

# Welcome to your CDP Climate Change Questionnaire 2021

## C0. Introduction

### C0.1

#### **(C0.1) Give a general description and introduction to your organization.**

Interpublic Group (IPG) is one of the world's premier global advertising and marketing services companies. Through our 50,200 employees in all major world markets, our companies specialize in advertising, digital marketing, communications planning, media, public relations, specialized marketing, and data management.

Our companies create customized marketing programs for clients that range in scale from large global marketers to regional and local clients. Comprehensive global services are critical to serve our multinational and local clients in markets throughout the world as they seek to build brands, increase sales of their products and services and gain market share.

IPG believes that each and every client is unique, with a finely tuned set of passions, behaviors, and motivations. We turn these disparate data points into human understanding and create more relevant and effective marketing. We call this approach human-centered marketing. Thinking beyond demographics to connect, engage and interact with humans on a personal level to drive performance. Using data to identify real people and build engaging marketing experiences across all touchpoints. Our solutions vary from project-based activity involving one agency to long-term, fully integrated campaigns created by multiple IPG agencies working together. With offices in over 100 countries, we can operate in a single region or deliver global integrated programs. IPG lists more than 100 of our companies on our website under the "Our Companies" section, with descriptions, capabilities, and office locations for each.

The role of our holding company is to provide resources and support to ensure that our agencies can best meet clients' needs and to selectively facilitate collaborative client service among our agencies. Based in New York City, our holding company sets company-wide financial objectives and corporate strategy, establishes financial management and operational controls, guides personnel policy, directs collaborative inter-agency programs, conducts investor relations, manages environmental, social, and governance (ESG) programs, provides enterprise risk management, and oversees mergers and acquisitions. In addition, we provide certain centralized functional services that offer our companies operational efficiencies, including accounting and finance, executive compensation management and recruitment assistance, employee benefits, marketing information retrieval and analysis, internal audit, legal services, real estate expertise, and travel services.

## C0.2

**(C0.2) State the start and end date of the year for which you are reporting data.**

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1, 2020	December 31, 2020	Yes	2 years

## C0.3

**(C0.3) Select the countries/areas for which you will be supplying data.**

- Algeria
- Argentina
- Australia
- Austria
- Bahrain
- Belgium
- Bolivia (Plurinational State of)
- Brazil
- Canada
- Chile
- China
- China, Hong Kong Special Administrative Region
- Colombia
- Costa Rica
- Czechia
- Denmark
- Ecuador
- Egypt
- Finland
- France
- Germany
- Greece
- Hungary
- India
- Indonesia
- Ireland
- Israel
- Italy
- Japan
- Kuwait
- Lebanon
- Malaysia
- Mexico

Netherlands  
New Zealand  
Norway  
Panama  
Peru  
Philippines  
Poland  
Portugal  
Qatar  
Republic of Korea  
Romania  
Russian Federation  
Saudi Arabia  
Singapore  
South Africa  
Spain  
Sri Lanka  
Sweden  
Switzerland  
Taiwan, Greater China  
Thailand  
Trinidad and Tobago  
Tunisia  
Turkey  
United Arab Emirates  
United Kingdom of Great Britain and Northern Ireland  
United States of America  
Uruguay

## **C0.4**

**(C0.4) Select the currency used for all financial information disclosed throughout your response.**

USD

## **C0.5**

**(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.**

Operational control

## C1. Governance

### C1.1

**(C1.1) Is there board-level oversight of climate-related issues within your organization?**

Yes

#### C1.1a

**(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.**

Position of individual(s)	Please explain
Board Chair	Members of IPG's Board of Directors, including Chairman Michael Roth and CEO Philippe Krakowsky, have oversight of climate-related issues. For example, these entities approved IPG becoming a signatory of America Is All In. A group of businesses, investors, regulators and educational institutions who have come together to reaffirm a commitment to the Paris Agreement on climate change. See 2021 Proxy Statement, page 19, for more details: <a href="https://investors.interpublic.com/static-files/db5318c6-fc7c-4d16-be1e-961a45a4a15a">https://investors.interpublic.com/static-files/db5318c6-fc7c-4d16-be1e-961a45a4a15a</a>
Board-level committee	The Corporate Governance and Social Responsibility Committee: While the entire Board of Directors considers the implications of climate change and other key issues of corporate social responsibility (CSR) as it impacts IPG, the primary responsibility sits with the Corporate Governance and Social Responsibility Committee of the Board. The responsibility of this committee is to oversee and make recommendations to the Board regarding the Company's policies and practices with respect to issues of global corporate citizenship and social responsibility, including diversity and inclusion, environmental sustainability, charitable and social matters.

#### C1.1b

**(C1.1b) Provide further details on the board's oversight of climate-related issues.**

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding risk management policies	IPG created a Sustainability Working Group, with representatives from the Communications, Risk, Real Estate, Procurement, Investor Relations, Travel and

	Reviewing and guiding annual budgets Monitoring and overseeing progress against goals and targets for addressing climate-related issues	Legal functions, which is tasked with reviewing, coordinating and promoting the Company's efforts in the area of sustainability at the consolidated corporate level. This involves scheduled meetings with the Board of Directors, which has overall responsibility for the oversight and management of the Company's risks and of the Company's sustainability program. Climate-related issues are integrated into multi-disciplinary company-wide risk management processes, monitoring and overseeing progress against goals and targets for addressing climate-related issues (as an intensity target was introduced in the fiscal year 2017/2018) and reviewing and guiding annual budget, as there is a dedicated budget for emissions reductions activities.
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## C1.2

**(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.**

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Financial Officer (CFO)	Both assessing and managing climate-related risks and opportunities	More frequently than quarterly
Other C-Suite Officer, please specify General Counsel	Both assessing and managing climate-related risks and opportunities	More frequently than quarterly
Sustainability committee	Both assessing and managing climate-related risks and opportunities	Half-yearly
Environment/ Sustainability manager	Both assessing and managing climate-related risks and opportunities	Half-yearly

## C1.2a

**(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).**

While the entire Board of Directors considers the implications and risk of climate change and other key issues of corporate social responsibility (CSR) as it impacts IPG, the primary responsibility sits with the Board's Corporate Governance Committee, and specifically with the Chairperson of the Committee. The responsibility of this committee is to oversee and make

recommendations to the overall Board regarding the Company’s policies and practices with respect to issues of global corporate citizenship and social responsibility, including climate change, diversity and inclusion, charitable, and social matters.

IPG’s Sustainability Management Committee includes representatives from various departments and functions, including Communications, Human Resources, Investor Relations, Finance, and Legal. This mix of individuals and departments enables IPG to monitor and identify climaterelated risks across all areas of our operations. This Committee is tasked with reviewing, coordinating, and promoting IPG’s efforts in this area at the consolidated corporate level. This committee reports to the Board.

IPG has a Vice President of Sustainability and Communications who is tasked with reviewing, coordinating, and promoting IPG’s efforts on climate change and other sustainability issues at the consolidated corporate level. The Director works directly with representatives from IPG’s Sustainability Management Committee, and reports to the Vice President of Corporate Communications. They meet regularly with IPG’s Board of Directors to report on these issues.

IPG has a robust framework for evaluating a wide range of risks and opportunities, including risks and opportunities related to sustainability, and whether they have a substantive financial impact. This process is overseen by IPG’s senior management, including the company’s Chief Financial Officer, Chief Risk Officer and General Counsel. These individuals are responsible for the identification and remediation of the principle risks facing IPG and its agencies, including the operational and regulatory risks that may be posed by ESG issues, such as climate change.

### C1.3

**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

### C1.3a

**(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).**

Entitled to incentive	Type of incentive	Activity incentivized	Comment
All employees	Non-monetary reward	Emissions reduction project Efficiency project	Employees and IPG agencies that demonstrate a commitment to climate action, energy efficiency, and sustainability through internal projects and client-related work have the opportunity to be recognized in internal and external communications platforms. Frequent recognition is given internally through IPG's Essential ESG Newsletter to employees. Externally, one of these platforms resides on

		Behavior change related indicator Supply chain engagement	the Sustainability and Purpose section of the corporate website, where you can find client-related work highlighted as it relates to our sustainability commitments: <a href="https://www.interpublic.com/our-values/sustainability-purpose">https://www.interpublic.com/our-values/sustainability-purpose</a>
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## C2. Risks and opportunities

### C2.1

**(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?**

Yes

#### C2.1a

**(C2.1a) How does your organization define short-, medium- and long-term time horizons?**

	From (years)	To (years)	Comment
Short-term	0	3	
Medium-term	3	10	
Long-term	10	30	

#### C2.1b

**(C2.1b) How does your organization define substantive financial or strategic impact on your business?**

IPG has a robust framework for evaluating a wide range of risks and opportunities, including risks and opportunities that are climate-related, and whether they have a substantive financial impact, defined as an impact exceeding 5% of group operating revenues.

