



2.2 COMPENSATION OF CORPORATE OFFICERS

Publicis Groupe has introduced a stringent and attractive compensation policy, designed to motivate employees to become fully involved in helping the Group achieve its strategic goals and to ensure long-term performance. The compensation structure is communicated to employees, shareholders and investors in a clear and transparent manner.

The following information describes the philosophy and principles behind compensation for Corporate officers. Publicis Groupe refers to the recommendations of the Afep-Medef Code in terms of compensation.

The report on corporate governance presents, in particular, the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional elements of the total compensation and benefits of all kinds due to executive corporate officers and Supervisory Board members. Pursuant to article L. 225-82-2 of the French Commercial Code, the General Shareholders' Meeting of May 30, 2018 will be called to approve the compensation policies for the 2018 fiscal year for members of the Supervisory Board and Management Board (as detailed in Sections 2.2.1.1, 2.2.1.2, and 2.2.3.1 below). For this purpose, four resolutions will be proposed (fifteenth to eighteenth resolutions). Resolutions of this

nature will be submitted to the General Shareholders' Meeting each year for approval under the terms set forth by law. If shareholders at the General Meeting of Publicis Groupe SA fail to approve these resolutions, compensation shall be determined in accordance with compensation granted in the previous year, or in the absence of compensation granted in the previous year, in accordance with Company policy.

In addition, pursuant to article L. 225-100 II of the French Commercial Code, the fixed, variable and exceptional elements of the total compensation and benefits of all kinds paid or awarded to the Chair of the Supervisory Board, Chair of the Management Board and members of the Management Board in respect of the 2017 fiscal year will be submitted to the General Shareholders' Meeting of May 30, 2018 for approval (see Section 2.2.4.2, below). Please note that payment in 2018 of the variable and exceptional elements of compensation in respect of the fiscal year 2017, which are set forth below for the Chair of the Management Board and members of the Management Board, will be subject to approval from the Ordinary General Shareholders' Meeting for these elements of compensation as stipulated in article L. 225-100 II of the French Commercial Code.

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2.2.1 Compensation of members of the Supervisory Board

Sections 2.2.1.1 and 2.2.1.2 form the report on the principles and criteria for the determination and allocation of the elements of the total compensation and benefits of all kinds due to the Chair and members of the Supervisory Board, which are subject to approval from the General Shareholders' Meeting of May 30, 2018 in its fifteenth and sixteenth resolutions, pursuant to article L. 225-82-2 of the French Commercial Code. These principles and criteria are applicable to the 2018 fiscal year.

2.2.1.1 Principles and Criteria for the compensation of members of the Supervisory Board

The compensation policy for members of the Supervisory Board of Publicis Groupe SA aims to reward the expertise and involvement of its members, against the backdrop of their ever-increasing commitment.

Total envelope of attendance fees

The total envelope of attendance fees allocated to members of the Supervisory Board is determined by Publicis Groupe SA's General Shareholders' Meeting.

The Group's General Shareholders' Meeting of May 28, 2014 set an annual envelope of euro 1.2 million for attendance fees for members of the Supervisory Board, valid for each fiscal year and until a new decision by shareholders.

Going beyond the recommendations of the Afep-Medef Corporate Governance Code, the Supervisory Board decided that the allocation of attendance fees among the members of the Supervisory Board will be solely based on actual attendance at Supervisory Board and committee meetings.

In accordance with the total maximum budget for attendance fees approved by the General Shareholders' Meeting, each member of the Supervisory Board receives euro 5,000 for each Supervisory Board meeting and each committee meeting attended. At his request, Pierre Pénicaud will receive an amount of euro 2,500 for each Supervisory Board meeting and each committee meeting attended, and the Company has decided to allocate an equivalent amount to a charity.

The payment of attendance fees in respect of a fiscal year takes place the following year.

For information, 59% of the total envelope of attendance fees was used for 2017.

Exceptional compensation

According to article 17 III of the Company's bylaws, the Supervisory Board may grant, in accordance with applicable laws, exceptional compensation for specific assignments and duties entrusted to its members.



This compensation shall be determined by the Supervisory Board by taking into account the length and complexity of the assignment after obtaining the Compensation Committee's opinion.

For information, this option was not used in 2017.

This compensation policy for the members of the Supervisory Board, in respect of the 2018 fiscal year, is subject to approval (*ex ante* vote) from the General Shareholders' Meeting of May 30, 2018, in its sixteenth resolution, pursuant to article L. 225-82-2 of the French Commercial Code.

Compensation for the Vice-Chair

With the exception of attendance fees, Elisabeth Badinter does not receive any specific compensation in respect of her term of office as Vice-Chair of the Supervisory Board, which took effect on June 1, 2017. Elisabeth Badinter does not have an employment contract with Publicis Groupe SA or any of its subsidiaries.

2.2.1.2 Principles and criteria for the compensation of the Chair of the Supervisory Board

In accordance with article 17 I of the Company's bylaws, the Chair may, in addition to attendance fees, receive specific compensation in respect of his duties (which are not included in the total annual amount of attendance fees). The amount of this compensation is determined by the Supervisory Board taking into account the tasks that are allocated to him, upon the Compensation Committee's proposal.

The compensation awarded, if applicable, is a fixed amount, and excludes variable elements, additional benefits, and share-based compensation.

Following the announcement on January 26, 2017 of the Supervisory Board's decision to appoint Arthur Sadoun effective from June 1, 2017 to succeed Maurice Lévy as Chair of the Management Board of Publicis Groupe SA, Elisabeth Badinter proposed Maurice Lévy to join the Supervisory Board and succeed her as Chair.

At this crucial moment in the history of the Publicis Groupe, combining the succession of Maurice Lévy with the transformation of the Group, the Supervisory Board has asked Maurice Lévy to take an active role in supporting the transition and to that end wishes to appoint Maurice Lévy Chair of the Supervisory Board as of June 1, 2017. The appointment of Maurice Lévy as a member of the Supervisory Board of the Company was approved by the General Shareholders' Meeting of May 31, 2017.

In his new role as Chair of the Supervisory Board, Maurice Lévy assists, though without operating responsibility, the Management Board in this phase of gradual transition, and more specifically, maintain with the Group's major clients the relationship of trust established in many cases decades ago. He is consulted by the members of the Management Board, as required, on significant events, coordinates efforts with public authorities in the countries where Publicis operates and provides the Group with the benefits of his 47 years of experience.

In consideration of this investment and waiving the gross annual non-compete compensation of euro 1,800,000 for three years which he received under his non-compete agreement authorized by the Supervisory Board on March 17, 2008 and approved by the General Shareholders' Meeting of June 3, 2008, the Supervisory Board set the gross annual compensation of Maurice Lévy as Chair of the Supervisory Board beginning June 1, 2017 at a fixed amount of euro 2,800,000.

Maurice Lévy does not have an employment contract with Publicis Groupe SA or any of its subsidiaries.

The compensation policy for Maurice Lévy as Chair of the Supervisory Board in respect of the 2017 fiscal year was approved, along with his appointment, by the General Shareholders' Meeting of May 31, 2017 (eighth resolution) pursuant to article L. 225-82-2 of the French Commercial Code (*ex ante* vote).

This policy has not been amended in respect of the 2018 fiscal year, and is subject to approval (*ex ante* vote) from the General Shareholders' Meeting of May 30, 2017 in its fifteenth resolution.

2.2.1.3 Amounts paid in 2017 to members of the Supervisory Board

The total compensation including all benefits of any kind paid during the fiscal year ended December 31, 2017 to each member of the Supervisory Board, both by the Company and by the companies controlled by the Company as defined by article L. 233-3 of the French Commercial Code, is indicated hereafter.

The compensation of the members of the Supervisory Board is exclusively comprised of attendance fees, with the exception of the compensation

paid to the Chair (see 2.2.1.2), and with the exception of the salaries paid to Marie-Claude Mayer and Pierre Pénicaud in respect of their employee functions in the Group in 2017. If applicable, the amount of fixed and variable compensation included in the total compensation is indicated. Total compensation is expressed in euros. The amounts indicated are gross amounts before deductions of taxes or social charges.



Compensation (in euros) paid during 2017 to members of the Supervisory Board (gross amounts before social security contributions and taxes)

	Total 2017 gross compensation of which	Fixed part	Variable compensation	Attendance fees	Benefits in kind ⁽⁹⁾	Total 2016 gross compensation	Including fixed part
Maurice Lévy⁽¹⁾	-	-	-	-	-	-	-
Elisabeth Badinter⁽²⁾	160,000	100,000	-	60,000	-	295,000	240,000
Sophie Dulac	30,000	-	-	30,000	-	35,000	-
Simon Badinter	35,000	-	-	35,000	-	35,000	-
Claudine Bienaimé	100,000	-	-	100,000	-	105,000	-
Michel Cicurel	90,000	-	-	90,000	-	65,000	-
Hélène Ploix⁽³⁾	-	-	-	-	-	30,000	-
Amaury de Seze⁽⁴⁾	50,000	-	-	50,000	-	70,000	-
Henri-Calixte Suaudeau⁽³⁾	-	-	-	-	-	25,000	-
Gérard Worms⁽³⁾	-	-	-	-	-	35,000	-
Véronique Morali	90,000	-	-	90,000	-	75,000	-
Marie-Josée Kravis	55,000	-	-	55,000	-	50,000	-
Marie-Claude Mayer⁽⁵⁾	344,167	229,167	70,000	45,000	-	370,000	250,000
Jean Charest	75,000	-	-	75,000	-	50,000	-
Jerry Greenberg⁽⁶⁾	90,000	-	-	90,000	-	30,000	-
Thomas Glocer⁽⁷⁾	30,000	-	-	30,000	-	-	-
André Kudelski⁽⁷⁾	30,000	-	-	30,000	-	-	-
Pierre Pénicaud⁽⁸⁾ Member representing employees	70,000	70,000	-	-	-	-	-

(1) Start of the term of office as Chair of the Supervisory Board on June 1, 2017.

(2) Chair of the Supervisory Board until May 31, 2017, Vice-Chair of the Supervisory Board since June 1, 2017.

(3) End of term of office as a member of the Supervisory Board on May 27, 2015.

(4) End of term of office as a member of the Supervisory Board on May 25, 2016.

(5) Marie-Claude Mayer held an employment contract with Publicis Conseil until the date of her retirement on December 1, 2017. In respect of her employee functions, in 2017, Marie-Claude Mayer received fixed compensation of €229,167, variable compensation in respect of 2016 of €70,000 and an exceptional bonus of €125,000, and, on her retirement, a legal retirement benefit of €475,289 and a compensation indemnity for paid leave of €16,667.

(6) Resigned on May 31, 2017.

(7) Start of term of office as a member of the Supervisory Board on May 25, 2016.

(8) Appointment as member of the Supervisory Board representing employees on June 20, 2017. Pierre Pénicaud did not receive any attendance fees in 2017, and received in respect of his employee functions a fixed salary of €70,000.

(9) Benefits in kind relating to the use of a company-provided vehicle are not mentioned when they are for an immaterial amount.

The summary table of the elements of compensation paid or awarded for the year ended December 31, 2016 to Elisabeth Badinter, Chair of the Supervisory Board until May 31, 2017, in Section 2.2.4.2 below, will be submitted to the General Shareholders' Meeting of May 30, 2018 for approval in its eighth resolution in accordance with article L. 225-100 II of the French Commercial Code.

The summary table of the elements of compensation paid or awarded for the year ended December 31, 2017 to Maurice Lévy, Chair of the Supervisory Board since June 1, 2017, in Section 2.2.4.2 below, will be submitted to the General Shareholders' Meeting of May 30, 2018 for approval in its tenth resolution in accordance with article L. 225-100 II of the French Commercial Code.



2.2.2 Compensation and benefits of Maurice Lévy as Chair of the Management Board until May 31, 2017

As a reminder, since January 1, 2012, Maurice Lévy's compensation as Chair of the Management Board was entirely variable and related to achieving financial performance criteria of the Group, and non-financial individual criteria. Since his term as Chair of the Management Board ended on May 31, 2017, the Supervisory Board found it impossible to measure the Group's performance for only the first five months of 2017. The Supervisory Board of Publicis Groupe SA had therefore decided to extend the amount of the compensation obtained for fiscal year 2016 and to *prorate* it over the first five months of the 2017 fiscal year.

Maurice Lévy's term of office as Chair of the Management Board expired at the end of the General Shareholders' Meeting of May 31, 2017.

In addition to the fixed compensation for the first five months of 2017 as indicated above, Maurice Lévy did not receive any compensation or indemnity at the time of the expiry of his term of office as Chair of the Management Board.

The compensation policy for Maurice Lévy, as Chair of the Management Board for the 2017 fiscal year, was approved (ex ante vote) by the General Shareholders' Meeting of May 31, 2017 (eleventh resolution) in accordance with article L. 225-82-2 of the French Commercial Code.

