Out of Home Media

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### November 2018 Communication on Progress To the United Nations Global Compact

#### Message from the Co-CEOs expressing support for the Global Compact (Extract of JCDecaux's 2017 Registration Document)

"Our proactive Sustainable Development approach is a real driver for growth and innovation and it lies at the heart of our strategy. It allows us to adapt ourselves to challenges in our activity and translate them into opportunities for citizens, brands, cities and societies. This is shown by the 67% reduction in energy consumption of the advertising light boxes fitted in new bus shelters in Lyon in France or **the renew of our commitment to the Global Compact supporting human rights, the prevention of corruption and the protection of the environment.** 

We are also proud to have launched in 2017 the first worldwide campaign for road safety in partnership with the "Fédération Internationale de l'Automobile" (FIA).

Aware of the role we must play as an economic actor, our commitment to a more sustainable world is also reflected in the promotion of general interest causes which are given broad exposure through the reach of our media with a daily audience over 410 million of people per day.

In 2017, some of our objectives initially defined in 2014 were revised considering the evolution of our activities in more than 75 countries. In 2018, we want to go further with our stakeholders and to launch a new reflection process to nurture and sustain even more our Sustainable Development Strategy in order to create always more shared value."

Jean-Francois Decaux Chairman of the Executive Board and Co-CEO Jean-Charles Decaux Co-CEO



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.

#### JCDecaux SA

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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 impacts on the environment and create social and stakeholder value:

- Reduce our energy consumption
- O Reduce our other environmental impacts
- B 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 a summary of priorities, objectives and results to date.

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 2017 Registration Document as well as the Group's International Charter of Fundamental Social Values, Code of Ethics and Code of Conduct of Suppliers.



#### JCDecaux's 2018 Communication on Progress content table

	UN Global Compact principles	JCDecaux's commitments	Public references	Main implementation actions and outcomes	Public references
HUMAN RIGHTS	<ul> <li>Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights</li> <li>Principle 2: make sure that they are not complicit in human rights abuses</li> </ul>	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. <b>Related SDGs: SDG3, SDG5, SDG8, SDG10</b>	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 to all JCDecaux employees.</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 100% compliance rate was achieved in 2016. Another survey was conducted in 2018, results are currently being validated with countries.</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 70% of Group key suppliers in 2017. 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. In 2017, 36% of key suppliers were evaluated and 17% were audited. This measure is also currently being expanded.</li> </ul>	2017 Registration Document (pdf pages 66 ; 75-76)

	UN Global Compact principles	JCDecaux's commitments	Public references	Main implementation actions and outcomes	Public references
LABOUR	<ul> <li>Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining</li> <li>Principle 4: the elimination of all forms of forced and compulsory labour</li> <li>Principle 5: the effective abolition of child labour</li> <li>Principle 6: the elimination of discrimination in respect of employment and occupation</li> </ul>	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. <b>Related SDGs: SDG3, SDG5, SDG8, SDG10</b>	International Charter of Fundamental Social Values (all pages) Code of Conduct of Suppliers (pdf pages 8-11)	<ul> <li>At the end of 2017, there were 607 employee representatives at JCDecaux worldwide, 603 meetings were held with staff representatives, 54 agreements were signed for a total of 188 agreements in force in 2017 and 50% of Group employees were covered by collective bargaining agreements.</li> <li>The International Charter of Fundamental Social Values is made available to all JCDecaux employees. A Charter practical guide was deployed at the end of 2016 in order to provide all JCDecaux subsidiaries with a practical tool to better understand and implement each commitment of the Charter.</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 100% compliance rate was achieved in 2016. Another survey was conducted in 2018, results are currently being validated with countries.</li> <li>A legal representation letter is signed by each subsidiary's General Management every year stating their compliance with the Charter is carried out by the Internal Audit Department when auditing subsidiaries</li> <li>The signature of the Code of Conduct of Suppliers has reached 70% of Group key suppliers in 2017. 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. In 2017, 36% of key suppliers were evaluated and 17% were audited. This measure is also currently being expanded.</li> </ul>	2017 Registration Document (pdf pages 64-73 ; 75- 76)

	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. <b>Related SDGs:</b> <b>SDG12, SDG13</b>	2017 Registration Document (pdf pages 53-62) 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 on (1) energy efficiency, (2) energy usage and (3) carbon neutrality. Subsidiaries have to 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</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 15% fuel consumption per km travelled reduction in 2017 vs. 2012.</li> <li>JCDecaux's renewable electricity procurement policy enabled the Group to cover 54% of its electricity consumption with renewable electricity in 2017. Our objective is to cover 100% of our electricity consumption by renewable energy by 2022.</li> <li>The use of PEFC or FSC certified paper posters (92% of paper posters ordered were hence certified in 2017) and the recycling of paper posters (75% of paper posters posted were recycled in 2017).</li> <li>The reduction of waste volume produced through the refurbishment of furniture at the end of a contract.</li> <li>An e-learning training programme on Sustainable Development is currently being deployed in all Group subsidiaries with the objective to reach 100% of employees equipped with a computer by the end of 2018.</li> <li>The signature of the Code of Conduct of Suppliers has reached 70% of Group key suppliers in 2017. A yearly evaluations and regular audits of key suppliers including environmental criteria are carried out. In 2017, 36% of key suppliers were evaluated and 17% were audited. This measure is currently being expanded.</li> </ul>	2017 Registration Document (pdf pages 56-62 ; 75- 76)

UN Global Compact principles	JCDecaux's commitments	Public references	Main implementation actions and outcomes	Public references
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. <b>Related SDGs:</b> <b>SDG8</b>	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 sub-committee of JCDecaux's 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 was deployed in early 2017. At the end of February 2017, 82.5% of the targeted employees had followed this training.</li> <li>A confidential alert procedure is in place.</li> <li>The signature of the Code of Conduct of Suppliers has reached 70% of Group key suppliers in 2017. This measure is currently being expanded.</li> <li>A yearly evaluation and an audit every three years of key suppliers including ethics criteria are carried out. In 2017, 36% of key suppliers were evaluated and 17% were audited. This measure is also currently being expanded.</li> </ul>	2017 Registration Document (pdf pages 75-76)