives that will be selected by their management and will actually invest in Publicis Groupe shares taking a personal financial risk, the third performance condition is applicable to all of the plan's beneficiaries (and not only to management board and Directoire+ members). This new performance condition on Publicis Groupe operating margin target that is put in place for this specific three year plan is also particularly stringent as each year budget is always an improvement versus the previous year, the annual budget being always built as higher, both in terms of revenues and margin, as the previous year budget and actual results.

- *Peer group*

Regarding the peer group, it is indeed limited, but it allows Publicis Groupe to compare its performances versus its real and comparable competitors. It is also the group of competitors our people are referring to and when hired by a competitor most of the time these are the competitors they go to. The Compensation Committee has spent time analyzing the peer group and thinking about the relevance of extending it to other companies. It has finally reached the conclusion that it was more appropriate to keep the peer group unchanged, the other competitors of Publicis Groupe being competitors in a given market segment only, having a range of activities far different from that of Publicis and not being actually comparable in terms of business and operating model.

- *Performance period*

With respect to the performance period, two aspects have to be considered:

- For the specific three year plan open to participants that are selected by their management and invest directly in Publicis Groupe shares, the measurement of performance will be done annually but the shares will be granted only at the end of the three year period, provided that the other conditions of the plan are met. The reason why the performance is measured annually is the need for visibility expressed by our executives, the urgent need to

keep them highly motivated (the objective of the plan is to encourage our top management in being fully committed to delivering the company's strategic objectives for 2018, hence the need for motivation and transparency on the results achieved), the necessity to retain top talent in a situation where our turnover is high in an extremely competitive industry with competitors aggressively poaching our talents. However, there is an incentive for the participants to deliver performance regularly over the three years if they want to benefit from the full return of the plan, so there is no risk for our shareholders to see our executives being less inclined to delivering the performance that is expected. The combination of a three year plan with visibility each year on the annual results enables to achieve an indispensable balance between the interest of the company and its shareholders to see performance being delivered over the long term and the need for our executives to know where they are in terms of performance and to remain constantly highly motivated.

- For the specific three year plan and for management board and Directoire+ members, no annual performance is going to be measured, the results will be assessed after a full three year period, hence ensuring that the members of the management board and of the Directoire+ are actually incentivized over a long term period and motivated to deliver results over the long term.

- *Burn rate*

Publicis Groupe respectfully disagrees with the view that its peer group should be the "discretionary consumer" given the discretionary consumer:

- encompasses sectors such as automotive & auto components, hotels & restaurant & leisure, retail, luxury goods which are far away from our activity, and where finally only two companies of the sample would be our direct competitors (WPP, Havas),
- does not include Omnicom Group and IPG, our most comparable non-European competitors,
- is not seen as representative of our competitive space by analysts, investors and shareholders.