### C2.2

**(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.**

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**Value chain stage(s) covered**

Direct operations

**Risk management process**

Integrated into multi-disciplinary company-wide risk management process

### **Frequency of assessment**

Annually

### **Time horizon(s) covered**

Medium-term

Long-term

### **Description of process**

IPG has a robust framework for evaluating a wide range of risks and opportunities, including risks and opportunities related to sustainability, and whether they have a substantive financial impact, defined as an impact exceeding 5% of group operating revenues. This process is overseen by the Company's senior management, including the Chief Financial Officer, the Chief Operating Officer, the Chief Risk Officer and the General Counsel. These individuals are responsible for the identification and remediation of the principal risks facing the Company and its operations, which includes the operational and regulatory risks that may be posed by climate change.

The Company's management, including agency management, is responsible for identifying and executing on business opportunities, including the opportunities presented by clients' responses to the challenges presented by climate change and their development and marketing of new products and services.

Specifically relating to climate change, the Company has dedicated a Vice President of Sustainability and Communications, and has also formed a Sustainability Working Group, with representatives from the Communications, Risk, Real Estate, Procurement, Investor Relations, Travel and Legal functions, which is tasked with reviewing, coordinating and promoting the Company's risks and efforts in this area at the consolidated corporate level. Ultimately, the Board of Directors has overall responsibility for the oversight and management of the Company's risks.

IPG incorporates the physical risks of climate change into its business continuity planning, focusing on the increasing likelihood of extreme weather events. For example, many large cities in which IPG operates have multiple office buildings: if a building in New York City was to be rendered unusable by an extreme weather event, nearby offices have the ability to host displaced employees. Network infrastructure investments also enable the remote working capabilities of employees around the world in the event that office space is unusable due to extreme weather.

Additionally, IPG has considered transitional risks and opportunities related to climate change, such as shifting market preferences. As more clients seek to partner with agencies that understand sustainability issues and trends, IPG's visible commitment to sustainability through such measures as reducing its own Scope 3 emissions by reducing employee travel, and reporting appropriately on this progress, is viewed as an opportunity to bolster its reputation among clients.

Furthermore, as a global company, IPG is subject to the transitional risks associated



with changing legal conditions associated with climate change. The risk of different parts of the Company operating under different climate change systems is something the Company tracks and is aware of.

## C2.2a

### (C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	<p>Current regulations related to climate risk and resiliency are always considered in our multi-disciplinary company-wide risk identification, assessment, and management processes.</p> <p>At IPG specifically, many of our largest office spaces are located in NYC and London, which have very progressive regulations and policy programs related to climate risk and resiliency.</p> <p>We consider all of these regulations in every municipality that we operate in around the world to make sure to minimize risk in our operations.</p>
Emerging regulation	Relevant, always included	<p>Emerging regulations are always considered in our multi-disciplinary company-wide risk identification, assessment, and management processes.</p> <p>At IPG specifically, many of our largest office spaces are located in NYC and London, which have very progressive regulations and policy programs related to climate risk and resiliency.</p> <p>We monitor emerging regulations in this area, especially when it could change the operating cost of our leased office space.</p>
Technology	Relevant, sometimes included	<p>As a forward-looking company, IPG looks at technological change as a business opportunity. Given increased consumer and business interest technologies around climate change mitigation and adaptation, IPG sees this as a major opportunity where the Company can partner with clients to better explain and show clients' capabilities to deal with climate change issues.</p>
Legal	Relevant, always included	<p>Legal issues related to climate change are always considered in our multi-disciplinary company-wide risk identification, assessment, and management processes.</p> <p>Given the creative nature of IPG's work, the Company is not overly exposed to climate change legislation or litigation. While this risk is</p>

		<p>fairly minor, the Company has some exposure to legislation and must remain vigilant to make sure IPG is in compliance with ever changing legal mandates in the various markets around the world in which we operate or risk fines and other penalties.</p>
Market	Relevant, always included	<p>Market-related risks concerning climate change and related issues are always included in our multi-disciplinary company-wide risk identification, assessment, and management processes.</p> <p>Climate-related risks that IPG's clients deem as important are also risks that IPG deems as important.</p> <p>As a specific example at IPG, we are increasingly being asked by our clients to report on climate-related issues, performance and strategy. CDP is one of the methods that clients are reaching out to us to obtain this information.</p> <p>We consider the risk of increased reporting, or not reporting, and the tradeoffs / costs and risks these decisions entail.</p>
Reputation	Relevant, always included	<p>Increased stakeholder concern on climate-related issues or negative stakeholder feedback on IPG's response to climate-related issues are seen as risks, as they have the potential to significantly affect IPG's revenue positively or negatively depending on how we manage these issues.</p> <p>At IPG specifically, this is seen as an immediate and current risk. Reputation is always included in our multi-disciplinary company-wide risk identification, assessment, and management processes.</p> <p>At IPG our clients are increasingly engaging with us on these issues and looking to see progress each year.</p>
Acute physical	Relevant, always included	<p>Acute physical effects related to climate change such as extreme weather are always considered in our multi-disciplinary company-wide risk identification, assessment, and management processes.</p> <p>At IPG specifically, we have been affected in the past by extreme weather. For example, Super Storm Sandy greatly impacted our operations in New York, and more recent examples include work disruptions from Hurricanes Harvey, Maria and Irma.</p> <p>Not only do we risk property damage, or injury to our employees, but we also have the risk of our employees not being able to continue their work.</p> <p>At IPG, as a response to this risk, we have implemented a formal business continuity program, which includes remote working, off-site</p>

		<p>working locations, backups, and other risk management strategies to make sure we can continue delivering quality work on time as expected by our clients even in the face of extreme weather or other natural disasters that may be related to climate change.</p> <p>Some recent examples of how we supported our Puerto Rico agencies in preparation for and in the aftermath of Hurricane Maria:</p> <ul style="list-style-type: none"> <li>· Shared alerts and weather warnings ahead of the storm</li> <li>· Shared damage reports and infrastructure updates after the storm</li> <li>· Liaised with agency crisis team to establish immediate needs, including those of employees and their family members</li> <li>· Liaised with our hub office in Miami to ascertain next steps and client priorities</li> <li>· Worked to develop payroll advances for employees</li> <li>· Connected agency leadership with asset (property) management</li> </ul>
Chronic physical	Relevant, sometimes included	<p>IPG could be affected by sea level rise in high-risk locations, for example New York City and Miami, potentially leading to property damage, damage to assets and increased insurance premiums.</p> <p>Additionally, at IPG specifically, rising mean temperatures are a risk that will likely lead to increased operating costs through increased air conditioning use.</p> <p>As this is seen as a risk in the long term, chronic physical risks are not always included in climate-related risk assessments. They are assessed less frequently than other more immediate risks.</p>

## C2.3

**(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes

## C2.3a

**(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.**

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**Identifier**

Risk 1

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Chronic physical  
Rising sea levels

**Primary potential financial impact**

Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets

**Company-specific description**

Many of our agencies' offices are in places expected to be among the worst affected by sea-level rise. Specifically, we have a significant number of buildings and offices in New York City and Miami, which are areas anticipated to be heavily impacted by rising sea levels in the next few decades.

**Time horizon**

Long-term

**Likelihood**

About as likely as not

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

The financial impact of this risk should be low because most of our buildings are leased.

**Cost of response to risk**

0

**Description of response and explanation of cost calculation**

We maintain a Business Continuity Office, and each of our major agencies are required to update a business continuity plan regularly which includes data backups, off-site work locations, remote working capabilities, partnerships between agencies for resiliency and many other ways to make sure the work and product deliverables continue even in extreme weather or during natural disasters.

**Comment**

We do not anticipate any additional cost involved with this management method.

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**Identifier**

Risk 2

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Chronic physical  
Rising mean temperatures

**Primary potential financial impact**

Increased indirect (operating) costs

**Company-specific description**

Rising global average temperatures could result in increased air-conditioning costs and related energy costs in our offices.

**Time horizon**

Long-term

**Likelihood**

Likely

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

We anticipate that the impact of anticipated temperature increases could increase air-conditioning cost anywhere from 5-10%.

**Cost of response to risk**

0

**Description of response and explanation of cost calculation**

We are considering energy-efficient and sustainable office space, such as LEED-certified space, in all of our new property buildouts and re-locations to minimize and mitigate this increase in costs through efficiency.

**Comment**

We do not anticipate any additional cost involved with this management method.

