

# IPG

## ESG Report

2022



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# CEO Letter

At IPG, we understand that our success as an organization is grounded in our ability to engage with a range of stakeholders to drive positive outcomes. That includes growth – predicated on helping our clients win in a digital economy – as well as strong financial performance. We are equally focused on supporting the health of our people, and on the work we do to benefit communities in which we live and work.

To guide us in navigating this complex and dynamic landscape, IPG has established five strategic ESG pillars that are at the core of our company: Diversity, Equity and Inclusion (DEI); Climate Action; Human Capital; Data Ethics and Privacy; and Responsible Media and Content.

**Diversity, equity and inclusion** continue to be top business priorities for IPG, and our initiatives in this area are a key part of our business strategy, the way in which we engage with clients, and our purpose-driven work. During the year, we appointed a new leader to enhance our industry-leading equity and inclusion practices. Our Global Chief Diversity and Social Impact Officer will not only shape strategy on all diversity-related matters but also support the advancement of social impact activity in partnership with our ESG team. Having been the first company in our sector to name a Chief Diversity Officer, link executive incentive compensation to DEI objectives, and release our EEO-1 numbers related to the racial composition of our leadership, we once again made that data public this year, and have continued and expanded upon our pay equity work, which now covers 75% of our workforce in nine countries, with continued plans for expansion going forward.

Our Global DEI Group continues to support employee programming on topics such as allyship, sensitivity to religious needs, as well as the nuances of mental health and wellbeing for people of different ages, genders, cultures, sexual orientation and other backgrounds.

Business diversity is central to our overall commitment to equity and inclusion at IPG, and we are working with suppliers who reflect the diversity of our world, which is why we actively seek out and provide opportunities for companies owned by women, racial and ethnic minorities, veterans, LGBTQIA+ people and people with disabilities. In addition to launching its Equity Upfront™, an industry-first initiative focused on investing in diverse-owned media, IPG Mediabrands made the industry's first spending commitment in this area – to invest at least 5% of the total advertising spend of its clients with Black-owned media businesses by 2023.



To guide us in navigating this complex and dynamic landscape, IPG has established five strategic ESG pillars that are at the core of our company: **Diversity, Equity and Inclusion; Climate Action; Human Capital; Data Ethics and Privacy; and Responsible Media and Content.**

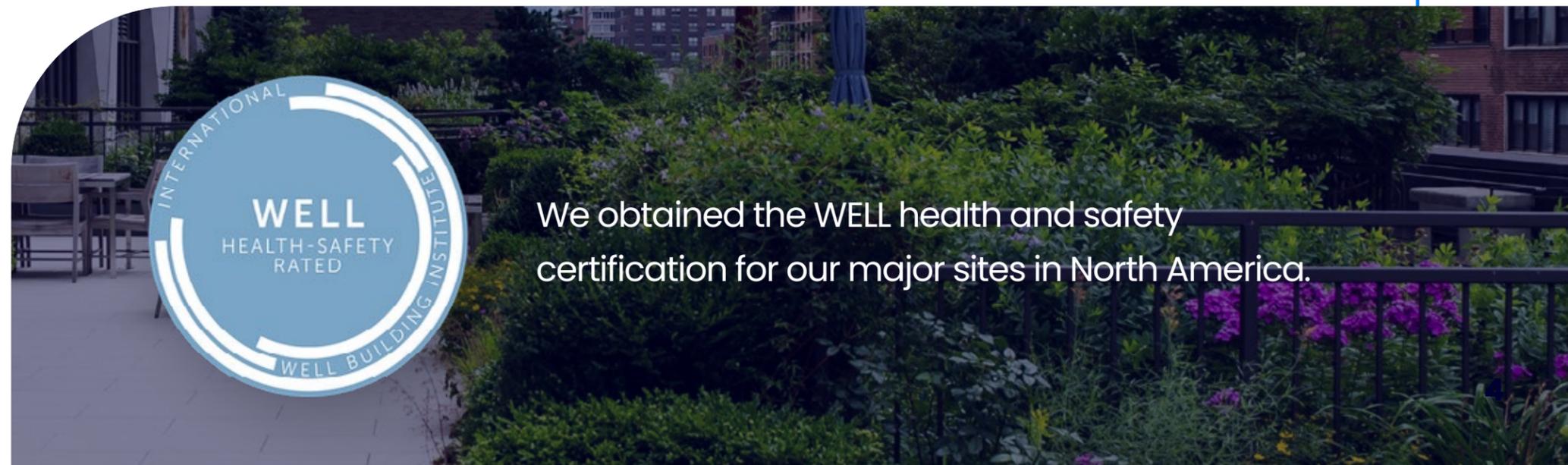
**Climate action**, undertaken by businesses and at the individual level, is crucial to the future of our planet. As has been the case for some time now, IPG remains committed to operating as sustainably as possible. This involves our ongoing work toward minimizing our own carbon footprint, partnering with clients to develop sustainable consumption patterns among their consumers, as well as using our creative talents to promote more sustainable and just communities around the world. During the past year, we appointed IPG's first Chief Sustainability Officer, who oversees our work across the network on environmental, social and governance (ESG) priorities. In addition, we became the first company in our industry to commit to reviewing the climate impacts of prospective clients that operate in the oil, energy and utility sectors before accepting new work.

Notable milestones this year also included our submission of climate targets to the Science Based Targets initiative (SBTi) and working toward validation. These targets set our course to operate more sustainably, and will therefore also help shape our policies and actions consistent with that goal. Relative to our goal of 100% renewable electricity by 2030, by the end of 2022, our renewable electricity is expected to reach 20% via our continued purchase of Renewable Energy Certificates (RECs) and Energy Attribute Certificates (EACs). And we continue to examine the ways we

travel, having put into place revised policies with a sustainability lens, and beginning to purchase sustainable aviation fuel credits as a way to directly address our emissions in this impactful area. Of course, given the scale of our operations, we remain focused on our real estate footprint as an important means to reduce emissions, looking toward more sustainable buildings, reducing the number of square feet in our overall portfolio, and co-locating our companies wherever possible. We have also inaugurated a supplier engagement program through which we will begin to understand and ultimately work to lower this important component of our Scope 3 emissions.

In considering **human capital**, our people are what drives our business, and they are therefore a top priority as we consider our work in the ESG space. IPG has once again renewed our support of the United Nations Global Compact and signed on to uphold the Compact's

10 principles in the areas of environmental sustainability, fair labor practices, human rights and anti-corruption. We will continue to report on these key criteria each year through our Communication on Progress. As we have begun to see a return to working in the office, we are focused on how to make this experience as safe and as beneficial as possible for our employees, the caliber of our work and our clients. This has included obtaining **WELL health and safety certification** for our major sites in North America. This certification covers a set of standards for the ongoing operation and management of our facilities to support and enhance the long-term health and safety needs of all colleagues and workplaces. As part of our continued emphasis on employee health and wellness, we are working to ensure that managers are trained in empathy and other factors that impact mental health, as well as ensuring best practices related to inclusion and equity in all areas of our operations and interpersonal interactions.



