



IPG Environmental Sustainability Policy

Interpublic Group of Companies
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Interpublic is responsible for creating some of the world's most iconic marketing campaigns, and we recognize that we have a special responsibility to ensure that the work we do and how we deliver it supports the long-term health and well-being of our communities and our planet.

As an organization, we are responsible for creating **policies** and changing behaviors to move us closer to our sustainability goals. This Policy serves as a statement of our commitment to the highest environmental standards and fulfillment of our responsibility on climate action, protecting natural resources, limiting pollution and being transparent about our progress.

The purpose of this Policy is to establish best practices in which individual employees as well as Interpublic overall can improve our impact on the environment.

Additional commitments and practices related to sustainability at Interpublic can be reviewed in our Code of Conduct, Supplier Code of Conduct, Responsible Media & Content Principles, and both our domestic and international Travel and Entertainment Policies including guidance for low-carbon business travel. These policies are available for review on the [Corporate Governance](#) section of our website.

Policy compliance across the Interpublic network:

Interpublic is committed to full compliance with all relevant environmental laws and regulations. That commitment as well as the other provisions of this Policy apply to all domestic and international offices across all of Interpublic's companies, agencies, subsidiaries, suppliers and affiliates.

All companies across the Interpublic network are important components of how we work toward our climate goals and should align their commitments to those at the corporate level. Companies must seek approval from the Chief Sustainability Officer (CSO) before making any type of client or industry commitments.

Interpublic will take appropriate corrective action in the event of any violation of this Policy.

Background

Interpublic has made our commitment to environmental, social and governance (ESG) initiatives a cornerstone of our values, and we have invested significant time, effort and resources in support of our ESG programs.

In recognition of ongoing global environmental challenges, we seek to accelerate our progress on a range of environmental goals, including the transition to a lower-carbon future.

We practice an integrated approach to ESG – which pursues environmental protection, social protection and good governance simultaneously and in mutually reinforcing ways. Interpublic is committed to environmental sustainability in all our operations and wider impacts, recognizing that this also brings mutual benefits to our people and the communities where we live and work.

We believe an integrated approach to ESG helps Interpublic to make positive contributions for our stakeholders – positioning our company as a stronger partner to our clients, an organization that supports our people and one that contributes positively to the world around us for the long term.

The actions mandated in this Policy not only serve to improve our impact on the environment, but can also lead to cost savings, help us align with clients' expectations and demonstrate our responsibility to other important stakeholders by tracking our progress.

ESG Governance & Oversight

Interpublic's Board of Directors is involved in the oversight and governance of ESG issues that align with our purpose as a company. The entire Board, including our Chief Executive Officer (CEO) and our Chair, has responsibility for the oversight and management of the company's risks, including those related to ESG issues.

The Board of Directors reviews and considers the implications of environmental issues that affect the company. The Board's Audit Committee holds primary responsibility for the company's risks, including those related to environmental and climate change issues, while its Corporate Governance and Social Responsibility Committee has primary oversight of Interpublic's corporate responsibility and sustainability-related policies and practices. This Committee – and specifically its Chair – is responsible for overseeing and making recommendations to the entire Board regarding the company's policies and practices on climate and social responsibility issues.

Our Board and its committees are kept informed on ESG-related issues through direct communication with our Chief Financial Officer (CFO) and the Chief Sustainability Officer (CSO).

The CFO is the executive sponsor of Interpublic's ESG programs. The CFO collaborates with the General Counsel, reports to the CEO on related risks and strategy, and communicates regularly with the Board.

The CSO oversees our environmental policies and programming and is designated with reviewing, coordinating and promoting Interpublic's efforts on ESG-related issues at the consolidated corporate level. The CSO formally reports to the Board on an annual basis, with written updates quarterly. Our CSO also reports to Interpublic's SVP, Global Communications. The CSO regularly meets with Interpublic's ESG Steering Committee and ESG Task Force, both of which are described below.

The ESG Steering Committee, a management-level committee, is responsible for:

- Identifying and remediating risks posed by ESG issues
- Coordinating and promoting Interpublic's ESG efforts, including monitoring progress toward our ESG targets and commitments

The ESG Steering Committee is overseen by the CFO and includes representatives from Interpublic's various business functions, including: Human Resources; Diversity, Equity and Inclusion; Communications; Information Technology; Real Estate; Procurement; Investor Relations; Travel; Legal; Finance; and Controllers. The Committee ensures that ESG-related issues are integrated into multi-disciplinary, company-wide risk identification, assessment and management processes.