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**Identifier**

Risk 3

**Where in the value chain does the risk driver occur?**

Downstream

**Risk type & Primary climate-related risk driver**

Reputation

Increased stakeholder concern or negative stakeholder feedback

**Primary potential financial impact**

Decreased revenues due to reduced demand for products and services

**Company-specific description**

If IPG were to develop a reputation for inadequate climate-related efforts in the face of growing customer awareness and increasing sustainability-related demands, clients could lose trust in IPG, which could cause these clients to look at other opportunities to meet their marketing and communications needs and result in reduced revenue for IPG.

**Time horizon**

Medium-term

**Likelihood**

About as likely as not

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

The potential financial implications depend on the nature and size of the client.

**Cost of response to risk**

0

### Description of response and explanation of cost calculation

We publish a sustainability report referencing the GRI framework each year, and we also respond to the CDP Climate and CDP Supply Chain surveys each year. This year we responded for the first time to the RobecoSAM Corporate Sustainability Assessment (CSA). We favor energy-efficient and sustainable office space whenever re-locating or building out new locations. Each year we work to improve our management of and reputation around climate-related issues, including partnering with our clients on these matters.

### Comment

We do not anticipate any additional cost involved with this management method.

## C2.4

**(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

### C2.4a

**(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.**

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#### Identifier

Opp1

#### Where in the value chain does the opportunity occur?

Direct operations

#### Opportunity type

Products and services

#### Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

#### Primary potential financial impact

Other, please specify

Increased revenues due to new product and service offerings.

#### Company-specific description

IPG believes that the economic and social impact of climate change, including as a result of regulatory initiatives, presents the Company's agencies and their clients with significant marketing and communications opportunities as those challenges are addressed.

#### Time horizon

Short-term

**Likelihood**

Very likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

The potential financial implications depend on the nature and size of the client.

**Cost to realize opportunity**

0

**Strategy to realize opportunity and explanation of cost calculation**

We view sustainability as a business imperative for IPG, for our agencies, and for our clients. As our talent innovates and works to drive sustainability efforts both at IPG and with our clients, we create and expand markets for sustainable products and services.

**Comment**

We do not anticipate any additional cost involved with this management method.

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**Identifier**

Opp2

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Products and services

**Primary climate-related opportunity driver**

Shift in consumer preferences

**Primary potential financial impact**

Increased revenues resulting from increased demand for products and services

**Company-specific description**



IPG anticipates that the impact of climate change presents the Company's agencies and their clients with significant marketing and communications opportunities as those challenges are addressed. IPG agencies and corporate business development teams work with their clients to identify and address those challenges and opportunities. The growing demand for sustainable products and services, not only in the developed economies, but also across developing markets, presents business and financial opportunities for the Company's clients and for IPG. As the Company's clients develop and launch new products and services, IPG and its agencies have the opportunity to partner with them to market their solutions and tailor their communication strategies.

**Time horizon**

Short-term

**Likelihood**

Very likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

The potential financial implications depend on the nature and size of the client.

**Cost to realize opportunity**

0

**Strategy to realize opportunity and explanation of cost calculation**

The creative talent at IPG's agencies is driving sustainability efforts through what they do best: developing marketing campaigns that create new markets for sustainable products, in partnership with forward-thinking clients. These marketing efforts can shift demand toward more environmentally responsible products and can result in consumer behavior changes that reduce environmental and social pressures on a meaningful scale.

**Comment**

We do not anticipate any additional cost involved with this management method.

**Identifier**

Opp3

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Resource efficiency

**Primary climate-related opportunity driver**

Move to more efficient buildings

**Primary potential financial impact**

Reduced indirect (operating) costs

**Company-specific description**

At IPG specifically, we are including assessments of climate-resilient and efficient technologies in our real estate department whenever we relocate or build out new space. By moving our offices into more efficient buildings, we have the opportunity to save on operating costs such as electricity, heating and air conditioning.

**Time horizon**

Short-term

**Likelihood**

Very likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

We expect that the potential financial implications will lower our risk of increased energy, heating and cooling costs.

**Cost to realize opportunity**

0

**Strategy to realize opportunity and explanation of cost calculation**

Beginning in 2016, all new tenant buildouts conform to LEED-certified or better.

**Comment**

We do not anticipate any additional cost involved with this management method.

## C3. Business Strategy

### C3.1

**(C3.1) Have climate-related risks and opportunities influenced your organization’s strategy and/or financial planning?**

Yes, and we have developed a low-carbon transition plan

### C3.1a

**(C3.1a) Is your organization’s low-carbon transition plan a scheduled resolution item at Annual General Meetings (AGMs)?**

	Is your low-carbon transition plan a scheduled resolution item at AGMs?	Comment
Row 1	No, but we intend it to become a scheduled resolution item within the next two years	

### C3.2

**(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?**

No, and we do not anticipate doing so in the next two years

### C3.2b

**(C3.2b) Why does your organization not use climate-related scenario analysis to inform its strategy?**

Our business continuity program and site incident plans, which develop comprehensive emergency management procedures for a substantial set of our office locations to respond to disruptions caused by extreme weather, helps to make sure we are ready to react to the immediate impacts in various climate-change-related scenarios. In addition, the sustainability program and its various initiatives related to climate change, such as our publishing of an annual sustainability report, our response to the S&P Global CSA, and our response to CDP, help us to explore these issues strategically each year and engage to meet the needs of our clients in areas related to climate change.

As a non–location–specific, non–manufacturing service business we have to date been sheltered from or able to mitigate many direct impacts from climate change and related laws and regulations. We are, however, increasingly impacted by the effects of climate change and laws and regulations related to other sustainability concerns, and, we could incur related costs indirectly through our clients or investors. Increasingly our clients request that we comply with their own social responsibility, sustainability or other business policies or standards, which may be more restrictive than current laws and regulations, before they commence, or continue,

doing business with us, and ESG issues are increasingly a focus of the investor community. For example, some clients and investors are requesting that we commit to a net-zero carbon emissions goal and timeframe.

IPG currently gains information on climate-related risks through research and discussions with stakeholders, and, considering the low immediate threat to IPG of climate-related risks based on the nature of the company, we feel that this approach is sufficient at present. We will continue to explore this each year as we anticipate that important stakeholder expectations and other factors may change over the next few years.

### C3.3

**(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.**

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Better competitive position to reflect shifting customer preferences. IPG believes that the economic and social impact of climate change, including as a result of regulatory initiatives, presents the Company's agencies and their clients with significant marketing and communications opportunities as those challenges are addressed. This area is already impacting our business and will continue to do so in the future. For example, some clients and investors have been requesting that we commit to a net-zero carbon emissions goal and timeframe. In 2021, IPG formally joined The Climate Pledge, co-founded by Amazon and Global Optimism. The Climate Pledge is a commitment to reaching net-zero carbon across our business by 2040, 10 years ahead of the Paris Agreement. Additionally, IPG made the strategic decision to become a founding member of AdGreen, which helps advertisers mitigate the environmental impact of production. Launched by the Advertising Association, the initiative unites the advertising industry toward a zero waste and zero carbon future through training sessions as well as renewable energy and carbon offsetting plans. More information can be found here: <a href="https://www.interpublic.com/news/ipg-signs-on-as-a-founding-member-of-adgreen/">https://www.interpublic.com/news/ipg-signs-on-as-a-founding-member-of-adgreen/</a>
Supply chain and/or value chain	No	As a professional services firm whose primary business is generating marketing solutions rather than physical products, climate change does not directly impact our supply chain.

		<p>In late 2020, IPG launched Range, IPG’s new vendor management program designed to simplify and streamline how we assess, source and manage vendors. The program will deliver multiple benefits across the IPG network including broader awareness of the vendor universe and sharpened visibility to vendor selection criteria. Captured criteria will include capabilities, credibility, diversity, and inclusion categorization as well as other sustainability metrics that align to IPG’s Corporate goals and that are searchable when considering sourcing criteria. Range will launch in September of 2021 with a continued rollout initially for US agencies through the end of the year.</p> <p>IPG expects its suppliers to share its commitment to operating in sync with the long-term health of the environment. Interpublic has also adopted a Supplier Code of Conduct applicable to all suppliers and their employees, agents, and subcontractors. IPG believes it is necessary to engage 100% of their suppliers relating to climate change and other sustainability-related issues in order to ensure 100% on-boarding and that progress towards sustainability can be made throughout the supply chain.</p>
Investment in R&D	Yes	<p>IPG agencies and corporate business development teams work with their clients to identify and address those challenges and opportunities related to climate change.</p> <p>The growing demand for sustainable products and services, not only in the developed economies, but also across developing markets, presents business and financial opportunities for the Company's clients and for IPG in the short-term.</p> <p>As the Company's clients develop and launch new products and services, IPG and its agencies have the opportunity to partner with them to market their solutions and tailor their communication strategies.</p> <p>An example of this is IPG company, McCann Health's recent work with AstraZeneca and a top chemist from Cornell University, Geoffrey Coates, to develop a CO2 Inhaler.</p> <p>The CO2 Inhaler marks the first time pollution has been used to help patients breathe better. The special edition inhaler is made from carbon dioxide converted into biodegradable plastic, which houses the canister of medication.</p> <p>Coates has been leading research and development of CO2</p>

