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# JCDecaux's Communication on Progress To the United Nations Global Compact November 2016

# Message from the Co-CEOs expressing support for the Global Compact

"By adopting an ambitious sustainable development strategy in 2014 and signing up to the UN Global Compact in 2015, we have demonstrated our intention to pursue growth in a way that is respectful to people and the environment."

Jean-Francois Decaux and Jean-Charles Decaux

Extract of JCDecaux's 2015 Reference Document (pdf page 10):



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

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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 impact 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

See the appendix for perimeter covered and specific targets set

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 2015 Reference Document as well as the Group's International Charter of Fundamental Social Values, Code of Ethics and Code of Conduct of Suppliers.

#### JCDecaux's 2016 Communication on Progress content table

	UN Global Compact principles	JCDecaux's commitments	Public references	Main implementation actions and outcomes	Public references
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	The Company has issued a formalised commitment to respect human rights standards and prevent any violations in its 2013 International Charter of Fundamental Social Values.  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.  Related Sustainable Development Goal: SDG3, SDG5, SDG8, SDG10	International Charter of Fundamental Social Values (all pages) Code of Conduct of Suppliers (pdf pages 8-11)	<ul> <li>The International Charter of Fundamental Social Values is made available and must be signed by all JCDecaux employees</li> <li>A Charter practical guide is currently being prepared and will be deployed by the end of 2016</li> <li>An evaluation is carried out by the Sustainable Development Department every other year on the compliance of subsidiaries' local practices with the Charter's principles. A 99% compliance rate was achieved in 2015.</li> <li>A legal representation letter is signed by each subsidiary's General Management every year stating their compliance with the Charter and its principles</li> <li>A verification of the local deployment of the Charter is carried out systematically by the Internal Audit Department when auditing subsidiaries</li> <li>The signature of the Code of Conduct of Suppliers has reached 64% of Group key suppliers in 2015. This measure is currently being expanded.</li> <li>A yearly evaluation and an audit every three years of key suppliers including human rights criteria are carried out</li> </ul>	2015 Reference Document (pdf pages 64-65; 73)

	UN Global Compact principles	JCDecaux's commitments	Public references	Main implementation actions and outcomes	Public references
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	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 issued in 2013.  The same commitments apply to the Group's suppliers as detailed in JCDecaux's Code of Conduct of Suppliers issued in 2014.  Related Sustainable Development Goal: SDG3, SDG5, SDG8, SDG10	International Charter of Fundamental Social Values (all pages) Code of Conduct of Suppliers (pdf pages 8-11)	<ul> <li>At the end of 2015, there were 597 employee representatives at JCDecaux worldwide, 633 meetings were held with staff representatives, 42 agreements were signed for a total of 180 agreements in force in 2015 and 50% of Group employees were covered by collective bargaining agreements</li> <li>The International Charter of Fundamental Social Values is made available and must be signed by all JCDecaux employees and a Charter practical guide is currently being prepared and will be deployed by the end of 2016</li> <li>An evaluation is carried out by the Sustainable Development Department every other year on the compliance of subsidiaries' local practices with the Charter's principles. A 99% compliance rate was achieved in 2015.</li> <li>A legal representation letter is signed by each subsidiary's General Management every year stating their compliance with the Charter and its principles</li> <li>A verification of the local deployment of the Charter is carried out by the Internal Audit Department when auditing subsidiaries</li> <li>The signature of the Code of Conduct has reached 64% of Group key suppliers in 2015. This measure is currently being expanded.</li> <li>A yearly evaluation and an audit every three years of key suppliers, including labour criteria, are carried out</li> </ul>	2015 Reference Document (pdf pages 64-65; 67- 68; 71; 73)

	UN Global Compact principles	JCDecaux's commitments	Public references	Main implementation actions and outcomes	Public references
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	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.  Related Sustainable Development Goal: SDG12, SDG13	2015 Reference Document (pdf pages 53;57-61) Code of Conduct of Suppliers (pdf pages 12-13)	<ul> <li>The use of Life Cycle Analyses (LCA) and an eco-design approach by the R&amp;D Department for the design of furniture</li> <li>Furniture energy reduction initiatives are undertaken, including the obligation of all subsidiaries to comply with strict rules such as the use of highly efficient lighting technologies for all new contracts, the introduction of schedule power modulation, lighting switch-off at night, and lighting retrofits of existing furniture where possible</li> <li>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 17% fuel consumption per km travelled reduction in 2015 vs. 2012.</li> <li>JCDecaux's renewable electricity procurement policy enabled the Group to cover 37% of its electricity consumption with renewable electricity in 2015</li> <li>The use of PEFC or FSC certified paper posters (79% of paper posters ordered were hence certified in 2015) and the recycling of paper posters (73% of paper posters posted were recycled in 2015)</li> <li>The reduction of waste volume produced through the refurbishment of furniture at the end of a contract</li> <li>The implementation of the ISO 14001 certification covered 52% of Group revenues in 2015, with 15 countries certified</li> <li>Local employee-awareness programs on the environment are in place in 31% of Group subsidiaries</li> <li>An e-learning training programme on Sustainable Development is to be deployed in all Group subsidiaries by the end of 2016</li> <li>The signature of the Code of Conduct of Suppliers has reached 64% in 2015. This measure is currently being further deployed.</li> <li>A yearly evaluation and an audit every three years of key suppliers including environmental criteria are carried out</li> </ul>	Reference Document (pdf pages 53;57-61; 73)