Data informs nearly every part of our business, and **data ethics and privacy** – the need to source and process data ethically – has for some time been, and remains, of paramount concern. This is why we retain a staff of cross-functional experts comprised of privacy engineers, privacy legal specialists and compliance experts. These specialists partner with our agency teams and our clients to ethically source data, evaluate our external publisher, AdTech and MarTech partners, design our marketing and advertising solutions, and provide ongoing governance of data in our care. Our team engages directly with policy makers around the globe and holds seats at many key privacy organizations, including the Information Accountability Foundation, the Center for Information Policy Leadership, the Future of Privacy Forum and Privacy for America. During the year, our privacy leaders were invited to testify before the U.S. Senate on the intersection of data privacy and competition, as part of the Federal Trade Commission’s hearing on Commercial Surveillance.

**Responsible content and media** are also essential components of our business and have therefore been incorporated into our ESG priorities. In 2021, we led the industry by establishing a set of Responsible Media & Content Principles to ensure that the marketing campaigns and media channels we use to help brands connect with people are consistent with ESG standards and do not

result in or contribute to harm. This led to the creation of a Media Responsibility Index (MRI) to track the progress of external platforms in supporting and aligning to best practices. In 2022, we expanded the MRI to include a new ESG-aligned priority index, which aims to further raise awareness and standards around harm reduction for brands and consumers in advertising.

As you read our latest ESG report, we hope it will provide you with a comprehensive view of our progress, as well as our areas of opportunity, and that you’ll note that the report aligns with the GRI, SASB, TCFD, UN Global Compact and UN Sustainable Development Goals (SDGs) frameworks. We have also expanded the scope of metrics that are subject to external assurance to include Scope 3, Category 6 (Business Travel), in addition to the assurance we continue to receive on certain greenhouse gas emissions and employee diversity metrics.

During the year, we made strides in our work around ESG, and have received recognition for our programs, such as a third consecutive year on the Dow Jones Sustainability Index North America, and three years each on the Bloomberg Gender Equality Index and the FTSE4Good Index.

While these recognitions are an important barometer of our progress, we understand that there is still much work to do. We are committed to continued efforts and partnership in these key areas, which help define our purpose and values as an organization, as well as our future success as a company.



**Philippe Krakowsky**  
Chief Executive Officer, IPG



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# About IPG

Interpublic Group of Companies (IPG) provides marketing, communications and business transformation services that help marketers and brands succeed in today's digital economy. Guided by a purpose-driven strategy, we use human-centered marketing to connect, engage and interact on a personal level to drive performance and make a difference in communities around the world. We are regularly recognized for our creative work, for our ESG contributions, for being a leading advertising holding company and for being one of the best places to work.

## Company Overview

IPG is a publicly traded global holding company with more than 55,600 employees in all major world markets. Our companies specialize in consumer advertising, digital marketing, communications planning, media, public relations, specialized marketing and data management. IPG uses data to build engaging marketing experiences across all touchpoints. In recent years, IPG has acquired companies across the marketing spectrum, including firms specializing in data and technology, e-commerce, mobile marketing, social media and healthcare communications.

Our marketing solutions range from projects involving one agency to long-term, fully integrated campaigns created by multiple IPG companies working together. As every consumer is unique, with a finely tuned set of passions, behaviors and motivations, we use data to identify real people far beyond their demographics and build engaging marketing experiences that connect, engage and interact with people on a personal level. We call this approach human-centered marketing, and believe it is more relevant and effective than traditional approaches.

## 2021 IPG Overview



### Holding Company

100+ companies



### Revenue

\$10.24 billion



### Employees

55,600



### Locations

100+ countries



### Headquarters

New York City



### Stock Ticker

IPG:NYSE

Additional company-related data can be found in the [Appendix](#).

## Role of the Holding Company

As a client-centric holding company, IPG sees our key role as supporting and investing in our company brands so they can produce the best work for our clients. Our job is to provide resources to ensure that our companies can best meet clients' needs, and to selectively facilitate collaborative client service among our companies. Supporting our brands also allows us to attract and retain talented people who are passionate and want to develop their careers with a company that has a strong culture and a unique value proposition that aligns with their own.

IPG is in a preeminent position to help brands reach consumers in highly efficient and relevant ways. Our recent investments in data science have unlocked the power of data-fueled creativity and high-value audiences.

IPG's Open Architecture® harnesses the power of our diverse array of talent across our holding company on behalf of clients. To meet each client's needs, IPG brings together experts across our world-class companies in creative, data, design, digital, marketing, media, production, public relations and strategy. Open Architecture provides single-management solutions to multidisciplinary teams and leverages consulting and advisory services to ensure we efficiently drive business results for our clients.

IPG also maintains **Collective Intelligence**, which curates perspectives from experts across IPG's global network to inform and illuminate

Strong agency brands allow us to integrate complementary strengths throughout the holding company. Each company's unique strengths enable it to attract top talent and keep our people engaged with a breadth of challenges and opportunities to work alongside experts in specific areas.

opportunities for brands to stand out. The team works closely with brand strategists, planners, creatives, media, and engagement professionals in a variety of marketing disciplines, delivering critical intelligence that helps IPG and its agency partners put creativity and human connections at the center of their work.

The 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 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.

## Locations

IPG’s clients range in scale from large global marketers to regional and local clients. Our comprehensive global services are critical to effectively serve our multinational and local clients in markets throughout the world as they seek to build brands, increase sales and gain market share.

Based in New York City with offices in over 100 countries, we are able to focus on a single region or deliver global integrated programs. In 2021, IPG had over 55,600 global employees, with 23,300 employees operating in the United States (U.S.). While the majority of IPG operations are based in the U.S., operations outside the U.S. represent a significant portion of our net revenues – approximately 37% in 2021.

In recent years, we have made significant investments in Brazil, India and China, further strengthening our position in these important developing markets.