In addition to the ESG Steering Committee, an enterprise-wide ESG Task Force coordinates ESG action across Interpublic companies. The Task Force meets with the CSO to exchange updates on sustainability activities. The Task Force is comprised of individuals from throughout the Interpublic network who are charged by their CEOs and management with oversight for sustainability at their respective companies; it includes chief financial officers, executives, managers and facilities representatives.

Interpublic's Commitment to Environmental Sustainability

Interpublic's policy is to take active steps to further its commitment to enhancing environmental sustainability. Interpublic is a signatory to, or member of, several alliances and campaigns to reinforce our own environmental sustainability commitments.

As a participant in the UN Global Compact since 2015, Interpublic is committed to upholding the Compact's Ten Principles on human rights, labor, the environment and anti-corruption, and to aligning our strategies and operations with these principles.

We also engage in work that supports the UN Sustainable Development Goals (SDGs). These 17 global goals are part of the 2030 Agenda for Sustainable Development, which is a roadmap for stakeholders to pursue a more sustainable future for all.

Interpublic is committed to monitoring our environmental performance against measurable targets, reporting on our progress and engaging with our stakeholders throughout the process. We disclose our emissions and energy data on an annual basis through our ESG report, and we regularly respond to ESG surveys including CDP, S&P Global's Corporate Sustainability Assessment (CSA) and EcoVadis.

It is the policy of Interpublic and its subsidiaries to: limit our carbon emissions through greater energy efficiency, a balanced approach to business travel and increased use of renewable sources, and IT management, among other strategies; manage our water and energy usage, such as through green building practices; and reduce waste, including through recycling programs. Every Interpublic company and employee should make an effort to improve their impacts on the environment whenever possible.

Guided by the principles and frameworks mentioned above, Interpublic makes specific commitments in several areas.

Climate Action

Interpublic understands that climate change has consequences for all of us, bringing challenges for environmental protection, social wellbeing and good governance. It is a priority for the entire Interpublic network to take action to address both causes and impacts of climate change.

Targets: Interpublic sets measurable targets for reducing our global emissions in line with the Paris Agreement on climate change. Our climate commitments and targets include:

- Net-zero emissions by 2040
- 100% renewable electricity by 2030
- Science-based targets:
 - 50% reduction of Scope 1 and Scope 2 emissions (2019 baseline) by 2030
 - 30% reduction of Scope 3 emissions (2019 baseline) by 2030

Interpublic's science-based targets have been validated by the [Science Based Targets initiative](#) (SBTi). This commitment also makes Interpublic a signatory to the [Business Ambition for 1.5°C](#) and a member of the United Nations-backed [Race to Zero](#) campaign.

As part of this strategy, we are committed to action in the following areas:

Renewable electricity: In line with our commitment to source 100% renewable electricity across Interpublic's portfolio by 2030, we intend to incrementally increase our renewable electricity usage regularly. Interpublic is purchasing Energy Attribute Certificates (EACs) and Renewable Energy Certificates (RECs), as well as exploring opportunities to join power purchase agreements (PPAs).

Energy efficiency: Minimizing the demand for energy is essential to our climate change strategy. As a matter of policy:

- All energy-consuming equipment should be switched off when not in use, and lighting and climate-control sensors should be used to save energy when offices are not in use. Low-energy lighting should be installed whenever existing light bulbs expire. Any remaining standard tungsten light bulbs should be upgraded to energy-saving compact fluorescent lamps (CFLs) which use 75% less energy, produce less unwanted heat and last eight to ten times longer.
- The electricity used by IT equipment should be reduced through maintaining equipment for optimal operating efficiency and performance, such as keeping all parts clean and free of dust and blockages and following manufacturers' advice on servicing schedules. This includes checking and cleaning printers, fax machines, copiers, air conditioning units, refrigerators and more.
- IT purchasing should consider improved energy efficiency as it replaces and acquires new equipment to meet business needs, including moving to energy-efficient cloud providers.

Building operations: Interpublic implements sustainable standards in the management of our real estate portfolio.

We have decreased our physical office footprint while working toward greater responsibility in the spaces we occupy.

Commitments in the area of building operations include:

- **Minimum standards for new office spaces:** It is the policy of Interpublic Real Estate to seek the most energy-efficient tenant spaces and office buildings, wherever possible. All new tenant occupancies are to be in buildings that are LEED-certified, whenever feasible.
- **When designing and renovating offices:** We encourage Interpublic companies to employ “green designs” and to proactively seek, and obtain when feasible, LEED certification for each new office build. This includes open-space planning (80% open plan/20% offices and conference rooms), efficient energy use planning measures (i.e. lighting, climate control) to generate lower levels of carbon emissions and strategies to contribute positively to environmental protection, such as green roofs.
- **Efficiency through sharing space:** Interpublic’s real estate policies require our companies to seek real estate solutions within the existing portfolio of office space before leasing additional space. The policies provide a benchmark of square footage needed per person.
- **Reducing need for storage:** Offices can reduce physical space requirements by minimizing the storage of paper records, both in the office and in outside storage. Retained records should be reviewed annually against SP&P 301 Record Retention, and records should be destroyed accordingly. Only original records should be stored.
- **IT efficiencies:** Interpublic is committed to continuous efforts to consolidate IT operations and other means of reducing power consumption in IT operations and data processing, such as replacing older systems with more efficient systems, and increasing our use of virtualization technology.

