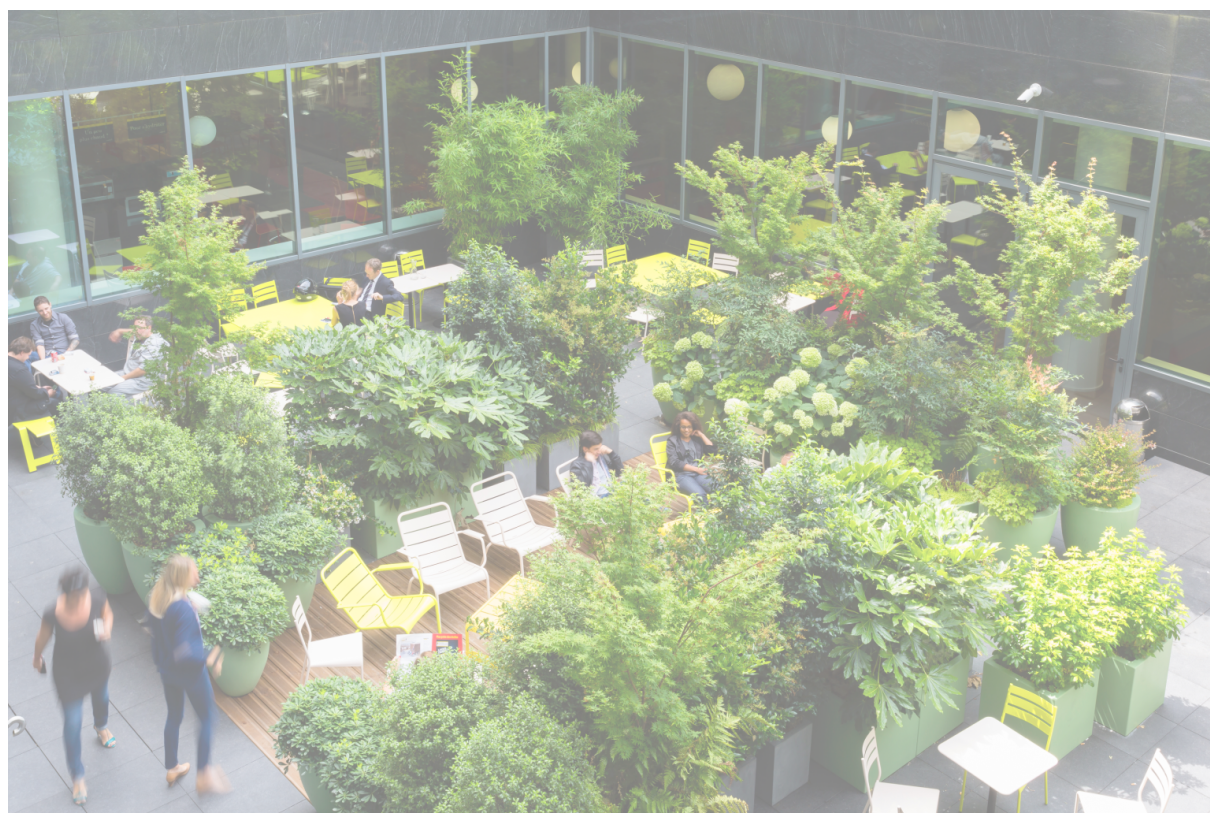




Communication On Progress

July 2017



« With this document, I reaffirm Havas Group's commitment to the ten principles of the Global Compact and renew our engagement to respect, promote and implement them in our daily business activities »

Yannick Bolloré

Chairman and Chief Executive Officer, Havas Group



Foreword

This document aims to transparently reflect our approach and the actions taken within the Group, as well as the progress achieved throughout the years.

This document is structured around our six commitments to progress:

- 1. Promoting a harmonious and healthy working environment that supports collaborators' growth and development.**
- 2. Reinforcing social responsible procurement policies in our supply chain.**
- 3. Promoting transparency and ethics in our business.**
- 4. Taking the lead in the creation and diffusion of responsible communications throughout our agencies and in collaborations with clients and partners.**
- 5. Reducing the environmental footprint of our operations.**
- 6. Maintaining our commitment to collaborative efforts in reducing climate change.**

Many steps have been taken to advance our CSR strategy such as setting up the extra-financial reporting, which enabled us to fully trace all of our quantitative data for the past six years; the development of internal tools and international platforms as well as the continuous work of promoting and sharing CSR practices between our agencies.

It's up to us to continue working to contribute within our capabilities to a positive change in this world.