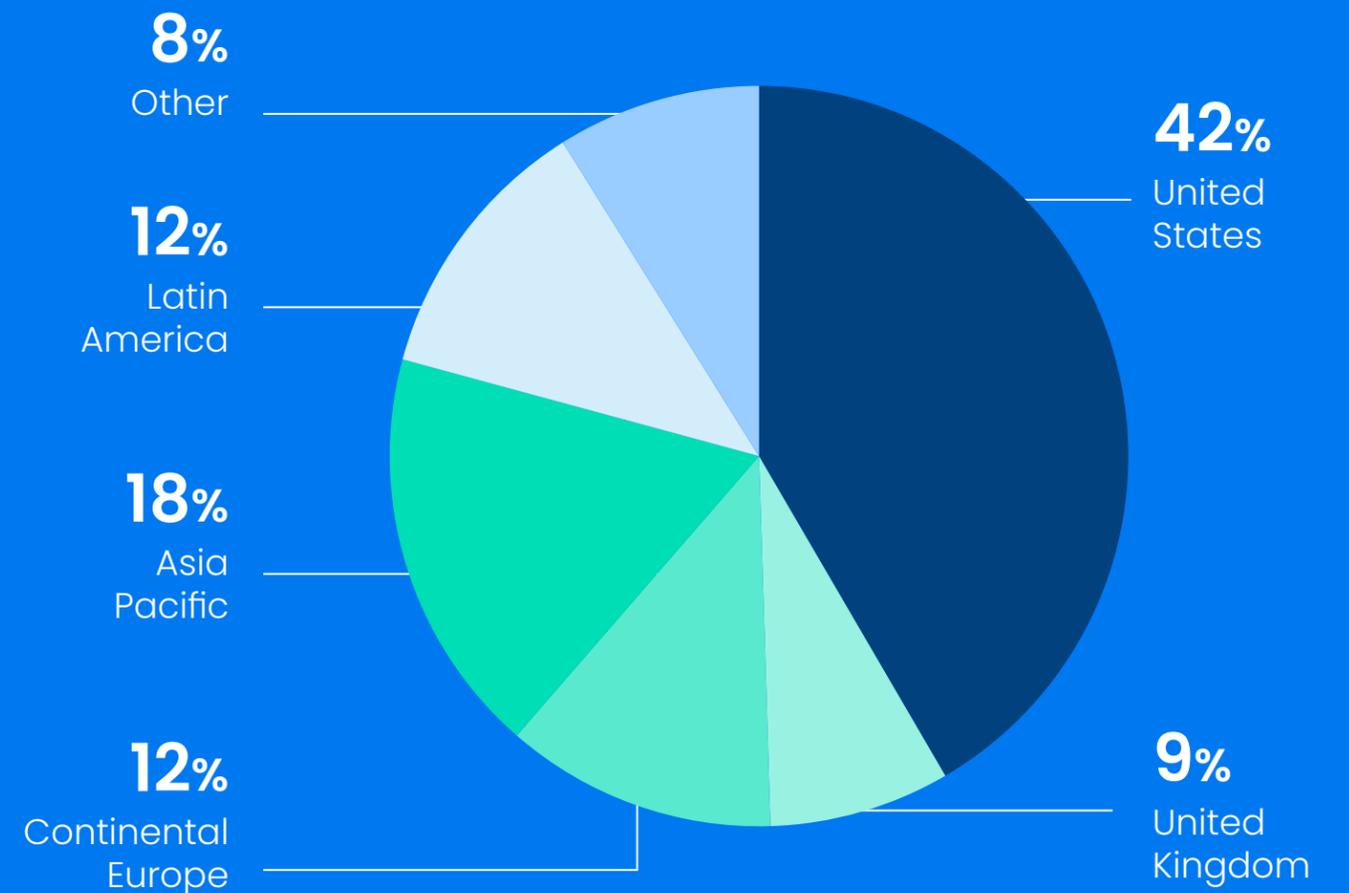
In India, IPG’s operations are best-in-class, and we will continue to invest in partnerships and talent in this key market. IPG also holds a majority stake in the Middle East Communication Networks (MCN), which is one of the region’s premier marketing services companies. MCN is headquartered in Dubai, United Arab Emirates, with offices across 13 countries.

In China, IPG operates with most of our global networks and across the full spectrum of marketing services. We continue to invest organically in the talent of our agency brands and strategically acquire specialty offerings in this region.

Additional areas of investment include key strategic markets in North America, the UK, Europe, Asia Pacific, Latin America and Africa.

As of 2021, IPG had more than 55,600 employees across the world in over 100 countries. The majority of our operations are based in the U.S. <sup>1</sup>

### 2021 IPG Employees by Region



<sup>1</sup> - Numbers are approximate and may not total due to rounding.

# Our Brands

ACX IOM

AREA 23  
AN FCB HEALTH NETWORK COMPANY

AREA 23  
ON HUDSON  
AN FCB HEALTH NETWORK COMPANY

afg&

AXIS

BLACK GLASS

BX  
BRAND EXPERIENCE DESIGN GROUP  
AN IPG HEALTH COMPANY

CAMPBELL  
EWALD

Carmichael  
Lynch.

Carmichael  
Lynch Relate.

CASANOVA // McCANN

CAUDEX  
AN IPG HEALTH COMPANY

//// CRAFT

current global

DEUTSCH LA

DEUTSCH<sup>NY</sup>

DEVRIES  
GLOBAL

E L E  
P H A  
N T

EP+CO

FCB

FCB RED

FCB SIX

FCB CURE  
AN IPG HEALTH COMPANY

FCB X

FRUKT

FutureBrand

FUTURES  
Sport & Entertainment

GENUINE

GOLIN

hedy

HelloFCB<sup>+</sup>  
The Human Connections Agency

Hill Holliday

Hill Holliday Health

Huge

Hugo&Cat

Initiative

IPG commerce

IPG DXTRA

IPG HEALTH

IPG MEDIA LAB

itb

iW  
GROUP

JACK MORTON

Kinesso

KRC RESEARCH  
Part of The Weber Shandwick Collective

M/GNA

matterkind

# Our Brands

McCann

McCANN  
HEALTH  
NEW YORK  
AN IPG HEALTH COMPANY

McCANN  
WORLDGROUP

MEDIA X EXPERTS

MEDIABRANDS

MEDIA BRANDS  
Content Studio

MEDIA HUB

MiE

MILKMONEY

momentum

MRM

MULLENLOWE  
GROUP

MULLENLOWE  
PROPERO

MULLENLOWE  
SALT

NEW  
HONOR  
SOCIETY

No2ndPlace

octagon

Orion

PERFORMANCE  
ART

powell  
tate  
Part of The Weber Shandwick Collective

Prime  
Weber  
Shandwick

R/GA

rapport

REPRISE

revive

SOLVE(D)  
AN IPG HEALTH COMPANY

STEELHEAD

Stickyeyes  
A REPRISE NETWORK COMPANY

STUDIO  
RX  
AN IPG HEALTH COMPANY

THE  
BROOKLYN  
BROTHERS\*

Martin.

tierney

TRAVERSE  
A MEDIABRANDS COMPANY

TRILIA

TRIO  
AN IPG HEALTH COMPANY

UM

unitedminds  
Part of The Weber Shandwick Collective

UXUS

VIRGO HEALTH

vowel

Weber  
Shandwick

# Awards & Recognitions

In recognition of our commitment to and implementation of sustainable business practices, IPG has been listed on several ESG-related indices and awards.

In 2021, IPG was the only media and advertising company named to the top ten of **America's Best Employers for Diversity** by Forbes and Statista. IPG was listed again in 2022, this time within the top five. Additionally, IPG's Global DEI Group was awarded the **2021 Diversity Team Award** by Profiles in Diversity Journal.

