



Global Compact Annual Communication On Progress

Brief description of nature of business

Havas is one of the world's leading communications groups. It is a multicultural, decentralized group, present in more than 100 countries through its vast network of agencies and affiliation agreements. It is principally organized into two global networks – Euro RSCG and Havas Media – but also includes independent agencies such as Arnold, H and W&Cie. Havas builds its strategy upon three key pillars: integration, growth and creativity to continuously improve its offer and its services for its clients.

Statement of support

At Havas, we believe that tomorrow's business leaders will be those companies that not only generate economic value, but also foster human, social and environmental benefits for their clients, employees, and shareholders. Excellence in business is no longer sufficient; excellence in corporate citizenry is also a must.

If there had ever been any doubt, an extensive piece of primary research undertaken by Havas Media to explore consumer perception of climate change and its potential impact on business, proved that this is most certainly the case. The survey, carried out across nine major markets with more than 11,000 consumers and 200 leading brands across all principal sectors, revealed that consumers are ready to make important changes towards a more sustainable lifestyle. As our markets become more liberalised and interdependent, business is being asked to play an increasingly distinct role above and beyond the pure commercial function. We argue that business is well-placed to help weave emerging social concerns into the permanent fabric of our society, at the national and international level.

Sustainable development within Havas is everyone's job, because in order to help others communicate their sustainable credentials, we must first have good practices ourselves. Our human, social and environmental responsibilities are therefore an integral part of our business objectives. Havas fully supports and upholds the UN Global Compact's ten principles which help provide a framework in which to annually assess and improve our credentials on an ongoing basis.



CEO Havas

OUR COMMITMENT OR POLICY

HUMAN RIGHTS & LABOUR

Principles 1 – 6

Cultivating Management & Teams

Havas set itself a target in 2007 to attract and recruit the best talent in the market. In order to do this the Group is developing an attractive human resources policy founded on openness, gender parity and the deployment and development of Group employee competences.

Havas expanded its training provision in 2007, both to meet its own corporate needs and to develop the competencies of its employees. Each agency deployed a rich and comprehensive training program, reflecting the diversity of the Group's businesses.

Havas Media devised its "Performance and Development System" to equip its employees with the tools and resources needed for their own professional success, and Euro RSCG set up the "Euro University" global training program to help foster talent. A total of 5,546 employees (40% of the Group's headcount) received training in 2007.

Fostering diversity and gender parity

Havas promotes gender parity at all management levels worldwide. Three of Euro RSCG's largest regions for example are headed by women, and Havas Media's largest network, MPG, is also led by a woman.

Havas also continues to pursue its aim of bringing together people from different cultural, educational and training backgrounds, as a fruitful source of shared experience and creativity. In 2007 Euro RSCG Worldwide showed its commitment to these principles by taking part in job fairs at a wide range of different universities and colleges. Meanwhile, Havas Media signed an agreement with the *Fundosa Foundation* of Barcelona, which helps minorities in Spain find employment. Arnold offers ongoing diversity training through its "Arnold Immersion: Multicultural" seminars designed to raise awareness and develop the management capacities of a diversified workforce.

Health and Safety

The health and safety of employees continues to be a prime concern for Havas. As part of its commitment to providing a high level of social welfare for its employees, the Group stepped up its efforts in this area in 2007 with the extension of welfare schemes, free influenza vaccines, occupational first aid training courses and public health campaigns such as anti-smoking courses.

Community

Havas is closely involved in the life of many communities and through its agencies has shown its solidarity and commitment to good citizenship wherever it operates. In 2007, the Group once again took part in and launched a variety of initiatives and civic programs. One such initiative provided free advertising space to the *Nocedal Foundation* which offers quality education to under-privileged children. Another was the "Make a Difference Day" initiative, devised by EHS Brann in the UK. Here, the entire workforce spent a day cleaning and renovating sites around London, ranging from schools to cemeteries. Yet another gave its support to medical research, when Euro RSCG London employees took part in the inter-agency challenge to raise £1,550 for the mental health charity Mind. Arnold Worldwide launched a number of initiatives to encourage socially responsible behaviour such as: "United Way" – a fund-raising campaign whereby employee donations are matched by the employer, "Toys for Tots" – an employer donor scheme to collect Christmas gifts for under-privileged children, and "School Works" – allowing employee volunteers time off to teach one morning a week in a school in a deprived area.