		<p>converted into plastic for over a decade, and co-founded Novomer, a leading sustainable manufacturing company that specializes in the polymerization of carbon dioxide. The team worked with Novomer to develop the inhaler as well.</p> <p>See more information here: <a href="https://www.interpublic.com/case-study/astrazeneca-and-mccann-health-launch-the-co2-inhaler/">https://www.interpublic.com/case-study/astrazeneca-and-mccann-health-launch-the-co2-inhaler/</a></p>
Operations	Yes	<p>Rising sea levels and increasing global mean temperatures are expected to impact our operations over the long term.</p> <p>Many of our agencies are located in places expected to be among the worst affected by sea-level rise. For example, New York City and Miami, where we maintain significant operations, are areas anticipated to be heavily impacted by rising sea levels in the next few decades.</p> <p>Our operations, including the ability for our employees to work and deliver to our clients on time, could be affected by climate-related issues.</p> <p>In 2021, IPG committed to set an emissions reduction target in line with limiting global temperature rise to 1.5 degrees Celsius through the Science Based Targets initiative (SBTi), the best-practice framework for validating emissions reduction targets. This commitment also makes IPG a signatory to the Business Ambition for 1.5°C and a member of the United Nations-backed Race to Zero campaign.</p> <p>IPG has also committed to sourcing 100% renewable electricity by 2030 for its entire portfolio.</p> <p>Additionally, the company has formally joined The Climate Pledge, co-founded by Amazon and Global Optimism. The Climate Pledge is a commitment to reaching net-zero carbon across our business by 2040, 10 years ahead of the Paris Agreement. Moreover, IPG plans to join additional initiatives that encourage businesses like ours to reduce emissions across our global organization and our supply chain.</p> <p>More information on IPG's Climate Action Plan can be found here: <a href="https://investors.interpublic.com/news-releases/news-release-details/ipg-announces-climate-action-plan-part-integrated-esg-program">https://investors.interpublic.com/news-releases/news-release-details/ipg-announces-climate-action-plan-part-integrated-esg-program</a></p>

## C3.4

### (C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Indirect costs Capital expenditures Capital allocation Acquisitions and divestments Access to capital Assets Liabilities	<p>Revenues</p> <p>IPG’s principal revenue risks comes from reputational risk, including not only clients’ perception of the quality of our work, but also their perception of the Company as a valued business partner. With businesses and consumers increasingly wanting to only purchase goods and services from ethical companies, IPG needs to maintain itself as a company taking climate change and sustainability seriously or risk losing revenue opportunities over the long term.</p> <p>Indirect costs</p> <p>IPG is cognizant of how its activities can impact the environment. Accordingly, the Company has taken several actions to mitigate its energy usage which have impacted operating costs. For example, IPG now requires all new buildouts to be LEED-certified wherever possible. This has reduced emissions as well as operating costs. As well, by increasing virtualization by 80% since 2008, the Company has reduced power consumption in IT operations by 66%, further reducing emissions and operating costs. Our financial planning for this element covers the short, medium, and long term.</p> <p>Capital expenditures / capital allocation</p> <p>While IPG includes risks and opportunities related to climate change when allocating capital, the Company does not generally own physical structures that would be impacted by climate change and thus does not need to allocate capital for adaption. We plan over the long term to continually evaluate climate change issues that have the potential to impact our owned assets.</p> <p>Acquisitions and divestments</p> <p>While IPG has a successful track record of integrating acquisitions, because we are expanding our reporting boundary year on year, that has the real impact, rather than a particular acquisition or divestment. Over the long-term, this area may impact us as CDP defines it.</p>

		<p><b>Access to capital</b></p> <p>At the present time, our access to the capital markets and other sources of financial capital has not been impacted by climate change, although we do see an increasing number of investment funds whose investment criteria are driven by ethical and social considerations, including climate change. The true source of capital that has made IPG successful has been our human capital. Employees are more and more interested in working at ethical corporations and we expect this attitude to impact our access to talent over the long term.</p> <p><b>Assets</b></p> <p>IPG rents rather than owns the overwhelming majority of its facilities. Our key asset is our people – our talent. So, this area is not impacted in the short term. We plan, over the long term, to continually evaluate climate change issues that have the potential to impact our owned assets.</p> <p><b>Liabilities</b></p> <p>As IPG generally lacks physical liabilities that would be impacted by climate change, we do not believe this area is relevant to our business. We plan, over the long term, to continually evaluate climate change issues that have the potential to impact our physical liabilities.</p>
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### C3.4a

**(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).**

N/A

## C4. Targets and performance

### C4.1

**(C4.1) Did you have an emissions target that was active in the reporting year?**

Intensity target

### C4.1b

**(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).**



**Target reference number**

Int 1

**Year target was set**

2017

**Target coverage**

Company-wide

**Scope(s) (or Scope 3 category)**

Scope 2 (location-based)

**Intensity metric**

Metric tons CO<sub>2</sub>e per unit FTE employee

**Base year**

2015

**Intensity figure in base year (metric tons CO<sub>2</sub>e per unit of activity)**

1.33

**% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure**

100

**Target year**

2030

**Targeted reduction from base year (%)**

10

**Intensity figure in target year (metric tons CO<sub>2</sub>e per unit of activity) [auto-calculated]**

1.197

**% change anticipated in absolute Scope 1+2 emissions**

50

**% change anticipated in absolute Scope 3 emissions**

0

**Intensity figure in reporting year (metric tons CO<sub>2</sub>e per unit of activity)**

0.91

**% of target achieved [auto-calculated]**

315.7894736842

**Target status in reporting year**

Achieved

**Is this a science-based target?**

No, but we anticipate setting one in the next 2 years

### Target ambition

#### Please explain (including target coverage)

The intensity target covers 100% of our measured Scope 2 emissions in the base year. Our target is set on an intensity basis because each year we are expanding the boundary of the buildings that we are collecting data from, as data becomes more available. Therefore, as our absolute emissions will tend to go up, our intensity metric will allow us to measure our performance in reducing year over year emissions against our target.

In 2021, IPG committed to set an emissions reduction target in line with limiting global temperature rise to 1.5 degrees Celsius through the Science Based Targets initiative (SBTi), the best-practice framework for validating emissions reduction targets. This commitment also makes IPG a signatory to the Business Ambition for 1.5°C and a member of the United Nations-backed Race to Zero campaign. We are currently undergoing the process to set a SBT.

## C4.2

### (C4.2) Did you have any other climate-related targets that were active in the reporting year?

No other climate-related targets

## C4.3

### (C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

## C4.3a

### (C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	0	0
Implementation commenced*	0	0
Implemented*	2	2,320
Not to be implemented	0	0

## C4.3b

**(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.**

---

### **Initiative category & Initiative type**

Energy efficiency in production processes  
Process optimization

### **Estimated annual CO<sub>2</sub>e savings (metric tonnes CO<sub>2</sub>e)**

1,160

### **Scope(s)**

Scope 2 (location-based)

### **Voluntary/Mandatory**

Voluntary

### **Annual monetary savings (unit currency – as specified in C0.4)**

0

### **Investment required (unit currency – as specified in C0.4)**

0

### **Payback period**

No payback

### **Estimated lifetime of the initiative**

6-10 years

### **Comment**

Information Technology – to improve IT operational efficiencies and reduce energy consumption, IPG has migrated its IT infrastructure and applications operations to the state-of-the-art Scott Technology Center facilities located on the campus of the University of Nebraska at Omaha. IPG consolidated its four Global IT Data Centers to this new facility, which utilizes energy-efficient technology and virtualization. With even more migration to cloud solutions and increased utilization of improved technologies, we reduced power consumption in the primary data center by an additional 32% in 2019, as compared to 2018. In 2020, IPG was able to reduce its enterprise data center square footage by 60%, and is expecting additional energy reductions in the coming years. IPG IT continues to adopt new energy-efficient technology as older servers and storage age out and need replacement, and over the years, we have been able to continue to reduce the number of server racks and power required to run IPG's enterprise infrastructure and applications while continually adding new feature functionality. Additionally, Central IT moved from New York City to Jersey City, NJ, and achieved Gold level LEED certification in our new IT headquarters.