Based on IPG's annual submission to S&P Global's **Corporate Sustainability Assessment (CSA)**, we are included in several indices for 2021:

- IPG was listed on the **Dow Jones Sustainability Index (DJSI)** North America for the second consecutive year. The DJSI North America recognizes the top 20% of sustainability performers among the 600 largest U.S. and Canadian companies. IPG is the only advertising holding company to achieve this ranking.
- IPG is also listed on two additional S&P indices that recognize companies' work in the ESG space – the **S&P 500 ESG** and the **S&P Global 1200 ESG**. The S&P 500 ESG is based on the S&P 500 Index and includes only U.S.-based companies, while the S&P Global 1200 encompasses companies from around the world.

**IPG's inclusion on these indices has continued into 2023.**

IPG was named **Holding Company of the Year** at the 2021 New York Festivals Advertising Awards.



Member of  
**Dow Jones Sustainability Indices**  
Powered by the S&P Global CSA



IPG is also included on the **FTSE4Good Index**, which identifies companies that demonstrate ESG practices measured against international standards.



In 2021, IPG was listed on the **Bloomberg Gender Equality Index**, a premier ranking of global companies that publicly demonstrate their commitment to equality and advancing women in the workplace.



In 2021, IPG was listed on the **Human Rights Campaign's Corporate Equality Index** for the 12th year in a row and was named one of the **"Best Places to Work LGBTQ Equality."**

# ESG Strategy

IPG is a purpose-driven company, committed to achieving the highest standards on environmental, social and governance (ESG) issues. As a citizen of the communities where our employees live, work and vote, IPG has a responsibility to operate responsibly, contributing to a better society and a healthier planet.

## Recent ESG Highlights

- Announced ambitious new climate action commitments
- PricewaterhouseCoopers LLP (PwC) performed a limited assurance engagement on certain greenhouse gas emissions and certain employee diversity metrics for the year ended or as of December 31, 2021
- Became a founding member of AdGreen
- Second consecutive listing on the Bloomberg GEI
- Second consecutive listing on the DJSI North America
- Made new disclosures in alignment with SASB and TCFD reporting frameworks



## IPG is dedicated to the following principles of purpose:

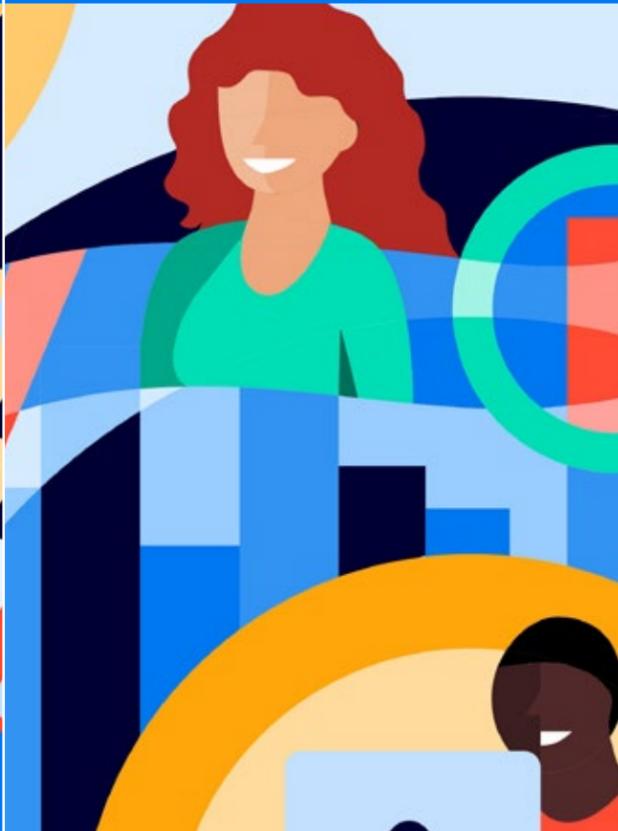
- Using our expertise as marketers to make a difference in communities around the world
- Taking care of and investing in our people
- Operating in a way that respects the environment
- Ensuring a fair governance structure within our company

Guided by these principles, our ESG strategy includes time-bound targets, strategic partnerships and implementation throughout every level of our business. Our integrated approach is focused on five strategic priorities. We bring these to life at our own company, as well as in the work we provide to our clients.

### Climate Action



### Human Capital Management



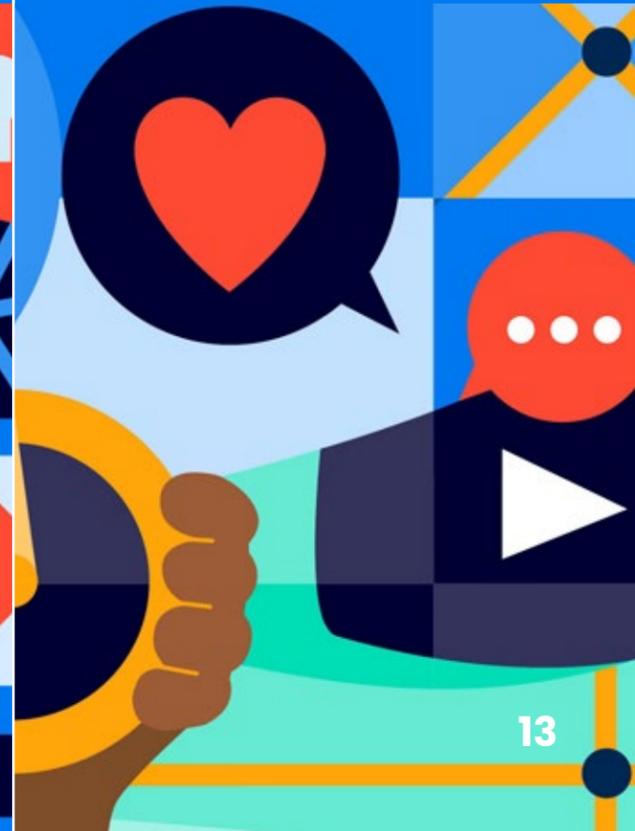
### Diversity, Equity & Inclusion



### Data Ethics & Privacy



### Responsible Media & Content



## ESG Governance & Oversight

IPG's Board of Directors is involved in the oversight and governance of ESG issues in a variety of ways. The entire Board, including our CEO and our Chairman, has overall responsibility for the oversight and management of the company's risks, including those related to ESG issues. Our Board and its committees are kept informed on ESG-related issues through direct communication with our Chief Financial Officer (CFO) and our Chief Sustainability Officer (CSO).



The Board's Corporate Governance and Social Responsibility Committee has responsibility for IPG's sustainability-related policies and practices, and makes recommendations to the entire Board regarding the company's policies and practices on climate and social responsibility issues.

- The CFO is the executive sponsor of IPG's ESG programs and oversees the ESG Steering Committee. The CFO collaborates with our General Counsel, and reports to the CEO.
- The CSO is designated with overseeing IPG's efforts on ESG-related issues at the consolidated corporate level. Her responsibilities include monitoring the company's ESG performance and assessing and managing related risks and opportunities. She regularly meets with IPG's ESG Steering Committee and ESG Task Force, and formally reports to the Board on an annual basis, with written updates quarterly. The CSO also reports to the Senior Vice President of Communications.

