

## December 2020 Communication on Progress To the United Nations Global Compact

### Message from the Co-CEOs expressing support for the Global Compact [\(Extract of JCDecaux's 2019 Universal Registration Document\)](#)

*“In respect of our commitment to the Global Compact, preserving the environment was central to all our business activities in 2019, under the guidance of our Sustainable Development Department. We are now offsetting 88% of our energy consumption through renewable energies, in line with our target of 100% in 2022. Our commitment was also reflected in iconic and practical initiatives, including our contribution to the creation of a global alliance for smart cities in Africa; our decision to become the first Out-of-Home media company to join the RE100, a worldwide network of businesses committed to the climate and renewable energies; the display of Danish artist Per Arnoldi’s “Warning Global Warming” poster for Climate Week in New York; and our partnership with Make.org for the largest public survey on the environment ever held in France.”*



In 1964, Jean-Claude Decaux invented an economic model that is, today more relevant than ever: providing cities with products and services offering a public service to citizens financed by advertising revenues. Deployed across all of the Company's activities (cities, airports, transport services, shopping centres, etc.), our economic model offers numerous advantages particularly in its service dimension.

This economic model allows cities to provide high-quality services to citizens, to have outdoor communication spaces available to connect with them, and to improve their eco-mobility offer with no impact on local finances and taxpayers, thanks to advertising revenues. We provide urban solutions with a low environmental impact and offer high-quality, aesthetically pleasing and accessible products and services in line with our values to serve cities and the public.

With the launch of our Sustainable Development Strategy in 2014, JCDecaux set itself ambitious objectives to minimize its impacts on the environment and create social and stakeholder value:

Reduce our energy consumption

-  Reduce our other environmental impacts
-  Deploy a group-wide Health and Safety Policy
-  Implement an ambitious group-wide Social Policy
-  Reinforcing sustainable development in the Purchasing Policy
-  Strengthen employees' commitment towards sustainable development

In this Communication on Progress, we report on specific Company commitments, practical measures and outcomes which have been achieved to date in each of the four areas addressed by the Global Compact: Human Rights, Labour, Environment and Anti-Corruption.

All the information published in this document was compiled mainly from JCDecaux's 2019 Universal Registration Document as well as the JCDecaux's International Charter of Fundamental Social Values, JCDecaux's Code of Ethics and JCDecaux's Code of Conduct of Suppliers.



## HUMAN RIGHTS

**Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights

**Principle 2:** Make sure that they are not complicit in human rights abuses

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**JCDecaux's commitments:** The Company has issued a formalised commitment to respect human rights standards and prevent any violations in its International Charter of Fundamental Social Values first published in 2012 and revised in 2013 and 2018. While the Charter applies to the benefit of all JCDecaux employees around the world, JCDecaux extended its commitment to respecting human rights to its suppliers through the JCDecaux Code of Conduct of Suppliers. This Code was rolled out in 2014 and revised in 2018. This relates to **SDG3, SDG5, SDG8 &SDG10**.

Public references: [JCDecaux International Charter of Fundamental Social Values](#) (all pages), [JCDecaux Code of Conduct of Suppliers](#) (pdf pages 8-11)

### Main implementation actions and outcomes:

- The International Charter of Fundamental Social Values is made available to all JCDecaux employees.
- A legal representation letter is signed by each subsidiary's General Managers every year stating their compliance with the Charter and its principles.
- An evaluation on the compliance of subsidiaries' local practices with the Group's Social Charter's principles is carried out every 2 years. The 4<sup>th</sup> study on the implementation of our social values was conducted in 2020 by the International Human Resources Projects Department and gathered 77 countries covering 99% of the FTE at the end of 2019. This study allowed them to also monitor the corrective action plans undertaken by the 17 entities detected as not aligned to the Charter's principles relating to non-discrimination and working time during 2018 biannual survey. The results of the study will be published in 2021.
- A verification of the local deployment of the Charter is carried out systematically by the Internal Audit Department when auditing subsidiaries.
- An online confidential vigilance alert system is in place and available to all employees since November 2018.
- The signature of the Code of Conduct of Suppliers has reached 88% of Group key suppliers in 2019. This measure is currently being expanded.
- A yearly evaluation and an audit every three years of key suppliers including human rights criteria are carried out. In 2019, 69% of key suppliers were evaluated and 64% of direct key suppliers were audited. This measure is also currently being expanded.
- A training programme on Group's ethical and social principles and suppliers' relations was deployed in October 2019 in order to raise employees' awareness and formalise their commitments to respecting the Group's principles and standards to operate. The objective is that 100% of connected employees finish the training and that all employees across the World sign their commitment by the end of 2021.
- Particular actions were made this year to manage Covid19 crisis and ensure all employees safety: the creation of a Covid Committee composed of the Covid referent and Corporate Directors (International Operations, Internal Audit, Purchasing) which have define and share 27 procedures on how to locally manage Covid crisis and ensure the same guidelines and treatment for every JCDecaux employee across the World (home working, adaptation of field interventions, masks and hydroalcoholic gels at disposal of all, etc.). Regular communications from the CEO and Covid referent were broadcasted on the intranet, sent by emails and relayed by local managers to the non-connected employees.
- Covid control measures have been made accessible to as many people as possible thanks to the integration of hydroalcoholic gel dispensers on our furniture (2,000 bus shelters in Paris, France, with more than 70 million uses over 4 months) and the display of awareness raising communications on our furniture in all the countries the Group operates.