ENVIRONMENT

Principles 7- 9

Climate Protection

In 2007 Havas became the first Global Communications Group to become carbon neutral in six of its key markets (France, UK, Spain, US, Mexico, India), marking the first step in the group's commitment to greener working practices. Havas has been assessed and approved as a holder of the ZeroCO2® certification of carbon neutrality after having calculated and offset its emissions from the use of electricity, gas, paper and business travel. Havas' total carbon emissions amounted to the equivalent of 32 382 metric tonnes of CO2 in 2006, and it has started a focused internal process to reduce this by 20% by 2009.

The reduction program is supported by an internal awareness campaign and training programs to help employees reduce their impact on the environment. The Group's carbon emissions are offset by investing in projects that protect standing forests and their biodiversity, and creating new forest ecosystems through three projects in Brazil, Indonesia and Madagascar. The projects, led by the non-profit organisation *Fundació Natura* in Barcelona, Spain through the ZeroCO2® initiative, and *Tour du Valat* in Arles, France (researchers and experts in wetlands) have a triple benefit: to help tackle climate change reducing carbon dioxide present in the atmosphere, to improve the livelihood of local communities, and to protect the Earth's rich and endangered biodiversity.

A sustainable workplace

Havas is currently rolling out its "Havas Blue" initiative, an internal awareness campaign and training program to help employees reduce their impact on the environment. Our commitment at a Group level is matched by numerous initiatives instigated at the network level. In 2007 for example, Euro RSCG New York launched an internal awareness program entitled, "Care a little" to encourage employees to be more environmentally friendly in their daily work routine. Specific actions include, 1) donating any savings on energy consumption to the New York City Parks Department; 2) offering hybrid car services for local transportation; 3) encouraging paperless meetings; 4) recycling and encouraging all vendors to do the same; 5) purchasing appliances with the energy star label; 6) distributing mugs and water bottles to discourage the use of paper cups; 7) sending an electronic holiday card rather than a paper card; 8) training personnel on equipment usage to encourage energy savings; 9) providing weekly tips in the internal newsletter regarding energy saving and green-related matters.

Climate change study

In 2007, Havas Media undertook an extensive piece of primary research to explore consumers' perception of climate change and the impact this will have on business. This is one of the largest surveys of its kind. Carried out across nine major markets with more than 11,000 consumer and including extensive research on 200 leading brands across all principal sectors, this combined qualitative and quantitative research allowed us to create a multi-faceted index, looking at attitude and motivation towards green consumption. It presents the most comprehensive snapshot of how this perception of a global issue challenges the already complex relationship between consumer and brand.

Consumers clearly recognise that climate change and global warming are here to stay and represent a major – if not the major- challenge for our generation. Unsurprisingly then, the survey revealed a high degree of concern among consumers over the issue, and awareness amongst the vast majority that a change in the traditional model of consumption was needed. Frustrated by the lack of response by national governments (only 11% felt that their government was doing enough), consumers are looking to companies and brands for action and solutions; two thirds of those interviewed felt that companies can make a greater difference than governments by giving consumers the necessary products and services to help them combat climate change. According to the survey results, the two actions likely to attract the most support in the near future are a total ban on products that are harmful to the environment and the generalisation of those that are environmentally-friendly. 35% of consumers said that they would be prepared to pay a higher price for such products.

In this complex and fast-moving field the survey makes no claim to provide the ultimate answers that do not as yet exist. Its aim, above all, is to establish a dialogue- internally and with our clients – on the subject, and on the issue of how the advertising industry and brands communicate with their consumers.

ANTI - CORRUPTION

Principle 10

Havas constantly considers the potential direct and indirect social and environmental impact of its activities. Trust and transparency are core values, and the group's adherence to ethical responsibility is reflected in the several professional associations of which it is a member: EACA, AACC, AAAA.

How do you intend to make this COP available to your stakeholders?

Information included within the COP can be found in the Havas Annual Report.