---

**Initiative category & Initiative type**

Energy efficiency in buildings

Other, please specify

LEED-Certified buildouts, "green design", and sharing facilities

**Estimated annual CO2e savings (metric tonnes CO2e)**

1,160

**Scope(s)**

Scope 1

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

0

**Investment required (unit currency – as specified in C0.4)**

0

**Payback period**

No payback

**Estimated lifetime of the initiative**

6-10 years

**Comment**

IPG encourages its employees and agencies to implement policies and energy usage guidelines that meet or exceed local regulations. IPG favors occupying "green spaces," and encourages all agencies to consider such facilities where possible. When relocating offices or building out new space, IPG's real estate department includes assessments of climate-resilient and efficient technologies in the decision-making process. Our real estate department favors energy-efficient and sustainable office spaces, whenever possible, and encourages our agencies to do the same. For example, all new tenant buildouts since the beginning of 2016 have been and are required to be Leadership in Energy and Environmental Design (LEED)-certified or better whenever feasible. By moving our offices into more efficient buildings, we have the opportunity to save on operating costs such as electricity, heating, and air conditioning.

Sharing facilities is another component to reducing our energy usage and carbon footprint. IPG has internal real estate policies for both domestic and international operations, that require all IPG agencies to look within the portfolio for shared real estate solutions before committing to leasing new office space. We encourage agencies to employ various "Green Designs" when designing offices.

## C4.3c

### (C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for other emissions reduction activities	The Company has formed a Sustainability Working Group, with representatives from the Communications, Risk, Real Estate, Procurement, Investor Relations, Travel and Legal functions, which is tasked with reviewing, coordinating and promoting the Company's efforts in the area of sustainability at the consolidated corporate level. The Working Group has hired The Governance and Accountability Institute to assist the Company in developing and implementing its emissions reduction activities and policy. IPG has also named Jemma Gould as Vice President, Sustainability and Communications, to identify and implement corporate policies and best practices with respect to sustainability.
Employee engagement	Interpublic communicates to its employees the value of individual responsibility to deliver behavioral change, including recycling, energy usage and local sourcing. Sustainability practices, including, for example, a travel program that endorses public transport and video conferencing where possible and a "green building" real estate initiative, are communicated throughout the Company. In 2021, IPG launched the "IPG Esstential ESG Newsletter" an internal newsletter informing employees of our progress on climate-action and other ESG issues.
Internal incentives/recognition programs	In April 2014, the Company first published STRONGER, its new report on corporate citizenship at the IPG companies. STRONGER has now been transformed into a dynamic site ( <a href="https://www.interpublic.com/our-values/sustainability-purpose/">https://www.interpublic.com/our-values/sustainability-purpose/</a> ) that showcases a sampling of the agencies' work on social issues in the communities where employees live and work, as well as a snapshot of IPG's programming in the area of environmental responsibility. The Company has encouraged its agencies to report their activities and initiatives in this area to be considered for recognition on this site.
Compliance with regulatory requirements/standards	IPG encourages its employees and agencies to implement policies and energy usage guidelines that meet or exceed local regulations. All new tenant build-outs are required to be LEED-certified or better whenever feasible. IPG also has a sustainability policy which you can find here: <a href="https://www.interpublic.com/wp-content/uploads/2019/07/SPP-121-Sustainability-Environmental-Impact.pdf">https://www.interpublic.com/wp-content/uploads/2019/07/SPP-121-Sustainability-Environmental-Impact.pdf</a>
Employee engagement	To help ensure that travel across the organization is as sustainable as possible, the IPG Travel department has enhanced the Company's online booking tool to allow employees to sort air travel by carbon dioxide (CO2) emissions as well as by time and cost. The Company

	was one of the first Fortune 500 companies to implement such a program. In light of IPG new climate action commitments and shifting employee travel trends due to COVID-19 and recent lockdowns, IPG is currently re-visiting and strengthening our sustainable business travel policy.
--	---

## C4.5

**(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?**

No

## C5. Emissions methodology

### C5.1

**(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).**

#### Scope 1

---

**Base year start**

January 1, 2018

**Base year end**

December 31, 2018

**Base year emissions (metric tons CO<sub>2</sub>e)**

6,927.3

**Comment**

In 2020, building upon IPG's annual energy and emission boundary expansion, we officially reached 100% boundary coverage of all IPG and agency locations and offices around the world, representing over 350 facilities worldwide. We now have 100% boundary data for the following calendar years: 2018, 2019, and 2020.

2018 is IPG's first year providing energy and emissions data for 100% of our worldwide square footage (up from 65% coverage in 2017).

#### Scope 2 (location-based)

---

**Base year start**

January 1, 2018

**Base year end**

December 31, 2018

**Base year emissions (metric tons CO<sub>2</sub>e)**

77,874.5

### **Comment**

In 2020, building upon IPG's annual energy and emission boundary expansion, we officially reached 100% boundary coverage of all IPG and agency locations and offices around the world, representing over 350 facilities worldwide. We now have 100% boundary data for the following calendar years: 2018, 2019, and 2020.

2018 is IPG's first year providing energy and emissions data for 100% of our worldwide square footage (up from 65% coverage in 2017).

### **Scope 2 (market-based)**

---

#### **Base year start**

January 1, 2018

#### **Base year end**

December 31, 2018

#### **Base year emissions (metric tons CO<sub>2</sub>e)**

81,246

### **Comment**

In 2020, building upon IPG's annual energy and emission boundary expansion, we officially reached 100% boundary coverage of all IPG and agency locations and offices around the world, representing over 350 facilities worldwide. We now have 100% boundary data for the following calendar years: 2018, 2019, and 2020.

2018 is IPG's first year providing energy and emissions data for 100% of our worldwide square footage (up from 65% coverage in 2017).

## **C5.2**

### **(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.**

Australia - National Greenhouse and Energy Reporting Act

Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019

IEA CO<sub>2</sub> Emissions from Fuel Combustion

IPCC Guidelines for National Greenhouse Gas Inventories, 2006

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

US EPA Emissions & Generation Resource Integrated Database (eGRID)

Other, please specify

AIB: European Residual Mixes 2018, US EPA Center for Corporate Climate Leadership: Emission Factors for Greenhouse Gas Inventories

## C5.2a

### (C5.2a) Provide details of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Our calculations are in accordance with the GHG Protocol. The emission factors for fuel combustion come from US EPA and UK DEFRA 2019. The emission factors for electricity consumption vary by country and come from AIB, Australian Government Department of Environment and Energy, Environment Canada, International Energy Agency (IEA), and eGrid2018.

AIB: European Residual Mixes 2018 - [https://www.aib-net.org/sites/default/files/assets/facts/residual-mix/2018/AIB\\_2018\\_Residual\\_Mix\\_Results\\_v1\\_1.pdf](https://www.aib-net.org/sites/default/files/assets/facts/residual-mix/2018/AIB_2018_Residual_Mix_Results_v1_1.pdf)

US EPA Center for Corporate Climate Leadership: Emission Factors for Greenhouse Gas Inventories - [https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors\\_mar\\_2018\\_0.pdf](https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf)

## C6. Emissions data

### C6.1

#### (C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO<sub>2</sub>e?

##### Reporting year

---

**Gross global Scope 1 emissions (metric tons CO<sub>2</sub>e)**

4,273.057

**Start date**

January 1, 2020

**End date**

December 31, 2020

**Comment**

##### Past year 1

---

**Gross global Scope 1 emissions (metric tons CO<sub>2</sub>e)**

6,636.7

**Start date**

January 1, 2019

**End date**



December 31, 2019

**Comment**

**Past year 2**

---

**Gross global Scope 1 emissions (metric tons CO<sub>2</sub>e)**

6,927.3

**Start date**

January 1, 2018

**End date**

December 31, 2018

**Comment**

## C6.2

**(C6.2) Describe your organization's approach to reporting Scope 2 emissions.**

**Row 1**

---

**Scope 2, location-based**

We are reporting a Scope 2, location-based figure

**Scope 2, market-based**

We are reporting a Scope 2, market-based figure

**Comment**

## C6.3

**(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO<sub>2</sub>e?**

**Reporting year**

---

**Scope 2, location-based**

48,924.826

**Scope 2, market-based (if applicable)**

51,257.634

**Start date**

January 1, 2020

**End date**

December 31, 2020

**Comment**

**Past year 1**

---

**Scope 2, location-based**

77,296.73

**Scope 2, market-based (if applicable)**

80,546

**Start date**

January 1, 2019

**End date**

December 31, 2019

**Comment**

**Past year 2**

---

**Scope 2, location-based**

77,874.5

**Scope 2, market-based (if applicable)**

81,246

**Start date**

January 1, 2018

**End date**

December 31, 2018

**Comment**

**C6.4**

**(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?**

No

**C6.5**

**(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.**

## **Purchased goods and services**

---

### **Evaluation status**

Relevant, not yet calculated

### **Please explain**

IPG is currently working on an accurate inventory of our scope 3 emissions; and working to calculate emissions from relevant scope 3 categories. This is part of our new climate action commitments announced in 2021.