2.2.3 Compensation of the Management Board

In accordance with article 10 IV of the Company's bylaws, compensation for the Chair and members of the Management Board will be set by the Supervisory Board and reviewed on the recommendation of the Compensation Committee. For members of the Management Board other than the Chair, the Chair of the Management Board shall make proposals to the Compensation Committee.

Section 2.2.3.1 forms the report on the principles and criteria for the determination and allocation of the elements of the total compensation and benefits of all kinds due to the Chair and members of the Management Board, which are subject to approval from the General Shareholders' Meeting of May 30, 2018 in its seventeenth and eighteenth resolutions, pursuant to article L. 225-82-2 of the French Commercial Code. These principles and criteria are applicable to the 2018 fiscal year.

2.2.3.1 Principles and criteria for the compensation of members of the Management Board

The compensation policy of the Publicis Groupe SA Management Board aims to align the interests of the Group's Executives with those of the shareholders by establishing a strong link between performance and compensation. Within this context, its essential purpose is to encourage the achievement of ambitious objectives and create value on a long-term basis, by setting stringent performance criteria.

In order to do so, the compensation structure of the Publicis Groupe SA executives is partly based on fixed compensation and partly on annual and multi-year variable compensation directly linked to their individual performance as well as their contribution to Group performance.

Furthermore, it is based on an in-depth analysis (using the services of external consultants) of market trends observed in France and abroad, both in major international companies in general and, more specifically, in the companies competing with Publicis Groupe in terms of both business and talents. It should be noted that the main competitors of Publicis Groupe are American and British companies.

This compensation policy is based on the following objectives:

- attract, develop, retain and motivate the most talented individuals in a sector fundamentally based on the quality of employees, and where competition for talent is particularly fierce, especially in the context of the digital transformation, underway throughout the industry;

- encourage the management to achieve a level of performance which is high, growing and long-lasting within a very competitive environment, where new players from consulting or technological firms have become direct competitors of Publicis Groupe.

It is guided by three principles:

- a competitive and coherent compensation package with regard to market trends;
- internal equity, based on individual and collective performance, in order to ensure fair and balanced compensation reflecting the level of individual success of each person, measured both quantitatively and qualitatively;
- achieving all the short, medium and long-term financial and operating results directly linked with the Group's strategic objectives and for the benefit of all stakeholders, our clients, our employees, our shareholders and all our stakeholders.

These principles apply to all Group executives and are adapted based on the geographical location of the individuals, taking into consideration the differences in terms of regulations, market practices and the competitive environment.

Components of the compensation of the members of the Management Board

The compensation of the members of the Management Board includes (i) a fixed part, as well as (ii) a significant portion based on the performance and alignment of their interests with those of the Company and shareholders, and comprised of an annual variable compensation in the form of a bonus and a long-term variable compensation in the form of shares and/or stock options. This variable compensation structure applicable to the members of the Management Board is in line with that proposed to the Group's main executives.

FIXED COMPENSATION

The fixed part is determined by taking into account:

- the scope of responsibility and its complexity;
- the career path and experience of the person holding the position;
- consistency compared to the other Group functions (internal equity);
- market practice for identical or comparable positions (external competitiveness).



The level of fixed compensation is reviewed every two years both for the Management Board members and for the other Group executives in order to regularly assess its relevance and competitiveness.

Compensation for Management Board members is generally reassessed at relatively long intervals, in accordance with the Afep-Medef Corporate Governance Code, and when such a revision is justified, for example in the event of a change in scope or an adjustment relative to market practices or internally.

ANNUAL VARIABLE COMPENSATION

Annual variable compensation is intended to represent a substantial part of the total annual compensation of executives, if set objectives are achieved. It encourages overperformance as a specific reward is paid when the objectives are exceeded.

Annual variable compensation is subject to quantifiable (financial and non-financial) performance and qualitative conditions.

No minimum amount is guaranteed. Annual variable compensation is calculated on a *pro rata* basis for the year of the start of the term of office to the year of the end of the term of office.

It is based on several quantifiable and qualitative criteria, assessed separately, which take into account:

- the Group's overall performance (organic growth and operating margin) and/or the performance of the network to which the beneficiary belongs;
- achieving the personal objectives of the manager assessed *a posteriori* by taking into account the items of context in which the performance was achieved.

These parameters are determined in advance for each fiscal year and proposed by the Compensation Committee to the Supervisory Board for approval.

Detailed elements of annual variable compensation for the 2017 and 2018 fiscal years are explained below in Section 2.2.3.2 for the Chair of the Management Board and Sections 2.2.3.3 to 2.2.3.5 for the other current members of the Management Board.

VARIABLE LONG-TERM COMPENSATION

The share-based compensation program is meant to incentivize on a long-term basis. It is subject to stringent performance conditions to develop the loyalty of those holding key positions within the organization while

encouraging executives over the long-term in a community of interests with Publicis Groupe SA shareholders (see Section 5.6 Note 28 to the consolidated financial statements).

Share award plan

Management Board members can benefit from two types of share-based compensation programs awarded every three years:

- Three-year long-term incentive plan, called "Management Board LTIP":

Under this plan, Management Board members are awarded shares subject to the fulfillment of performance and continued presence conditions.

Performance: acquisition of shares is subject to performance criteria that are measured following a three-year period, such that the total number of shares awarded depends on the growth and profitability objectives attained at the end of the period under review. The shares ultimately awarded in accordance with the level of achievement of these performance targets are deliverable subject to the fulfillment of the other conditions.

Presence: acquisition of shares is also subject to the fulfillment of continued presence during the three-year vesting period.

- Three-year free share plan called "LionLead":

Under this plan, Management Board members are awarded free shares, subject to the fulfillment of performance and presence conditions, as well as a commitment to personally investing in Publicis shares.

Performance: acquisition of shares is subject to performance criteria that are measured following a three-year period, namely achieving – or exceeding – a target operating margin set in the annual budget, as well as achieving a certain rate of organic growth and an operating margin compared to a peer group of companies competing with Publicis. In addition, a portion of these shares is subject to market performance conditions: Publicis Groupe SA share price after the plan's final end closing in comparison with the price at grant date. The total number of shares delivered will depend on the achievement of all these criteria for the period under review.

Presence: acquisition of shares is also subject to the fulfillment of continued presence during the three-year vesting period.

Investment: the award of shares is also subject to maintaining an investment in the Company's shares.

The characteristics of these plans for Management Board members are as follows:

Type of plan	LTIP	
Performance conditions	Organic growth rate of Publicis Groupe compared to a peer group	Operating margin of Publicis Groupe compared to a peer group
Type of performance conditions	Relative performance compared to peer group performance Omnicom, WPP, IPG, Publicis Groupe	
Weighting	50% of shares awarded	50% of shares awarded
Acquisition	<ul style="list-style-type: none"> ● ≥ of the peer group average: 100% of the shares delivered ● ≤ 80% of the peer group average: 0 ● Between 80% and 100%: number of shares delivered is reduced by 5% for each 1% of performance recorded below 100% 	<ul style="list-style-type: none"> ● Highest margin compared to the peer group: 100% of the shares delivered ● Margin in 2nd position: 50% ● Margin in 3rd position: 15% ● Margin in 4th position: 0
Performance period	Following a three-year period at the end of which performance is calculated	



Type of plan			LionLead
Performance conditions	Organic growth rate of Publicis Groupe compared to a peer group	Operating margin of Publicis Groupe compared to a peer group	Operating margin achieved in value terms (€ millions) as set out in the Publicis Groupe's budget
Type of performance conditions	Relative performance compared to peer group performance Omnicom, WPP, IPG, Publicis Groupe		Absolute internal performance
Weighting	25% of shares awarded	25% of shares awarded	50% of shares awarded
Acquisition	<ul style="list-style-type: none"> • ≥ of the peer group average: 100% of the shares delivered • ≤ 80% of the peer group average: 0 • Between 80% and 100%: number of shares delivered is reduced by 5% for each 1% of performance recorded below 100% 	<ul style="list-style-type: none"> • Highest margin compared to the peer group: 100% of the shares delivered • Margin in 2nd position: 50% • Margin in 3rd position: 15% • Margin in 4th position: 0 	<ul style="list-style-type: none"> • = the set margin: 100% of the shares delivered • No shares will be delivered if the margin achieved is below €50 million or more compared to the target range • Between this threshold of -€50 million of the target and the margin set out in the budget: straight-line calculation of the number of shares delivered • If > than the target margin with a maximum performance ceiling of €150 million: performance shares for generating returns in excess of a set target are delivered

Performance period Following a three-year period at the end of which performance is calculated

STRINGENT CRITERIA

These criteria have been used by Publicis for several years. They are particularly stringent because they are based on a quantifiable assessment relating to performance (encouraging Publicis Groupe executives to deliver the best figures in the market) and on complete transparency, as the results are measured on the basis of public data for the most part. Publicis Groupe demonstrates both the demands and the reality of the expected performance.

The rate of achievement observed historically clearly shows the ambitious nature of our plans. The performance conditions applied are suitable and stringent, while allowing the plans to be a way to motivate and retain Publicis Groupe's executives.

As an illustration, the rates of achievement of performance conditions for plans awarded in 2013 demonstrate that grants are based on strict conditions and that they are consistent with shareholders' interests over the long-term.

Plan	2013-2015 LionLead2	Management Board LTIP 2013-2015
Percentage	50%	53.2%

STABILITY OF THE PERFORMANCE CONDITIONS

The Supervisory Board considers that consistency in the performance conditions is one of the factors for creating long-term value. This is why the performance criteria concerning organic revenue growth and the Group's operating margin have been put in place since 2003.

The third criterion relating to attaining the operational margin in value terms set out in the budget for each year of the plan has been added to the two historical criteria for the LionLead3 plan.

UNIQUENESS OF THE PERFORMANCE CONDITIONS

The same performance conditions have been used to date for all of the Group's long-term compensation programs, whether they relate to Management Board members or other executives. The aim is to ensure perfect cohesion among Publicis Groupe's entire management team.

VESTING PERIOD

In order to favor the retention of executives, no shares are acquired by the beneficiaries before the end of a continued presence condition in the Group, and subject to the performance conditions being satisfied. This vesting period is three years.

CONTINUED PRESENCE CONDITION

Except in the specific case of death, disability or retirement, or in exceptional circumstances explained by the Supervisory Board and made public, the acquisition of shares is subject to compliance with the continued presence condition for Management Board members until the end of the vesting period.

This condition may only be waived upon recommendation of the Supervisory Board after obtaining the opinion of the Compensation Committee.

MAXIMUM SHARE GRANT LEVEL

Share award plans to Management Board members are limited to 0.3% of the Company's share capital and this ceiling is far from being reached considering the actual level of shares acquired following the performance period. This same ceiling applies and is common to the 0.3% ceiling for stock options.

MANDATORY HOLDING

The Supervisory Board has decided that, in addition to the specific rules in the LTIP and LionLead plans, Management Board members must



maintain ownership of 20% of the shares they were awarded in registered form throughout their term of office. In addition, in accordance with the Afep-Medef Corporate Governance Code, Management Board members undertake not to use hedging instruments on shares to be received or shares received but which are non-transferable.

GRANT FREQUENCY

Share compensation plans are awarded (or their conditions are set) after the publication of the net income for the previous fiscal year.

The LTIP 2016-2018 and LionLead3 plans were awarded in 2016 for a three-year period.

SPRINT TO THE FUTURE EXCEPTIONAL PLAN

On March 20, 2018, the Group announced a strategic transformation plan supported by ambitious financial targets for the next three years.

The Management Board proposed that about twenty key Group executives should be fully committed to the success of this transformation plan and decided, in this particular context, to grant performance shares on a one-off basis in respect of the 2018-2020 period, pursuant to the authorization granted by the General Shareholders' Meeting of May 25, 2016. The Supervisory Board, after recommendation from the Compensation Committee, approved this plan on March 7, 2018, and decided that the members of the Management Board also be eligible to this plan, and that their interests be aligned with those of the Company and its shareholders. Given that this one-off allocation is intended to complement the Group's three-year strategic plan, the final number of shares vested under this plan will be assessed and calculated for all beneficiaries at the end of the 2018-2020 period (corporate officers and executive managers) depending on actual performance levels. It is also stipulated that the beneficiaries shall forfeit their rights in the event of their departure before the delivery date, regardless of the reason.

Performance criteria and conditions applicable to this plan include the Company's consolidated organic growth rate and the consolidated operating margin achieved in 2020 and measured at the end of that financial year. It is worth noting that the targets set out below are presented before application of IFRS 15 (new accounting standards on revenue) impact is taken into account. These targets should therefore be adjusted in order to account for the application of this standard.

The allocation of shares under this plan is subject to conditions precedent, measured over the plan's three-year period, and minimum performance criteria, below which no shares will be allocated. Therefore, no share can be delivered if:

- the average annual organic growth rate is not equal at least 2.5% over the three years period, and the average annual operating margin over the three years is not at least equal to the 2020 target less 70 bps;
- the 2020 organic growth rate is less than 3.5% or the operating margin is not at least equal to the 2020 target less 30 bps.

