



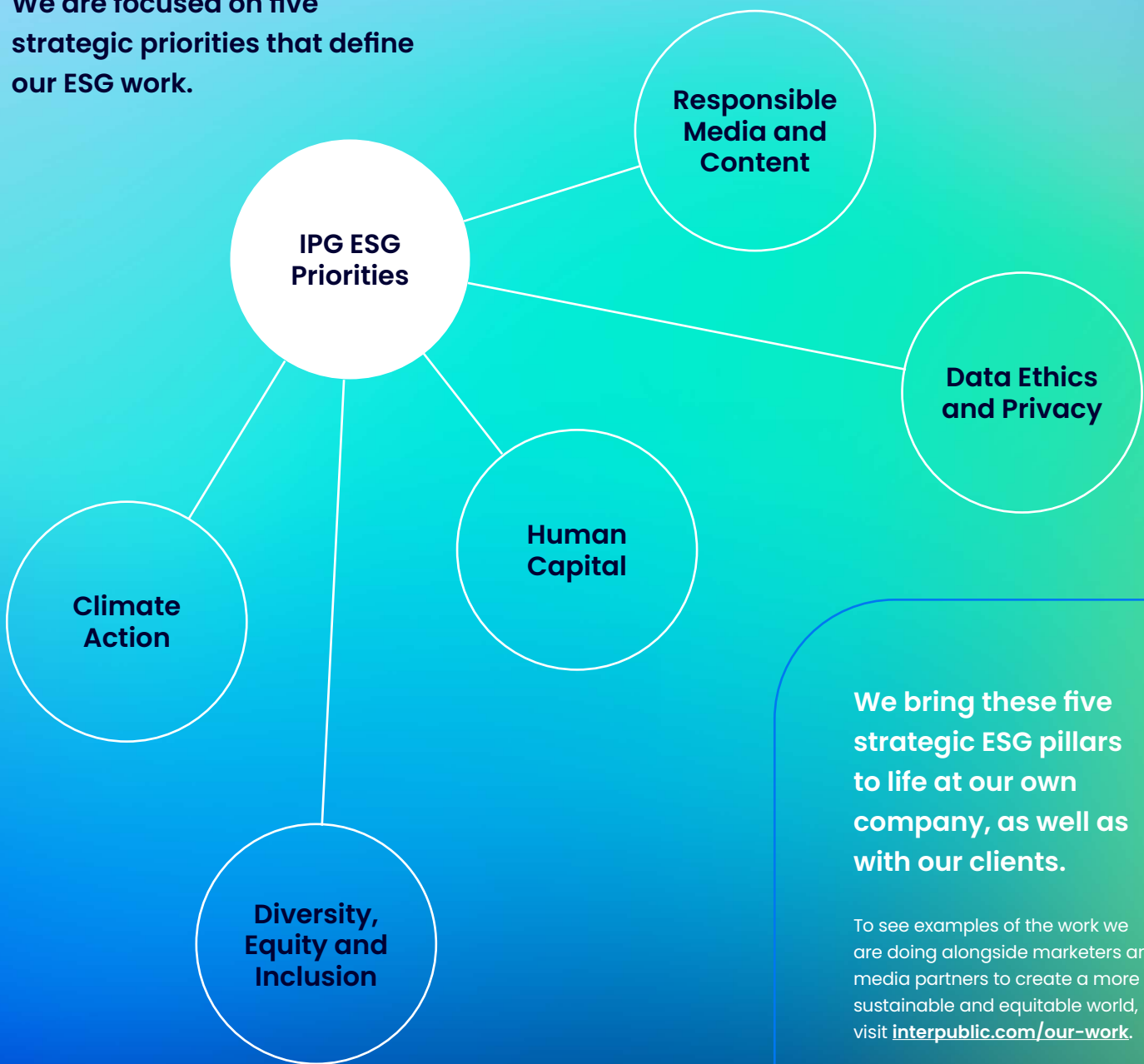
# ESG at Interpublic Group



Interpublic Group  
Overview as of April 2024

IPG is a purpose-driven creative company, committed to achieving the highest standards on environmental, social, and governance issues (ESG).

We are focused on five strategic priorities that define our ESG work.



We bring these five strategic ESG pillars to life at our own company, as well as with our clients.