Low-carbon business travel, commuting and meetings:

Interpublic’s domestic and international travel policies specifically address sustainable business travel and aim to reduce our carbon emissions associated with employee business travel and commuting.

The policies ask employees to consider carbon dioxide (CO₂) emissions among preferred Interpublic carriers when making travel choices – including the consideration of rail travel over air and carefully selecting air travel class. This process is aided by Interpublic’s travel tool, which allows employees to sort flights and accommodations by CO₂ emissions, in addition to schedule and cost. We also endorse the use of video conferencing where appropriate. Many Interpublic offices have enhanced videoconferencing capabilities to encourage these practices.

For commuting to work and transportation to meetings, Interpublic encourages carpooling, biking and the use of public transportation.

As a client services business, Interpublic recognizes that travel and in-person collaboration often play a role in relationship-building and creativity. We seek, however, to promote the use of appropriate alternatives to in-person meetings requiring travel and to neutralize our unavoidable emissions with carbon offsets.

Partnerships: Interpublic is a signatory of [America is All In](#), a coalition of leaders working alongside the federal government to develop a national climate strategy to reduce U.S. emissions by 50% by 2030 (from a 2005 baseline) and reach net-zero emissions by 2050. Interpublic is also a member of [The Climate Pledge](#), joining over 200 global companies and organizations who have committed to reach net zero carbon emissions by 2040.

Waste Management & Pollution Reduction

Interpublic is working toward greater responsibility for waste and consumption in the spaces we occupy.

Four-stream waste disposal is required at Interpublic's headquarters, with separate compartments for:

- Paper
- Containers (metal, plastic, glass)
- Organic waste (composting/food scrap recycling)
- Trash

The director of administration or office services at each Interpublic location is encouraged to work with building management to employ best practices to maximize recycling whenever and wherever possible, including collection of food scraps for composting.

Electronic equipment that is broken or obsolete must be properly disposed of or sent for recycling to an EPA-certified recycling firm, and not placed in Interpublic trash or recycling as it may contain heavy metals and other materials that can be hazardous to human health and the environment.

Interpublic is committed to minimizing negative environmental impacts from our purchased goods and services. The following practices and initiatives are encouraged:

- Procurement of post-consumer recycled goods wherever possible, to minimize the impacts of our consumption on natural resources
- Printers default to double-sided printing to conserve paper
- "Follow-me-printing" employee ID system which reduces unnecessary printing
- Use of hot/cold aisles for energy-efficiency in data centers
- Minimizing reliance on single-use plastic

Environmental Impact in the Supply Chain

Interpublic is committed to the highest environmental standards and fulfillment of our responsibility on climate action, protecting natural resources, limiting pollution and being transparent about our progress. We consider environmental impacts throughout our global activities and planning, and we expect our suppliers and business partners to do the same.

The Interpublic Strategic Sourcing & Procurement team applies a structured approach to supplier selection and risk management. Our sourcing process includes thorough due diligence to evaluate key criteria, as well as commitment to diversity and sustainability.

With support from the Board of Directors, Interpublic also utilizes a Third-Party Risk Management (TPRM) process to identify, assess and manage risks associated with third-party partnerships. The TPRM process begins with an initial evaluation of all new supplier requests based on risk-based due diligence. Suppliers found to have high inherent risk are required to complete detailed control questionnaires and submit supporting documentation for a comprehensive assessment in any of the risk domains including privacy, information security, compliance, corruption and modern slavery.

Interpublic's supplier management initiatives have led to the creation of a preferred list of thoroughly vetted third-party suppliers. The criteria for selecting preferred suppliers include financial strength, capabilities, credibility, quality and competitive pricing. Additional evaluations focus on their commitment to sustainability, diversity and inclusion, human rights and environmental impact.

Interpublic's Supplier Code of Conduct communicates our expectations related to legal and regulatory compliance including laws and regulations governing environmental protection. All suppliers are required to adopt an environmental sustainability policy and share our commitment to sustainability, and to comply with all applicable environmental laws and regulations.