To coordinate and promote IPG's efforts across the company, IPG has established a management-level ESG Steering Committee. The Committee is responsible for identifying and remediating risks posed by ESG issues, and monitoring progress toward our ESG targets and commitments. The ESG Steering Committee includes representatives from IPG's various business functions, such as Human Resources; Diversity, Equity & Inclusion; Communications; Information Technology; Real Estate; Procurement; Investor Relations; Travel; Legal; Finance; and Controllers. Its work ensures that ESG-related issues are integrated into a multi-disciplinary, company-wide process of risk identification, assessment and management.

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

## IPG Interpublic Alertline

IPG takes its values and ethical standards seriously. If violations are suspected, we strongly encourage all IPG employees, prospective and current contractors and suppliers, clients, business partners, as well as all other stakeholders, to utilize our publicly available grievance mechanism. More on what IPG defines as acceptable behavior is described in our Code of Conduct and Supplier Code of Conduct both of which can be viewed [here](#).

Report any suspected violations of laws, regulations or policy immediately. Reports can be made through the following channels:

• Phone (toll-free, only): 1-800-828-0896

• Email: [ipg@interpublicgroup.com](mailto:ipg@interpublicgroup.com), 24 hours a day, 7 days a week, 365 days a year

• Web: The Alertline portal can be accessed globally in English at: <https://www.interpublicgroup.com/alertline>

• An independently operated hotline available 24 hours a day, 7 days a week, 365 days a year. Reports can be made anonymously, where necessary, to limit IPG's ability to investigate the reported violation and the identity of anyone who makes a good faith allegation.

IPG

## Interpublic Anti-Corruption Policy

Interpublic Group of Companies  
Last Revised: January 2023

IPG

## Interpublic Environmental Sustainability Policy

Interpublic Group of Companies  
Last Revised: January 2023

## ESG-related Policies

Several of IPG's standard policies and procedures are informed by our ESG principles and priorities and ensure that we are accountable to all of our stakeholders – investors, clients, employees, consumers, suppliers and communities – around the world. The following policies can be found on our [Corporate Governance](#) page:

- Environmental Sustainability Policy
- Sustainable Business Travel Policies
- Anti-Harassment & Equal Opportunity Employment Policy
- Human Rights Policy
- Responsible Media & Content Principles
- Code of Conduct
- Supplier Code of Conduct
- Corporate Governance Guidelines
- Policy on Board Diversity
- Board Committee Charters
- Anti-Corruption Policy
- Tax Policy

## Partnerships & Frameworks

IPG strives to raise the ESG bar for our industry through reporting, disclosure and action, including participation in local and global initiatives and partnerships that bring together companies to advance diversity, equity and inclusion, civic engagement and climate action.

We were the first U.S.-based advertising holding company to join the **UN Global Compact**, the world's largest corporate sustainability initiative. A participant in the Global Compact since 2015, IPG is committed to upholding its 10 principles on human rights, fair labor practices, environmental sustainability and anti-corruption. IPG submits an annual communication on progress (CoP) on the actions we take to advance these goals. IPG also supports the UN Global Compact's **Women's Empowerment Principles** (WEPs), a program guiding businesses to promote gender equality and women's empowerment in the workplace, marketplace and community.



**United Nations**  
Global Compact

Additionally, IPG continues to strategically engage in initiatives that support the **UN Sustainable Development Goals** (SDGs). These 17 global sustainability goals are part of the 2030 Agenda for Sustainable Development, which aims to advance environmental protection, social protection and economic growth across the world while leaving no one behind.



## Organizations with which IPG partners on ESG issues:

Environmental	Social	Governance
<ul style="list-style-type: none"> <li>• <a href="#">Ad Net Zero</a></li> <li>• <a href="#">AdGreen</a></li> <li>• <a href="#">America is All In</a></li> <li>• <a href="#">Business Ambition for 1.5°C</a></li> <li>• <a href="#">The Climate Pledge</a></li> <li>• <a href="#">Green The Bid</a></li> <li>• <a href="#">IPA Media Climate Charter</a></li> <li>• <a href="#">isla</a></li> <li>• <a href="#">Science Based Targets Initiative (SBTi)</a></li> <li>• <a href="#">UN Race to Zero</a></li> <li>• <a href="#">UN's Act Now</a></li> </ul>	<ul style="list-style-type: none"> <li>• <a href="#">30% Club</a></li> <li>• <a href="#">Catalyst</a></li> <li>• <a href="#">CEO Action</a></li> <li>• <a href="#">charity: water</a></li> <li>• <a href="#">Coqual</a></li> <li>• <a href="#">Free The Bid</a></li> <li>• <a href="#">FREE THE WORK</a></li> <li>• <a href="#">The Female Quotient</a></li> <li>• <a href="#">National Gay and Lesbian Chamber of Commerce (NGLCC)</a></li> <li>• <a href="#">National Minority Supplier Development Council (NMSDC)</a></li> <li>• <a href="#">Partner with Purpose</a></li> <li>• <a href="#">PFLAG</a></li> <li>• <a href="#">Tanenbaum Center for Interreligious Understanding</a></li> <li>• <a href="#">Unstereotype Alliance</a></li> <li>• <a href="#">Women's Business Enterprise National Council (WBENC)</a></li> </ul>	<ul style="list-style-type: none"> <li>• <a href="#">American Advertising Federation (AAF)</a></li> <li>• <a href="#">ANA Educational Foundation (AEF)</a></li> <li>• <a href="#">American Association of Advertising Agencies (the 4As)</a></li> <li>• <a href="#">Business Coalition for the Equality Act</a></li> <li>• <a href="#">Business Roundtable's Privacy Working Group</a></li> <li>• <a href="#">Center for Information Policy Leadership</a></li> <li>• <a href="#">Civic Alliance</a></li> <li>• <a href="#">Future of Privacy Forum Advisory Board</a></li> <li>• <a href="#">Global Privacy Alliance</a></li> <li>• <a href="#">Global Privacy Assembly</a></li> <li>• <a href="#">Information Accountability Foundation</a></li> <li>• <a href="#">Partnership for Responsible Addressable Media</a></li> <li>• <a href="#">Privacy for America Steering Committee</a></li> <li>• <a href="#">Time to Vote</a></li> </ul>



## ESG Tracking & Reporting

IPG pursues continuous improvement of our ESG programs by contributing to the global development of sustainability practices and reporting on those practices. Therefore, we are committed to transparency including annual reporting on our ESG disclosures. Our company has been publishing sustainability reports in accordance with the Global Reporting Initiative (GRI) since 2015, and in 2021 IPG became the first in our industry to publish a report in alignment with the Sustainability Accounting Standards Board's (SASB) Advertising & Marketing Standards.

