

# COMBINED GENERAL SHAREHOLDERS' MEETING

30 MAY  
2018



# PUBLICIS GROUPE SHAREHOLDERS' MEETING IS WEBCAST LIVE

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# AGENDA

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# ORDINARY GENERAL SHAREHOLDERS' MEETING

## AGENDA 1/4

### Resolutions:

- Approval of the corporate financial statements for fiscal year 2017
- Approval of the consolidated financial statements for fiscal year 2017
- Allocation of 2017 net income and declaration of dividend
- Option for payment of dividend in cash or shares
- Special report of the Statutory Auditors on related-party agreements
- Reappointment of Mrs. Elisabeth Badinter as member of the Supervisory Board for a period of 4 years



# ORDINARY GENERAL SHAREHOLDERS' MEETING

## AGENDA 2/4

### Resolutions (continued):

- Appointment of Mrs. Cherie Nursalim as member of the Supervisory Board for a period of 4 years
- Approval of the elements of compensation paid or awarded in respect of the 2017 fiscal year to Mrs. Elisabeth Badinter, Chair of the Supervisory Board until May 31, 2017
- Approval of the elements of compensation paid or awarded in respect of the 2017 fiscal year to Mr. Maurice Lévy, Chair of the Management Board until May 31, 2017
- Approval of the elements of compensation paid or awarded in respect of the 2017 fiscal year to Mr. Maurice Lévy, Chair of the Supervisory Board since June 1, 2017
- Approval of the elements of compensation paid or awarded in respect of the 2017 fiscal year to Mr. Arthur Sadoun, Chair of the Management Board since June 1, 2017



# ORDINARY GENERAL SHAREHOLDERS' MEETING

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## AGENDA 3/4

### Resolutions (continued):

- Approval of the elements of compensation paid or awarded in respect of the 2017 fiscal year to:
  - Mr. Jean-Michel Etienne, member of the Management Board
  - Mrs. Anne-Gabrielle Heilbronner, member of the Management Board
  - Mr. Steve King, member of the Management Board since June 1, 2017
- Approval of the principles and criteria governing the compensation of the Chair of the Supervisory Board in respect of the 2018 fiscal year
- Approval of the principles and criteria governing the compensation of the members of the Supervisory Board in respect of the 2018 fiscal year



# ORDINARY GENERAL SHAREHOLDERS' MEETING

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## AGENDA 4/4

### Resolutions (continued):

- Approval of the principles and criteria governing the compensation of the Chair of the Management Board in respect of the 2018 fiscal year
- Approval of the principles and criteria governing the compensation of the members of the Management Board in respect of the 2018 fiscal year
- Authorization to be granted to the Management Board entitling the Company to trade in its own shares



# EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING

## AGENDA 1/3

### Resolutions:

- Delegation of authority to be granted to the Management Board:
  - To issue, with preferential subscription rights, shares or securities
  - To issue, without preferential subscription rights, shares or securities in the form of a public offering
  - To issue, without preferential subscription rights, shares or securities in the form of a private placement
  - To increase the number of securities to be issued in the case of a capital increase, with or without preferential subscription rights, carried out in pursuance of the 20th to 22nd resolutions

# EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING

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## AGENDA 2/3

### Resolutions (continued):

- Authorization to be granted to the Management Board to determine the issue price of securities in the context of an increase in share capital by issue, without preferential subscription rights, in the form of a public offering or private placement
- Delegation of authority to be granted to the Management Board:
  - To increase capital by incorporation of reserves, net income, premiums or others
  - To issue shares or securities, without preferential subscription rights, in the event of a public offering initiated by the Company
- Authorization to be granted to the Management Board for the purpose of allotting new or existing shares, free of charge, to eligible employees and/or corporate officers entailing a waiver of shareholders' preferential subscription rights to the shares to be issued



# EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING

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## AGENDA 3/3

### Resolutions (continued):

- Delegation of authority to be granted to the Management Board to decide to issue shares or securities without preferential subscription rights:
  - For the benefit of members of a Company savings plan
  - For the benefit of certain categories of beneficiaries



# ORDINARY GENERAL SHAREHOLDERS' MEETING

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Resolution:

- Powers to carry out formalities



**PUBLICIS  
GROUPE**

# 2017, THE YEAR OF CHALLENGES

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« It is necessary to invent a new model for agencies as the historical AOR model is questioned »

« Agencies faced their clients' low growth and zero based budgeting »

## OUR INDUSTRY HAS BEEN PUT UNDER PRESSURE

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« Their value in the marketing landscape needs to be refined »

« Marketing spends are shifting to technology, consumer experience, data and digital transformation »

# GROWING CHALLENGES FOR OUR CLIENTS

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They must:

- Resume to grow
- Reduce their costs
- Rebuilt trust in their brand

⇒ ACCELERATE THEIR TRANSFORMATION

## Transparency

« Facebook in storm over Cambridge Analytica data scandal »



« Only 20 cents of every programmatic dollar reaches consumers »

**DIGIDAY**

# THE MARKETING WORLD IS FACING NEW CHALLENGES

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## Brand safety

« YouTube faces brand freeze over ads and obscene comments on videos of kids »

« Google to display fact-checking labels to show if news is true or false »

**theguardian**

WPP

OmnicomGroup

IPG

## A NEW FORM OF COMPETITION HAS EMERGED

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Deloitte.

accenture

EPSILON®

**IN FRONT OF THOSE CHALLENGES,  
WE HAVE NOT WAITED TO REACT**

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# 6 ACTIONS



TO TRANSFORM OUR INDUSTRY CHALLENGES  
INTO OPPORTUNITIES FOR PUBLICIS GROUPE

# 1. A NEW TEAM: THE MANAGEMENT BOARD



**JEAN-MICHEL  
ETIENNE**

**Executive Vice President, CFO  
PUBLICIS GROUPE**



**ANNE-GABRIELLE  
HEILBRONNER**

**Secretary General  
PUBLICIS GROUPE**



**STEVE  
KING**

**CEO  
PUBLICIS MEDIA**



**ARTHUR  
SADOUN**

**Chairman & CEO  
PUBLICIS GROUPE**

# 1. A NEW TEAM: THE EXECUTIVE COMMITTEE



**JEAN-MICHEL  
ETIENNE**

Executive Vice President, CFO  
PUBLICIS GROUPE



**ANNE-GABRIELLE  
HEILBRONNER**

Secretary General  
PUBLICIS GROUPE



**STEVE  
KING**  
CEO  
PUBLICIS MEDIA



**ARTHUR  
SADOUN**  
Chairman & CEO  
PUBLICIS GROUPE



**CARLA  
SERRANO**  
Chief Strategy Officer  
PUBLICIS GROUPE



**NIGEL  
VAZ**  
DBT Lead CEO EMEA & APAC  
PUBLICIS.SAPIENT



**VÉRONIQUE  
WEILL**  
General Manager  
PUBLICIS GROUPE



**ALAN  
WEXLER**  
CEO  
PUBLICIS.SAPIENT



**VALÉRIE  
BEAUCHAMP**  
EVP Business Development  
PUBLICIS GROUPE



**JUSTIN  
BILLINGSLEY**  
COO  
PUBLICIS COMMUNICATION



**AGATHE  
BOUSQUET**  
President France  
PUBLICIS GROUPE



**GERRY  
BOYLE**  
CEO APAC and EMEA  
PUBLICIS MEDIA



**ANDREW  
BRUCE**  
CEO North America  
PUBLICIS COMMUNICATION



**LISA  
DONOHUE**  
CEO  
PUBLICIS SPINE



**LORIS  
NOLD**  
CEO APAC  
PUBLICIS GROUPE



**RISHAD  
TOBACOWALA**  
Chief Growth Officer  
PUBLICIS COMMUNICATION



**ALEXANDRA  
VAN PLATO**  
CEO  
PUBLICIS HEALTH



**JAREK  
ZIEBINSKI**  
CEO  
PUBLICIS ONE



**NICK  
COLUCCI**  
COO North America  
PUBLICIS COMMUNICATIONS



**EMMANUEL  
ANDRÉ**  
Chief Talent Officer  
PUBLICIS GROUPE



**TIM  
JONES**  
CEO North America  
PUBLICIS MEDIA

## **2. A MODEL WHICH MAKES US UNIQUE AND COMPETITIVE**

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**BECOME THE INDISPENSABLE PARTNER  
OF OUR CLIENTS IN THEIR TRANSFORMATION**

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A large iceberg floats in a clear blue ocean. The visible tip is a small, jagged peak, while the vast, textured mass of the iceberg is submerged beneath the surface. The water is a deep, clear blue, and the sky is a lighter, clear blue. The horizon line is visible in the distance.

To address the challenges of tomorrow, companies must transform their entire organization

# MARKETING

A large iceberg is shown floating in a clear blue ocean. The tip of the iceberg is visible above the water surface, while the much larger, jagged base is submerged below. The background is a clear blue sky and ocean horizon.

To address the challenges of tomorrow, companies must transform their entire organization

# MARKETING

An iceberg floating in clear blue water. The tip of the iceberg is above the surface, while the much larger, jagged base is submerged below the surface. The background is a clear blue sky and water.