Public references: [2019 Registration Document](#) (pdf pages 73-74 ; 85-86), [Article](#) on Covid19 communications posted on our Corporate web site



## LABOUR

**Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

**Principle 4:** The elimination of all forms of forced and compulsory labour

**Principle 5:** The effective abolition of child labour

**Principle 6:** The elimination of discrimination in respect of employment and occupation

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**JCDecaux's commitments:** The Company has issued a formalised commitment to respect employees' rights to freedom of association and collective bargaining as well as prevent forced labour, child labour and any forms of discrimination in its International Charter of Fundamental Social Values published in 2012 and revised in 2014 and 2018. The same commitments apply to the Group's suppliers as detailed in JCDecaux's Code of Conduct of Suppliers, rolled out in 2014 and updated in 2018 to consider latest regulations evolutions. This relates to SDG3, SDG5, SDG8 & SDG10.

Public references: [JCDecaux International Charter of Fundamental Social Values](#) (all pages), [JCDecaux Code of Conduct of Suppliers](#) (pdf pages 8-11)

### Main implementation actions and outcomes:

- At the end of 2019, there were 304 employee representatives at JCDecaux worldwide, 551 meetings were held with staff representatives, 84 agreements were signed for a total of 293 agreements in force in 2019 and 53% of Group employees were covered by collective bargaining agreements.
- The International Charter of Fundamental Social Values is made available to all JCDecaux employees. A practical guide is also deployed aiming to provide all subsidiaries with guidance on how to implement the Charter's principles.
- An evaluation on the compliance of subsidiaries' local practices with the Group's Social Charter's principles is carried out every 2 years. The 4<sup>th</sup> study on the implementation of our social values was conducted in 2020 by the International Human Resources Projects Department and gathered 77 countries covering 99% of the FTE at the end of 2019. This study allowed us to also monitor the corrective action plans undertaken by the 17 entities detected as not aligned to the Charter's principles relating to non-discrimination and working time during 2018 biannual survey. The results of the study will be published in 2021.
- A legal representation letter is signed by each subsidiary's General Managers every year stating their compliance with the Charter and its principles.
- A verification of the local deployment of the Charter is carried out by the Internal Audit Department when auditing subsidiaries.
- An online confidential vigilance alert system is in place and available to all employees since November 2018.
- The signature of the Code of Conduct of Suppliers has reached 88% of Group key suppliers in 2019. This measure is currently being expanded.
- A yearly evaluation and an audit every three years of key suppliers including human rights criteria are carried out. In 2019, 69% of key suppliers were evaluated and 64% of the key direct suppliers were audited. This measure is also currently being expanded.
- Particular actions were made this year to manage Covid crisis and ensure all employees safety: the creation of a Covid Committee composed of the Covid referent and Corporate Directors (International Operations, Internal Audit, Purchasing) which have defined and shared 27 procedures on how to locally manage Covid crisis and ensure the same guidelines and treatment for every JCDecaux employee across the World (home working, adaptation of field interventions, masks and hydroalcoholic gels at disposal of all, etc.). Regular communications from the CEO and Covid referent were broadcasted on the intranet, sent by emails and relayed by local managers to the non-connected employees.

Public references: [2019 Registration Document](#) (pdf pages 73-74 ; 82 ; 85-87 ; 332)



## ENVIRONMENT

**Principle 7:** Businesses should support a precautionary approach to environmental challenges

**Principle 8:** Undertake initiatives to promote greater environmental responsibility

**Principle 9:** Encourage the development and diffusion of environmentally friendly technologies

**JCDecaux's commitments:** As part of its Sustainable Development Strategy, the Company has issued 2 strategic priorities which concern the protection of the environment: the Reduction of our Energy Consumption and the Reduction of our Other Environmental Impacts. This commitment is also reflected in the Group's Code of Conduct of Suppliers which includes principles on the preservation of the environment. This relates to SDG12 & SDG13.