To benefit from the delivery of the maximum number of shares, an organic revenue growth rate of 4% must be achieved in 2020, as well as an increase in the operating margin rate of 150 bps over the period, at the top of the range announced on March 20, 2018.

The grants to the members of the Management Board are included in the 2018 compensation package submitted for approval at the General Shareholders' Meeting as part of the *ex ante* vote.

Stock option plan

The Management Board reserves the right to grant stock options

These grants are limited to 0.3% of the Company's share capital. This same ceiling applies and is common to the 0.3% ceiling for free share plans.

SUPPLEMENTARY PENSION PLAN

The Group has chosen not to implement a supplementary pension plan for Board members who are under the French system.

COLLECTIVE HEALTH AND WELFARE INSURANCE AND SYSTEMS

Management Board members may benefit from collective health and welfare insurance based on applicable local regulations.

UNEMPLOYMENT INSURANCE FOR CORPORATE OFFICERS

Private insurance coverage under the French plan was offered to the members of the Management Board who might not be able to benefit from the compulsory unemployment insurance for employees.

EMPLOYMENT CONTRACT

With the exception of the Chair of the Management Board, the members of the Management Board may have an employment contract with a company of the Groupe.

The employment contract of the Chair of the Management Board was terminated when his nomination as Chair of the Management Board started.

SEVERANCE PAYMENT

The members of the Management Board may be entitled to severance payment in case of imposed departure, granted in accordance with current law and the Afep-Medef Corporate Governance Code. In line with said code, the cumulative amount of the severance payment and non-compete compensation may not exceed twenty-four months of total compensation (annual fixed and variable compensation).

Detailed elements of severance payments are explained below in Section 2.2.3.2 for the Chair of the Management Board and 2.2.3.3 to 2.2.3.5 for the other current members of the Management Board.

NON-COMPETE AGREEMENT

The members of the Management Board may be bound by a non-compete agreement and benefit from non-compete compensation in accordance with current legislation and the Afep-Medef Corporate Governance Code. The Supervisory Board reserves the right to forgo this commitment. In accordance with said code, the cumulative amount of the severance payment and non-compete compensation may not exceed twenty-four months of total compensation (annual fixed and variable compensation).

OTHER ELEMENTS

Management Board members may be entitled to benefits based on local regulations and compensation practices, such as the use of a Group company car.

Where a member of the Management Board has been hired from outside the Group, the Supervisory Board may decide to compensate the loss of benefits, in whole or in part, due to his or her leaving the former employer.

The quantified, specific components of the compensation of each member are detailed in the following sections.

MODIFICATION TO THE MANAGEMENT BOARD'S COMPOSITION

If a new Management Board is appointed or a new member joins the Management Board, the principles and criteria stipulated in the Management Board compensation policy above are applicable to them. The Supervisory Board, upon the recommendation of the Compensation Committee, will determine, within this framework depending on the specific situation of the person(s) concerned, the fixed and variable components of their compensation, as well as the parameters, objectives and criteria for the variable elements of their compensation.



2.2.3.2 Compensation and benefits of Arthur Sadoun, Chair of the Management Board since June 1, 2017

The compensation of Arthur Sadoun is set in accordance with the compensation policy described in Section 2.2.3.1.

A. Compensation and benefits of Arthur Sadoun for fiscal year 2017

The principles and criteria used to set the compensation of Arthur Sadoun beginning June 1, 2017 as Chair of the Management Board, in respect of the 2017 fiscal year, were approved by the General Shareholders' Meeting of May 31, 2017 in its seventeenth resolution.

ANNUAL FIXED COMPENSATION

The gross annual compensation of Arthur Sadoun as Chair of the Management Board of Publicis Groupe SA amounts to euro 1,000,000 per year.

STRUCTURE OF THE VARIABLE COMPENSATION

The Supervisory Board, upon the Compensation Committee's recommendation, decided, effective from June 1, 2017, that the variable part of his compensation will be at a maximum of a target amount of up to 200% of his fixed remuneration, will be based on the following criteria:

The variable compensation of Arthur Sadoun is based on quantitative financial and stock exchange performance criteria, essentially based on a comparison with the performance of the main competitors of Publicis Groupe (Omnicom, WPP and IPG) and on qualitative non-financial individual performance criteria considered as major for the development of the Group.

The compensation of the Chair of the Management Board is thus based on two types of criteria:

- **three quantitative criteria, including two financial criteria and a value creation criterion corresponding to 75% of the overall weight of the criteria**, taking into account the development of the growth and profitability of Publicis Groupe compared with that of a peer group consisting of the three other leading global communication groups (Omnicom, WPP and IPG):
 - the Group's organic revenue growth for 25%,
 - the operating margin (the highest in the market) for 25%,

- and for 25%, the rate of change of the Group's net earnings per share (EPS), comparing the EPS of the fiscal year and the average EPS of the two previous fiscal years and the Total Shareholder Return (TSR) which reflects the variation of the share price of Publicis Groupe SA between the start and the end of the fiscal year under review (on the basis of the average of the first listed share prices recorded in the last 20 trading sessions in the year, compared to the average of the first listed share prices in the first 20 trading sessions of the year), increased by the amount of the dividends paid during the fiscal year. This criterion is directly linked to the interests of shareholders.

These financial and stock exchange performance criteria were chosen by the Supervisory Board, following the proposal of the Compensation Committee, because they best express the quality of the Company's performance. Three of them are measured in comparison with the main competitors of Publicis Groupe, they encourage overperformance;

- **qualitative non-financial individual criteria corresponding to 25% of the overall weight of the criteria** in order to value the implementation of strategic actions which will yield long-term effects for the Group's development:
 - 8% for implementation of "The Power of One",
 - 9% for implementation of the Big Data tool,
 - 8% for creating and reinforcing the senior management team, Executive Committee and other groups of executives.

VARIABLE COMPENSATION TO BE PAID IN 2018 IN RESPECT OF 2017

After assessing the performance for each of the criteria indicated above during the 2017 fiscal year, the Supervisory Board set the variable part of Arthur Sadoun's gross compensation for the period from June 1 to December 31, 2017, at euro 729,499 gross, the payment of which will be submitted to the Annual General Shareholders' Meeting of May 30, 2018 in its eleventh resolution in accordance with article L. 225-100 II of the French Commercial Code. This amount results from the facts and assessments stated hereafter and in the table below.

The "Power of One" model resulted in winning new accounts (including McDonalds, P&G UK, Southwest Airlines, Lionsgate and L'Oréal), the roll-out of Big Data tool progressed considerably with the successful launch of the People Cloud platform (identification and grouping of the Group's data tools and experts), and with our clients; finally, management teams were successfully formed at Group level with the creation of the Executive Committee and the Management Committee, as well as Solutions and countries, with management teams enhanced at all levels by a substantial number of visible new hires.

Criteria	Performance level	Amount of variable compensation
Organic growth	Objective not achieved	No compensation
Operating Margin	Objective 100% achieved	€292,000
Rate of change of diluted earnings per share for the Group	Objective 100% achieved	€145,833
Total Shareholder Return	Objective not achieved	No compensation
Non-financial individual criteria:		
Rollout of <i>The Power of One</i>	Objective 100% achieved	€93,333
Rollout of the <i>Big Data tool</i>	Objective 100% achieved	€105,000
Creation/consolidation of the senior management team, Executive Committee and other groups of executives	Objective 100% achieved	€93,333

VARIABLE LONG-TERM COMPENSATION

Arthur Sadoun was not granted a share-based compensation plan in respect of the 2017 fiscal year.

BENEFITS IN KIND

Arthur Sadoun benefits from the use of a taxi firm and get a refund for his taxis and entertainment expenses.



COLLECTIVE HEALTH AND WELFARE INSURANCE AND SYSTEMS

Arthur Sadoun benefits from the coverage applicable to executives at his level under the French system.

EMPLOYMENT CONTRACT

Arthur Sadoun's employment contract with Publicis Conseil dated December 5, 2006 was terminated when he was appointed chair of the Management Board.

SEVERANCE PAYMENT

The Supervisory Board has decided that in the event of a forced departure or due to a change in control or strategy and other than in the case of serious or gross misconduct, Arthur Sadoun would be entitled to severance payment.

The amount of the payment would be equal to one year of total gross compensation (fixed and targeted variable portions) calculated using the average of the latest twenty four months of compensation.

He would also have the right to exercise the share subscription or share purchase options that have been granted to him, and to retain on a prorated basis the bonus shares already granted to him more than two years prior, subject to the performance conditions set out in the regulations for the plan in question being satisfied.

The payment of the severance amount would be subject to a performance condition: the severance amount would only be due in its full amount if the average annual amount of the bonus acquired by Arthur Sadoun for the three years prior to the termination of his duties is equal to at least 75% of his "target bonus". If the average annual amount is less than 25% of the "target bonus", no sum or benefits will be due. If the average annual amount is between 25% and 75% of the "target bonus", the payments and benefits will be calculated on a proportional basis between 0% and 100% using the rule of three.

The severance amount may only be paid after the determination by the Supervisory Board that the performance conditions had been achieved at the date on which his term as a member of the Management Board ended.

In the event of a forced departure or one related to a change in control or strategy, Arthur Sadoun will not be subject to a non-compete commitment or to non-solicitation.

In its twenty-first resolution, the General Shareholders' Meeting of May 31, 2017 approved this severance payment in respect of the commitments subject to the related-party agreements procedure.

NON-COMPETE AGREEMENT

The Supervisory Board decided to require from Arthur Sadoun in the event of his resignation a non-compete agreement and an agreement not to solicit personnel during the two years following the end of his Chairmanship of the Publicis Groupe SA Management Board.

In consideration of his observance of this non-compete agreement, Arthur Sadoun will receive monetary compensation (payable monthly in advance) in an amount equal to two years of total gross compensation (fixed and targeted variable portions) calculated using the average of the latest 24 months of compensation.

The Supervisory Board may waive this clause.

Arthur Sadoun will not be held to a non-compete obligation in the event of a forced departure. In any case, Arthur Sadoun may not receive both a severance payment and an indemnity in respect of the non-compete agreement.

In its twenty-first resolution, the General Shareholders' Meeting of May 31, 2017 approved this non-compete indemnity in respect of the commitments subject to the related-party agreements procedure.

B. Compensation and benefits of Arthur Sadoun for fiscal year 2018

The amount of fixed compensation, the ceiling on variable compensation and the other components of Arthur Sadoun's compensation for 2018 remain unchanged from fiscal year 2017, except for the following elements.

VARIABLE COMPENSATION PAYABLE FOR THE 2018 FISCAL YEAR

The Supervisory Board, upon the recommendation of the Compensation Committee, decided on the criteria for the variable compensation of Arthur Sadoun for the 2018 fiscal year.

The Supervisory Board, upon the recommendation of the Compensation Committee, decided that the variable portion of Arthur Sadoun's compensation, for a target amount of up to 200% of his fixed compensation, and no more, would be based on the following for the 2018 fiscal year:

- **three quantitative criteria, including two financial criteria and a value creation criterion corresponding to 75% of the overall weight of the criteria**, taking into account development of the growth and profitability of Publicis Groupe compared with that of a peer group consisting of the three other leading global communication groups (Omnicom, WPP and IPG):

- the Group's organic revenue growth for 25%,
- the operating margin (the highest in the market) for 25%,
- and for 25%, the rate of change of the Group's net income per diluted share (earnings per share or "EPS"), comparing the EPS of the fiscal year and the average EPS of the two previous fiscal years and the TSR (Total Shareholder Return) which reflects the variation of the share price of Publicis Groupe SA between the start and the end of the fiscal year under review (on the basis of the average of the first listed share prices recorded in the last 20 trading sessions in the year, compared to the average of the first listed share prices in the first 20 trading sessions of the year), increased by the amount of the dividends paid during the fiscal year. This criterion is directly linked to the interests of shareholders,

These financial and stock exchange performance criteria were chosen by the Supervisory Board, following the proposal of the Compensation Committee, because they best express the quality of the Company's performance. Three out of them are measured in comparison with the main competitors of Publicis Groupe, they encourage over-performance. They remain unchanged from 2017;

- **non-financial individual criteria corresponding to 25% of the overall weight of the criteria** in order to value the implementation of strategic actions which will yield long-term effects on the Group's development:

- implementation of the "Sprint to the Future 2020" plan for 9%,
- dissemination of the "Power of One" throughout the entities for 8%, and
- development of the Publicis People Cloud for 8%.

SPRINT TO THE FUTURE EXCEPTIONAL PLAN

It is the wish of the Supervisory Board that the Chair of the Management Board be rewarded in the same way as the other main executives according to the fulfillment of these ambitious objectives and his interests aligned with those of the company and its shareholders. In this respect, Arthur Sadoun will be eligible for the Sprint to the Future plan as it is described in Section 2.2.3.1. He may be entitled to a number of shares representing a maximum amount of euro 6 million at grant date. In order for this maximum to vest, the performance conditions set out in Section 2.2.3.1 must be met at the end of the three-year period of the plan (2018-2020). Should he depart before the delivery date, for whatever reason, the shares will not be delivered.