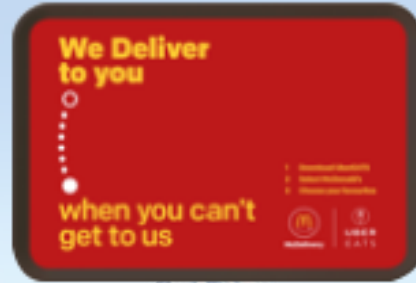
To address the challenges of tomorrow, companies must transform their entire organization

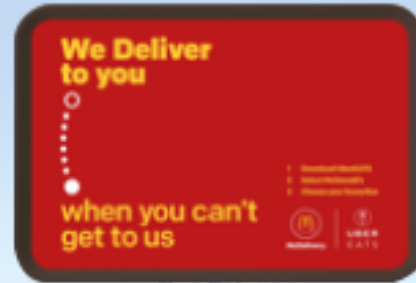
# OPERATIONS / BUSINESS MODEL

« Get your McDonald's at home,  
it's now possible »

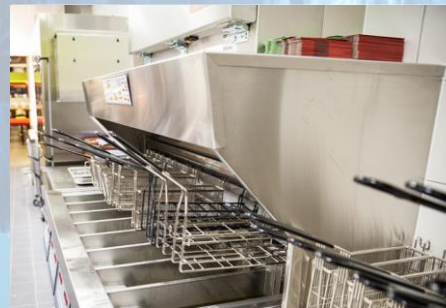
**LE FIGARO**







**Order on mobile**



**Process reorganization**



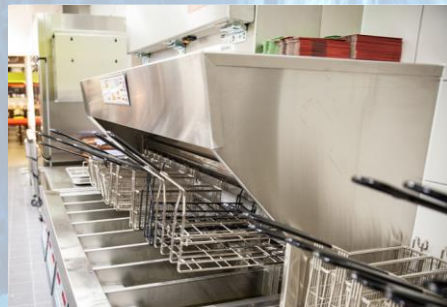
**Overhaul of IT system**



## Marketing Transformation



Order on mobile



Process reorganization



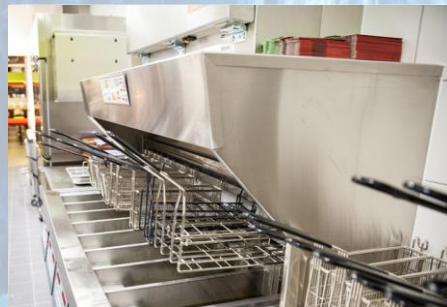
Overhaul of IT system



## Marketing Transformation



Order on mobile



Process reorganization



Overhaul of IT system

## Business Transformation



**PUBLICIS  
COMMUNICATIONS**



**PUBLICIS  
MEDIA**



**PUBLICIS.SAPIENT**



**Marketing  
Transformation**



**Business  
Transformation**

# 3. AN ORGANIZATION ADAPTED TO OUR MODEL: THE POWER OF ONE

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3 priorities:

- Client centric
- Breaking down silos at country level
- Technology at the core (data, consulting, tech)

⇒ Shift from a holding company to a platform

## **4. RECOVER A GROWTH DYNAMIC**

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# WITH OUR EXISTING CLIENTS



**P&G**



**Marc Pritchard**

Chief Brand Officer, *Procter&Gamble*

# FILM MARC PRITCHARD

# NEW BUSINESS



LIONSGATE



Bradesco



MOLSON *Coors*

L'ORÉAL



LLOYDS BANK



DIESEL



British Gas

Intermarché

Southwest

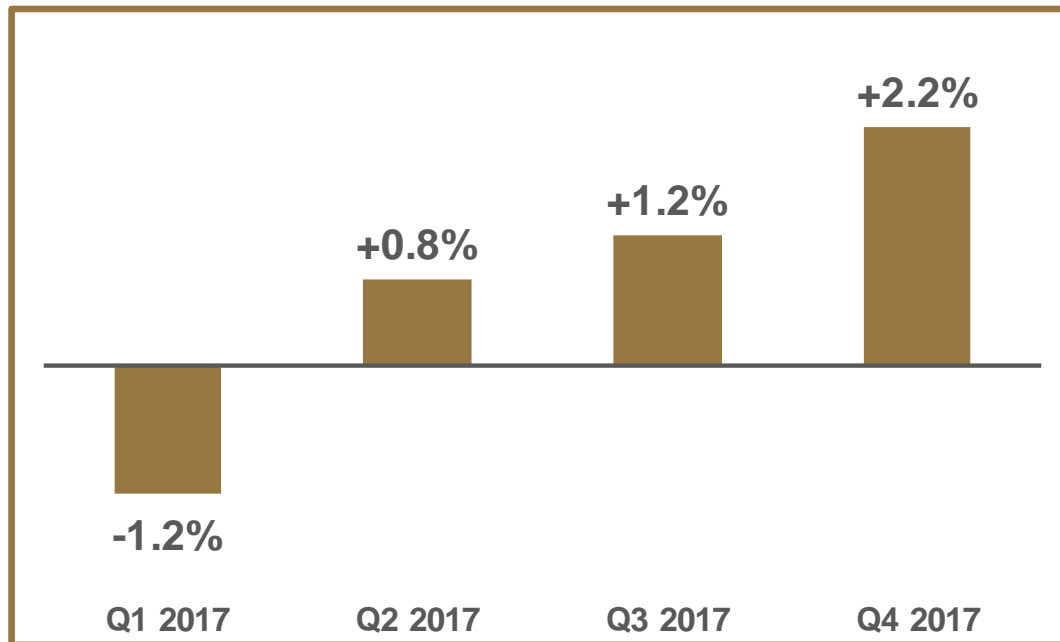


GlaxoSmithKline

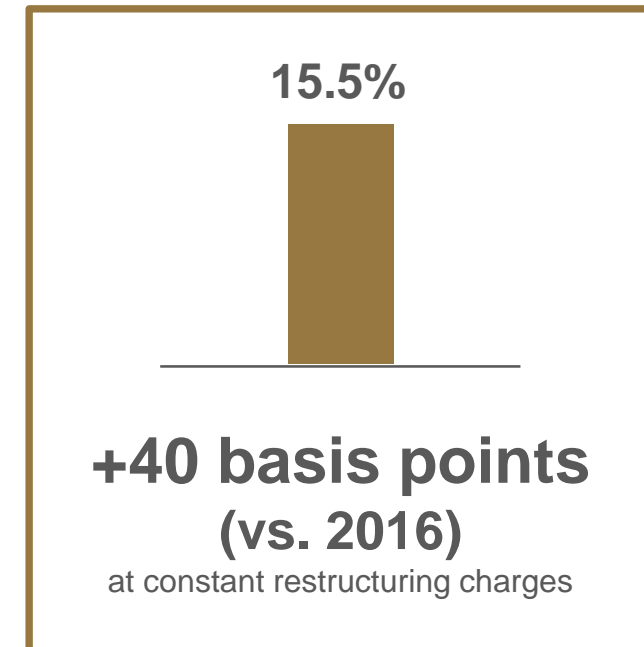
match.com

## 5. DELIVER ON FINANCIALS WHILE WE TRANSFORM

Quarterly organic growth rate in 2017



Operating margin rate in 2017



## 2017 KEY FIGURES

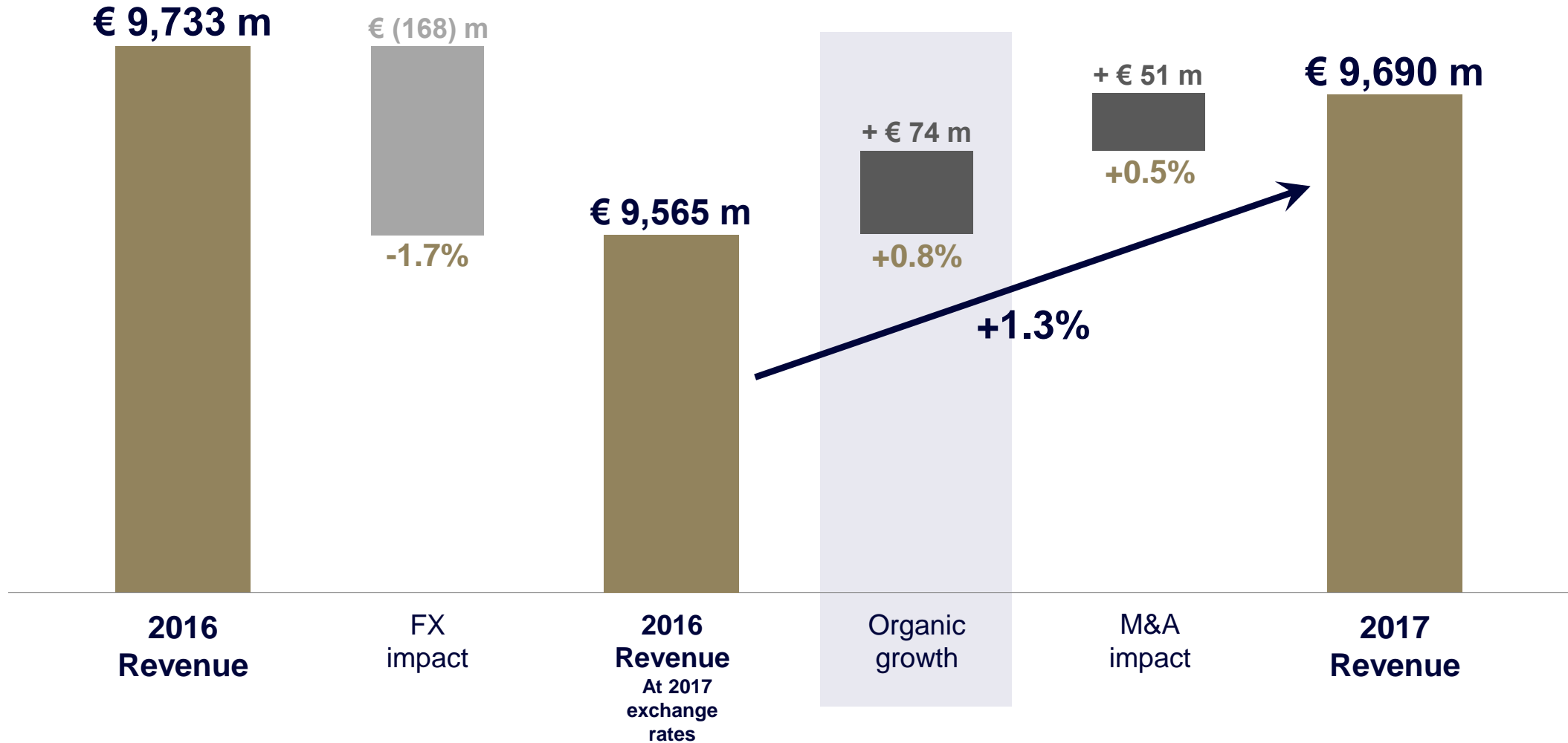
<p>Revenue <b>€ 9,690 m</b> -0.4%</p>	<p>Headline net income Group share <b>€ 1,037 m</b> +2.2%</p>	<p>Dividend <sup>(1)</sup> <b>€ 2.00</b> +8.1%</p>
<p>Operating margin <b>€ 1,505 m</b> -0.7%</p>	<p>Free cash flow (before change in WCR) <b>€ 1,287 m</b> +2.1%</p>	