Once again setting the standard for transparency in our industry sector, in 2022, we expanded our ESG reporting further utilizing the Task Force on Climate Related Financial Disclosures (TCFD) recommendations and obtained external assurance on certain greenhouse gas emissions and employee diversity metrics.

This 2022 ESG report is prepared in alignment with various reporting frameworks including **GRI**, **SASB**, **TCFD** and the **UN Global Compact**. Our disclosures and initiatives are also mapped to specific **UN SDGs**.

Additionally, IPG regularly responds to annual ESG surveys including the **CDP Climate Change** questionnaire, S&P Global's **Corporate Sustainability Assessment (CSA)**, **EcoVadis** and **Ecodesk**, which support our engagement with clients and investors.

## Stakeholder Engagement on ESG

As described on previous pages, IPG brings our five strategic ESG pillars to life at our own company and through our partnerships and engagements with our stakeholders. We also aim to drive change on our priority ESG issues through our creative work.

*More examples of how we engage with our stakeholders on ESG can be found throughout the report.*

### Employees

With 55,600 employees across the globe, IPG is dedicated to engaging and empowering our people. In addition to our enterprise-wide ESG-related policies, IPG frequently engages with our employees on ESG topics through a number of internal channels, including town halls, trainings, employee engagement surveys, performance reviews, regular newsletters and the annual publication of our sustainability report.

IPG employees are also encouraged to join our [Business Resource Groups](#) (BRGs).

*More information on IPG's business resource groups can be found in the [Diversity, Equity & Inclusion](#) chapter of this report.*

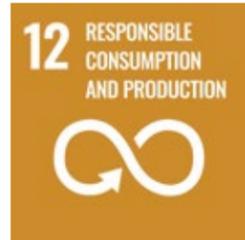
### ESSENTIAL ESG

IPG issues a quarterly "Essential ESG" newsletter to keep employees updated on our ESG developments and to highlight client work that demonstrates strong integration of ESG concepts and initiatives.

These ESG-specific newsletters also encourage employees to submit ideas for more eco-conscious habits for the office.

### IPG SUSTAINABILITY ALLIES

In addition to our [BRGs](#) pertaining to dimensions of diversity, IPG has also established the Sustainability Allies, an enterprise-wide group enabling employees to create sustainable solutions for IPG teams, communities and clients. This group serves as an access point for our employees who are interested in conservation, sustainability and environmental justice. Members share information and opportunities about environmental initiatives and campaigns across IPG, brainstorm climate-forward solutions and host events for the broader IPG community.



In 2021, IPG became a founding member of **AdGreen**, which helps advertisers mitigate the environmental impact of production through the use of a carbon calculator and certification process.

## Clients

IPG regularly engages with clients on their ESG strategies. These work collaboratively, and increase positive impacts.

Clients are regularly informed on our performance and progress through our annual ESG report, as well as our responses to ESG surveys and questionnaires including the CDP and EcoVadis.

We are inspired to create client campaigns that deliver purposeful results and to minimize the environmental impacts of our work.

## Suppliers

IPG is committed to operating our business with the highest standards of integrity and with sustainable practices, and we endeavor to work with suppliers and partners who share our values.

In addition to the requirements in our Supplier Code of Conduct and our Human Rights Policy, IPG engages with our key suppliers during business review meetings where we discuss supplier performance.

IPG is building out our existing supplier diversity program and working to continually increase our diverse spend while providing support to minority businesses.

Additionally, IPG is currently rolling out a supplier outreach program to begin engaging with our vendors on their ESG performance and strategies.



IPG has participated in the National Minority Supplier Development Council's **Centers of Excellence** mentoring program focused on fostering minority business development and enhancing successful business relationships by strengthening the corporate minority supplier development processes.

Investors

IPG is increasingly seeing requests to make ESG-related data available to existing and potential investors. As part of our investor relations program, IPG’s Board of Directors and Investor Relations team regularly engage with investors on issues related to environmental, social and governance initiatives.

IPG regularly engages with various rating agencies and benchmarking organizations, where IPG’s performance and strategy are being scored and ultimately shared with investors.

We engage with rating agencies and benchmarking organizations including:

- Bloomberg GEI
- CDP
- EcoVadis
- S&P Global’s CSA
- HRC’s Corporate Equality Index
- FTSE Russell
- Vigeo Eiris
- MSCI ESG
- Sustainalytics
- Refinitiv
- Bloomberg ESG
- ISS ESG



To support participatory democracy, IPG is a member of both the **Time to Vote** coalition and the **Civic Alliance** and we have signed onto the “100% In for Democracy” pledge.



IPG regularly partners with **charity: water** to help provide access to clean water to communities in need.

IPG is supporting a biosand filter and sanitation program through charity: water at a school in Cambodia and a piped system in Madagascar, which will help provide more than 1,700 people with access to clean water.

Communities

IPG is focused on health, wellbeing and social justice in the communities where we live, work and vote. To encourage voter participation by our U.S employees, IPG has partnered with a number of civic associations that promote such involvement.

We seek to boost our impact in our communities through partnerships with community-based organizations. Each year, IPG contributes financially as well as through in-kind donations to many organizations focused on economic justice, environmental protection, health and social impact.

### Policymakers

IPG regularly takes stands on important issues affecting our world and our business, with a view to promoting empathy and wellbeing in a changing world.

IPG is an active member in trade associations and advocacy organizations involved in issues that affect our business and our industry, including the ANA Educational Foundation and the American Advertising Federation.

IPG's Chief Sustainability Officer is a member of the 4As' Sustainability Task Force and the Ad Net Zero Global Leadership Group.

IPG recently filed an amicus brief in support of the lawsuit filed by the Arkansas American Civil Liberties Union, joining a coalition of businesses, Arkansas trade associations and foundations that came together to oppose a recent ban on gender-affirming care for transgender youth in that state.

In 2021, the CEO of **Acxiom** called attention to the need for a national privacy law that would provide increased transparency about the use of personal data.

IPG became a signatory to the **Business Coalition for the Equality Act**, which unites U.S. employers in support of federal legislation to grant the same basic protections to LGBTQ people that are provided to other protected groups under federal law.



**Sections:**

Sustainable Operations

Climate Action

**Environment**

**IPG takes ambitious climate action, promotes responsible consumption and limits pollution.**

# Sustainable Operations

IPG is committed to fulfilling our responsibility to our planet by taking climate action and limiting our impacts on the environment. We consider environmental impact throughout our global activities and planning, and we select suppliers and business partners who share this priority. IPG is committed to tracking progress on environmental metrics and publicly reports on our performance on an annual basis.



IPG and our employees contribute to global sustainability by making smarter choices in how we conduct business. This chapter outlines our environmental impact strategy, including implementing sustainable practices at our facilities, promoting sustainability among employees and IPG companies, and supporting clients with creative work to advance responsible consumption and environmental sustainability among consumers.