2.2.3.3 Compensation and benefits of Jean-Michel Etienne, member of the Management Board

The compensation of Jean-Michel Etienne is set in accordance with the compensation policy described in Section 2.2.3.1.

A. Compensation and benefits of Jean-Michel Etienne for fiscal year 2017

The principles and criteria used to set the compensation of Jean-Michel Etienne, member of the Management Board, in respect of the 2017 fiscal year, were approved by the General Shareholders' Meeting of May 31, 2017 in its eighteenth resolution.

ANNUAL FIXED COMPENSATION

The gross annual fixed compensation of Jean-Michel Etienne amounts to euro 840,000, unchanged from that paid in 2016.

The Supervisory Board had approved this compensation in line with:

- his experience and performance in his capacity as Financial Director;
- the widened scope of his duties following the acquisition of Sapient; and
- the market practices in compensation observed for this level of responsibility in France and for Publicis Groupe business sector abroad.

Criteria	Performance level	Amount of variable compensation
Organic growth	Objective not achieved	No compensation
Operating Margin	Objective 100% achieved	€168,000
Managing cash and cash equivalents	Objective 100% achieved	€168,000
Employee expenses	Objective 100% achieved	€168,000
Non-financial individual criterion: ERP rollout	Objective 100% achieved	€168,000

VARIABLE LONG-TERM COMPENSATION

Jean-Michel Etienne was not granted a share-based compensation plan in respect of the 2017 fiscal year.

BENEFITS IN KIND

Jean-Michel Etienne benefits from the use of one of the company cars.

COLLECTIVE HEALTH AND WELFARE INSURANCE AND SYSTEMS

Jean-Michel Etienne benefits from the coverage applicable to executives of his level under the French system.

EMPLOYMENT CONTRACT

Jean-Michel Etienne continues to benefit from an employment contract with one of the Group's subsidiaries.

SEVERANCE PAYMENT

Following the renewal of the Management Board members' term of office effective from January 1, 2012, upon the Compensation Committee's proposal on March 6, 2012, the Supervisory Board reviewed the existing agreements with Jean-Michel Etienne to allow him to receive severance payment in the event he ceases to serve as member of the Management Board. These commitments were notified to the statutory auditors as related-party agreements and were approved by the General Shareholders' Meeting of May 29, 2012.

STRUCTURE OF THE VARIABLE COMPENSATION

The Supervisory Board, upon the recommendation of the Compensation Committee, decided that the variable part of Jean-Michel Etienne's compensation for 2017, of a target amount of up to 100% of his fixed remuneration, would be based on:

- **two quantitative criteria linked to the financial performance of the Group** in relation to the objectives, for 40% of the variable part, each being taken into account on an equal basis:
 - organic growth, and
 - operating margin;
- **three quantitative and qualitative financial and non-financial individual criteria** (including two governed by precise quantitative objectives), for 60% of the variable part, each one being taken into account on an equal basis:
 - treasury management,
 - personnel costs, and
 - ERP rollout.

VARIABLE COMPENSATION TO BE PAID IN 2018 IN RESPECT OF 2017

After assessing the performance for each of the criteria indicated above during the 2017 fiscal year, the Supervisory Board set the variable part of Jean-Michel Etienne's compensation at euro 672,000 gross, the payment of which will be submitted to the Annual General Shareholders' Meeting of May 30, 2018 in its twelfth resolution in accordance with article L. 225-100 II of the French Commercial Code. This amount results from the following facts and assessments:

The Supervisory Board meeting of March 12, 2015 revised these commitments to take into account recommendations of the Afep-Medef Corporate Governance Code. They were notified to the statutory auditors as related-party agreements and were approved by the General Shareholders' Meeting of May 27, 2015. The current commitments to Jean-Michel Etienne provide that in the event of a forced departure due to a change in control or strategy and other than in the case of serious or gross misconduct, Jean-Michel Etienne would be entitled to a termination benefit if this departure should occur before the normal term (September 15, 2018).

Provided that Jean-Michel Etienne does not continue to be employed by Publicis Groupe, the amount of the severance would be equal to one and a half years' total gross compensation (fixed compensation and target variable component). He would also have the right to exercise the share subscription or share purchase options that have been granted to him, and to retain the free shares already granted to him, subject to the performance conditions set out in the regulations for the plan in question being satisfied.

The payment of the severance amount would be subject to a performance condition: the severance amount would only be due in its full amount if the average annual amount of the bonus acquired by Jean-Michel Etienne for the three years prior to the termination of his duties is equal to at least 75% of his "target bonus". If the average annual amount is less than 25% of the "target bonus", no sum or benefits will be due. If the average annual amount is between 25% and 75% of the "target bonus", the payments



and benefits will be calculated on a proportional basis between 0% and 100% using the rule of three.

The severance amount may only be paid after the determination by the Supervisory Board that the performance condition had been achieved at the date on which his term as a member of the Management Board ended.

The General Shareholders' Meeting of May 27, 2015 approved this severance payment in respect of the commitments subject to the related-party agreements procedure.

B. Compensation and benefits of Jean-Michel Etienne for fiscal year 2018

The amount of fixed compensation, the ceiling on variable compensation and the other components of Jean-Michel Etienne's compensation for 2018 remain unchanged from fiscal year 2017, except for following elements.

VARIABLE COMPENSATION FOR THE 2018 FISCAL YEAR

The Supervisory Board, upon the recommendation of the Compensation Committee, decided on the criteria for the variable compensation of Jean-Michel Etienne for the 2018 fiscal year.

The Supervisory Board, upon the recommendation of the Compensation Committee, decided that the variable portion of Jean-Michel Etienne's compensation, for a target amount of up to 100% of his fixed compensation, and no more, would be based on the following for the 2018 fiscal year:

- **two quantitative criteria linked to the financial performance of the Group in relation to the objectives, unchanged from 2017**, for 40% of the variable part, each being taken into account on an equal basis:
 - organic growth, and
 - operating margin;
- **four individual quantitative and qualitative financial and non-financial criteria** (including two governed by precise quantitative objectives), for 60% of the variable part, each one being taken into account on an equal basis:
 - management and execution of the savings plan,
 - implementation of the country model,
 - treasury management, and
 - personnel costs.

SPRINT TO THE FUTURE EXCEPTIONAL PLAN

It is the wish of the Supervisory Board that the members of the Management Board be rewarded in the same way as the other main executives according to the fulfillment of these ambitious objectives and their interests aligned with those of the company and its shareholders. In this respect, Jean-Michel Etienne will be eligible for the Sprint to the Future plan as it is described in Section 2.2.3.1. He may be entitled to a number of shares representing a maximum amount of euro 4 million at grant date. In order for this maximum to vest, the performance conditions set out in Section 2.2.3.1 must be met at the end of the three-year period of the plan (2018-2020). Should he depart before the delivery date, for whatever reason, the shares will not be delivered.

2.2.3.4. Compensation and benefits of Anne-Gabrielle Heilbronner, member of the Management Board

The compensation of Anne-Gabrielle Heilbronner is set in accordance with the compensation policy described in Section 2.2.3.1.

A. Compensation and benefits of Anne-Gabrielle Heilbronner for fiscal year 2017

The principles and criteria used to set the compensation of Anne-Gabrielle Heilbronner, member of the Management Board, in respect of the 2017 fiscal year, were approved by the General Shareholders' Meeting of May 31, 2017 in its nineteenth resolution.

ANNUAL FIXED COMPENSATION

The gross annual fixed compensation of Anne-Gabrielle Heilbronner was euro 600,000, unchanged from that paid in 2016.

The Supervisory Board, upon the Compensation Committee's recommendation, had approved this compensation in line with:

- the widened scope of Anne-Gabrielle Heilbronner's responsibilities as the Group's Secretary General, which include legal and corporate governance functions, human resources, internal audit, internal control and risk management, procurement, the complexity of which was increased following the acquisition of Sapient;
- her appointment as member of the Management Board of Publicis Groupe on September 15, 2014 and related increased duties, which have not to date been the subject of a compensation review;
- the market practices in compensation observed for this level of responsibility in France and for Publicis Groupe business sector abroad; and
- internal equity.

STRUCTURE OF THE VARIABLE COMPENSATION

The Supervisory Board, upon the recommendation of the Compensation Committee, decided that the variable part of her compensation for 2017, of a target amount of up to 100% of her fixed remuneration, would be based on:

- **two quantitative criteria linked to the financial performance of the Group** in relation to the objectives, for 40% of the variable part, each being taken into account on an equal basis:
 - organic growth, and
 - operating margin;
- **four quantitative and qualitative non-financial individual criteria** consistent with her main areas of responsibility, for 60% of the variable part, each being taken into account on an equal basis:
 - human resources: training client teams on the Group's new positioning and improving talent management, especially as regards compensation, performance assessment, management tools, etc.,
 - internal controls and audits: developing tools and resources to reduce fraud and improve compliance,
 - legal: developing an awareness-raising program for managers to reduce litigation risks, and
 - procurement: introducing an aggressive procurement program to substantially improve the Group's performance (broaden the scope of central purchasing methods, improve control procedures, etc.).

Each of these criteria is subject to an assessment of the measurable elements, amongst which: number and cost of training programs, personnel cost control, achievement of audit plans, monitoring of recommendations, number and outcome of lawsuits, procurement savings and the number of global contracts signed.

**VARIABLE COMPENSATION PAID IN 2018 IN RESPECT OF 2017**

After assessing the performance for each of the criteria indicated above during the 2017 fiscal year, the Supervisory Board set the variable part of the Anne-Gabrielle Heilbronner's compensation at euro 480,000 gross, the payment of which will be submitted to the Annual General Shareholders' Meeting of May 30, 2018 in its thirteenth resolution in accordance with article L. 225-100 II of the French Commercial Code. This amount results from the facts and assessments presented hereafter and in the table below.

The audit plan was exceeded and the follow-up on findings is improving each year; 2017 marked the successful attainment of IFACI certification.

Criteria	Performance level	Amount of variable compensation
Organic growth	Objective not achieved	No compensation
Operating Margin	Objective 100% achieved	€120,000
Non-financial individual criteria:		
human resources	Objective 100% achieved	€90,000
internal controls and audits	Objective 100% achieved	€90,000
legal	Objective 100% achieved	€90,000
procurement	Objective 100% achieved	€90,000

VARIABLE LONG-TERM COMPENSATION

Anne-Gabrielle Heilbronner was not granted a share-based compensation plan in respect of the 2017 fiscal year.

BENEFITS IN KIND

Anne-Gabrielle Heilbronner benefits from the use of one of the company cars.

COLLECTIVE HEALTH AND WELFARE INSURANCE AND SYSTEMS

Anne-Gabrielle Heilbronner benefits from the coverage applicable to executives of her level under the French system.

EMPLOYMENT CONTRACT

Anne-Gabrielle Heilbronner continues to benefit from an employment contract with one of the Group's subsidiaries.

SEVERANCE PAYMENT

Commitments entered into with Anne-Gabrielle Heilbronner related to severance payment in the event she ceases to serve as a member of the Management Board were approved by the Supervisory Board at its meeting on March 12, 2015. These commitments were notified to the statutory auditors as related-party agreements and were approved by the General Shareholders' Meeting of May 27, 2015.

The current commitments to Anne-Gabrielle Heilbronner provide that in the event of a forced departure due to a change in control or strategy and other than in the case of serious or gross misconduct, Anne-Gabrielle Heilbronner would be entitled to a termination benefit if this departure should occur before the normal term (September 15, 2018).

Provided that Anne-Gabrielle Heilbronner does not continue to be employed by Publicis Groupe, the amount of the severance would be equal to one year's total gross compensation (fixed compensation and target variable component). She would also have the right to exercise the share subscription or share purchase options that have been granted to her, and to retain the free shares already granted to her, subject to the performance conditions set out in the regulations for the plan in question being satisfied.

The payment of the severance amount would be subject to a performance condition: the severance amount would only be due in its full amount if the average annual amount of the bonus acquired by Anne-Gabrielle

Regarding legal matters, prevention work is being carried out in accordance with expectations and cases are being settled with a favorable financial outcome for the Group. With regard to procurement, more global contracts have been signed and savings have been made in line with targets. HR objectives have been achieved: training programs have been stepped up, key projects have been launched or completed (SIRH, LionAlert) and a number of key moves in securing the Group's future have been handled with success. Anne-Gabrielle Heilbronner took charge on new responsibilities with CSR and the Women's Forum, for which a new strategy has been defined and which is beginning to bear fruit.

Heilbronner for the three years prior to the termination of her duties is equal to at least 75% of her "target bonus". If the average annual amount is less than 25% of the "target bonus", no sum or benefits will be due. If the average annual amount is between 25% and 75% of the "target bonus", the payments and benefits will be calculated on a proportional basis between 0% and 100% using the rule of three.

The severance amount may only be paid after the determination by the Supervisory Board that the performance condition had been achieved at the date on which her term as a member of the Management Board ended.