(1) To be submitted to shareholders

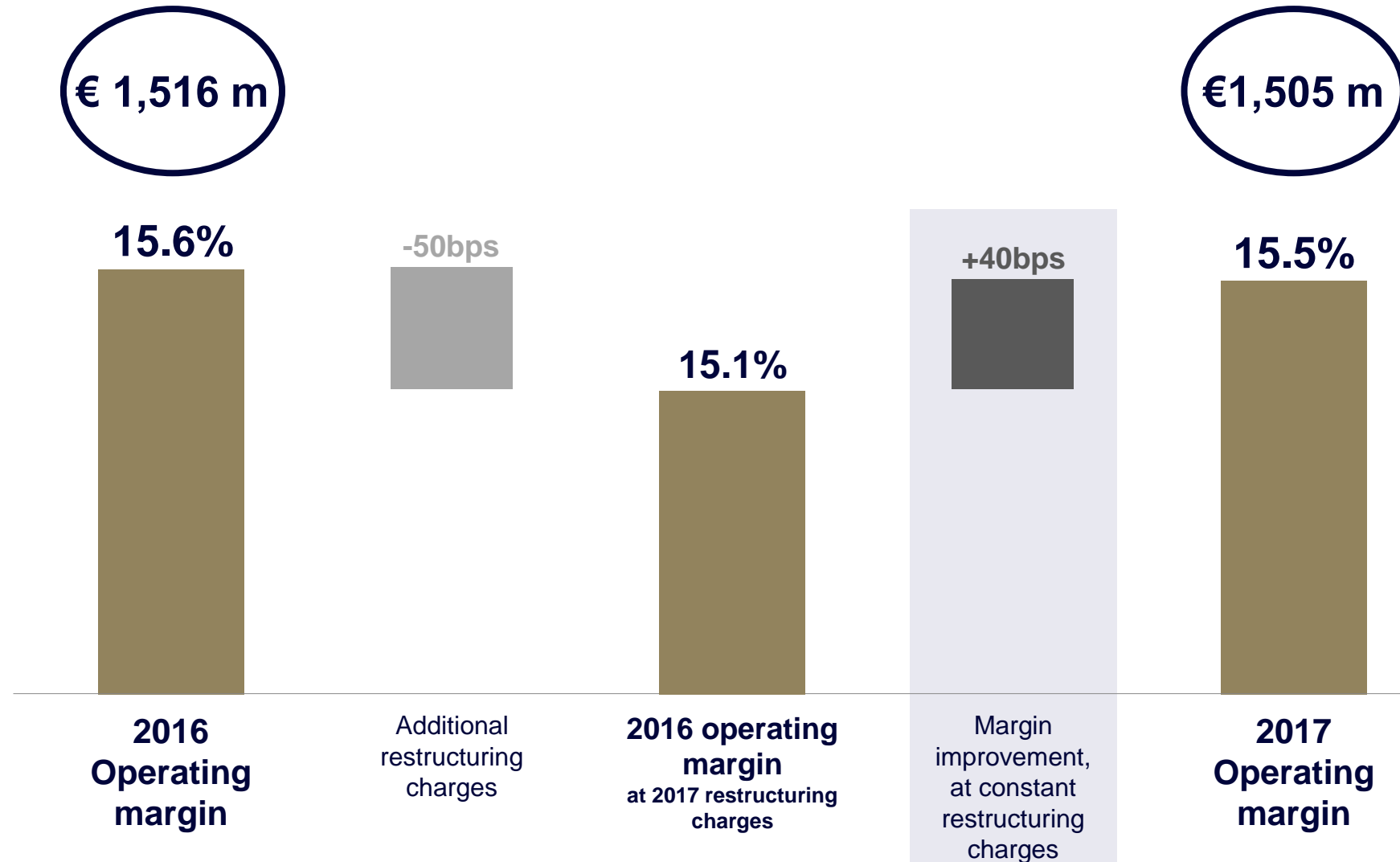
## REVENUE ORGANIC GROWTH BY GEOGRAPHY

	2017	H1 2017	H2 2017
Europe	+1.3%	+4.3%	-1.6%
North America	+0.5%	-2.4%	+3.7%
Asia Pacific	-1.5%	-1.4%	-1.6%
Latin America	+4.8%	+3.5%	+5.8%
Middle East Africa	+4.4%	+0.8%	+7.8%
<b>Total</b>	<b>+0.8%</b>	<b>-0.2%</b>	<b>+1.7%</b>

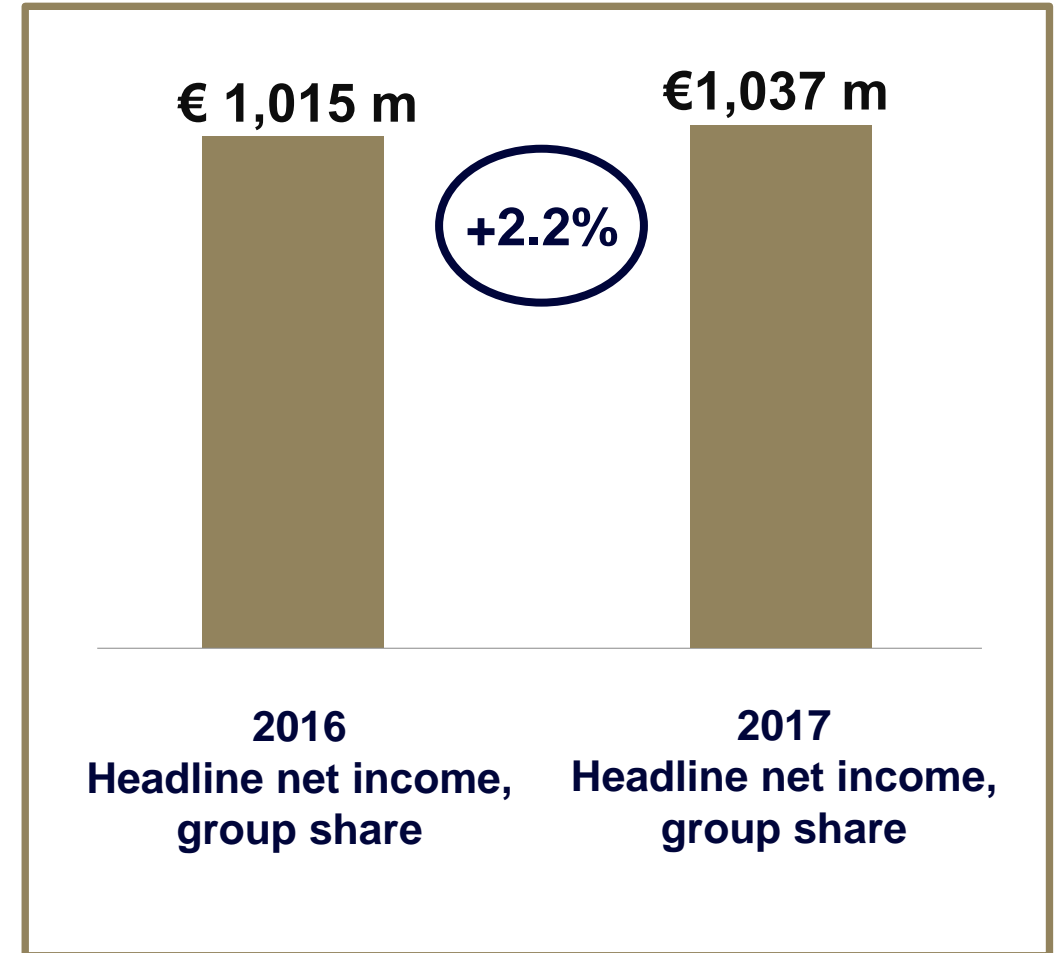
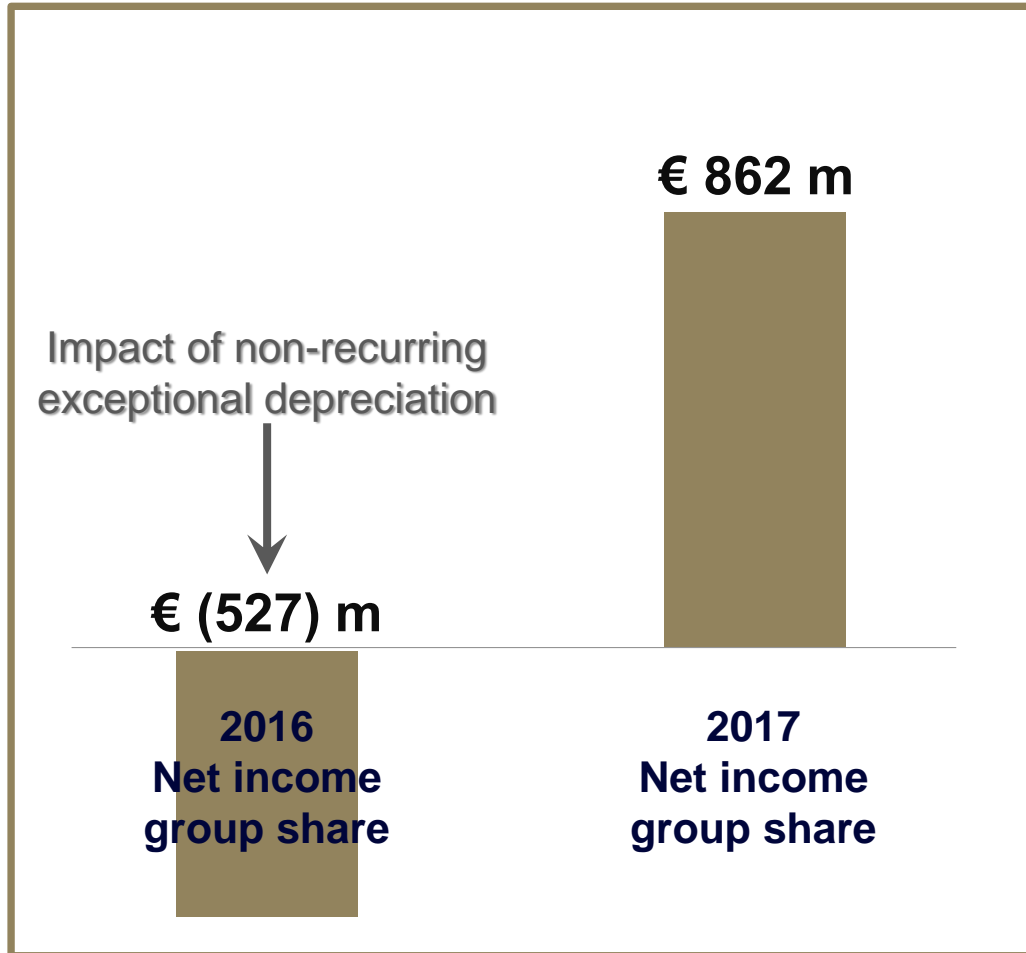
# REVENUE