To see examples of the work we are doing alongside marketers and media partners to create a more sustainable and equitable world, visit [interpublic.com/our-work](https://interpublic.com/our-work).

# Climate Action



IPG has measured our greenhouse gas (GHG) emissions since 2015. IPG has validated emission reduction targets in line with limiting global temperature rise to 1.5 degrees Celsius through the **Science Based Targets initiative**, the best-practice framework for validating emissions reduction targets.

IPG is a member of **The Climate Pledge**, co-founded by Amazon and **Global Optimism**, to reach net-zero carbon across our business by 2040, 10 years ahead of the Paris Agreement.

IPG is a member of **AdNetZero** and part of its global leadership group. IPG and several IPG companies also support related initiatives like AdGreen, isla, and the IPA Media Climate Charter.

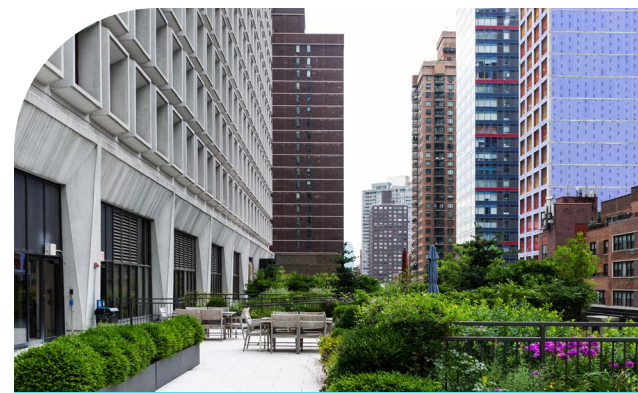
We are committed to sourcing **100% renewable electricity by 2030**. As of December 2023, 30% of the company's electricity came from renewable sources.

IPG continues to roll out a company-wide IT strategy that prioritizes moving to the cloud. As a result, power consumption at our data center saw a **12.5% reduction in 2023**, bringing it to the lowest level of power consumption in 14 years.

In 2023, IPG launched a **supplier engagement program** to assess the maturity of our suppliers' ESG programs. We received input from 16% of our significant suppliers in 2023 and aim to increase our engagement by 15% in 2024.

IPG was the first U.S.-based advertising holding company to receive limited external assurance on certain ESG data.

IPG reports annually into the CDP, Global Reporting Initiative (GRI), SASB and TCFD.



IPG's updated travel policies ask employees to consider carbon emissions associated with business travel, encouraging the most sustainable options wherever possible.

We incorporate energy efficiency guidelines in our leases, and our Environmental Sustainability Policy outlines best practices to ensure our spaces are operating as sustainably as possible.

Since 2016, all new tenant buildouts have been required to be LEED-certified or better, wherever possible.

# Human Capital

**Protecting employee health and safety, providing fair compensation, and supporting career growth.**



IPG hosts a variety of wellness, safety, and career development events to encourage employees' personal and professional growth including:

- Trainings on stress reduction
- Skills-based training
- Leadership training
- Mental health support
- Transition assistance
- Lunch and learns
- Self-care emails and newsletters
- Themed employee awareness campaigns
- IPG crisis preparedness program
- Individual department training
- Empowership
- Regular performance and career development reviews

IPG has a **WELL Health-Safety** rating in 47 locations. WELL is the premier building standard focused on enhancing health and wellness through the buildings where we live and work.



## **IPG Corporate hosts Taco Tuesday**

We have embraced a safe, in-person work environment that enhances employee connections and creativity.

# Diversity, Equity and Inclusion

Building strong practices intentionally focused on inspired inclusivity into all levels of our organization, talent pipeline, and supply chain, as well as client work.



In 2024, IPG Mediabrands and MAGNA hosted the fourth **Equity Upfront™**, a first-of-its-kind industry event to raise visibility for minority-owned media companies.

IPG adopted the **UN's Women's Empowerment Principles**, a program guiding businesses to promote gender equality and women's empowerment in the workplace, marketplace, and community.

IPG's **BELONG (Building Equity, Leveraging Opportunities, and Nurturing Growth)** survey covers employee perceptions about their work experiences and environments, including the impact of our DEI activities. It assesses responsiveness to differences and other important levers for innovation, growth and belonging.