The General Shareholders' Meeting of May 27, 2015 approved this severance payment in respect of the commitments subject to the related-party agreements procedure.

NON-COMPETE AGREEMENT

Anne-Gabrielle Heilbronner is not subject to a non-compete agreement as member of the Management Board. She is subject to a non-compete clause in her employment contract concluded upon her arrival at Publicis Groupe in 2012, *i.e.* before her appointment as a member of the Management Board. This non-compete clause is valid for a maximum of two years and provides a maximum financial compensation to be paid equal to 30% of the gross salary, excluding variable elements. Publicis Groupe may waive this clause.

B. Compensation and benefits of Anne-Gabrielle Heilbronner for fiscal year 2018

The amount of fixed compensation, the ceiling on variable compensation and the other components of Anne-Gabrielle Heilbronner's compensation for 2018 remain unchanged from fiscal year 2017, except for the following elements.

VARIABLE COMPENSATION FOR THE 2018 FISCAL YEAR

The Supervisory Board, upon the recommendation of the Compensation Committee, decided on the criteria for the variable compensation of Anne-Gabrielle Heilbronner for the 2018 fiscal year.

The Supervisory Board, upon the recommendation of the Compensation Committee, decided that the variable portion of Anne-Gabrielle Heilbronner's compensation, for a target amount of up to 100% of her fixed compensation, and no more, would be based on the following for the 2018 fiscal year:



- **two quantitative criteria linked to the financial performance of the Group in relation to the objectives, unchanged from 2017**, for 40% of the variable part, each being taken into account on an equal basis:
 - organic growth, and
 - operating margin;
- **four individual quantitative and qualitative non-financial criteria** consistent with her main areas of responsibility, for 60% of the variable part, each being taken into account on an equal basis:
 - internal controls and audits: implementation of the audit plan and follow-up on recommendations,
 - procurement: implementation of purchasing savings plan,
 - human resources and CSR: strengthening of the CSR policy and of the Women's Forum; improvements in talent management in terms of compensation and management tools, and
 - legal: deployment of compliance programs, dispute management.

SPRINT TO THE FUTURE EXCEPTIONAL PLAN

It is the wish of the Supervisory Board that the members of the Management Board be rewarded in the same way as the other main executives according to the fulfillment of these ambitious objectives and their interests aligned with those of the company and its shareholders. In this respect, Anne-Gabrielle Heilbronner will be eligible for the Sprint to the Future plan as it is described in Section 2.2.3.1. She may be entitled to a number of shares representing a maximum amount of euro 4 million at grant date. In order for this maximum to vest, the performance conditions set out in Section 2.2.3.1 must be met at the end of the three-year period of the plan (2018-2020). Should she depart before the delivery date, for whatever reason, the shares will not be delivered.

2.2.3.5. Compensation and benefits of Steve King, member of the Management Board from June 1, 2017

The compensation of Steve King is set in accordance with the compensation policy described in Section 2.2.3.1.

A. Compensation and benefits of Steve King for fiscal year 2017

The principles and criteria used to set the compensation of Steve King, member of the Management Board, in respect of the 2017 fiscal year,

were approved by the General Shareholders' Meeting of May 31, 2017 in its twentieth resolution.

ANNUAL FIXED COMPENSATION

At June 1, 2017, the gross annual compensation of Steve King was changed to €900,000, i.e. euro 1,027,665.

His compensation is determined and paid in pounds sterling. The translation into euros is carried out at the average rate of £1 = euro 1.14185 in 2017.

STRUCTURE OF THE VARIABLE COMPENSATION

The Supervisory Board, upon the recommendation of the Compensation Committee, decided that the variable part of his compensation from June 1, 2017, of a target amount of up to 160% of his fixed remuneration, would be based on:

- **two quantitative criteria linked to the financial performance of the Group** in relation to the objectives, for 20% of the variable part, each being taken into account on an equal basis:
 - organic growth, and
 - operating margin;
- **three quantitative criteria linked to the financial performance of Publicis Media** in relation to the objectives, for 60% of the variable part, each being taken into account on an equal basis:
 - organic growth,
 - operating margin, and
 - cash generation;
- **two qualitative non-financial individual criteria** consistent with his main areas of responsibility, for 20% of the variable part, each being taken into account on an equal basis:
 - rollout of the Big Data tool, and
 - ramp-up of "The Power of One" strategy.

VARIABLE COMPENSATION PAID IN 2018 FOR FISCAL YEAR 2017

After assessing the performance for each of the criteria indicated above during the 2017 fiscal year, the Supervisory Board set the variable part of Steve King's compensation at €756,000 gross, i.e. euro 863,238, the payment of which will be submitted to the Annual General Shareholders' Meeting of May 30, 2018 in its fourteenth resolution in accordance with article L. 225-100 II of the French Commercial Code. This amount results from the following facts and assessments:

Criteria	Performance level	Amount of variable compensation in euro ⁽¹⁾
Criteria linked to the financial performance of Publicis Groupe		
Organic growth	<i>Objective not achieved</i>	No compensation
Operating Margin	Objective 100% achieved	€95,915
Criteria linked to the financial performance of Publicis Media		
Organic growth	Objective 100% achieved	€191,831
Operating Margin	Objective 100% achieved	€191,831
Cash generation	Objective 100% achieved	€191,831
Non-financial individual criteria:		
Rollout of the Big Data tool	Objective 100% achieved	€95,915
Ramp-up of "The Power of One" strategy	Objective 100% achieved	€95,915

(1) Compensation determined and paid in pounds sterling. The translation into euros is carried out at the average rate of £1 = €1.14185.

VARIABLE LONG-TERM COMPENSATION

Steve King was not granted a share-based compensation plan in respect of the 2017 fiscal year.

BENEFITS IN KIND

Steve King benefits from the reimbursement of expenses related to his vehicle.

**COLLECTIVE HEALTH AND WELFARE INSURANCE AND SYSTEMS**

Steve King benefits from the coverage applicable to executives of his level in the United Kingdom.

EMPLOYMENT CONTRACT

Steve King benefits from an employment contract with one of the Group's United Kingdom subsidiaries.

SEVERANCE PAYMENT AND NON-COMPETE AGREEMENT

Steve King benefits from severance payment and the terms of the non-compete agreement as they appear in his employment contract with one of the Group's subsidiaries in the United Kingdom. No other compensation will be due.

In the event of a forced departure due to a change in control or strategy and other than in the case of serious or gross misconduct, Steve King would be entitled to this single severance payment.

Provided that Steve King does not continue to be employed by Publicis Groupe, the amount of the severance would be equal to one year's total gross compensation (fixed compensation and target variable component). He would also have the right to exercise the share subscription or share purchase options that have been granted to him, and to retain on a prorated basis the bonus shares already granted to him more than two years prior, subject to the performance conditions set out in the regulations for the plan in question being satisfied.

This severance payment would be subject to a performance condition: the severance amount would only be due in its full amount if the average annual amount of the bonus acquired by Steve King for the three years prior to the termination of his duties is equal to at least 75% of his "target bonus". If the average annual amount is less than 25% of the "target bonus", no sum or benefits will be due. If the average annual amount is between 25% and 75% of the "target bonus", the payments and benefits will be calculated on a proportional basis between 0% and 100% using the rule of three.

The severance amount may only be paid after the determination by the Supervisory Board that the performance conditions had been achieved at the date on which his term as a member of the Management Board ended.

Steve King is subject to a non-compete obligation in his employment contract with a British subsidiary of the Group. This obligation does not give rise to financial consideration as permitted by applicable local regulations.

The Supervisory Board reaffirmed that this severance payment and any compensation for a non-compete obligation may not exceed 12 months of total compensation (fixed and targeted variable remuneration).

This severance payment and non-compete agreement were specifically subject to the approval of the General Shareholders' Meeting of May 31, 2017, in the twenty-second resolution.

PENSION PLANS

Steve King benefits from the British pension plan applicable to management positions of his level.

B Compensation and benefits of Steve King for fiscal year 2018

The amount of fixed compensation, the ceiling on variable compensation and the other components of Steve King's compensation for 2018 remain unchanged from fiscal year 2017, except for the following elements.

VARIABLE COMPENSATION FOR THE 2018 FISCAL YEAR

The Supervisory Board, upon the recommendation of the Compensation Committee, decided on the criteria for the variable compensation of Steve King for the 2018 fiscal year.

The Supervisory Board, upon the recommendation of the Compensation Committee, decided that the variable portion of Steve King's compensation, for a target amount of up to 160% of his fixed compensation, and no more, would be based on the following for the 2018 fiscal year:

- **two quantitative criteria linked to the financial performance of the Group in relation to the objectives, for 20% of the variable part, each being taken into account on an equal basis:**
 - organic growth, and
 - operating margin;
- **three quantitative criteria linked to the financial performance of Publicis Media in relation to the objectives, for 60% of the variable part, each being taken into account on an equal basis:**

- organic growth,
- operating margin, and
- cash generation;

These criteria are unchanged from 2017;

- **two individual qualitative non-financial criteria consistent with his main areas of responsibility, for 20% of the variable part, each being taken into account on an equal basis:**
 - acceleration of Power of One within Publicis Media and in all of the entities, and
 - development of the People Cloud and training of teams able to manage it in the 10 main countries.

SPRINT TO THE FUTURE EXCEPTIONAL PLAN

It is the wish of the Supervisory Board that the members of the Management Board be rewarded in the same way as the other main executives according to the fulfillment of these ambitious objectives and their interests aligned with those of the company and its shareholders. In this respect, Steve King will be eligible for the Sprint to the Future plan as it is described in Section 2.2.3.1. He may be entitled to a number of shares representing a maximum amount of euro 5 million at grant date. In order for this maximum to vest, the performance conditions set out in Section 2.2.3.1 must be met at the end of the three-year period of the plan (2018-2020). Should he depart before the delivery date, for whatever reason, the shares will not be delivered.



2.2.4 Compensation summary table

2.2.4.1 AMF and Afep-Medef compensation tables

The 2009-16 position-recommendation of the AMF and the Afep-Medef Code of November 2016 proposes a standardized presentation of the compensation of executive corporate officers of companies whose securities are traded on a regulated market.

Table 1 (AMF nomenclature) compensation summary table in respect of the compensation due and the options and shares granted to each executive corporate officer (in euros)

	2017	2016
Management Board		
Maurice Lévy, Chair of the Management Board until May 31, 2017 (five months)		
Compensation due for the year ⁽¹⁾	1,041,667	2,500,000
Valuation of options granted during the year	-	-
Valuation of performance shares granted during the year	-	-
TOTAL	1,041,667	2,500,000
Arthur Sadoun, Chair of the Management Board since June 1, 2017 (seven months)		
Compensation due for the year ⁽¹⁾	1,312,833	-
Valuation of options granted during the year	-	-
Valuation of performance shares granted during the year	-	-
TOTAL	1,312,833	-
Steve King, member of the Management Board since June 1, 2017 (seven months)		
Compensation due for the fiscal year ⁽¹⁾⁽²⁾	1,462,709	-
Valuation of options granted during the year	-	-
Valuation of performance shares granted during the year	-	-
TOTAL	1,462,709	-
Jean-Michel Etienne, Executive Vice-President – Group Finance		
Compensation due for the fiscal year ⁽¹⁾	1,512,000	1,470,000
Valuation of options granted during the year	-	-
Valuation of performance shares granted during the year ⁽³⁾	-	1,911,444
TOTAL	1,512,000	3,381,444
Anne-Gabrielle Heilbronner, Secretary General		
Compensation due for the fiscal year ⁽¹⁾	1,080,000	1,080,000
Valuation of options granted during the year	-	-
Valuation of performance shares granted during the year ⁽³⁾	-	822,226
TOTAL	1,080,000	1,902,226

(1) See details in Table 2.

(2) Compensation determined and paid in pound sterling. The translation into euros was carried out at the average rate of £1 = €1.14185 in 2017.

(3) Annual maximum cumulative amount under the LionLead3 and LTIP 2016-2018 plans. Grants under the LionLead and LTIP plans for the Management Board are triennial, subject to continued employment and stringent performance conditions. As an illustration, the rates at which performance conditions were met under the preceding plans were around 50%. Two overall allocations of LTIP and LionLead each covering the fiscal years 2016, 2017, 2018.

**Table 2 (AMF nomenclature) summary table of the compensation for each executive corporate officer (in euros)**

In general, the compensation paid corresponds to the fixed compensation for the specified year and the variable portion corresponds to that of the previous year.

No exceptional compensation was paid to the corporate officers.