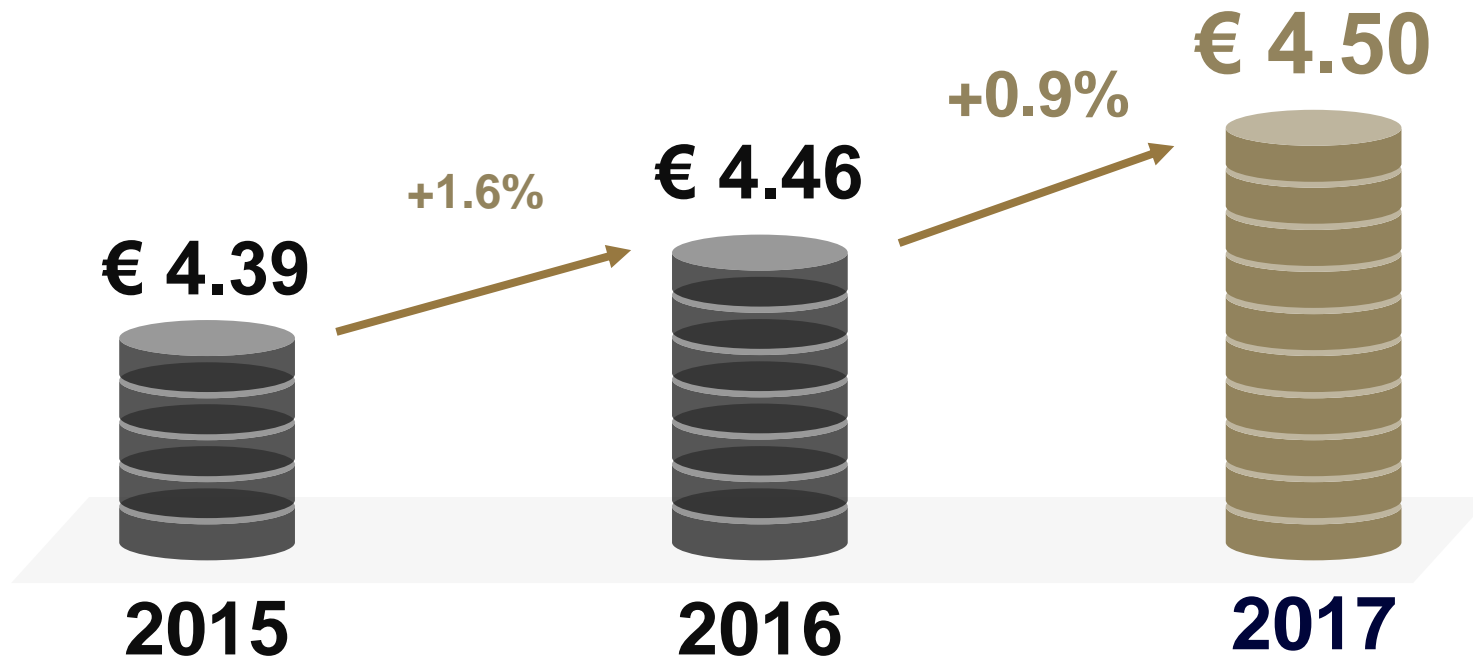
# OPERATING MARGIN



# NET INCOME AND HEADLINE NET INCOME

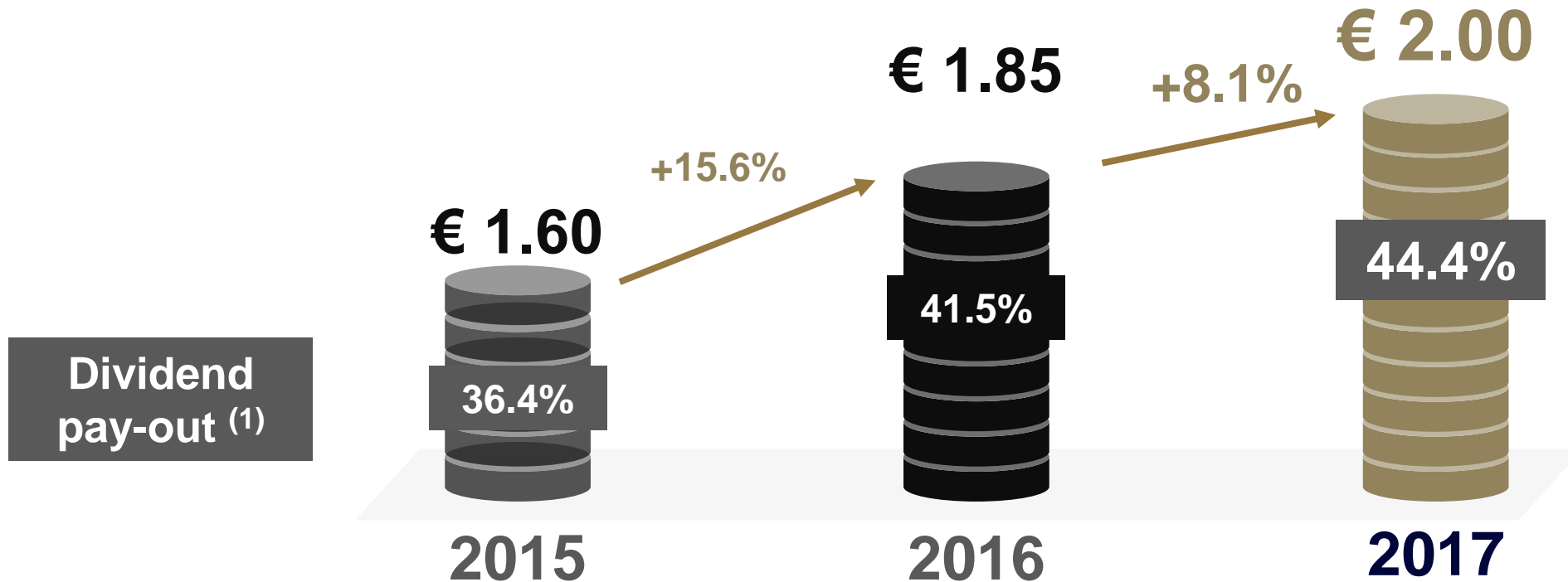


## HEADLINE EARNINGS PER SHARE, DILUTED <sup>(1)</sup>



(1) See definitions at the end of the presentation deck

## DIVIDEND

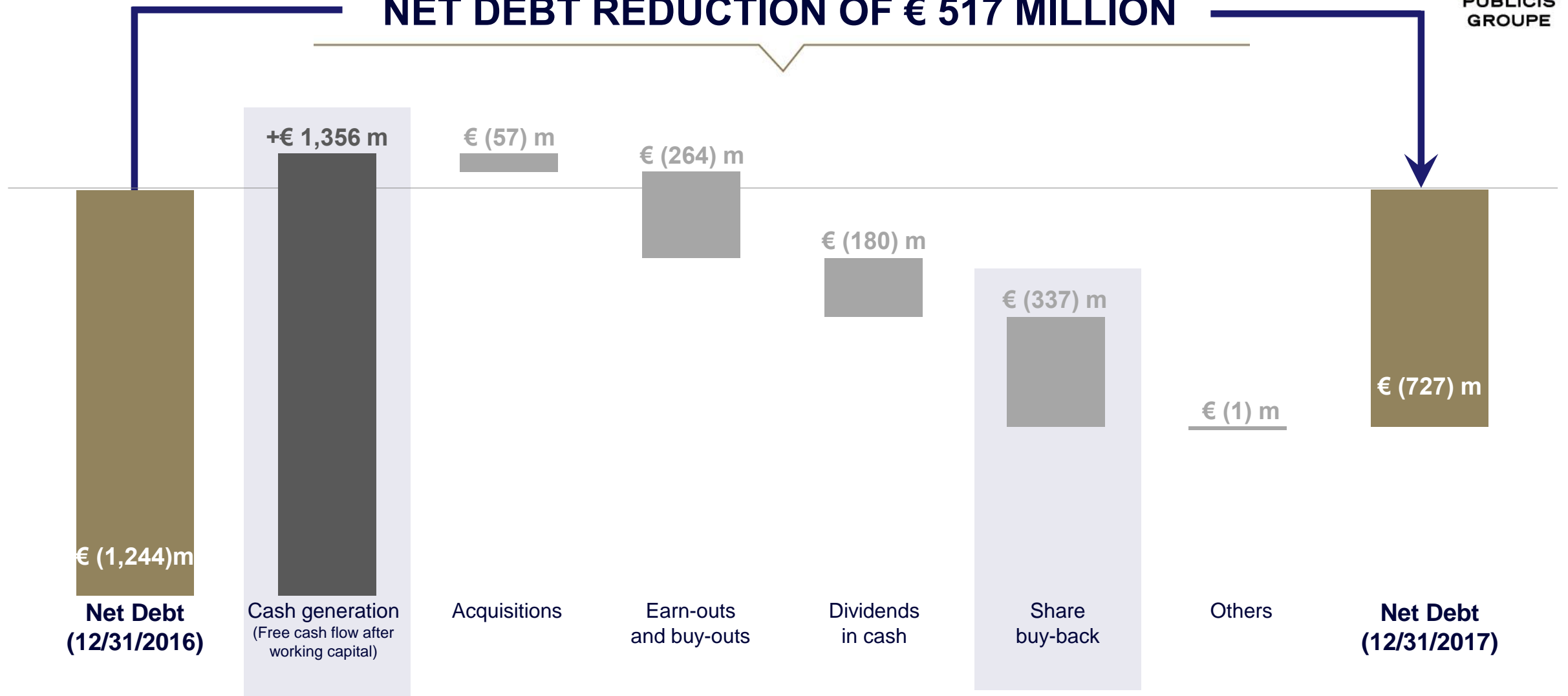


Dividend  
pay-out <sup>(1)</sup>

2017 dividend to be submitted to May 30, 2018 AGM's approval  
Option for dividend in cash or shares

(1) See definitions at the end of the presentation deck

## NET DEBT REDUCTION OF € 517 MILLION



The average net debt decreased by 17% in 2017 to € 1,980 million

## 6. REINFORCE OUR COMMITMENT TO CSR

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### With 3 priority audiences

- Our employees
- Our clients
- Society

# FOR OUR EMPLOYEES

## More satisfaction

- Executing an action plan post employee satisfaction survey

## More training

- 69% of employees trained (1.4 million hours, of which 70% in Digital, Technology, Data)

## More gender equality

- More diverse leadership teams
  - 50% on Supervisory Board
  - 38% on Groupe Executive Committee
  - 39% of women in Agency Executive Committees
  - 30% of women leading an Agency
- Visible commitments
  - *Women's Forum*
  - *Member of CEO Action for Diversity & Inclusion*
  - *Signatory of the Women Empowerment Principles – UN Women*



WOMEN'S FORUM  
FOR THE ECONOMY & SOCIETY