In addition to offering programming throughout the year, IPG's **Business Resource Groups (BRGs)** provide a space for employees to connect and network within our global workforce.

Offering guidance to our agency partners and clients, our **BRGs serve as thought leaders** and can advise on inclusive and diverse marketing.

## WOMEN'S EMPOWERMENT PRINCIPLES

Established by UN Women and the UN Global Compact Office

## IPG BELONG SURVEY 2023



In 2006, IPG became the first in our industry to tie the compensation of CEOs to high priority objectives in alignment with DEI goals and workforce commitments.

As part of our ongoing effort to ensure pay equity, we conduct an annual review in conjunction with an independent outside expert.

We host the **IPG Inclusion Awards** annually to celebrate and inspire our talent across the network.



IPG was the **first advertising holding company to release race and gender composition** of its workforce to promote transparency and accountability. We continue to track demographics across a wide range of identities.

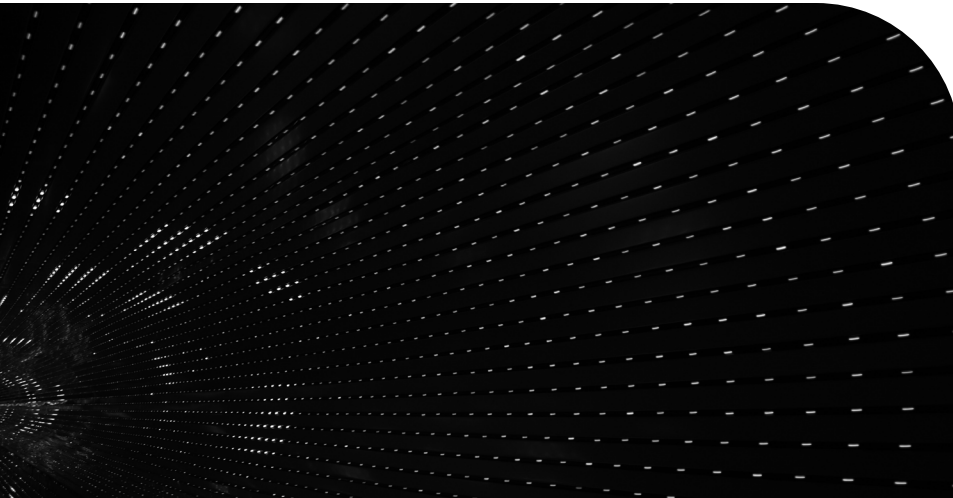
U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION (EEOC) DATA  
2022 IPG WORKFORCE REPRESENTATION

BLACK OR AFRICAN AMERICAN			ASIAN			WHITE			HISPANIC OR LATINO			WOMEN		
2022	2021	2020	2022	2021	2020	2022	2021	2020	2022	2021	2020	2022	2021	2020
8.0%	7.6%	7.1%	11.1%	10.6%	10.6%	68.2%	68.2%	68.2%	9.4%	9.4%	9.4%	60.7%	60.7%	60.7%
▲	▲	▲	▲	▲	▲	▼	▼	▼	▲	▲	▲	▲	▲	▲
4.2%	4.5%	4.7%	6.5%	7.1%	10.2%	82.3%	80.4%	80.4%	5.0%	5.2%	5.2%	48.1%	49.6%	59.7%
▲	▲	▲	▲	▲	▲	▼	▼	▼	▲	▲	▲	▲	▲	▲
0.5%	0.7%	4.7%	0.5%	5.2%	10.2%	-1.9%	80.4%	80.4%	0.2%	5.2%	8.0%	1.5%	59.7%	61.1%
▲	▲	▲	▲	▲	▲	▼	▼	▼	▲	▲	▲	▲	▲	▲
0.0%	0.6%	5.8%	0.6%	9.9%	12.5%	-1.4%	79.0%	79.0%	0.8%	9.9%	10.4%	1.1%	60.7%	61.3%
▲	▲	▲	▲	▲	▲	▼	▼	▼	▲	▲	▲	▲	▲	▲

Source: IPG Human Resources Information Systems

# Data Ethics & Privacy

**IPG has a responsibility to promote high standards in data management, privacy and security and to ensure the ethical use of data.**



IPG has established a multi-year security program that incorporates aspects of industry-recognized security frameworks (e.g., NIST CSF, ISO 27001) to identify, protect, detect, recover and respond to security threats to our company. Continuous improvements will be deployed in the IPG information system environment to address security risk.