Interpublic has enhanced our climate strategy by setting a variety of emissions reduction targets, including a 30% reduction of our Scope 3 emissions by 2030 (2019 baseline). In connection with this target, Interpublic is currently launching a supplier engagement program to better understand, monitor and support reduction of our suppliers' emissions. We integrated our supplier survey into our supplier software application and will assign internal ESG maturity ratings to suppliers.

More details on supplier requirements can be found in our Supplier Code of Conduct.

Client & Industry Work

Interpublic proactively works with clients to advance environmental sustainability. We encourage our companies to:

- promote responsible consumption through clients' marketing and communication campaigns;
- undertake pro bono work and other partnerships with organizations working to advance environmental protection; and
- reduce the carbon emissions and waste production associated with marketing and communication campaigns.

Although Interpublic does not consider issues such as biodiversity and animal welfare to be material for our own operations, we do understand the importance of such global issues and have best practices in place to ensure our productions and messages adhere to and support the ethical treatment of animals, as well as maintaining biodiversity. We work to address these issues in partnership with trade associations as well as our clients.

For our existing clients whose businesses are carbon-intensive, we aim to positively impact their business transformation journeys, and we are committed to aligning all future Interpublic work on their behalf with Interpublic's sustainability values.

In addition, Interpublic and its affiliates proactively review the climate impacts of prospective clients in the oil, energy and utility sectors before engaging in

new work. We partnered with a third-party climate change expert to develop a set of questions that we ask prospective clients to affirm before we enter a new partnership. Interpublic will regularly review the effectiveness of our approach to working with clients in this sector.

Our review of prospective clients is based on a set of questions including:

- Have these companies set specific emission reduction goals that are aligned with 1.5°C ambition to achieve net-zero GHG emissions by 2050 or sooner with no greater than 10% off-setting?
- Are these companies publishing clear climate reporting, including scope, baseline, timeline, and the tracking of Scopes 1, 2 and 3 emissions?
- Are their goals public and in line with the goals Interpublic has made in our own ecosystem?
- Have these companies ceased any controversial form of oil and gas production?

At the same time, and fully consistent with our culture, no employee anywhere within Interpublic is ever required to work on an account that runs counter to their personal values.

Additionally, Interpublic does not work with trade associations or lobbying groups that seek to extend the life of fossil fuels.

Partnerships: We are also committed to working with partners on initiatives that support environmental sustainability. Interpublic is a founding member of the Advertising Association's [AdGreen](#), an initiative that provides tools to help advertisers track and mitigate the environmental impacts of production to advance a zero-waste and zero-carbon future. Interpublic companies are also founding members of the [isla](#) initiative, which aims to accelerate the event industry's transition to a more sustainable future.

Interpublic is a member of [Ad Net Zero's Charter Steering Group](#). Ad Net Zero is working to reduce the environmental impact of developing, producing and running advertising. Interpublic's CSO is a member of the 4A's Sustainability Task Force.

Training & Awareness

Interpublic is committed to creating environmental awareness among employees at Interpublic's corporate offices and across the companies in our network. Fostering employee awareness of environmental impacts and best practices increases our impacts on-site and extends positive behaviors beyond Interpublic offices, including into employees' remote workspaces.

Interpublic understands the importance of training as it relates to ensuring our operations protect the environment and contribute to climate action. This Environmental Sustainability Policy is incorporated into training for all new hires globally and is included in employees' annual Code of Conduct training.

Interpublic regularly communicates with employees on the value of individual responsibility to change behaviors and highlights client work across our network that advances our sustainability goals. One example is the quarterly "Essential ESG" employee newsletter, updating global employees about our progress on climate action and sustainability campaigns for clients.

Additionally, Interpublic supports a group for employees interested in the environment, sustainability and environmental justice. Interpublic Sustainability Allies provides opportunities to share information about environmental initiatives across Interpublic, brainstorms eco-conscious solutions for our work and hosts educational events.

Reporting Concerns

Interpublic seeks to engage employees, suppliers, consultants, freelancers and other business partners who share our sustainability values and standards, and who uphold this commitment in the work they do for Interpublic.

If you believe that any of these entities are not meeting these standards, you are strongly encouraged to report the situation. There will be no retaliation against anyone who, in good faith, complains of or opposes Policy or Code violations or who participates in any investigation. You may make a report anonymously if you choose and where allowed by local law.

In accordance with Interpublic policy and local laws, you may make a report by contacting our Alertline at 1-800-828-0896 (if you are located in the U.S.) or report concerns through the Alertline portal, found [here](#). The Alertline is a third-party, independently operated hotline available 24/7 in more than 40 languages.

For more details on Interpublic's grievance and reporting mechanisms and its Non-Retaliation Policy, see Interpublic's [Code of Conduct](#).