# FOR OUR CLIENTS

## More transparency

- 34 audits passed successfully in the United States
- Preparation for the application of the European General Data Protection Regulation (GDPR)
- Helping our clients stay owner of their data

## Business ethics, a legendary value of Publicis Groupe

- Code of conduct (Janus), always stricter, with teams being regularly trained
- Shared rules through self-regulation and transmission of international standards and local professional ethics practices



# FOR THE SOCIETY

## Continue our commitments...

- with local communities
  - €52 million in 2017 across 730 projects: pro bono and volunteering campaigns
- for the environment
  - 12% improvement in carbon intensity and +30% of our energy from renewable sources
- in extra-financial performance
  - Present in several ESG/SRI indices and third-party evaluations



# 2018 ACCELERATION

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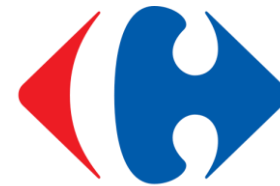


# 1. WE HAVE ESTABLISHED AN UNPRECEDENTED SUCCESS ON NEW BUSINESS

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Mercedes-Benz



Carrefour





Nestlé



★ macy's

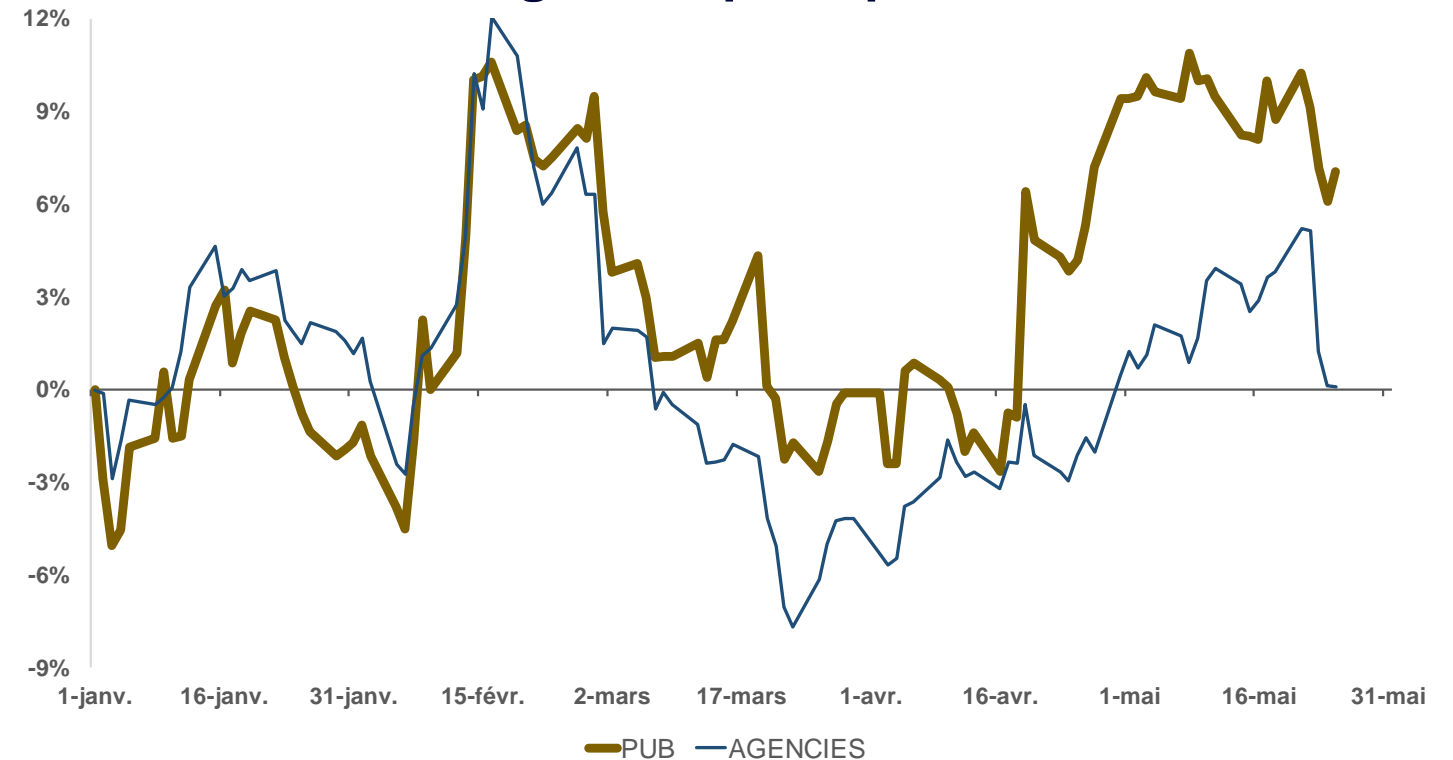
## 2. AN ENCOURAGING START TO THE YEAR, FINANCIALLY

Q1 2018 organic growth <sup>(1)</sup>

**+ 1.6 %**

**compared with -1.2%  
for Q1 2017 revenue**

### Recovering share price performance



(1) Net revenue organic growth

Net revenue: Revenue less pass-through costs. See definition in appendices.