	2017 – Amounts:		2016 – Amounts:	
	due	paid	due	paid
Management Board				
Maurice Lévy, Chair of the Management Board until May 31, 2017				
Fixed compensation	1,041,667	1,041,667	-	-
Variable compensation	-	2,500,000	2,500,000	3,917,500
Benefits in kind ⁽¹⁾	-	-	-	-
TOTAL	1,041,667	3,541,667	2,500,000	3,917,500
Arthur Sadoun, Chair of the Management Board since June 1, 2017				
Fixed compensation	583,333	583,333	-	-
Variable compensation	729,499	-	-	-
Benefits in kind ⁽¹⁾	-	-	-	-
TOTAL	1,312,832	583,333	-	-
Steve King, member of the Management Board since June 1, 2017⁽⁴⁾				
Fixed compensation ⁽²⁾	599,471	599,471	-	-
Variable compensation ⁽²⁾	863,238	-	-	-
Supplementary pension plan	27,392	27,392	-	-
Benefits in kind ⁽¹⁾	-	-	-	-
TOTAL⁽²⁾	1,490,101	626,863	-	-
Jean-Michel Etienne, Executive Vice-President – Group Finance				
Fixed compensation	840,000	840,000	840,000	840,000
Variable compensation	672,000	630,000	630,000	686,250
Benefits in kind ⁽¹⁾	-	-	-	-
TOTAL	1,512,000	1,470,000	1,470,000	1,526,250
Anne-Gabrielle Heilbronner, Secretary General				
Fixed compensation	600,000	600,000	600,000	600,000
Variable compensation	480,000	480,000	480,000	600,000
Benefits in kind ⁽¹⁾	-	-	-	-
TOTAL	1,080,000	1,080,000	1,080,000	1,200,000

(1) Benefits in kind relating to the use of a company-provided vehicle are not mentioned if they are for an immaterial amount.

(2) Compensation determined and paid in pounds sterling. The translation into euros was carried out at the average rate of £1 = €1.14185 in 2017.

(3) This amount does not include the compensation paid to Arthur Sadoun for his salaried duties at Publicis Conseil for the period from January 1 to May 31, 2017 (€555,000 of fixed compensation and €1,070,500 for his variable compensation).

(4) This amount does not include the compensation paid to Steve King for his salaried duties at ZenithOptimedia for the period from January 1 to May 31, 2017 (€667,982 of fixed compensation and €685,110 for his variable compensation).



Table 3 (AMF nomenclature) details of attendance fees (in euros)

	Attendance fees paid in 2017	Attendance fees paid in 2016
Supervisory Board		
Elisabeth Badinter, Chair until May 31, 2017	60,000	55,000
Maurice Lévy, Chair of the Board since June 1, 2017	-	-
Sophie Dulac	30,000	35,000
Simon Badinter	35,000	35,000
Claudine Bienaimé	100,000	105,000
Michel Cicurel	90,000	65,000
Hélène Ploix ⁽¹⁾	-	30,000
Amaury de Seze ⁽²⁾	50,000	70,000
Henri Calixte Suaudeau ⁽¹⁾	-	25,000
Gérard Worms ⁽¹⁾	-	35,000
Véronique Morali	90,000	75,000
Marie-Josée Kravis	55,000	50,000
Marie-Claude Mayer	45,000	50,000
Jean Charest	75,000	50,000
Jerry Greenberg ⁽³⁾	90,000	30,000
Thomas Glocer ⁽⁴⁾	30,000	-
André Kudelski ⁽⁴⁾	30,000	-
Pierre Pénicaud ⁽⁵⁾	-	-
TOTAL	780,000	710,000

(1) End of term of office as a member of the Supervisory Board on May 27, 2015.

(2) End of term of office as a member of the Supervisory Board on May 25, 2016.

(3) Resigned on May 31, 2017.

(4) Start of term of office as a member of the Supervisory Board on May 25, 2016.

(5) Start of term of office as a member of the Supervisory Board on June 20, 2017.

**Table 4** (AMF Nomenclature) stock options granted during the fiscal year to each executive corporate officer by the issuer and by any Group company

None, no stock options were granted in 2017.

Table 5 (AMF Nomenclature) stock options exercised during the fiscal year by each executive corporate officer (nominative list)

	Description and date of plan	Number of options exercised in 2017	Average exercise price (in euros)	Year granted
Management Board				
Maurice Lévy, Chair until May 31, 2017		No exercise		
Arthur Sadoun, Chair since June 1, 2017	LTIP II	25,036	31.31	2007
Steve King, Member since June 1, 2017		No exercise		
Jean-Michel Etienne		No exercise		
Anne-Gabrielle Heilbronner		No exercise		

Table 6 (AMF nomenclature) performance shares granted to each executive corporate officer

No grant was made to the members of the Management Board in 2017.

Table 7 (AMF nomenclature) performance shares vested for each executive corporate officer

	First plan		Second plan		Number of performance shares vested in 2017
	Description	Date	Description	Date	Total number
Management Board					
Maurice Lévy, Chair until May 31, 2017					
Arthur Sadoun, Chair since June 1, 2017	LTIP 2014 ⁽¹⁾	03/20/2014			2,500
Steve King, member since June 1, 2017	LTIP 2013 ⁽¹⁾	04/16/2013			3,582
Jean-Michel Etienne					
Anne-Gabrielle Heilbronner	LTIP 2014 ⁽¹⁾	03/20/2014			1,500

(1) Granted prior to appointment as a member of the Management Board.



Table 8 (AMF nomenclature) history of share subscription options or share purchase options granted over the last ten years

Date of authorization by the Extraordinary General Shareholders' Meeting (EGM)	Stock option plans		
	2007	Plans originally from Digitas ⁽¹⁾	2013 co-investment plan
Date of the Board of Directors or Management Board's meeting	08/24/2007		04/30/2013
Total number of share subscription options (S) or of share purchase options (A) granted	1,574,400 ⁽²⁾	3,199,756	5,949,305 ⁽²⁾
• of which corporate officers	A	A	S/A ⁽³⁾
• of which first ten beneficiary employees (excluding corporate officers)	-	-	198,687
	258,000 ⁽²⁾	-	653,299 ⁽²⁾
	50%		
	2009 ⁽⁴⁾		
	50%		04/30/2016 ⁽⁵⁾
Start date for exercise of the options	2010 ⁽⁴⁾	1/31/2007	04/30/2017
Expiry date	8/23/2017	2009 to 2017	04/30/2023
Subscription or purchase price in euros	31.31	2.47 to 58.58	52.76
Total adjusted number of share subscription or share purchase options granted as at 12/31/2016	1,574,400 ⁽²⁾	3,199,756	5,949,305 ⁽²⁾
Total number of shares subscribed or purchased as at 12/31/2016	(542,177)	(2,439,845)	(75,317)
Total number of canceled share subscription options or purchase options as at 12/31/2016	(920,804)	(759,911)	(3,760,255)
Number of share subscription options or share purchase options, remaining as at 12/31/2016	111,419	-	2,113,733

(1) Options granted under the Digitas option plans that existed when Digitas was acquired in January 2007 were converted into share purchase options of Publicis Groupe SA shares using the existing ratio of the purchase price established under the offer for Digitas stock (restated in euros) and the market value of Publicis Groupe SA shares on the date of the merger. The purchase price was adjusted as a result.

(2) Conditional options, the exercise of which is contingent on the achievement of objectives under the three-year plan. The achievement level of objectives in the 2006-2008 plan was measured in 2009.

(3) The Management Board may decide, before the beginning of the exercise period, to deliver existing shares when the options are exercised instead of delivering shares to be issued.

(4) Exercise period started in 2009, after determining levels at which the objectives were achieved and thus the number of exercisable options. Half of the total exercisable number could be exercised since this date, the other half as of 2010. Non-exercisable options were canceled.

(5) Concerns French employees.

Table 9 (AMF nomenclature) Share subscription options or share purchase options granted to the first ten employees (non-corporate officers) and options exercised by the latter

	Plan	Number of options granted/ purchased	Weighted average price (in euros)
Stock options granted between January 1 and December 31, 2017, by the issuer and by any company included in the scope of option allocation to their ten respective employees, whose number of options thus extended is the highest (overall information).	-	-	-
Stock options held from the issuer and the aforementioned companies, exercised between January 1, and December 31, 2017, by the respective ten employees of the issuer and these companies, who bought or subscribed to the greatest number of options (overall information).	LTIP II 2007	53,873	31.31
	2013 Co-investment plan purchase options	249,202	52.76
TOTAL		303,075	41.21



Table 10 (AMF nomenclature) history of shares granted over the last ten years

Date of authorization by the Extraordinary General Shareholders' Meeting (EGM)	Free share plans										
	2009 ⁽¹⁾ Employees in France	2009 ⁽²⁾ Co- investment	Plan originally from Razorfish ⁽³⁾	LTIP 2010	LTIP 2010- 2012	2010 ⁽⁴⁾ Employees in United States	LTIP 2011	2011 ⁽⁵⁾ International employees	LTIP 2012	2013 ⁽⁵⁾ International employees	LTIP 2013
Date of the Board of Directors or Management Board's meeting	05/20/2009	03/19/2009	12/01/2009	08/19/2010	09/22/2010	11/19/2010	04/19/2011	11/21/2011	04/17/2012	02/1/2013	04/16/2013
Total Number of free shares awarded	210,125	3,544,176	493,832	667,600	252,000	658,400	674,650	533,700	681,550 ⁽⁹⁾	320,475	636,550
• of which corporate officers	-	225,506	-	2,000	252,000	-	2,000	-	2,000	-	1,500
• of which first ten beneficiary employees (excluding corporate officers)	500	447,890	-	54,000	-	500	62,000	500	54,000	500	44,000
Delivery date	05/20/2011	3/19/2012 ⁽⁴⁾ 03/19/2013	Between 01/01/2010 and 08/19/2013 ⁽⁴⁾ 12/2018	08/19/2014	09/22/2013 ⁽⁴⁾ 09/22/2014	12/01/2014	04/19/2014 ⁽⁸⁾ 04/19/2015	12/01/2013 ⁽⁹⁾ 12/01/2015	04/17/2015 ⁽⁸⁾ 04/17/2016	02/01/2017	04/16/2016 ⁽⁸⁾ 04/16/2017
Total number of free shares awarded adjusted at 12/31/2017	210,125	3,544,176	493,832	667,600	252,000	658,400	674,650	533,700	681,550	320,475	636,550
Total number of free shares delivered at 12/31/2017	(150,575)	(2,972,121)	(314,102)	(468,450)	(248,387)	(248,900)	(478,023)	(238,150)	(481,569)	(114,275)	236,826
Total number of free shares canceled at 12/31/2017	(59,550)	(572,055)	(179,730)	(199,150)	(3,613)	(409,500)	(196,627)	(295,550)	(199,981)	(206,200)	399,724
Number of free shares outstanding at 12/31/2017	-	-	-	-	-	-	-	-	-	-	-

(1) This is the plan awarding 50 free shares to all of the Group's employees.
(2) Co-investment plan offered to 160 key Group managers, of whom 136 subscribed.
(3) Shares granted under the Microsoft option plans that existed when Razorfish was acquired in October 2009 were converted into purchase options on shares of Publicis Groupe using the existing ratio of the purchase share price established for Microsoft (restated in euros) and the market value of Publicis Groupe share on the date of the acquisition.
(4) Concerns French employees, who are subject to a two-year holding period.
(5) This is the plan awarding 50 free shares to all of the Group's employees.
(6) Co-investment plan offered to 200 key Group managers.
(7) Under the LTIP 2012 plan, 11,965 free shares were granted by the Management Board on July 16, 2012.
(8) Concerns French employees, who are subject to a two-year holding period.
(9) Concerns Italian and Spanish employees, who are, in addition, subject to a three-year holding period.



Free share plans

2013 Co- investment plan ⁽⁶⁾	LTIP 2013-2015	LTIP 2014	LTIP 2015	Sapient 2015 Plan ⁽¹⁰⁾	LTIP 2016	Sapient 2016 Plan ⁽¹¹⁾	LTIP 2016-2018	LionLead3 France	LionLead3 International	LionLead3 Dir/Dir	LTIP 2017	Sapient 2017 Plan ⁽¹³⁾	
04/30/2013	06/17/13	03/20/2014	04/17/2015	04/17/2015	06/23/16	04/15/2016	06/23/16	06/16/2016	06/16/2016	06/16/2016	06/23/19 ⁽¹²⁾	05/18/2017	06/15/2017
846,288	105,000	639,750	639,800	422,970	770,300	442,604	120,000	509,652	3,250,962	1,007,721	678,450	528,000	
28,263	105,000	-	-	-	-	-	45,000	-	-	243,243	-	-	
92,931	-	44,000	52,000	197,680	40,400	189,177	75,000	289,575	613,899	764,478	-	-	
04/30/2016 ⁽⁸⁾	06/17/2016 ⁽⁸⁾	03/20/2017 ⁽⁹⁾	04/17/2018 ⁽⁹⁾	04/17/2016 ⁽¹¹⁾		04/15/2017						06/16/2018	
04/30/2017	06/17/2017	03/20/2018	04/17/2019	04/17/2019	06/24/2019	04/15/2020	06/24/2019	06/17/2019	06/17/2020	06/24/2019	05/19/2020	06/16/2021	
846,288	105,000	639,750	639,800	422,970	770,300	442,604	120,000	592,945	3,254,817	1,007,721	678,450	528,000	
505,483	18,632	(32,481)	-	121,671	-	(110,587)	-	-	-	-	-	-	
340,805	86,368	(394,411)	(375,955)	182,086	(452,800)	(97,255)	-	(42,471)	(444,615)	(347,490)	(16,550)	(37,740)	
-	-	212,858	263,845	119,213	317,500	234,762	120,000	550,474	2,810,202	660,231	661,900	490,260	

(10) Sapient Plan 2015 consists of three different plans. Two of these plans are conditional upon continued employment only and, in the case of the first plan, give rise to the delivery of one quarter per year at each of the anniversary date at which the shares were granted (i.e. in April 2016, 2017, 2018 and 2019) and, in the case of the second plan, to the delivery of all shares awarded, at the end of a four-year period, i.e. in April 2019. The third plan, in addition to the condition of continued employment, is subject to performance criteria, such that the total number of shares delivered depends on the level of achievement of targets in respect of 2015, 2016 and 2017 years. The shares ultimately awarded based on the level of achievement of these performance targets will be delivered at the end of a three-year period, i.e. in April 2018.