Methodology

Havas has introduced a specialized sustainable development reporting software for the decentralized gathering and subsequent consolidation of non-financial indicators. The system is fully operational and was deployed for the sixth year in a row. The reporting covers all domains of our CSR strategy and an array of indicators was defined, covering every aspect of CSR and divided into five themes: Environment, Human Resources, Ethics and Governance, Economics and Purchasing and Responsible Communication.

The indicators refer in part to the NRE law, GRI guidelines, Global Compact commitments and also to specific indicators relating to the activity, challenges and commitments adopted by the Group.

HAVAS CSR STRATEGY

The communications sector has a considerable influence on society at large. It plays a part in the economic development of companies by raising brand awareness and image in an increasingly global and competitive world. However, people's motives and expectations with regard to consumption change over time, and the relationship between brands and consumers is becoming more fragile.

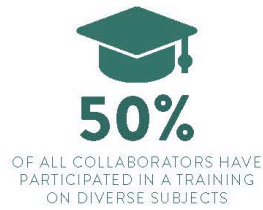
Communications must innovate in order to re-establish a relationship based on trust, by focusing on how companies and brands really help build a new social model. The creation of brand capital, which is the core function of communications, must now be based on the value created for society. This will probably entail greater transparency, greater humility and greater consideration for all stakeholders.

Communications mirror society and also act as a driving force, and through the values and representations used, they are also highly instrumental in the development of society, its standards, morals and mentality. Havas is fully aware of its responsibilities in this area and has reasserted its commitment to implementing the 10 principles of the Global Compact to which it has subscribed to since 2003.

After 2009, the group has set six commitments to progress that act as guidelines for all its businesses, wherever it operates, whether in France or abroad. These six guidelines serve as a framework for the Havas group's corporate and social responsibility (CSR) undertakings. They are aimed at reducing the impact of our activities on the environment and on social and societal issues, with quantitative and qualitative objectives set for 2020 to engage our collaborators in the CSR strategy.

Havas group continues to address the key CSR issues in their field. Their CSR strategy encourages its agencies to use their creative potential to push forward initiatives for the betterment of society.

**PROMOTING A HARMONIOUS AND HEALTHY WORKING ENVIRONMENT
THAT SUPPORTS COLLABORATORS' GROWTH AND DEVELOPMENT**



ACTIONS/OBJECTIVES	KPIs	ADVANCEMENT COMPARED TO 2015
Support equal opportunity initiatives in our agencies	Number of individuals with disabilities working on behalf of Havas group	85 collaborators with disabilities
	Gender diversity in creative and managerial positions	Executive ♂ 62% ♀ 38% Creative ♂ 61% ♀ 39%
	Number of diversity initiatives per agency	72 initiatives
Attract and retain talent by offering engaging career opportunities and leadership development programs	Number of Havas loft participants	110 collaborators have participated in the Havas loft program since its launch in 2014
	Number of training hours delivered in 2016 and number of training participants in 2016	163593 hours 8523 collaborators representing 50% of all Havas Group collaborators
	Turnover rate	32%
	Absenteeism	3%

2

REINFORCING SOCIAL RESPONSIBLE PROCUREMENT POLICIES IN OUR SUPPLY CHAIN



THE GROUP HAS BEGUN AN ANALYSIS
OF SUPPLIERS AND SUB-CONTRACTORS
THAT REPRESENT AT LEAST
75% OF GLOBAL
EXPENDITURES FOR
EACH AGENCY

ACTIONS/OBJECTIVES	KPIs	ADVANCEMENT COMPARED TO 2015
Integrate CSR clauses in suppliers' contract and CSR criteria in invitations to tender	Number of supplier contracts with a CSR clause on environmental and/or social practices	679 suppliers
Sustain our responsible supplier conduct to clients other stakeholders	Ecovadis classification and certification level	Havas group rating 52/100 Certification Silver

3

PROMOTING TRANSPARENCY AND ETHICS IN OUR BUSINESS



57% OF COLLABORATORS
PRESENTED AND TRAINED ON
THE HAVAS CODE OF ETHICS



DATA SECURITY CERTIFIED

ACTIONS/OBJECTIVES	KPIs	ADVANCEMENT COMPARED TO 2015
<p>Ensure collaborators incorporate the Havas code of ethics in all aspects of their work</p>	<p>Percentage of collaborators introduced and trained on the Havas code of Ethics</p>	<p>57% of headcount</p>
<p>Provide a rigor on data security and data integrity by preserving the confidentiality, value and availability of proprietary, consumer and client third-party and open data</p>	<p>Accreditations: ISO 27001:2013 and ISO 9001 Affiliation to data protection agencies such as: FEDMA, ICO DMA</p>	<p>Artemis Alliance and Havas Helia are certified ISO27001</p>



New indicator

4

TAKING THE LEAD IN THE CREATION AND DIFFUSION OF RESPONSIBLE COMMUNICATIONS THROUGHOUT OUR AGENCIES AND IN COLLABORATIONS WITH CLIENTS AND PARTNERS