## **Capital goods**

---

### **Evaluation status**

Relevant, not yet calculated

### **Please explain**

IPG is currently working on an accurate inventory of our scope 3 emissions; and working to calculate emissions from relevant scope 3 categories. This is part of our new climate action commitments announced in 2021.

## **Fuel-and-energy-related activities (not included in Scope 1 or 2)**

---

### **Evaluation status**

Relevant, not yet calculated

### **Please explain**

IPG is currently working on an accurate inventory of our scope 3 emissions; and working to calculate emissions from relevant scope 3 categories. This is part of our new climate action commitments announced in 2021.

## **Upstream transportation and distribution**

---

### **Evaluation status**

Relevant, not yet calculated

### **Please explain**

IPG is currently working on an accurate inventory of our scope 3 emissions; and working to calculate emissions from relevant scope 3 categories. This is part of our new climate action commitments announced in 2021.

## **Waste generated in operations**

---

### **Evaluation status**

Relevant, not yet calculated

### **Please explain**

IPG is currently working on an accurate inventory of our scope 3 emissions; and working to calculate emissions from relevant scope 3 categories. This is part of our new climate action commitments announced in 2021.

## Business travel

---

### Evaluation status

Relevant, calculated

### Metric tonnes CO<sub>2</sub>e

19,057.229

### Emissions calculation methodology

TRX\* CO<sub>2</sub> Emissions Methodology for Air Travel 1) Gather airline schedule data (city pair, miles, carrier, aircraft, seats) 2) Determine fuel burn rates for aircraft and distance 3) Calculate total CO<sub>2</sub> emissions for the flight 4) Allocate emissions between cargo and passengers 5) Allocate emissions per cabin 6) Adjust for passenger load factors Note: The TRX model is built in a modular manner so that the highest-quality, most up-to-date, trustworthy public information available can be used. \*TRX is IPG's global travel data consolidator

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

### Please explain

Typically, IPG's 50,000+ employees around the world travel nearly 300 million miles each year on airplanes. During the COVID-19 pandemic, employee business travel came to standstill due to global lockdowns. In 2020, we saw a dramatic decrease in the total emissions emitted across our portfolio, especially when it comes to employee travel. In light of IPG new climate action commitments and shifting employee travel trends due to COVID-19 and recent lockdowns, IPG is currently re-visiting and strengthening our sustainable business travel policy.

Several years ago, the IPG travel department developed a new way to track carbon emissions related to that travel and a way for our business travelers to play a big part in reducing those emissions. While we work to limit our travel where possible, in a client services business, some of our travel is essential. Efficient travel policies – traveling less where possible, traveling lighter and traveling smarter – is a shared goal that we have committed to. To help ensure that travel across our organization is as sustainable as possible, we have enhanced our online booking tool to allow business travelers to sort air travel by carbon dioxide (CO<sub>2</sub>) emissions as well as by time and cost. This tracking system has been turned on in nearly all countries where online booking is available, allowing our business travelers to assess comparative CO<sub>2</sub> emissions between IPG preferred carriers, allowing us to make smarter travel choices that are also less damaging to the environment. By understanding the impact each of us can have upon the economic, environmental, and social sustainability of our communities, our employees can contribute in small ways to the ongoing health of our communities. Our travel program that takes carbon emissions into consideration was one of the first of its kind to be instituted at a Fortune 500 company.

## Employee commuting

---

**Evaluation status**

Relevant, not yet calculated

**Please explain**

IPG is currently working on an accurate inventory of our scope 3 emissions; and working to calculate emissions from relevant scope 3 categories. This is part of our new climate action commitments announced in 2021.

---

**Upstream leased assets**

**Evaluation status**

Not relevant, explanation provided

**Please explain**

As an advertising and marketing firm, IPG does not have any material upstream leased assets.

---

**Downstream transportation and distribution**

**Evaluation status**

Not relevant, explanation provided

**Please explain**

IPG provides advertising and marketing solutions, and therefore there is no material downstream transportation and distribution of goods.

---

**Processing of sold products**

**Evaluation status**

Not relevant, explanation provided

**Please explain**

IPG does not manufacture or produce products for sale directly as it provides advertising and marketing services to clients.

---

**Use of sold products**

**Evaluation status**

Not relevant, explanation provided

**Please explain**

IPG does not manufacture or produce products for sale directly as it provides advertising and marketing services to clients.

---

**End of life treatment of sold products**

**Evaluation status**

Not relevant, explanation provided

**Please explain**

IPG does not manufacture or produce products for sale directly, but provides advertising and marketing services to clients.

### **Downstream leased assets**

---

#### **Evaluation status**

Not relevant, explanation provided

#### **Please explain**

As a marketing and advertising firm, IPG does not have any material downstream leased assets.

### **Franchises**

---

#### **Evaluation status**

Not relevant, explanation provided

#### **Please explain**

IPG does not have any franchises.

### **Investments**

---

#### **Evaluation status**

Not relevant, explanation provided

#### **Please explain**

As a marketing and advertising firm, IPG does not have a material amount of investments that would affect Scope 3 emissions.

### **Other (upstream)**

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#### **Evaluation status**

Not evaluated

#### **Please explain**

### **Other (downstream)**

---

#### **Evaluation status**

Not evaluated

#### **Please explain**

## **C6.7**

**(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?**

No

## C6.10

**(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO<sub>2</sub>e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.**

---

**Intensity figure**

0.00000606

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO<sub>2</sub>e)**

48,924.82

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

8,064,500,000

**Scope 2 figure used**

Location-based

**% change from previous year**

61

**Direction of change**

Decreased

**Reason for change**

The reason for the decrease is due to energy efficiency programs and also due to the implementation of standards in the management of our real estate portfolio that require new leases and buildouts to be LEED certified.

## C7. Emissions breakdowns

### C7.1

**(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?**

Yes

### C7.1a

**(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).**

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	2,427.98	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	1.27	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	2.549	IPCC Fifth Assessment Report (AR5 – 100 year)
HFCs	1,841.258	IPCC Fifth Assessment Report (AR5 – 100 year)

## C7.2

**(C7.2) Break down your total gross global Scope 1 emissions by country/region.**

Country/Region	Scope 1 emissions (metric tons CO2e)
North America	2,695
Asia Pacific (or JAPA)	379.6
Europe, Middle East and Africa (EMEA)	998.12
Latin America (LATAM)	197.49

## C7.3

**(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.**

## C7.5

**(C7.5) Break down your total gross global Scope 2 emissions by country/region.**

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
North America	31,537.05	31,308.34	5,460.52	0
Asia Pacific (or JAPA)	6,642.033	6,642.033	7.32	0
Europe, Middle East and Africa (EMEA)	9,704.628	12,266.15	13.52	0



Latin America (LATAM)	990.77	990.77	1.09	0
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## C7.6

**(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.**

## C7.9

**(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?**

Decreased

## C7.9a

**(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.**

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	
Other emissions reduction activities	0	No change	0	
Divestment	0	No change	0	
Acquisitions	0	No change	0	
Mergers	0	No change	0	
Change in output	0	No change	0	
Change in methodology	0	No change	0	
Change in boundary	0	No change	0	

Change in physical operating conditions	34,890.1	Decreased	36.3	IPG saw a decrease in office occupancy due to the COVID-19 pandemic. The decreased hours of operation, decreased occupancy, and deviations from standard operations played a significant role in the year-over-year reduction of energy consumption and the associated GHG emissions.
Unidentified	0	No change	0	
Other	0	No change	0	

## C7.9b

**(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**

Market-based

## C8. Energy

### C8.1

**(C8.1) What percentage of your total operational spend in the reporting year was on energy?**

More than 0% but less than or equal to 5%

### C8.2

**(C8.2) Select which energy-related activities your organization has undertaken.**

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	Yes

Generation of electricity, heat, steam, or cooling	No
--	----

## C8.2a

**(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.**

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	14,573.83	14,573.83
Consumption of purchased or acquired electricity		1,279.51	142,483.52	143,763.03
Consumption of purchased or acquired steam		0	5,370.82	5,370.82
Consumption of purchased or acquired cooling		0	606.32	606.32
Total energy consumption		0	163,034.5	164,314.02

## C8.2b

**(C8.2b) Select the applications of your organization's consumption of fuel.**

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

## C8.2c

**(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**

---

**Fuels (excluding feedstocks)**

Natural Gas

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

13,957.97

**Emission factor**

53.1145

**Unit**

kg CO<sub>2</sub>e per million Btu

**Emissions factor source**

US EPA

**Comment**

---

**Fuels (excluding feedstocks)**

Diesel

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

439.75

**Emission factor**

9.6378

**Unit**

kg CO<sub>2</sub>e per gallon

**Emissions factor source**

DECC/DEFRA 2020 (converted liters to gallons)

**Comment**

---

**Fuels (excluding feedstocks)**

Fuel Oil Number 2

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

167.22

**Emission factor**

0.2678

**Unit**

kg CO<sub>2</sub>e per KWh

**Emissions factor source**

DECC/DEFRA 2020 (used Gross CV)

**Comment**

---

**Fuels (excluding feedstocks)**

Motor Gasoline

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

8.87

**Emission factor**

8.8118

**Unit**

kg CO<sub>2</sub>e per gallon

**Emissions factor source**

US EPA

**Comment**

## C8.2e

**(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.**

**Sourcing method**

Other, please specify

IPG is a decentralized holding company - we've made strides to improve GHG inventory over the years and we're still working to improve. We're aware some of our companies use renewable energy, but do not have specifics at this time.