(11) Sapient Plan 2016 consists of two different plans. One of these plans is conditional upon continued employment only and gives rise to the delivery of one quarter per year at each of the anniversary date at which the shares were granted (i.e. in April 2017, 2018, 2019 and 2020). The second plan, in addition to the condition of continued employment, is subject to performance criteria, such that the total number of shares delivered shall depend on the level of achievement of targets in respect of 2016, 2017 and 2018. The shares ultimately awarded in accordance with the level of achievement of these performance targets will be delivered at the end of a three-year period, i.e. in April 2019.

(12) Allocation granted on June 16, 2016 and submitted to the Supervisory Board for approval on June 23, 2016.

(13) Sapient Plan 2017 consists of two different plans. The first plan is conditional upon continued employment only and gives rise to the delivery of one-quarter per year at each of the anniversary date at which the shares were granted (i.e. in June 2018, 2019, 2020 and 2021). In addition to the condition of continued employment, the second plan is subject to performance criteria, such that the total number of shares delivered shall depend on the level of achievement of targets in respect of 2017, 2018 and 2019. The shares ultimately awarded in accordance with the level of achievement of these performance targets will be delivered at the end of a three-year period, i.e. in June 2020.



Table 11 (AMF nomenclature) Other information concerning the executive corporate officers

Executive corporate officers	Employment contract	Supplementary pension plan	Indemnities or benefits due or payable on cessation or change in functions	Indemnities under a non-compete clause
Management Board				
Maurice Lévy, Chair until May 31, 2017	No	No	No	Yes ⁽¹⁾
Arthur Sadoun, Chair since June 1, 2017	No	No	Yes ⁽²⁾	Yes ⁽⁵⁾
Steve King, member since June 1, 2017	Yes	Yes	Yes ⁽³⁾	Yes ⁽³⁾
Jean-Michel Etienne	Yes	No	Yes ⁽⁴⁾	No
Anne-Gabrielle Heilbronner	Yes	No	Yes ⁽⁵⁾	Yes ⁽⁵⁾

(1) Maurice Lévy abandoned the non-compete clause he benefited from as Chair of the Management Board (see Section 2.2.1.2).

(2) See Section 2.2.3.2, "Compensation and benefits of Arthur Sadoun, Chair of the Management Board since June 1, 2017".

(3) See Section 2.2.3.5, "Compensation and benefits of Steve King, member of the Management Board from June 1, 2017".

(4) See Section 2.2.3.3, "Compensation and benefits of Jean-Michel Etienne, member of the Management Board".

(5) See Section 2.2.3.4, "Compensation and benefits of Anne-Gabrielle Heilbronner, member of the Management Board".

2.2.4.2 Elements of the compensation paid or awarded to corporate officers in respect of the 2017 fiscal year, and submitted to the Ordinary General Shareholders' Meeting for approval

In accordance with article L. 225-100 II of the French Commercial Code, the following elements of compensation paid or awarded in respect of the 2017 fiscal year to executive corporate officers of the Company are subject to the shareholder approval:

- fixed compensation;
- variable compensation;
- attendance fees;
- exceptional compensation;
- free share plan;
- granting of options and/or performance shares;

- indemnities when taking or leaving a function;
- Non-compete agreement;
- supplementary pension plan;
- collective health and welfare insurance and systems;
- any elements of compensation granted for the office held; and
- other benefits.

The eighth to fourteenth resolutions submitted to a vote by shareholders at the General Shareholders' Meeting aim to obtain their approval on the elements of compensation and benefits paid or awarded with respect to the 2017 fiscal year to the Company's corporate officers, Elisabeth Badinter, Chair of the Supervisory Board until May 31, 2017, Maurice Lévy, Chair of the Management Board until May 31, 2017, Maurice Lévy, Chair of the Supervisory Board from June 1, 2017, Arthur Sadoun, Chair of the Management Board since June 1, 2017, Steve King, member of the Management Board since June 1, 2017, Jean-Michel Etienne, and Anne-Gabrielle Heilbronner, members of the Management Board.



Summary table of elements of compensation for Elisabeth Badinter, Chair of the Supervisory Board until May 31, 2017

In the eighth resolution, the General Shareholders' Meeting of May 30, 2018 will be asked to approve the following elements of compensation paid or awarded with respect of the 2017 fiscal year to Elisabeth Badinter, Chair of the Supervisory Board until May 31, 2017:

Elements of compensation	Amounts (in euros) or accounting valuation submitted for vote	Presentation
Fixed compensation	100,000 (i.e. 5/12 of 240,000)	This compensation has remained unchanged since 2012.
Variable compensation	N/A	N/A
Attendance fees	60,000	Payment resulting from her participation in Supervisory Board meetings, Nominating Committee meetings where she serves as Chair and the Strategy and Risk Committee of which she is a member.
Exceptional compensation	N/A	N/A
Options and/or performance shares grants	N/A	N/A
Compensation upon nomination to or ceasing a function	N/A	N/A
Supplementary pension plan	N/A	N/A
Collective health and welfare insurance and systems	N/A	N/A
Other benefits	N/A	N/A

Summary table of the elements of compensation of Maurice Lévy, Chair of the Management Board until May 31, 2017

In the ninth resolution, the General Shareholders' Meeting of May 30, 2018 will be asked to approve the following elements of compensation paid or awarded with respect of the 2017 fiscal year to Maurice Lévy, Chair of the Management Board until May 31, 2017:

Elements of compensation	Amounts (in euros) or accounting valuation submitted for vote	Presentation
Fixed compensation	1,041,667	Since his term as Chair of the Management Board ended on May 31, 2017, the Supervisory Board found it impossible to measure the Group's performance for only the first five months of 2017. The Supervisory Board of Publicis Groupe SA therefore decided to extend the amount of the compensation obtained for fiscal year 2016 and <i>to prorate</i> it over 2017.
Variable compensation	N/A	N/A
Attendance fees	N/A	N/A
Exceptional compensation	N/A	N/A
Options and/or performance shares grants	N/A	N/A
Compensation upon nomination to or ceasing a function	N/A	N/A
Supplementary pension plan	N/A	N/A
Collective health and welfare insurance and systems	3,477	This is the employer's contribution to the collective health and welfare insurance.
Other benefits	N/A	N/A



Summary table of the elements of compensation of Maurice Lévy, Chair of the Supervisory Board since June 1, 2017

In the tenth resolution, the General Shareholders' Meeting of May 30, 2018 will be asked to approve the following elements of compensation paid or awarded with respect of the 2017 fiscal year to Maurice Lévy, Chair of the Supervisory Board since June 1, 2017:

Elements of compensation	Amounts (in euros) or accounting valuation submitted for vote	Presentation
Fixed compensation	1,633,333 (i.e. 7/12 of 2,800,000)	N/A
Variable compensation	N/A	N/A
Attendance fees	N/A	N/A
Exceptional compensation	N/A	N/A
Options and/or performance shares grants	N/A	N/A
Compensation upon nomination to or ceasing a function	N/A	N/A
Supplementary pension plan	N/A	N/A
Collective health and welfare insurance and systems	3,477	This is the employer's contribution to the collective health and welfare insurance.
Other benefits	N/A	N/A

Summary table of the elements of compensation of Arthur Sadoun, Chair of the Management Board since June 1, 2017

In the eleventh resolution, the General Shareholders' Meeting of May 30, 2018 will be asked to approve the following elements of compensation paid or awarded with respect of the 2017 fiscal year to Arthur Sadoun, Chair of the Management Board since June 1, 2017:

Elements of compensation	Amounts (in euros) or accounting valuation submitted for vote	Presentation
Fixed compensation	583,333 (i.e. 7/12 of 1,000,000)	N/A
Variable compensation	729,499	This amount is determined by the assessment of the performance on the financial, stock market and non-financial individual criteria, presented in Section 2.2.3.2.
Attendance fees	N/A	N/A
Exceptional compensation	N/A	N/A
Options and/or performance shares grants	N/A	N/A
Compensation upon nomination to or ceasing a function	N/A	N/A
Supplementary pension plan	N/A	N/A
Collective health and welfare insurance and systems	4,746	This is the employer's contribution to the collective health and welfare insurance.
Other benefits	N/A	N/A



Summary table for the elements of compensation of Jean-Michel Etienne, member of the Management Board

In the twelfth resolution, the General Shareholders' Meeting of May 30, 2018 will be asked to approve the following elements of compensation paid or awarded in respect of the 2017 fiscal year to Jean-Michel Etienne, member of the Management Board:

Elements of compensation	Amounts (in euros) or accounting valuation submitted for vote	Presentation
Fixed compensation	840,000	N/A
Variable compensation	672,000	This amount is determined by the assessment of the performance on the financial and non-financial individual criteria, presented in Section 2.2.3.3.
Attendance fees	N/A	N/A
Exceptional compensation	N/A	N/A
Options and/or performance shares grants	N/A	N/A
Compensation upon nomination to or ceasing a function	N/A	N/A
Supplementary pension plan	N/A	N/A
Collective health and welfare insurance and systems	4,746	This is the employer's contribution to the collective health and welfare insurance.
Other benefits	N/A	N/A

Summary table of elements of compensation for Anne-Gabrielle Heilbronner, member of the Management Board

In the thirteenth resolution, the General Shareholders' Meeting of May 30, 2018 will be asked to approve the following elements of compensation paid or awarded with respect to the 2017 fiscal year to Anne-Gabrielle Heilbronner, member of the Management Board:

Elements of compensation	Amounts (in euros) or accounting valuation submitted for vote	Presentation
Fixed compensation	600,000	N/A
Variable compensation	480,000	This amount is determined by the assessment of the financial performance and on non-financial individual criteria, presented in Section 2.2.3.4.
Attendance fees	N/A	N/A
Exceptional compensation	N/A	N/A
Options and/or performance shares grants	N/A	N/A
Compensation upon nomination to or ceasing a function	N/A	N/A
Supplementary pension plan	N/A	N/A
Collective health and welfare insurance and systems	4,746	This is the employer's contribution to the collective health and welfare insurance.
Other benefits	N/A	N/A



Summary table of the elements of compensation of Steve King, member of the Management Board since June 1, 2017

In the fourteenth resolution, the General Shareholders' Meeting of May 30, 2018 will be asked to approve the following elements of compensation paid or awarded with respect of the 2017 fiscal year to Steve King, member of the Management Board since June 1, 2017⁽¹⁾:

Elements of compensation	Amounts (in euros) or accounting valuation submitted for vote	Presentation
Fixed compensation	599,471 (i.e., 7/12 of 1,027,665)	N/A
Variable compensation	863,238	This amount is determined by the assessment of the performance on the financial and non-financial individual criteria, presented in Section 2.2.3.5.
Attendance fees	N/A	N/A
Exceptional compensation	N/A	N/A
Options and/or performance shares grants	N/A	N/A
Compensation upon nomination to or ceasing a function	N/A	N/A
Supplementary pension plan	27,392	N/A
Collective health and welfare insurance and systems	N/A	N/A
Other benefits	N/A	N/A

(1) Compensation determined and paid in pounds sterling. The translation into euros was carried out at the average rate of £1 = €1.14185 in 2017.



2.2.5 Conventions and regulated commitments

On March 17, 2008, the Supervisory Board amended the existing contractual commitments relating to compensation, indemnities and benefits that might be due to members of the Management Board upon the termination of their terms of office and duties, mainly to comply with Law no. 2007-1223 of August 21, 2007 (the "TEPA Law"). The Statutory Auditors were informed of the provisions adopted or authorized by the Supervisory Board and, as required by the TEPA Law, the changes were submitted to the General Shareholders' Meeting of June 3, 2008, where they were approved.

Following the renewal of the Management Board members' terms of office as of January 1, 2012, the Supervisory Board confirmed the existing commitments (while specifying the potential entitlements to free shares) towards Kevin Roberts, Jack Klues and Jean-Yves Naouri on March 6, 2012, and revised the existing agreements with Jean-Michel Etienne. The Statutory Auditors were informed of the provisions renewed or adopted by the Supervisory Board as these are considered related-party agreements and, as required by law, the changes were subject to a vote at the General Shareholders' Meeting on May 29, 2012, where they were approved.