	UN Global Compact principles	JCDecaux's commitments	Public references	Main implementation actions and outcomes	Public references
ANTI- CORRUPTION	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery	The Company has issued a formalised commitment to prevent corruption in all its forms in its Code of Ethics.  The same commitment applies to the Group's suppliers as detailed in JCDecaux's Code of Conduct of Suppliers.  Related Sustainable Development Goal: SDG8	Code of Ethics (all pages)  Code of Conduct of Suppliers (pdf pages 12-13)	<ul> <li>Ethics matters are dealt with at the highest level of the organisation through the Ethics Committee, a subcommittee of JCDecaux Supervisory Board</li> <li>The Code of Ethics and its Practical Guide are made available and must be signed by all JCDecaux employees</li> <li>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</li> <li>A verification of the local deployment of the Code of Ethics is carried out by the Internal Audit Department when auditing subsidiaries</li> <li>An e-learning training on the prevention of corruption practices is to be deployed by the end of 2016</li> <li>A confidential alert procedure is in place</li> <li>The signature of Code of Conduct of Suppliers has reached 64% of Group key suppliers in 2015. This measure is currently being further deployed.</li> <li>A yearly evaluation and an audit every three years of key suppliers including ethics criteria are carried out</li> </ul>	2015 Reference Document (pdf pages 64;76;73)

#### **Appendix**

Our Sustainable Development strategic priorities and objectives



#### **Our Sustainable Development Strategic Priorities and Objectives**

ISSUES IDENTIFIED IN THE MATRIX	STRATEGIC PRIORITIES	ACTIVITIES/SCOPES COVERED	OBJECTIVES			
Environmental priorities						
Energy efficiency of JCDecaux devices     Carbon emissions reduction	REDUCE OUR ENERGY CONSUMPTION	Total JCDecaux energy consumption: - street furniture - vehicles - buildings	Achieve a 15% reduction in energy consumed by analogue street furniture by 2020 (vs. 2012)  Cover 100% of the Group's electricity consumption with renewable electricity by 2022  A 20% reduction in fuel consumption per 100 km by 2020 (vs. 2012)			
Waste recycling     Paper and plastic consumption	REDUCE OUR OTHER ENVIRONMENTAL IMPACTS	Operations: - assembly, installation, dismantling of street furniture - campaign displays - cleaning and maintenance of street furniture	100% of the paper posters printed by JCDecaux carrying a PEFC, FSC or equivalent label by the end of 2015 100% of the paper posters recycled by 2018 100% of canvas containing PVC recycled in Europe by the end of 2016 100% of waste recycled by 2020 Reduce by 50% waste not recycled per m² of advertising space by 2018 (vs. 2012)			
Social priorities						
Employee Health     & Safety	DEPLOY A GROUP-WIDE HEALTH AND SAFETY POLICY	Operations and billboard workshops	100% of the countries have set up a Health & Safety risk identification and assessment procedure by 2018     100% of employees, identified in the training matrix, trained in Health & Safety     100% of countries where the Group operates have developed an action plan and a Health & Safety manual in accordance with the Group's recommendations by 2019			
Social policy     Employee training     Human Rights	IMPLEMENT AN AMBITIOUS GROUP-WIDE SOCIAL POLICY	All JCDecaux employees	100% of countries to conform to the principles set forth in the International Charter of Fundamental Social Values by 2015     Deployment of employee training on the Charters in 100% of the countries where the Group			
Stakeholder priorities						
Supplier relations     Ethics     Human Rights	REINFORCE SUSTAINABLE DEVELOPMENT IN THE PURCHASING POLICY	JCDecaux suppliers	90% of JCDecaux suppliers have signed JCDecaux's Supplier Code of Conduct by 2018     Annual assessment of all key suppliers by 2015     Audit once every three years of all key suppliers by 2017			
Employee commitment     Transversal SD policies throughout the Group     Employee commitment     Ethics	STRENGTHEN THE COMMITMENT OF GROUP EMPLOYEES TOWARD SUSTAINABLE DEVELOPMENT	All JCDecaux employees	Deployment in 100% of countries of a programme to raise employee-awareness on sustainable development			