Reported growth, growth at constant currencies and organic growth are calculated on net revenue

### 3. WE HAVE PUT IN PLACE A 3-YEAR STRATEGY AND EXECUTION PLAN



Sprint To The Future

# SPRINT TO THE FUTURE

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**A. An integrated offer at the core of our clients' needs**

# SPRINT TO THE FUTURE

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- A. An integrated offer at the core of our clients' needs**
- B. 6 operational priorities to accelerate our transformation**

# SPRINT TO THE FUTURE

**A. An integrated offer at the core of our clients' needs**

**B. 6 operational priorities to accelerate our transformation**

**C. Ambitious financial objectives**

- Organic growth: +4% in 2020
- Operating margin rate: +30 to +50 basis points per annum <sup>(1)</sup>
- Headline net income per share: +5% to +10% per annum, on a diluted basis <sup>(1)</sup> <sup>(2)</sup>

(1) Over 2018-2020, versus 2017

(2) At constant exchange rates

**4. WE HAVE LAUNCHED A PLATFORM  
THAT WILL CONNECT OUR 80,000 EMPLOYEES  
AND REINVENT THE WAY WE WORK**

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MIRCL

## IN TRIBUTE TO OUR FOUNDER

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« I have always known that it was important to know people, deeply »

**Marcel Bleustein-Blanchet**

# MARCEL



- For our employees to share, learn and create more
- For our clients to benefit from the whole diversity of our talents
- To make our industry progress

M R C L



# MARCEL IN ACTION

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# FILM DEMO MARCEL

# CONCLUSION

**2017: a pivotal year for the Groupe**

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**Encouraging results: Publicis is stronger than a year ago**

# CONCLUSION

**2017: a pivotal year for the Groupe**

**Encouraging results: Publicis is stronger than a year ago**

**We have all the necessary assets  
to transform our industry in our favor**

**MERCI**



# SUPERVISORY BOARD REPORT

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# SUPERVISORY BOARD



**Maurice LÉVY**  
CHAIRMAN

NOMINATION COMMITTEE / COMPENSATION COMMITTEE  
RISK AND STRATEGY COMMITTEE



**Elisabeth BADINTER**  
VICE-PRESIDENTE

NOMINATION COMMITTEE  
RISK AND STRATEGY COMMITTEE



**Simon BADINTER**



**Claudine BIENAIME**

AUDIT COMMITTEE  
COMPENSATION COMMITTEE



**Jean CHAREST**

AUDIT COMMITTEE  
NOMINATION COMMITTEE



**Michel CICUREL**

COMPENSATION COMMITTEE  
NOMINATION COMMITTEE



**Sophie DULAC**



**Thomas H. GLOCER**

COMPENSATION COMMITTEE  
RISK AND STRATEGY COMMITTEE



**Marie-Josée KRAVIS**

RISK AND STRATEGY COMMITTEE  
NOMINATION COMMITTEE



**André KUDELSKI**

AUDIT COMMITTEE



**Marie-Claude MAYER**

RISK AND STRATEGY  
COMMITTEE



**Véronique MORALI**

COMPENSATION COMMITTEE  
AUDIT COMMITTEE



**Pierre PENICAUD**

REPRESENTING THE EMPLOYEES  
RISK AND STRATEGY  
COMMITTEE



# SUPERVISORY BOARD

## 2017 REVIEW

- Chaired by Mrs. Elisabeth Badinter until May, 31 2017 and by Mr. Maurice Lévy since June 1, 2017, the Supervisory Board met 6 times in 2017 with an attendance rate of 96%
  
- Composed of 13 members including 1 member representing employees
  - 50% are women (6 / 12) <sup>(1)</sup>
  - 50% are independent members (6 / 12) <sup>(1)</sup>
  - 33% are foreign nationals (4 / 12) <sup>(1)</sup>
  
- 1 mandate of member of the Supervisory Board is proposed to reappoint: Mrs. Elisabeth Badinter

(1) Pursuant to the law, the members of the Board representing employees are not taken into account for the calculation of percentages



# SUPERVISORY BOARD

## PROPOSAL OF NEW MEMBER

### **Appointment of Mrs. Cherie Nursalim as new member of the Supervisory Board**



Born on August 1, 1967, of Indonesian nationality, Cherie Nursalim is Chairperson of Three on the Bund and Vice-Chair of GITI Group. She was formerly a research associate at the Harvard Business School.

She serves on the International and Asia Advisory Boards of Columbia University and MIT Sloan School of Management.

She chairs the United Nation Global Initiative for a Sustainable Development Solutions Network for South-East Asia.

She is a member of the management boards of the University of Indonesia Research Center for Climate Change and the Singapore Science Center, and also the executive board of the International Chamber of Commerce.

She is a founder member of the Global Philanthropic Circle of the Synergos Institute in New York and of the United in Diversity Forum.

# COMMITTEE REPORTS

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# COMPENSATION COMMITTEE

Chaired by Mr. Michel Cicurel

- Currently comprised of 5 members: Mrs. Claudine Bienaimé, Mrs. Véronique Morali, Mr. Michel Cicurel, Mr. Thomas H. Glocer and Mr. Maurice Lévy
- This Committee notably makes proposals to the Supervisory Board relating to:
  - The compensation of the Chair of the Supervisory Board and of the Chair of the Management Board
  - The compensation policy of the Supervisory Board and Management Board members
- This Committee examines the share-based compensation policy, the elements of compensation of the corporate executives and members of the executive committees of the Solution Hubs as well as the Group's compensation policies
- 6 meetings held in 2017 with an attendance rate of 93%

# COMPENSATION COMMITTEE

## WORK OF COMPENSATION COMMITTEE

- The Committee examined questions regarding the compensation of the Chair of the Supervisory Board, the Chair of the Management Board and the members of the Management Board
- The Committee got acquainted to the share-based compensation policy, particularly the setting up of the 2017 LTIP
- The Committee examined the compensation systems for Group key employees and their possible evolution
- The committee commissioned an external consultant to assess the competitiveness of the Group's compensation system and to propose potential adjustments to the current mechanisms

# COMPENSATION COMMITTEE

## COMPENSATION OF MR. MAURICE LEVY AS CHAIRMAN OF THE MANAGEMENT BOARD THEN AS CHAIRMAN OF THE SUPERVISORY BOARD

### As Chair of the Management Board until May 31, 2017

- Impossible to measure the Group's performance for only the first five months of 2017
  - Same compensation as per 2016, prorata temporis, i.e. € 1.041 million, gross
  - No compensation or indemnity at the time of the expiry of his term

### As Chair of the Supervisory Board as of June 1, 2017

- Active but non operational support to the Management Board
- Successful succession and smooth transition. Full time work since June 1, 2017
- Abandonment of the non-compete indemnity of € 5.4 million, i.e. € 1.8 million per annum, over three years
  - € 2.8 million per annum, gross

# COMPENSATION COMMITTEE

## COMPENSATION OF MR. ARTHUR SADOUN, CHAIRMAN OF THE MANAGEMENT BOARD, SINCE JUNE 1, 2017

- Annual fixed compensation: € 1 million, i.e. € 583,333 for the period from June 1, 2017 to December 31, 2017
- Variable compensation at a maximum of a target amount of up to 200% of fixed remuneration
- No stock options, no performance-based shares grant in 2017
- No “top-hat” pension scheme

# COMPENSATION COMMITTEE

VARIABLE COMPENSATION OF MR. ARTHUR SADOON,  
 CHAIR OF THE MANAGEMENT BOARD, SINCE JUNE 1, 2017 FOR 2017 FISCAL YEAR

	2017 objectives	Performance	Amount
Quantitative criteria (75% of the target bonus)	Organic growth rate	Not achieved	€ 437,833
	Operating margin	Achieved at 100%	
	Rate of change of diluted earnings per share for the Groupe	Achieved at 100%	
	TSR (Total shareholder return)	Not achieved	
Individual non financial qualitative criteria (25% of the target bonus)	Rollout of <i>The Power of One</i>	Achieved at 100%	€ 291,666
	Rollout of the big data tool	Achieved at 100%	
	Creation / consolidation of the senior management team, Executive Committee and other groups of executives	Achieved at 100%	
<b>Variable compensation</b>			<b>€ 729,499</b>

# COMPENSATION COMMITTEE

## COMPENSATION OF MANAGEMENT BOARD MEMBERS

Fixed compensation based on

- Scope of responsibility
- Experience
- Internal equity
- Market practices

Annual variable subject to stringent performance conditions

Long term variable

- Three-year awards
- Subject to stringent financial performance criteria
  - Representing a substantial part of the compensation in order to be long-term incentive and aligned with shareholders' interests

# COMPENSATION COMMITTEE

COMPENSATION PAID OR AWARDED TO THE MEMBERS OF THE MANAGEMENT BOARD IN 2017 <sup>(1)</sup>  
(EX-POST VOTE IN APPLICATION OF ARTICLE L. 225-100 II OF THE CODE DE COMMERCE)

MANAGEMENT BOARD MEMBER	GROSS ANNUAL FIXED (annual or <i>prorata temporis</i> )	VARIABLE ANNUAL (annual or <i>prorata temporis</i> )	MAXIMUM PERFORMANCE SHARES
<b>Steve King</b> Member since June 1, 2017	€ 599 k	€ 863 k	—
<b>Jean-Michel Etienne</b>	€ 840 k	€ 672 k	—
<b>Anne-Gabrielle Heilbronner</b>	€ 600 k	€ 480 k	—

(1) Details of the compensation elements are set out in the 2017 Registration Document

# COMPENSATION COMMITTEE

## COMPENSATION POLICY FOR THE MANAGEMENT BOARD FOR 2018 FISCAL YEAR (EX-ANTE VOTE IN APPLICATION OF ARTICLE L.225-82-2 OF THE CODE DE COMMERCE)