**Low-carbon technology type**

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

**MWh consumed accounted for at a zero emission factor**

**Comment**

IPG is a decentralized holding company - we've made strides to improve GHG inventory over the years and we're still working to improve. We're aware some of our companies use renewable energy, but do not have specifics at this time.

## C9. Additional metrics

### C9.1

**(C9.1) Provide any additional climate-related metrics relevant to your business.**

## C10. Verification

### C10.1

**(C10.1) Indicate the verification/assurance status that applies to your reported emissions.**

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

### C10.2

**(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?**

No, but we are actively considering verifying within the next two years

## C11. Carbon pricing

### C11.1

**(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?**

No, and we do not anticipate being regulated in the next three years

### C11.2

**(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?**

Yes

### C11.2a

**(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.**

---

**Credit origination or credit purchase**

Credit purchase

**Project type**

Agriculture

**Project identification**

Purchased 1,273 tons (1,154.84 metric tonnes) CO<sub>2</sub>e from Cool Effect, Inc., which went towards three projects: biogas digesters and clean cookstoves (673 tons CO<sub>2</sub>e), community tree planting in Uganda (100 tons CO<sub>2</sub>e), and grasslands, water, and wildlife (500 tons CO<sub>2</sub>e).

**Verified to which standard**

VCS (Verified Carbon Standard)

**Number of credits (metric tonnes CO<sub>2</sub>e)**

1,154.84

**Number of credits (metric tonnes CO<sub>2</sub>e): Risk adjusted volume**

1,154.84

**Credits cancelled**

No

**Purpose, e.g. compliance**

Voluntary Offsetting

## C11.3

### (C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

## C12. Engagement

### C12.1

#### (C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers

Yes, other partners in the value chain

### C12.1a

#### (C12.1a) Provide details of your climate-related supplier engagement strategy.

---

##### Type of engagement

Compliance & onboarding

##### Details of engagement

Included climate change in supplier selection / management mechanism

Climate change is integrated into supplier evaluation processes

##### % of suppliers by number

100

##### % total procurement spend (direct and indirect)

100

##### % of supplier-related Scope 3 emissions as reported in C6.5

0

##### Rationale for the coverage of your engagement

Sustainability is now considered in IPG's overall Company and agency activities, planning, operations, and outreach, as well as with IPG's suppliers and business partners. Every time a supplier contract is signed, the Company requests that the supplier complete a detailed questionnaire, including information about their sustainability practices. IPG policy is to review its contracts with existing suppliers at least every three years. IPG expects its suppliers to share its commitment to operating in sync with the long-term health of the environment. Interpublic has also adopted a Supplier Code of Conduct (<https://www.interpublic.com/wp-content/uploads/2021/04/IPG-Supplier-Code-of-Conduct-2021.pdf>) applicable to all suppliers and their employees, agents, and subcontractors. IPG believes it is necessary



to engage 100% of their suppliers relating to climate change and other sustainability-related issues in order to ensure 100% on-boarding and that progress towards sustainability can be made throughout the supply chain. This also ensures that all suppliers are treated equally, in terms of sustainability-related engagement and requirements. In accordance with the Supplier Code of Conduct, IPG expects its suppliers to share the same social responsibility it does of growing business in a sustainable fashion. IPG believes that environmental stewardship and local business development are of utmost importance, and the Company constantly seeks new ways to fulfill its responsibilities to the environment. Interpublic expects its suppliers to adopt an environmentally-friendly policy, share its commitment to sustainability, and comply with all applicable environmental laws and regulations.

In late 2020, IPG launched Range, IPG's new vendor management program designed to simplify and streamline how we assess, source and manage vendors. The program will deliver multiple benefits across the IPG network including broader awareness of the vendor universe and sharpened visibility to vendor selection criteria. Captured criteria will include capabilities, credibility, diversity, and inclusion categorization as well as other sustainability metrics that align to IPG's Corporate goals and that are searchable when considering sourcing criteria. Range will launch in September of 2021 with a continued rollout initially for US agencies through the end of the year.

#### **Impact of engagement, including measures of success**

Ensures that IPG has a benchmark for its suppliers' sustainability and climate-related performance at the beginning of the relationship and can then work together from there to improve it. Assessing suppliers for climate-related performance and other sustainability-related performance at the beginning of the contract means that IPG can identify their forerunners and those lagging behind and concentrate their efforts on engaging with and helping to improve those lagging behind. Potential climate-related risks throughout the supply chain can be assessed and consequently monitored. IPG can target specific suppliers to engage with on these issues to manage and reduce the risk.

#### **Comment**

## **C12.1b**

**(C12.1b) Give details of your climate-related engagement strategy with your customers.**

---

#### **Type of engagement**

Education/information sharing

#### **Details of engagement**

Run an engagement campaign to education customers about your climate change performance and strategy

**% of customers by number**

100

**% of customer - related Scope 3 emissions as reported in C6.5**

0

**Please explain the rationale for selecting this group of customers and scope of engagement**

Increasingly, IPG's clients have been asking for more information on the Company's sustainability programs, including information relevant to climate change. In response to this growing demand, IPG has developed several methods of engaging and educating all clients about its climate-change performance and strategy. For example, some clients and investors are requesting that we commit to a net-zero carbon emissions goal and timeframe. We take our client feedback very seriously, and in 2021 we addressed these growing client requests for a new-zero carbon goal by formally joining The Climate Pledge, co-founded by Amazon and Global Optimism. The Climate Pledge is a commitment to reaching net-zero carbon across our business by 2040, 10 years ahead of the Paris Agreement.

IPG believes it is important to communicate about its efforts and performance to all clients, and this is the rationale for engaging with the entire group. Sustainability is now considered in Company and agency activities, planning, operations and outreach, as well as with IPG's suppliers and business partners. IPG's regularly communicates our progress on various ESG issues and topics through our annual sustainability report publications (<https://www.interpublic.com/sustainability-reports/>) and our Sustainability and Purpose site (<https://www.interpublic.com/our-values/sustainability-purpose/>) which are both publicly available for all clients to access, and is shared pro-actively by our agencies with their clients. This report is part of an engagement campaign to educate customers about IPG's climate change performance, strategy, and wider sustainability-related achievements and targets.

**Impact of engagement, including measures of success**

The impact of this engagement is an improvement in the relationships with our clients. As a measure of success, we have recently been approached by several of our largest clients to partner together in working on emissions reductions projects, and are forming stronger relationships with these clients around shared values. Further, we are finding that as these relationships build, new opportunities arise around client engagements related to sustainability. Through these types of engagements with clients/customers, we are working together to create a fundamental change in marketing, which shifts demand toward more environmentally responsible products and can result in consumer behavior changes that reduce environmental and social impacts on a meaningful scale. The creative minds at our agencies are driving sustainability strategy through what they do best: innovation. As part of Interpublic's long-term growth strategy, our agencies are developing advertising campaigns that create new markets for sustainable products, in partnership with forward-thinking clients.

For example, some clients and investors are requesting that we commit to a net-zero

carbon emissions goal and timeframe. We take our client feedback very seriously, and in 2021 we addressed these growing client requests for a new-zero carbon goal by formally joining The Climate Pledge, co-founded by Amazon and Global Optimism. The Climate Pledge is a commitment to reaching net-zero carbon across our business by 2040, 10 years ahead of the Paris Agreement.

## C12.1d

### **(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.**

Other partners in the value chain constitute NGOs that IPG works with and also the Governments in IPG's countries of operations.

Since 2015, IPG has been a participant in the United Nations (UN) Global Compact. The UN Global Compact is an initiative that encourages companies to align strategies and operations with universal principles on human rights, labor, environment, and anti-corruption, and to report on the actions the company takes to advance these societal goals. IPG submits an annual "communication on progress" to the UN Global Compact.

Additionally, IPG has historically been part of Common Ground, an initiative that brings together the companies in our sector in support of the UN Sustainable Development Goals. IPG has specifically committed to UN SDG #6: Access to water and sanitation for all. As part of this commitment, IPG has partnered with charity: water on several initiatives that bring water to those in need. In recent years, IPG has fully funded a drilled well for an entire community in Tigray, Ethiopia, and a rehabilitated well with a hand pump in Ethiopia that provides water to nearly 200 people.