*Details on IPG's approach to climate change and emission reduction can be found in the [Climate Action](#) chapter of this report.*



## Policy & Oversight

In 2022, IPG updated our policy on environmental impact to reflect our recently expanded commitments and practices. This newly revised **Environmental Sustainability Policy** establishes best practices by which individual employees as well as IPG overall can improve our impact on the environment, recognizing that this also brings mutual benefits to our people and the communities where we live and work. These choices can also lead to cost savings, help us align with our clients' expectations and demonstrate our responsibility to other key stakeholders.

The Policy is administered by IPG's Chief Sustainability Officer (CSO), with oversight from the Board of Directors' Corporate Governance and Social Responsibility Committee. It applies to all domestic and international offices across every one of IPG's companies, agencies, subsidiaries, suppliers and affiliates. IPG will take appropriate corrective action in the event of any violation of the Policy.

In addition to the provisions shown on the right, the Policy also outlines an approach for IPG companies in working with existing clients whose businesses are carbon-intensive and in reviewing prospective new clients that operate in the oil, energy and utility sectors.

*The full Policy is available on IPG's [Corporate Governance](#) webpage.*

**IPG's Environmental Sustainability Policy includes specific provisions advising our companies and employees to:**



<p>Use enhanced booking tools to choose the lowest-emissions travel itinerary and form of travel whenever possible, and use videoconferencing where appropriate</p>	<p>Carpool, bike or use public transportation when commuting to work or meetings as much as possible</p>	<p>Move to energy-efficient cloud providers for IT needs and use hot/cold aisles in data centers</p>
<p>Work with building management to maximize recycling, including collection of food scraps for composting</p>	<p>Install low-energy lighting, upgrade to energy-saving lightbulbs and use lighting and climate-control sensors to save energy when offices are not in use</p>	<p>Send broken or obsolete electronic equipment to an EPA-certified recycling firm</p>
<p>Occupy office spaces that use less energy, generate lower levels of carbon emissions and positively contribute to environmental protection wherever possible</p>	<p>Procure post-consumer recycled goods and minimize reliance on single-use plastic</p>	<p>Minimize the storage of paper records</p>

## Programs & Initiatives

IPG encourages more sustainable practices by providing concrete tools for action at both the individual and corporate levels, as well as by each IPG company.

**Employee Training & Awareness:** Training is essential in ensuring that our operations protect the environment and contribute to climate action. Beginning in 2022, our revised Environmental Sustainability Policy has been incorporated into training for all new hires globally and is included in employees' annual Code of Conduct training.

IPG is committed to building broad-based employee awareness of environmental impacts and best practices across our network. This increases our impacts on-site and extends positive behaviors beyond IPG offices, including into employees' remote workspaces.

IPG regularly communicates with employees about the value of individual responsibility to change behaviors and highlights client work across our network that advances our sustainability goals. The practices called for in our Environmental Sustainability Policy are promoted regularly throughout the company.

"As we move along on our sustainability journey, we encourage you to be mindful about your impact both at home and in the office. Turn off lights and equipment when you aren't using them, print less and double-sided when you have to print. Walk or bike when you can and recycle and compost whenever possible."

– IPG Corporate Communication to global employees

IPG's corporate communications team publishes "Essential ESG," a quarterly global employee newsletter with updates on our progress on climate action and sustainability campaigns for clients from across the IPG network.

## ESSENTIA ESG

Recent issues of the newsletter have updated employees on IPG's ESG strategy and specific actions such as our improved sustainable business travel policies, and showcased examples of client work to promote responsible consumption.



### Empowering Our Companies to Act

Each IPG company implements our sustainability strategy and values in ways that make sense for their cultures. Our employee portal provides information on IPG’s climate action strategy to ensure our entire network is aware of our collective goals and ways to implement them.

In 2021, we created an office guide to reducing waste to support other IPG offices in replicating our corporate waste reduction initiative.



**Employee Engagement on Sustainability:** In 2020, IPG established the **Sustainability Allies**, a group of employees who are interested in the environment, sustainability and environmental justice. This business resource group provides opportunities to share information about environmental initiatives across IPG, brainstorms eco-conscious solutions for our work and hosts educational events.

In the lead-up to Earth Day 2021, IPG Sustainability Allies organized IPG’s first annual global Sustainability Challenge in partnership with the UN’s Act Now tracking initiative. The challenge set a goal of saving 50,000 kilograms of carbon dioxide (CO2) and one million liters of water in three weeks. As a result, we saved 2 million liters of water and over 14 tons of CO2 in three weeks.

We also recognized Earth Day through employee engagement and donations around Sustainable Development Goal (SDG) 6, access to clean water and sanitation.

Sustainability Allies also held two virtual events on water in 2021, one ahead of World Water Day in March, and a **second event** in November with charity: water to educate employees on how the organization brings clean water to communities in need.

*For more information on the impacts of clean water and sanitation, see the [Community Engagement](#) chapter of this report.*



32

IPG companies participating in Sustainability Allies by year-end 2021

~80

Individual IPG employees participating in Sustainability Allies by year-end 2021

**Reducing Waste:** IPG is working toward greater responsibility for waste and consumption in the spaces we occupy. At IPG corporate headquarters in New York, building management has contracted with a company that uses our food scraps, compostable plates and compostable utensils to make fuel through a waste-to-energy process. We have installed new, clearly marked bins in common areas on each floor to provide a streamlined way to separate waste into paper, containers, compostables and trash.

Our corporate headquarters building also sponsors a quarterly electronics recycling program, with employees invited to bring items like computers, cell phones, wires/cables and audio equipment for recycling. This program builds on IPG's policy that 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 IPG trash or regular recycling.

Our Environmental Sustainability Policy also encourages the procurement of post-consumer recycled goods wherever possible, to minimize the

“If food waste were a nation, it would be the third-largest source of carbon emissions after China and the United States combined.”

– FutureBrand blog post

impacts of our consumption. At every IPG location, the director of administration or office services is encouraged to work with building management to employ best practices to maximize recycling whenever possible, including collection of food scraps for composting.

To source the most sustainable office supplies, IPG offices in the UK work with Commercial, an award-winning supply company that uses sustainable processes and incorporates the SDGs into its operations. Working with responsible suppliers adds value to our business strategy as we evolve our procurement practices to be as sustainable as possible while conserving financial resources.

IPG is a founding member of **AdGreen**, which helps advertisers mitigate the environmental impacts of production, including achieving zero-waste production processes. We also hold a seat on the Global Leadership Group of **Ad Net Zero**, the advertising industry's drive to reduce the carbon impact of developing, producing and running advertising to net zero.

*For more information on AdGreen and Ad Net Zero, see the [Climate Action](#) chapter of this report.*

**Supplier Environmental Impact:** IPG considers environmental impacts throughout our global activities and planning, and we expect our suppliers and business partners to do the same.

*For more information on how IPG engages with our supply chain on environmental issues, see the [Responsible Supply Chain](#) chapter of this report.*



In the U.S., IPG is working with the not-for-profit organization **Materials for the Arts** to donate electronic equipment to public schools and arts organizations in and around New York City.