MANAGEMENT BOARD	GROSS ANNUAL FIXED COMPENSATION	ANNUAL VARIABLE TARGET IF ALL OBJECTIVES ARE ACHIEVED	LONG TERM VARIABLE SUBJECT TO PERFORMANCE CONDITIONS AND PRESENCE	WELFARE AND HEALTH	EMPLOYMENT CONTRACT	TERMINATION BENEFITS SUBJECT TO PERFORMANCE CONDITIONS	NON-COMPETE AGREEMENT INDEMNITIES	OTHERS
<b>Arthur Sadoun</b>	€ 1,000 k	200% of annual fixed compensation	✓	✓	–	Approved by the AGM of May 31, 2017 ✓	Approved by the AGM of May 31, 2017 ✓	Subscription to a taxi firm & reimbursement of representation expenses
<b>Jean-Michel Etienne</b>	€ 840 k	100% of annual fixed compensation	✓	✓	✓	Approved by the AGM of May 27, 2015 ✓	–	Use of Groupe company car
<b>Anne-Gabrielle Heilbronner</b>	€ 600 k	100% of annual fixed compensation	✓	✓	✓	Approved by the AGM of May 27, 2015 ✓	✓	Use of Groupe company car
<b>Steve King</b>	€ 900 k	160% of annual fixed compensation	✓	€ 27 k	✓	Approved by the AGM of May 31, 2017 ✓	✓	Reimbursement of costs relating to his car

# AUDIT COMMITTEE

Chaired by Mr. Jean Charest

- Currently comprised of 4 members: Mrs. Claudine Bienaimé, Mrs. Véronique Morali, Mr. Jean Charest and Mr. André Kudelski. Mr. Jean-Paul Morin is a permanent expert with the Committee
- The Committee oversees the organization and implementation of the Group's audit, ensures the quality of internal control and risk management. The Committee examined the progress of the work of the adequate internal controls
- The Committee ensures the regularity and fairness of the accounts
- The Committee makes a recommendation to the Supervisory Board on the choice of Statutory Auditors proposed for appointment or renewal by the Shareholders' Meeting
- 7 meetings held in 2017 and an attendance rate of 89%

# RISK AND STRATEGY COMMITTEE

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Chaired by Mrs. Marie-Josée Kravis

- Currently comprised of 6 members: Mrs. Marie-Josée Kravis, Mrs. Elisabeth Badinter, Mrs. Marie-Claude Mayer, Mr. Thomas H. Glocer, Mr. Maurice Lévy and Mr. Pierre Pénicaud
- The Committee examined the Group's risk mapping, more particularly in the area of preventing and fighting corruption in accordance with the Sapin 2 Law
- The Committee reviewed the main risks in the area of cybersecurity and the measures implemented to reduce them
- The Committee discussed the major strategic options in terms of transformation, development and acquisitions
- 2 meetings held in 2017 with an attendance rate of 89%

# NOMINATION COMMITTEE

Chaired by Mrs. Elisabeth Badinter

- Currently comprised of 5 members: Mrs. Elisabeth Badinter, Mrs. Marie-Josée Kravis, Mr. Jean Charest, Mr. Michel Cicurel and Mr. Maurice Lévy
- The Committee continued its discussions to enrich the composition of the Supervisory Board
- The committee examined proposals for the appointment of executives at the Group level and members of Solution Hubs executive committees
- 3 meetings held in 2017 with an attendance rate of 87%

# STATUTORY AUDITORS' REPORTS



# REPORTS ISSUED BY STATUTORY AUDITORS

## For the Ordinary General Shareholders' Meeting

- On parent company's financial statements (1<sup>st</sup> resolution)
- On consolidated financial statements (2<sup>nd</sup> resolution)
- On related party agreements and commitments (5<sup>th</sup> resolution)

## For the Extraordinary General Shareholders' Meeting

- On the authorization to issue shares or securities with or without preferential subscription rights (20<sup>th</sup> to 24<sup>th</sup> and 26<sup>th</sup> resolutions)
- On the authorization to issue new or existing shares, free of charge (27<sup>th</sup> resolution)
- On the issue of shares or securities giving access to capital in favor of members of a savings plan without preferential subscription rights (28<sup>th</sup> resolution)
- On the authorization to issue shares or securities giving access to capital for the benefit of certain categories of beneficiaries without preferential subscription rights (29<sup>th</sup> resolution)

# REPORTS ISSUED FOR THE ORDINARY GENERAL SHAREHOLDERS' MEETING

Reports on consolidated and statutory financial statements  
(dated February 8 and April 16, 2018)

**Consolidated financial  
statements**  
chapter 5, page 210,  
2017 Registration Document

**Parent company's  
financial statements**  
chapter 6, page 238,  
2017 Registration Document

## Auditors' opinion on financial statements

- Unqualified opinion
- Emphasis of matter on the first-time adoption of accounting regulation on forward financial instruments and hedging operations on Parent company's financials

## Key audit matters

- Consolidated financial statements
  - Revenue recognition,
  - Valuation of goodwill and intangible assets,
  - Provisions for liabilities and charges
  - Current and deferred tax: evaluation of the impacts of the US tax reform
- Corporate financial statements
  - Valuation of Investments and Loans and receivables owed by associates and non-consolidated companies

Specific verifications as required by law

## REPORTS ON RELATED PARTY AGREEMENTS AND COMMITMENTS (dated April 16, 2018)

**Related party agreements  
and commitments**  
chapter 2.4, pages 104-106,  
2017 Registration Document

We were not informed of any agreement or commitments authorized and concluded during the year to be submitted to the approval of the General Meeting

We have been informed of the following agreements and commitments, previously authorized by the Supervisory Board since the last financial year

- Agreements and commitments approved in previous financial years:
  - Non-compete agreement to the benefit of Mr. Maurice Lévy, Chairman of the Management Board until May 31, 2017
  - Severance payments for Mr. Jean-Michel Etienne and Ms. Anne-Gabrielle Heilbronner
- Agreements and commitments approved during the last financial year:
  - Severance payment and non-compete agreement in favor of Mr. Arthur Sadoun, Chairman of the Management Board starting June 1, 2017
  - Severance payment and non-compete commitment in favor of Mr. Steve King, member of the Management Board starting June 1, 2017

# REPORTS ISSUED FOR THE ORDINARY GENERAL SHAREHOLDERS' MEETING

(dated May 4, 2018)

Issuance of shares or securities  
with or without preferential subscription rights  
20<sup>th</sup> to 24<sup>th</sup> resolution and 26<sup>th</sup> resolution

Authorization of allotting new or existing shares,  
free of charge  
27<sup>th</sup> resolution

Issuance of shares or securities giving access to capital  
in favor of members of a savings plan  
without preferential subscription rights  
28<sup>th</sup> resolution

Issuance of shares or securities giving access to capital  
for the benefit of certain categories of beneficiaries  
without preferential subscription rights  
29<sup>th</sup> resolution

We have no matters to report as to the terms  
and conditions of the proposed operations

As some final issuance conditions have not yet  
been determined, we will issue, as needed, a  
supplementary report when your Management  
Board will use those authorizations

# QUESTIONS ANSWERS

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# WRITTEN QUESTIONS

Publicis Groupe has received written questions:

- Governance of the groupe
  - Independence of the members of the Supervisory Board
  - Termination allowances for Mr. Arthur Sadoun and Mr. Jean-Michel Etienne
  - Compensation and mission of the Chair of the Supervisory Board
  - Variable compensation of Mr. Jean-Michel Etienne
  - Participation of the member representing employees in the compensation committee
  
- “Science Based Targets” initiative

Pursuant to Article L. 225-108, paragraph 4, of the Commercial Code and in accordance with the opinion expressed by the Autorité des Marchés Financiers <sup>(1)</sup>, responses are available on the Company’s website:

<http://www.publicisgroupe.com/fr/investisseurs/reponses-aux-questions-ecrites-de-lagm-du-30-mai-2018>

(1) in its "Final Report on General Meetings of Shareholders of Listed Companies" As of July 2, 2012"

# VOTING OF THE RESOLUTIONS



# VOTING OF THE RESOLUTIONS

## HOW TO USE YOUR VOTING DEVICE

### Smart Card

- The voting device will not work if your smart card is not properly inserted

### How to vote:

- Simply press the button of your choice:
- 1 = For
- 2 = Against
- 3 = Abstain



### A message will appear on the bottom of the display:

- **"Acknowledged"** means your vote has been acknowledged but may still be modified
- **"Registered"** means the voting period has expired and your vote has been recorded

# PUBLICIS GROUPE SA – ORDINARY GENERAL SHAREHOLDERS' MEETING

## 1<sup>ST</sup> RESOLUTION

### Approval of the corporate financial statements for fiscal year 2017

- Proposition to approve 2017 financial statements which show a net income of €82,349,249



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – ORDINARY GENERAL SHAREHOLDERS' MEETING

## 2<sup>ND</sup> RESOLUTION

### Approval of the consolidated financial statements for fiscal year 2017

- Proposition to approve 2017 financial consolidated statements which show a net income group share of €862 million



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – ORDINARY GENERAL SHAREHOLDERS' MEETING

## 3<sup>RD</sup> RESOLUTION

### Allocation of net income and declaration of dividend for the 2017 financial year

- Proposition to allocate income for fiscal year 2017 and distribute a dividend of €2.00 per share, up 8.1% from last year and corresponding to a 44.4% pay-out ratio
- Dividend payment will take place on July 4, 2018



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – ORDINARY GENERAL SHAREHOLDERS' MEETING

## 4<sup>TH</sup> RESOLUTION

### Option for payment of the dividend in cash or shares

- Possibility of receiving payment of the dividend either in cash or in new shares. Issuance price of distributed shares is € 56.50 per share <sup>(1)</sup>
- The delivery of new shares will take place on July 4, 2018