In 2021, IPG became a founding member of AdGreen, which helps advertisers mitigate the environmental impact of production. Launched by the Advertising Association, the initiative unites the advertising industry toward a zero waste and zero carbon future through training sessions as well as renewable energy and carbon offsetting plans. AdGreen is specifically calling on agencies and production companies to discuss the emissions associated with scripts, to share carbon footprint data, and to adjust behaviors in travel, energy, and waste. The hallmark of the initiative, a carbon calculator and certification process, will come later in 2021. These tools will provide data-driven insights for agency producers, and the industry at large, to set goals and assess progress. AdGreen will ask agencies to opt-in to a small levy on relevant parts of production spend in order to fund the initiative which, for now, is only available for productions managed through the UK.

In 2021, IPG formally joined The Climate Pledge, co-founded by Amazon and Global Optimism. The Climate Pledge is a commitment to reaching net-zero carbon across our business by 2040, 10 years ahead of the Paris Agreement. Moreover, IPG plans to join additional initiatives that encourage businesses like ours to reduce emissions across our global organization and our supply chain. (<https://investors.interpublic.com/news-releases/news-release-details/ipg-announces-climate-action-plan-part-integrated-esg-program>)

We also aim to strengthen the communities where our employees live and work. Every day, around the world, teams from our agencies are working in their local markets on projects that include promoting organic farming (<https://www.interpublic.com/case-study/fcb-chicago-and-michelob-promote-organic-farming-on-super-bowl/>), breaking down gender stereotypes (<https://www.interpublic.com/case-study/mccann-new-york-and-microsoft-partner-on-super-bowl-ad-with-katie-sowers/>) and bringing awareness to mental health (<https://www.interpublic.com/case-study/mullenlowe-london-and-bupa-uk-focus-on-mental-health/>). The Company and its agencies have also responded to the COVID-19 pandemic, working with client partners around the world (<https://www.interpublic.com/our-work/>).

## C12.3

**(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?**

- Trade associations
- Funding research organizations
- Other

## C12.3b

**(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?**

- Yes

## C12.3c

**(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.**

---

### **Trade association**

American Association of Advertising Agencies (the 4As)

### **Is your position on climate change consistent with theirs?**

Consistent

### **Please explain the trade association's position**

The mission of the 4As is to improve and strengthen the advertising agency business in the United States. As part of that goal, the organization works with federal, state, and local governments to help achieve desirable social and civic goals, and facilitates the application of its members' skills and talents to pro bono efforts on behalf of worthwhile social and community causes.

### **How have you influenced, or are you attempting to influence their position?**

The Company engages with policy makers principally through its membership in trade organizations such as the 4As. Through its Washington office, the 4As represents the interests of 4As members as well as of the advertising industry as a whole. As the

Company does not believe its interests with respect to the challenges posed by climate change differ from those of its fellow industry participants, it does not typically engage policy makers on an individual basis in this area.

## C12.3d

**(C12.3d) Do you publicly disclose a list of all research organizations that you fund?**

Yes

## C12.3e

**(C12.3e) Provide details of the other engagement activities that you undertake.**

Interpublic continually engages on in sustainability through the creative work of its agencies (<https://www.interpublic.com/our-work/>). As part of Interpublic's long-term growth strategy, its agencies develop advertising campaigns that create new markets for sustainable products, in partnership with forward-thinking clients. The Company believes this represents a fundamental change in marketing, since it shifts demand toward more environmentally responsible products, and can result in consumer behavior changes that reduce environmental and social pressures on a meaningful scale.

Since 2015, IPG has been a participant in the United Nations (UN) Global Compact. The UN Global Compact is an initiative that encourages companies to align strategies and operations with universal principles on human rights, labor, environment, and anti-corruption, and to report on the actions the company takes to advance these societal goals. IPG submits an annual "communication on progress" to the UN Global Compact.

IPG is guided by a purpose-driven strategy that aligns with its role as a member of the Business Roundtable. In 2019, IPG became a signatory to the Business Roundtable's Statement on the Purpose of a Corporation, which commits CEOs to lead their companies for the benefit of all stakeholders – customers, employees, suppliers, communities and shareholders. As a global company, IPG takes these principles further through various global initiatives.

Additionally, IPG has historically been part of Common Ground, an initiative that brings together the companies in our sector in support of the UN Sustainable Development Goals. IPG and its agency Huge were recognized by the United Nations for our work with Common Ground, the initiative that brings together the large holding companies in our sector in support of the Sustainable Development Goals (SDGs). Huge helped create a YouTube campaign aimed at garnering Gen Z's support of the SDGs. IPG has specifically committed to UN SDG #6: Access to water and sanitation for all. As part of this commitment, IPG has partnered with charity: water on several initiatives that bring water to those in need. In recent years, IPG has fully funded a drilled well for an entire community in Tigray, Ethiopia, and a rehabilitated well with a hand pump in Ethiopia that provides water to nearly 200 people.

IPG is a signatory of America Is All In, a group of businesses, investors, regulators and educational institutions who have come together to reaffirm a commitment to the Paris Agreement on climate change. (<https://www.americaisallin.com/>)

In 2021, IPG became a founding member of AdGreen, which helps advertisers mitigate the environmental impact of production. Launched by the Advertising Association, the initiative unites the advertising industry toward a zero waste and zero carbon future through training sessions as well as renewable energy and carbon offsetting plans. AdGreen is specifically calling on agencies and production companies to discuss the emissions associated with scripts, to share carbon footprint data, and to adjust behaviors in travel, energy, and waste. The hallmark of the initiative, a carbon calculator and certification process, will come later in 2021. These tools will provide data-driven insights for agency producers, and the industry at large, to set goals and assess progress. AdGreen will ask agencies to opt-in to a small levy on relevant parts of production spend in order to fund the initiative which, for now, is only available for productions managed through the UK.

In 2021, IPG formally joined The Climate Pledge, co-founded by Amazon and Global Optimism. The Climate Pledge is a commitment to reaching net-zero carbon across our business by 2040, 10 years ahead of the Paris Agreement. Moreover, IPG plans to join additional initiatives that encourage businesses like ours to reduce emissions across our global organization and our supply chain. (<https://investors.interpublic.com/news-releases/news-release-details/ipg-announces-climate-action-plan-part-integrated-esg-program>)

IPG's regularly communicates our progress on various ESG issues and topics through our annual sustainability report publications (<https://www.interpublic.com/sustainability-reports/>) and our Sustainability and Purpose site (<https://www.interpublic.com/our-values/sustainability-purpose/>) which are both publicly available for all stakeholders to access, and is shared pro-actively. This report is part of an engagement campaign to educate customers and employees about IPG's climate change performance, strategy, and wider sustainability-related achievements and targets.

In 2021, IPG launched the "IPG Essential ESG Newsletter" an internal newsletter informing employees of our progress on climate-action and other ESG issues.

## C12.3f

### **(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?**

All IPG employees must act with integrity and transparency to build relationships and trust with clients. For that reason, the IPG Code of Conduct (<https://interpublicgroup.gcs-web.com/static-files/8e32fe65-f63d-4fc6-94b7-6bd1efb43183>) forms the foundation of how employees should act and do business day-to-day. The code lays out key policies such as anti-bribery and anti-corruption, as well as around political and lobbying activities. While IPG employees are permitted to participate in political activities, including those activities which are related to climate change, they may only do so in a personal capacity and not as a representative of the

company, nor may they make political contributions in the name of IPG or using IPG funds. All lobbying activities, including those activities which are related to climate change, must first be cleared with the IPG Legal Department except where the applicable office's regular business activities consist of such lobbying activities.

## C12.4

**(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

---

### Publication

In voluntary sustainability report

### Status

Underway – previous year attached

### Attach the document

 IPG-2020-GRI-Report.pdf

### Page/Section reference

51, 60-67

### Content elements

Governance  
Strategy  
Risks & opportunities  
Emissions figures  
Emission targets  
Other metrics

### Comment

IPG will be publishing the 2020 data provided in this CDP Response in our upcoming 2021 Sustainability Report.  
Attached is our 2020 GRI Report which contains data on the 2019 and 2018 calendar years.

## C15. Signoff

### C-FI

**(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

## C15.1

**(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.**

	<b>Job title</b>	<b>Corresponding job category</b>
Row 1	Executive Chairman	Board chair

## Submit your response

**In which language are you submitting your response?**

English

**Please confirm how your response should be handled by CDP**

	<b>I am submitting to</b>	<b>Public or Non-Public Submission</b>	<b>Are you ready to submit the additional Supply Chain questions?</b>
I am submitting my response	Investors Customers	Public	Yes, I will submit the Supply Chain questions now

**Please confirm below**

I have read and accept the applicable Terms