40
AGENCIES

REPRESENTING 20% OF ALL COLLABORATORS HAVE PARTICIPATED IN THE CONCEPTION OF PRO BONO CAMPAIGNS, OR HAVE HELPED OBTAIN ADVERTISING SPACE FOR CHARITIES AND NON-GOVERNMENTAL ORGANIZATIONS



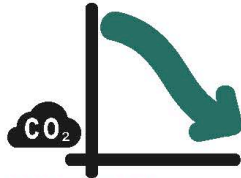
OUT OF
3 368
CREATIVE PROJECTS

SUBMITTED FOR REVIEW BEFORE BROADCASTING.

ACTIONS/OBJECTIVES	KPIs	ADVANCEMENT COMPARED TO 2015
Promote tools and collaborative strategies dedicated to sustainable development	Monitoring of Responsible communication initiatives in all of the group's agencies	In 2016, 176 campaigns were designed in collaboration with sustainable development experts (internal or consultants) 
	Number of consultations with stakeholders prior to the conception of a communication campaign	11 campaigns were conceived after consulting client stakeholders 
Engage our communities and partners through pro bono work	Number of pro bono campaigns and corresponding number of working days	94 pro-bono campaigns resulting in 3379 working days 
Up hold our promise to combat stereotypes in our work	Number of complaints or suit brought against any of our communication campaigns and percentage of campaigns found non compliant	Out of 3 368 creative projects submitted for review before broadcasting, only 4% were judged non-compliant 

5

REDUCING THE ENVIRONMENTAL FOOTPRINT OF OUR OPERATIONS



A 1,5% DECREASE IN GHG EMISSIONS PER COLLABORATOR





CREATION OF A TOOL TO MEASURE THE CARBON FOOTPRINT OF PRODUCING AN ADVERTISING CAMPAIGN

ACTIONS/OBJECTIVES	KPIs	ADVANCEMENT COMPARED TO 2015
Lower CO ₂ emissions according to our 2015-2020 goals	Annual update	Update of carbon footprint for 2016. The GHG emissions have increased to 126 906 t.eq CO₂ , equal to 6,5 t.eq CO₂ per collaborator For 2016, the group has seen its emissions decrease 1,5% per collaborator.
Reduce consumption of standard office paper by 40%	Quantity of paper consumed	Total paper consumption decreased to 286 tons , equal to 18 kg per collaborator. This ratio is 18% lower than last year
Use of 100% recycled or certified paper FSC/ PEFC	Percentage of recycled and/or FSC/PEFC-certified paper and variance from goal of 100% recycled or certified paper in 2020	Recycled and/or certified paper represents 78% of all global office paper consumption
Reduce volume of waste per collaborator by 20% for the period 2015-2020	Total waste and variance from the goal of a 20% reduction in total waste by 2020	In 2016, total waste was 1 583 tons , equal 128 kg per collaborator. This represents a decrease of 0,7% per collaborator
Implement recycling systems throughout all Havas agencies	Number of entities (and corresponding percentage of group headcount) to implement recycling programs for paper and waste	193 agencies which represents around 67% of all collaborators implemented recycling programs

6

MAINTAINING OUR COMMITMENT TO COLLABORATIVE EFFORTS IN REDUCING CLIMATE CHANGE



ACTIONS/OBJECTIVES	KPIs	ADVANCEMENT COMPARED TO 2015
<p>Become leaders in the media industry on the issue of climate change through events and client collaborations</p>	<p>Advancement on UN common ground initiative</p>	 New indicator
<p>Employ our influence to raise awareness on the issue of climate change</p>	<p>Number of campaigns related to the issue of climate change</p>	<p>35 campaigns dedicated to climate change were created this year</p>
		 New indicator

Reference table

Principles	
1. Businesses should support and respect the protection of internationally proclaimed human rights; and	Commitments 1 , 2 & 3
2. make sure that they are not complicit in human rights abuses.	Commitments 1 , 2 & 3
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Commitment 1 & 3
4. the elimination of all forms of forced and compulsory labour;	Commitments 2 & 3
5. the effective abolition of child labour; and	Commitments 2 , 3 & 4
6. the elimination of discrimination in respect of employment and occupation	Commitments 1 , 2 & 4
7. Businesses should support a precautionary approach to environmental challenges;	Commitments 5 & 6
8. undertake initiatives to promote greater environmental responsibility; and	Commitments 5 & 6
9. encourage the development and diffusion of environmentally friendly technologies.	Commitments 4 , 5 & 6
10. Businesses should work against corruption in all its forms, including extortion and bribery.	Commitments 2 & 3

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