The Supervisory Board meeting held on September 15, 2014 terminated the role of Jean-Yves Naouri as a member of the Management Board and appointed a new Management Board consisting of Maurice Lévy, Chair, Anne-Gabrielle Heilbronner, Jean-Michel Etienne and Kevin Roberts. On March 12, 2015, on proposal from the Compensation Committee, the Supervisory Board confirmed the current commitments to Jean-Michel Etienne and Kevin Roberts, in terms of end-of-term indemnities, by adapting the terms of these commitments to the recommendations of the Afep-Medef Code and authorized, for Anne-Gabrielle Heilbronner, the conclusion of a commitment for the payment of indemnities in the event of a termination of her functions as a member of the Management Board. These commitments were notified to the Statutory Auditors as related-party agreements. They were approved by the General Shareholders' Meeting of May 27, 2015. It is stated that Kevin Robert's term of office as member of the Management Board ended on September 1, 2016.

Within the framework of the appointments, taking effect on June 1, 2017, of Arthur Sadoun, as Chair of the Management Board, and Steve King, as member of the Management Board, the Supervisory Board meeting of March 1, 2017 authorized or confirmed, on the recommendation of the Compensation Committee, commitments relating to a severance payment and compensation linked to a non-compete agreement, commitments which could be paid to them under certain circumstances and conditions. These commitments were notified to the Statutory Auditors as related-party agreements. They were approved by the General Shareholders' Meeting of May 31, 2017.

The non-compete commitment benefiting Maurice Lévy, Chair of the Management Board until May 31, 2017, authorized by the Supervisory Board meeting of March 17, 2008 and approved by the Combined Ordinary and Extraordinary Shareholders' Meeting of June 3, 2008, was not effective in 2017 and has been null and void since June 1, 2017.

The Supervisory Board meeting of November 29, 2017 carried out a review of agreements and commitments concluded and authorized during previous financial years and the last financial year.

These agreements are discussed in detail in Section 2.2.2 of the Registration Document. These agreements are also covered in the special Statutory Auditors' report on regulated commitments and agreements (see Section 2.4).

The information related to the agreements referred to in article L. 225-86 of the French Commercial Code and signed by the Company can be found in the Company's 2016, 2015 and 2014 Registration Documents:

- 2016: document filed with the AMF on May 9, 2017, (under no. D.17-0496), on page 102;
- 2015: document filed with the AMF on April 4, 2016, (under no. D.16-0268), on page 82;
- 2014: document filed with the AMF on April 8, 2015, (under no. D.15-0298), on page 80.

2.2.6 Share ownership

On December 31, 2017, no members of the Management Board and the Supervisory Board owned more than 1% of the Company's shares, with the exception of Elisabeth Badinter and her children (7.24%), and Maurice Lévy, who owns directly or indirectly 4,595,942 shares (1.99% of the Company's capital) including 2,436,298 shares owned through non-commercial companies belonging to Maurice Lévy and his family.

As of December 31, 2017, the members of the Management Board and the Supervisory Board (with the exception of Elisabeth Badinter and her children) directly and indirectly owned 6,615,139 shares, or 2.87% of the share capital of the Company, including 1.99% controlled by Maurice Lévy.

As of December 31, 2017, the members of the Management Board also owned 27,916 stock options, all of which are exercisable. The average weighted exercise price of the options is euro 52.76 per share and the expiry date of these options is 2023 (see Note 28 to the consolidated financial statements in Section 5.6).

The following table shows the interest of each corporate officer in the share capital of the Company at December 31, 2017 by the number of shares and voting rights, as well as the number of shares that each corporate officer has the right to acquire through the exercise of new stock subscription options and existing stock purchase options.



Shareholding and stock options of the corporate officers as of December 31, 2017

Corporate officer	Number of Publicis Groupe SA shares	Voting rights in Publicis Groupe SA ⁽¹⁾	Number of shares that may be acquired through the exercise of share subscription options	Shares that may be acquired through the exercise of share purchase options		Weighted average price (in euros)
				Total Number	Of which conditional options ⁽²⁾	
Member of the Management Board						
Arthur Sadoun	50,295	61,166				
Steve King	15,356	15,356				
Anne-Gabrielle Heilbronner	7,485	7,807				
Jean-Michel Etienne	95,464	168,324		27,916	27,916	52.76
Total Management Board	168,600	252,653		27,916	27,916	52.76
Member of the Supervisory Board						
Maurice Lévy ⁽³⁾	4,595,942	9,103,197				
Elisabeth Badinter ⁽⁴⁾	16,700,967	33,401,934				
Sophie Dulac	1,749,460	3,088,920				
Claudine Bienaimé	83,900	147,800				
Simon Badinter ⁽⁵⁾	1,259	1,759				
Michel Cicurel	1,017	2,034				
Jean Charest	1,300	2,600				
Marie-Josée Kravis	500	500				
Véronique Morali	500	1,000				
Marie-Claude Mayer	12,920	24,944				
André Kudelski	500	500				
Thomas H. Glocer	500	500				
Pierre Pénicaud ⁽⁶⁾	-	-				
Total Supervisory Board	23,148,765	45,775,688				

(1) Shows the impact of possible double voting rights.

(2) The conditions were taken into account to determine the final number of options definitively granted.

(3) Maurice Lévy directly owns 2,159,644 shares, and indirectly owns 2,436,298 shares of the Company through non-commercial companies, representing a total of 9,103,197 voting rights.

(4) Elisabeth Badinter fully owns 5,834,820 shares (representing 2.53% of the share capital and 4.63% of the voting rights) and has the right to income for 10,866,147 shares with her children having the bare owner shares (representing 4.71% of the share capital and 8.63% of voting rights).

(5) Excluding the 3,622,049 bare owner shares held by Simon Badinter.

(6) Pierre Pénicaud is Supervisory Board member representing employees.

Note: bylaws require members of the Supervisory Board to hold at least 500 shares. However, members representing employees are not obliged to hold a minimum number of shares during their term of office (article 13 of the Company bylaws).

2.2.7 Transactions performed on Publicis Groupe securities by corporate officers and persons related to them

The transactions performed by the corporate officers and the persons mentioned in article L. 621-18-2 of the French Monetary and Financial Code concerning Company stock during the financial year 2017 are as follows:

Name and Surname	Position	Description of the financial instrument	Type of transaction	Number of transactions	Amount of the transactions (in euros)
Arthur Sadoun	Chair of the Management Board	Shares	Exercise of stock options	1	783,877
Anne-Gabrielle Heilbronner	Member of the Management Board	Shares	Disposal	1	96,300
Claudine Bienaimé	Member of the Supervisory Board	Shares	Disposal	1	338,831

Decision of the Supervisory Board dated 12 September 2018

(Publication pursuant to Articles L. 225-90-1 paragraph 3 and R. 225-60-1 of the French Commercial Code)

The Supervisory Board of Publicis Groupe S.A., in its meeting held on 12 September 2018 and on the recommendation of the Compensation Committee, decided to renew the severance payment of the Management Board members.

The Supervisory Board considers that these undertakings are likely to encourage the Management Board members to be completely involved in their duties to the benefit of the Group and to ensure their loyalty in the service of the Group. Furthermore, these undertakings appear as a counterpart to the dedication expected in the performance of their duties as members of the Management Board.

Mr. Arthur Sadoun

The Supervisory Board decided that in the event of a forced departure or due to a change in control or strategy and other than in the case of serious or gross misconduct, Mr. Arthur Sadoun would be entitled to a severance payment.

The amount of the severance would be equal to one year of total gross compensation (fixed compensation and paid variable component) calculated using the average of the latest 24 months of compensation.

He would also have the right to exercise the options to subscribe to and/or to purchase the shares that have been granted to him, and to retain on a prorated basis the free shares already granted to him more than two years prior, subject to the performance conditions set out in the regulations for the plan in question being satisfied.

This severance payment would be subject to performance condition: the severance payment would only be due in its full amount if the average annual amount of the bonus acquired by Mr. Arthur Sadoun for the three years prior to the termination of his duties is equal to at least 75% of his “target bonus”. If the average annual amount is less than 25% of the “target bonus”, no sum or benefit will be due. If the average amount is between 25% and 75% of the “target bonus”, payments and benefits will be calculated on a proportional basis between 0% and 100% using the rule of three.

The severance payment may only be paid after the determination by the Supervisory Board that the performance conditions had been achieved at the date on which his term as a member of the Management Board ended.

Ms. Anne-Gabrielle Heilbronner

The Supervisory Board decided that in the event of a forced departure due to a change in control or strategy and other than in the case of serious or gross misconduct, Ms. Anne-Gabrielle Heilbronner would be entitled to a severance payment.

Provided that Ms. Anne-Gabrielle Heilbronner does not continue to be employed by Publicis Groupe, the amount of the severance would be equal to one year of total gross compensation (fixed compensation and paid variable component) calculated using the average of the latest 24 months of compensation.

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She would also have the right to exercise the options to subscribe to and/or to purchase the shares that have been granted to her, and to retain on a prorated basis the free shares already granted to her more than two years prior, subject to the performance conditions set out in the regulations for the plan in question being satisfied.

This severance payment would be subject to performance condition: the severance payment would only be due in its full amount if the average annual amount of the bonus acquired by Ms. Anne-Gabrielle Heilbronner for the three years prior to the termination of her duties is equal to at least 75% of her “target bonus”. If the average annual amount is less than 25% of the “target bonus”, no sum or benefit will be due. If the average annual amount is between 25% and 75% of the “target bonus”, payments and benefits will be calculated on a proportional basis between 0% and 100% using the rule of three.

The severance payment may only be paid after the determination by the Supervisory Board that the performance conditions had been achieved at the date on which his term as a member of the Management Board ended.

The potential aggregate amount of the severance payment and a severance indemnity due in relation with the employment contract shall not exceed two years of global remuneration (fixed compensation and paid variable component).

Mr. Jean-Michel Etienne

The Supervisory Board decided that in the event of a forced departure due to a change in control or strategy and other than in the case of serious or gross misconduct, Mr. Jean-Michel Etienne would be entitled to a severance payment.

Provided that Mr. Jean-Michel Etienne does not continue to be employed by Publicis Groupe, the amount of the severance would be equal to one and a half year’s total gross compensation (fixed compensation and paid variable component) calculated using the average of the latest 24 months of compensation.

He would also have the right to exercise the options to subscribe to and/or to purchase the shares that have been granted to him, and to retain on a prorated basis the free shares already granted to him more than two years prior, subject to the performance conditions set out in the regulations for the plan in question being satisfied.

The severance payment would be subject to performance condition: the severance payment would only be due in its full amount if the average annual amount of the bonus acquired by Mr. Jean-Michel Etienne for the three years prior to the termination of his duties is equal to at least 75% of his “target bonus”. If the average annual amount is less than 25% of the “target bonus”, no sum or benefit will be due. If the average annual amount is between 25% and 75% of the “target bonus”, payments and benefits will be calculated on a proportional basis between 0% and 100% using the rule of three.

The severance payment may only be paid after the determination by the Supervisory Board that the performance conditions had been achieved at the date on which his term as a member of the Management Board ended.

The potential aggregate amount of the severance payment and a severance indemnity due in relation with the employment contract shall not exceed two years of global remuneration (fixed compensation and paid variable component).

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Mr. Steve King

The Supervisory Board kept in place the amount of severance payment of Mr. Steve King as it appears in his employment contract with one of the Group's subsidiaries in the United Kingdom.

The Supervisory Board decided that in the event of a forced departure due to a change in control or strategy and other than in the case of serious or gross misconduct, Mr. Steve King would be entitled to this severance payment.

Provided that Mr. Steve King does not continue to be employed by Publicis Groupe, the amount of the severance would be equal to one year total of gross compensation (fixed compensation and paid variable component) calculated using the average of the latest 24 months of compensation.

He would also have the right to exercise the options to subscribe to and/or to purchase the shares that have been granted to him, and to retain on a prorated basis the free shares already granted to him more than two years prior, subject to the performance conditions set out in the regulations for the plan being satisfied.

This severance payment would be subject to performance condition: the severance payment would only be due in its full amount if the average annual amount of the bonus acquired by Mr. Steve King for the three years prior to the termination of his duties is equal to at least 75% of his "target bonus". If the average annual amount is less than 25% of the "target bonus", no sum or benefit will be due. If the average amount is between 25% and 75% of the "target bonus", payments and benefits will be calculated on a proportional basis between 0% and 100% using the rule of three.

The severance payment may only be paid after the determination by the Supervisory Board that the performance conditions had been achieved at the date on which his term as a member of the Management Board ended.

The potential aggregate amount of the severance payment and any other severance indemnity due in relation with the employment contract shall not exceed two years of global remuneration (fixed compensation and paid variable component).