Some recent highlights of the program:

- Enhanced threat detection, monitoring and response capability
- Improved security management of cloud platforms
- Improved vendor risk evaluation process to mitigate vendor risk
- Continually enhanced software security program to protect digital assets
- Continually strengthened security for system and data access
- Enhanced privileged account management and network access controls
- Improved user awareness on security through phishing simulations and additional mandatory training

We know that ethical data use, digital responsibility, and conscious marketing are the way to ensure relevant and respectful engagements in the digital economy.

It is our duty to protect and assume appropriate use of personal information and to promote policies within the industry that do the same.

We implemented a privacy and data protection intranet site to provide our companies with privacy-related policies, training and guidance resources.

We continue to monitor the rapidly evolving privacy regulatory landscape and partner with privacy champions at IPG companies to meet our compliance obligations.



IPG and McCann Worldgroup joined the Partnership on AI to Benefit People and Society (PAI), a multi-stakeholder nonprofit that works to advance responsible governance and best practices to ensure that AI equitably enhances quality of life for all people.

# Responsible Media & Content

Our companies are responsible for creating some of the world's most recognizable marketing campaigns, and we expect such work to support the long-term well-being of our communities and our planet. IPG is also focused on promoting fairness, which means addressing the social issues impacted by the increasingly important role of technology, including the use of data, as well as social media content.

Some of our Responsible Media and Content Principles include:

IPG companies should work toward limiting their work with clients in industries that produce products or services which are harmful to the health and safety of our communities, including pornography and weapons.

IPG and its affiliates proactively review the climate impacts of potential clients in the oil, energy and utility sectors before accepting new work.

We do not work with trade associations or lobbying groups that seek to extend the life of fossil fuels.

In our work with clients in the alcoholic beverage industry, our companies must promote responsible consumption and follow regulations regarding age limits and gate-keeping.



Mediabrand and MAGNA released the Media Responsibility Index (MRI), a quantitative report that raises industry awareness and standards around harm-reduction in advertising for brands and consumers. The latest MRI report, released in October 2023.

The latest MRI report, released in October 2022, assessed platforms for accountability in four areas: safety, inclusivity, sustainability and data ethics. These priorities align with ESG frameworks and enable businesses to easily extend how they measure their ESG impacts to include media. The priority areas incorporate the Media Responsibility Principles on brand safety and media responsibility, which have been officially adopted by the American Association of Advertising Agencies (4As).

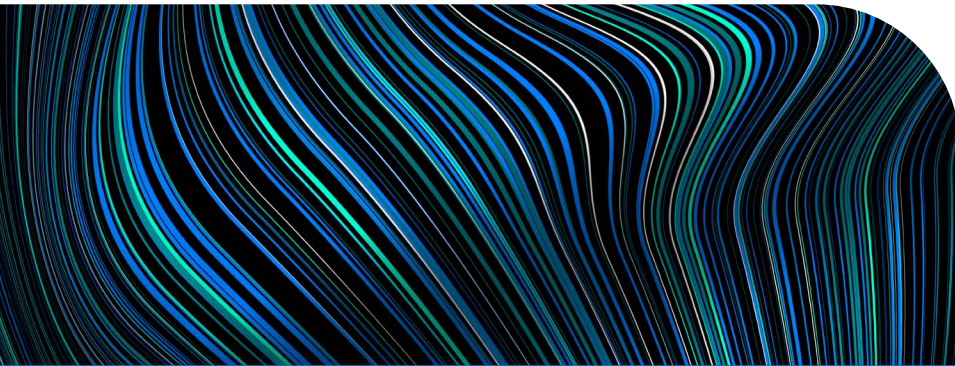
**Key Findings:** The MRI 4.0 found improvements across four priorities for social media platforms, and flagged children's safety as a priority for broadcast and cable.



IPG partners with the **Untereotype Alliance** to implement best practices in creating work free from stereotypes.

# Governance

Practices and processes that help ensure we move the needle on ESG.