Public references: [2019 Registration Document](#) (pdf pages 62-68), [JCDecaux Code of Conduct of Suppliers](#) (pdf pages 12-13)

### Main implementation actions and outcomes:

- The use of Life Cycle Analyses (LCA) and an eco-design approach by the R&D Department for the design of furniture.
- Furniture energy reduction initiatives are undertaken on (1) energy efficiency, (2) energy usage and (3) carbon neutrality. Subsidiaries must comply with strict rules such as the use of highly efficient lighting technologies for all new contracts. Other measures in place are the introduction of schedule power modulation, lighting switch-off at night, and lighting retrofits of existing furniture where possible.
- Vehicle energy reduction initiatives are undertaken, including eco-driving training, optimization of logistics rounds, and the choice of environmentally friendly vehicles. These measures led to a 13% fuel consumption per km travelled reduction in 2019 vs. 2012.
- JCDecaux's renewable electricity procurement policy coverage rose from 69% in 2018 to 88% in 2019. Since the policy was launched in 2014, JCDecaux's emissions have been cut by almost three (from 185,5 kTEQ CO2 in 2013). In 2019, purchasing of renewable energy allowed JCDecaux to avoid the emission of nearly 218,7 kTEQ CO2. Our objective is to cover 100% of our electricity consumption by renewable energy by 2022.
- The measurement of our scope 3 (greenhouse gas emissions) and the voluntary purchase of carbon credits to achieve our objective of carbon neutrality in France by 2021.
- The use of PEFC or FSC certified paper posters (89% of paper posters ordered were hence certified in 2019) and the recycling of paper posters (71% of paper posters posted were recycled in 2019).
- The reduction of waste volume produced and new raw material extraction through the refurbishment of furniture at the end of a contract.
- The implementation of the ISO 14001 certification covered 55% of Group revenues in 2019, with 15 countries certified.
- A digital learning training programme on Sustainable Development was deployed in all Group subsidiaries reaching over 9,600 employees worldwide.
- The signature of the Code of Conduct of Suppliers has reached 88% of Group key suppliers in 2019. A yearly evaluations and regular audits of key suppliers including environmental criteria are carried out. In 2019, 69% of key suppliers were evaluated and 64% of key direct suppliers were audited. This measure is currently being expanded.
- The estimate of the reduction in electricity consumption linked to the extinction of JCDecaux's furniture in countries under Covid lockdowns to support subsidiaries in defining the quantities of green electricity purchased.
- The incitation to strictly favour homeworking and virtual meetings to ensure employees safety and reduce environmental impacts caused by travelling.

Public references: [2019 Registration Document](#) (pdf pages 62-68 ; 85-87), [Press release on Carbon neutrality objective](#)



**JCDecaux's commitments:** The Company has issued a formalised commitment to prevent corruption in all its forms in its Code of Ethics. This Code, first issued in 2001, was regularly updated to consider latest regulations requirements (2005, 2009, 2014, 2018). The same commitment applies to the Group's suppliers as detailed in JCDecaux's Code of Conduct of Suppliers. The Code first rolled out in 2014, was updated in 2018. This relates to SDG8.

Public references: [JCDecaux Code of Ethics](#) (all pages), [JCDecaux Code of Conduct of Suppliers](#) (pdf pages 6-7)

#### Main implementation actions and outcomes:

- Ethics matters are dealt with at the highest level of the organisation through the Ethics Committee, a sub-committee of JCDecaux's Supervisory Board.
- The Code of Ethics and its Practical Guide are made available and must be signed by all JCDecaux employees.
- A training programme on the Group's ethical and social principles and suppliers' relations was deployed in October 2019 in order to raise employees' awareness and formalise their commitments to respecting the Group's principles and standards to operate. The objective is that 100% of connected employees finish the training and that all employees across the World sign their commitment by the end of 2021.
- An online training on corruption prevention was carried out in all Group subsidiaries in 2016.
- A corporate procedure on the diffusion of JCDecaux Ethic, Social and Suppliers Charters was communicated in July 2019 to improve employee awareness on the Group's fundamental Charters and the Code of Conduct of Suppliers.
- A legal representation letter is signed by each subsidiary's General Management every year stating their compliance with the Code of Ethics and its principles.
- A verification of the local deployment of the Code of Ethics is carried out by the Internal Audit Department when auditing subsidiaries.
- An ethics online confidential alert procedure is in place and available to all employees. Six alerts were reported in 2019 (three were dropped and three were closed following an investigation by the Vigilance Committee).
- The signature of the Code of Conduct of Suppliers has reached 88% of Group key suppliers in 2019. This measure is currently being expanded.
- A yearly evaluation and an audit every three years of key suppliers including ethics criteria are carried out. In 2019, 69% of key suppliers were evaluated and 64% of key direct suppliers were audited. This measure is also currently being expanded.

Public references: [2019 Registration Document](#) (pdf pages 73; 85-86 ; 320-321 ; 332)