**1 = For**

**2 = Against**

**3 = Abstain**

(1) 95% of the average of closing prices during 20 stock market days prior to the Shareholders' meeting, after deducting the net amount of cash dividend

# PUBLICIS GROUPE SA – ORDINARY GENERAL SHAREHOLDERS' MEETING

## 5<sup>TH</sup> RESOLUTION

### Statutory auditors' special report on related-party agreements

- No new agreement not already approved by the shareholders' meeting



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – ORDINARY GENERAL SHAREHOLDERS' MEETING

## 6<sup>TH</sup> RESOLUTION

Reappointment of Mrs. Elisabeth Badinter as member of the Supervisory Board for a period of 4 years



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – ORDINARY GENERAL SHAREHOLDERS' MEETING

## 7<sup>TH</sup> RESOLUTION

Appointment of Mrs. Cherie Nursalim as member of the Supervisory Board for a period of 4 years



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – ORDINARY GENERAL SHAREHOLDERS' MEETING

## 8<sup>TH</sup> RESOLUTION

Approval of the elements of compensation paid or awarded in respect of the 2017 fiscal year to Mrs. Elisabeth Badinter, Chair of the Supervisory Board until May 31, 2017



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – ORDINARY GENERAL SHAREHOLDERS' MEETING

## 9<sup>TH</sup> RESOLUTION

Approval of the elements of compensation paid or awarded in respect of the 2017 fiscal year to Mr. Maurice Lévy, Chair of the Management Board until May 31, 2017



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – ORDINARY GENERAL SHAREHOLDERS' MEETING

## 10<sup>TH</sup> RESOLUTION

Approval of the elements of compensation paid or awarded in respect of the 2017 fiscal year to Mr. Maurice Lévy, Chair of the Supervisory Board since June 1, 2017



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – ORDINARY GENERAL SHAREHOLDERS' MEETING

## 11<sup>TH</sup> RESOLUTION

Approval of the elements of compensation paid or awarded in respect of the 2017 fiscal year to Mr. Arthur Sadoun, Chair of the Management Board since June 1, 2017



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – ORDINARY GENERAL SHAREHOLDERS' MEETING

## 12<sup>TH</sup> RESOLUTION

Approval of the elements of compensation paid or awarded in respect of the 2017 fiscal year to Mr. Jean-Michel Etienne, member of the Management Board



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – ORDINARY GENERAL SHAREHOLDERS' MEETING

## 13<sup>TH</sup> RESOLUTION

Approval of the elements of compensation paid or awarded in respect of the 2017 fiscal year to Mrs. Anne-Gabrielle Heilbronner, member of the Management Board



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – ORDINARY GENERAL SHAREHOLDERS' MEETING

## 14<sup>TH</sup> RESOLUTION

Approval of the elements of compensation paid or awarded in respect of the 2017 fiscal year to Mr. Steve King, member of the Management Board since June 1, 2017



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – ORDINARY GENERAL SHAREHOLDERS' MEETING

## 15<sup>TH</sup> RESOLUTION

Approval of the principles and criteria governing the compensation of the Chair of the Supervisory Board in respect of the 2018 fiscal year



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – ORDINARY GENERAL SHAREHOLDERS' MEETING

## 16<sup>TH</sup> RESOLUTION

Approval of the principles and criteria governing the compensation of the members of the Supervisory Board in respect of the 2018 fiscal year



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – ORDINARY GENERAL SHAREHOLDERS' MEETING

## 17<sup>TH</sup> RESOLUTION

Approval of the principles and criteria governing the compensation of the Chair of the Management Board in respect of the 2018 fiscal year



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – ORDINARY GENERAL SHAREHOLDERS' MEETING

## 18<sup>TH</sup> RESOLUTION

Approval of the principles and criteria governing the compensation of the members of the Management Board in respect of the 2018 fiscal year



**1 = For**

**2 = Against**

**3 = Abstain**



# PUBLICIS GROUPE SA – ORDINARY GENERAL SHAREHOLDERS' MEETING

## 19<sup>TH</sup> RESOLUTION

Authorization to be given to the Management Board entitling the Company to trade in its own shares



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING

## 20<sup>TH</sup> RESOLUTION

Delegation of authority to be granted to the Management Board to issue, with preferential subscription rights, shares or securities



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING

## 21<sup>ST</sup> RESOLUTION

Delegation of authority to be granted to the Management Board to issue, without preferential subscription rights, shares or securities in the form of a public offering



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING

## 22<sup>ND</sup> RESOLUTION

Delegation of authority to be granted to the Management Board to issue, without preferential subscription rights, shares or securities in the form of a private placement



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING

## 23<sup>RD</sup> RESOLUTION

Delegation of authority to be granted to the Management Board to increase the number of securities to be issued in the case of a capital increase, with or without preferential subscription rights, carried out in pursuance of the 20<sup>th</sup> to 22<sup>nd</sup> resolutions



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING

## 24<sup>TH</sup> RESOLUTION

Authorization to be granted to the Management Board to determine the issue price of securities in the context of an increase in share capital by issue, without preferential subscription rights, in the form of a public offering or private placement, within the limit of 10% of the capital per annum



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING

## 25<sup>TH</sup> RESOLUTION

Delegation of authority to be granted to the Management Board to increase capital by incorporation of reserves, net income, premiums or others



**1 = For**

**2 = Against**

**3 = Abstain**



# PUBLICIS GROUPE SA – EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING

## 26<sup>TH</sup> RESOLUTION

Delegation of authority to be granted to the Management Board to issue shares or securities, without preferential subscription rights, in the event of a public offering initiated by the Company



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING

## 27<sup>TH</sup> RESOLUTION

Authorization to be granted to the Management Board for the purpose of allotting new or existing shares, free of charge, to eligible employees and/or corporate officers, entailing a waiver of shareholders' preferential subscription rights to the shares to be issued



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING

## 28<sup>TH</sup> RESOLUTION

Delegation of authority to be granted to the Management Board to decide to issue shares or securities, without preferential subscription rights, for the benefit of members of a Company savings plan



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING

## 29<sup>TH</sup> RESOLUTION

Delegation of authority to be granted to the Management Board to decide to issue shares or securities, without preferential subscription rights, for the benefit of certain categories of beneficiaries



**1 = For**

**2 = Against**

**3 = Abstain**

# PUBLICIS GROUPE SA – ORDINARY GENERAL SHAREHOLDERS' MEETING

## 30<sup>TH</sup> RESOLUTION

Powers to carry out formalities



**1 = For**

**2 = Against**

**3 = Abstain**

# COMBINED GENERAL SHAREHOLDERS' MEETING

30 MAY  
2018



# DISCLAIMER

A decorative horizontal line with a downward-pointing V-shape in the center, positioned below the title.

Certain information contained in this document, other than historical information, may constitute forward-looking statements or unaudited financial forecasts. These forward-looking statements and forecasts are subject to risks and uncertainties that could cause actual results to differ materially from those projected. These forward-looking statements and forecasts are presented as at the date of this document and, other than as required by applicable law, Publicis Groupe does not assume any obligation to update them to reflect new information or events or for any other reason. Publicis Groupe urges you carefully to consider the risk factors that may affect its business, as set out in the Registration Documents filed with the French Autorité des Marchés Financiers (AMF) and which is available on the website of Publicis Groupe ([www.publicisgroupe.com](http://www.publicisgroupe.com)), including an unfavorable economic climate, an extremely competitive market sector, the possibility that our clients could seek to terminate their contracts with us at short notice, the fact that a substantial part of the Group's revenue is derived from certain key clients, conflicts of interest between advertisers active in the same sector, the Group's dependence on its directors and employees, laws and regulations which apply to the Group's business, legal action brought against the Group based on allegations that certain of the Group's commercials are deceptive or misleading or that the products of certain clients are defective, the strategy of growing through acquisitions, the depreciation of goodwill and assets listed on the Group's balance sheet, the Group's presence in emerging markets, exposure to liquidity risk, a drop in the Group's credit rating and exposure to the risks of financial markets.

# DEFINITIONS

**Net revenue:** Revenue less pass-through costs which comprise amount paid to external suppliers engaged to perform a project and charged directly to clients. Those costs are mainly production & media costs and out of pocket expenses.

**Organic growth:** Change in net revenue excluding the impact of acquisitions, disposals and currencies.

**EBITDA:** operating margin before depreciation.

**Operating margin:** Net revenue after personnel costs, other operating expenses (excl. non-current income and expense) and depreciation (excl. amortization of intangibles arising on acquisitions).

**Operating margin rate:** Operating margin as a percentage of net revenue.

**Headline Group Net Income:** Group net income after elimination of impairment charges, amortization of intangibles arising from acquisitions, main capital gains (or losses) on disposals, effect of US tax reform and revaluation of earn-out payments

**EPS (Earnings per share):** Group net income divided by average number of shares, not diluted.

**EPS, diluted (Earnings per share, diluted):** Group net income divided by average number of shares, diluted.

**Headline EPS, diluted (Headline Earnings per share, diluted):** Group net income after elimination of impairment charges, amortization of intangibles arising from acquisitions, main capital gains (or losses) on disposals, effect of US tax reform and revaluation of earn-out payments, divided by average number of shares, diluted.

**Capex :** Net acquisitions of tangible and intangible assets, excluding financial investments and other financial assets.

**Free Cash Flow before changes in working capital requirements:** Net cash flow from operating activities before changes in WCR linked to operating activities.

**Net Debt (or financial net debt):** Sum of long and short financial debt and associated derivatives, net of treasury and cash equivalents.

**Average net debt:** Average of monthly net debt at end of month.

**Dividend pay-out:** Dividend per share / Headline diluted EPS.