**40%** of IPG's **board members** are women

IPG developed a **Board Diversity Policy**, formalizing the company's longstanding commitment to maintaining a gender and ethnically inclusive board that also reflects diverse perspectives, skills, geographic and cultural backgrounds and experiences in areas relevant to our global operations.

Other policies **include**:

- Anti-Corruption Policy
- Anti-Harassment and Equal Opportunity Policy
- Corporate Governance Guidelines
- Corporate Governance and Social Responsibility Committee Charter
- Global Contributions Strategy and Policy
- Human Rights Policy
- IPG Code of Conduct
- Supplier Code of Conduct
- Environmental Sustainability Policy
- Responsible Media and Content Principles

## Ratings



## Recognitions





# Partnerships

## Environmental



Ad Net Zero



AdGreen



America is All In



Business Ambition for 1.5°C



The Climate Pledge



Green The Bid



IPA Media Climate Charter



isla



Science Based Targets Initiative (SBTi)



Scope3



UN Race to Zero



UN's Act Now

## Social



30% Club



Catalyst



CEO Action



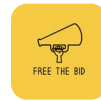
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Coqual



The Female Quotient



Free The Bid



FREE THE WORK



National Gay and Lesbian Chamber of Commerce (NGLCC)



National Minority Supplier Development Council (NMSDC)



PFLAG



Tanenbaum Center for Interreligious Understanding



Unstereotype Alliance



Women's Business Enterprise National Council (WBENC)

## Governance



4A's Sustainability Taskforce



American Advertising Federation (AAF)



ANA Educational Foundation (AEF)



Business Coalition for the Equality Act



Business Roundtable's Privacy Working Group



Center for Information Policy Leadership



Civic Alliance



Future of Privacy Forum Advisory Board



Global Privacy Assembly



Global Privacy Alliance



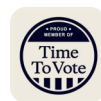
Information Accountability Foundation



Partnership for Responsible Addressable Media



Privacy for America Steering Committee



Time to Vote

# Timeline

## ESG efforts and achievements over the years.

### 2006

IPG was the first in the industry to tie the compensation of CEOs to diversity hiring, promotions, and representation

### 2009–2022

IPG was named to the Human Rights Campaign’s Corporate Equality Index

### 2013

IPG’s program to track travel emissions was the first of its kind to be instituted at a Fortune 500 company

### 2015

IPG began measuring greenhouse gas emissions (GHGs)

IPG was the first U.S.-based advertising holding company to publish a GRI report

### 2016

IPG began requiring all new tenant buildouts to have a LEED certification

### 2019–2024

IPG was listed on the FTSE4Good Index

### 2020

IPG became the first advertising holding company to release its EEO1 statistics around gender and race

IPG reached 100% boundary coverage, including all locations and offices in the company’s global portfolio, for energy and emissions data

IPG’s MSCI rating increased to A

IPG received a “low risk” rating from Sustainalytics

### 2020-2024

IPG was listed on the Dow Jones Sustainability Index (DSJI) North America

### 2020–2023

IPG was included on the Bloomberg GEI

### 2021

IPG committed to set science-based targets through the Science Based Targets initiative (SBTi), the best-practice framework for validating emissions reduction targets

IPG committed to source 100% renewable electricity by 2030

### 2021

IPG joined The Climate Pledge, co-founded by Amazon and Global Optimism, to reach net-zero carbon across our business by 2040

### 2022

IPG started its purchase of renewable electricity credits (RECs)

IPG’s ESG Report was the first of any U.S.-based advertising holding company to receive limited external assurance on certain ESG data

IPG began disclosing in accordance with TCFD requirements

IPG names its first Chief Sustainability Officer and Chief Diversity and Social Impact Officer

### 2023

IPG’s near-term science-based targets were validated by the Science Based Targets initiative

IPG’s MSCI rating increased to AA

Expanded assurance on our ESG Report to include Scope 3 Category 6 - business travel

IPG’s Sustainalytics rating improved to “negligible risk”

Listed on “Best Places to Work for Disability Inclusion” by Disability Equality Index

### 2024

IPG listed on the CDP Supplier Leaderboard with an “A” rating



For more information on our ESG work, contact:  
**Jemma Gould, Chief Sustainability Officer, IPG**