## IPG Company Spotlights

### Giving without Swag

**UM** partnered with Cardlytics and Givvly on a [webinar](#) to discuss the environmental impact of advertising during the holiday season, including the role of branded “swag.” They highlighted the annual “Season Without Swag” campaign, a Givvly program to help brands find alternate ways to be charitable.

### Advancing the Dialogue on Responsible Consumption

**FCB West** President Simon White published an [essay](#) in *Muse* asserting that “Advertising alone can’t stop environmental catastrophe, but having helped create the problem, it needs to be part of the solution.” He reflects on his concerns that “the more successful my next campaign, the more pollution and landfill I will have added to.”

White suggests that ad campaigns can promote owning less, moving to electric cars, eating less meat, holidaying closer to home, focusing on experiences over products, buying better products and using them for longer, and making better environmental choices.

### Lessening Our Impact

**Craft Worldwide** [created](#) a new type of paper that has received accreditation from the Forestry Stewardship Council (FSC). This enables all material produced by Craft WW to carry its own Chain of Custody label, demonstrating that the papers follow strict guidelines and ethical procurement values and processes. The paper also carries the EU Eco Label, meaning it follows guidelines for water and energy used in producing it.

At **Acxiom**, 30 water-cooled air conditioning units in the data centers have been [replaced](#) with air-cooled units, which has lowered water consumption and reduced waste. In the last four years, Acxiom’s total water consumption has been reduced by more than 93% as a result of the conversion of water-cooled computer room air conditioner units to air-cooled units. The volume of water that Acxiom is saving would be enough to fill over 21,000 Olympic-size swimming pools.



## Creative Work in Support of Sustainable Operations

IPG proactively works with clients to advance environmental sustainability. In light of IPG's new climate commitments, each employee has an important part to play – including our roles as consumers as well as thought partners to our clients.

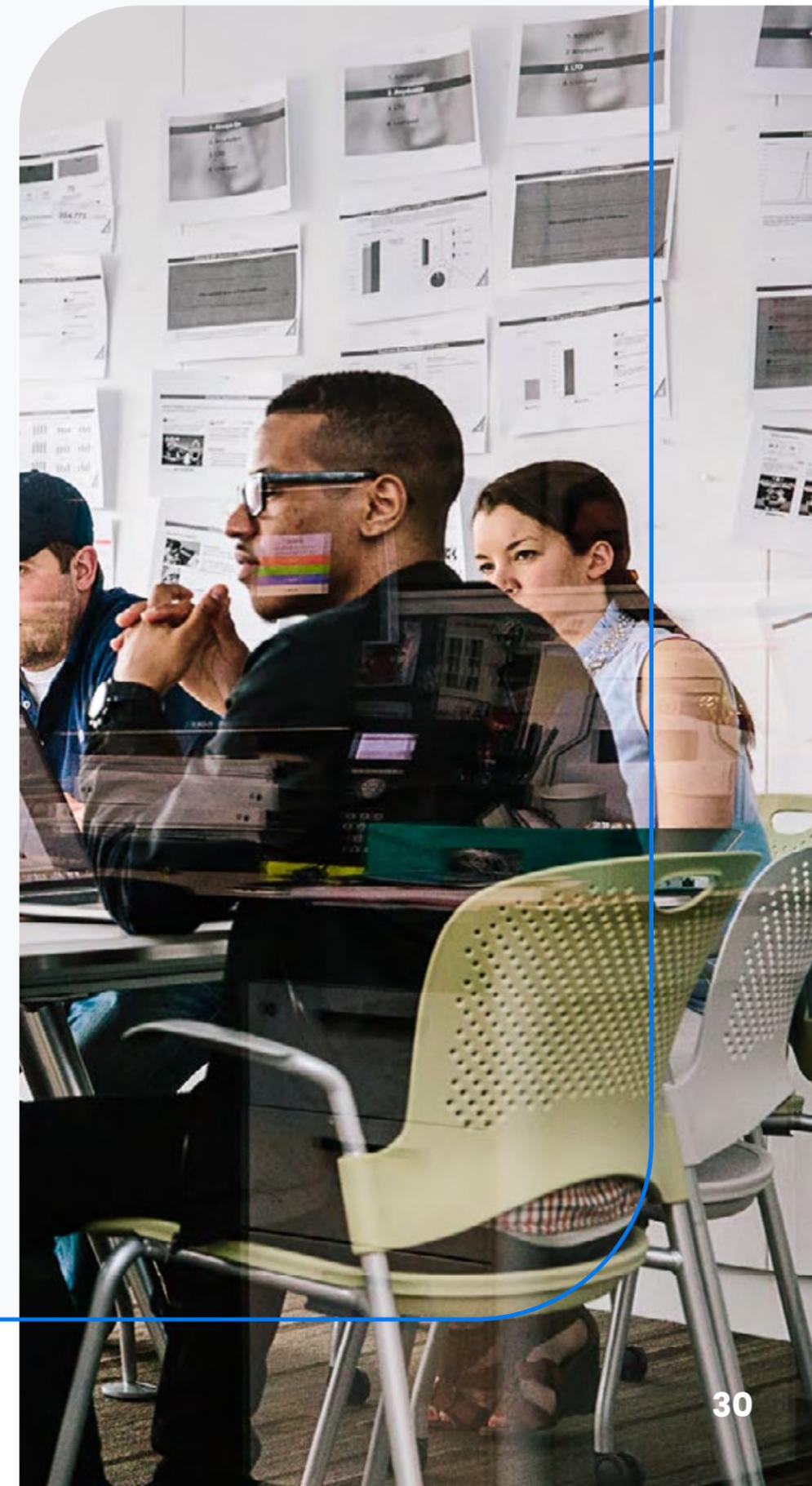
### We encourage our companies to:

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

In 2022, IPG became the first advertising holding company to publish its decision not to support or engage in marketing or communications aimed at influencing public policy that seeks to extend the life of fossil fuels.

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

See next page for examples of creative ways IPG companies and our clients are fostering sustainable consumer behavior.



## Creative Work in Support of Sustainable Operations (continued)



### Reducing Plastics

When Corona became the first global beverage brand with a net-zero plastic footprint, **Weber Shandwick** supported the global announcement by launching “Plastic Reality,” an augmented reality **experience**, during World Ocean Week.

On World Clean-up Day, **Lowe Lintas** helped homecare brand Surf Excel **announce** its transition to 50% recycled plastic bottles.

### Conservation

In a campaign from **McCann XBC**, Mastercard **highlighted** the endangered species that may not exist by the expiration date of each consumer’s credit card. The Wildlife Impact Card program offers consumers an opportunity to donate to Conservation International.

**MullenLowe SSP3** worked with bottled water brand Agua Zalva on two recent campaigns to protect Páramo, a unique alpine ecosystem in Colombia that is the country’s primary source of water:

- On World Water Day 2021, they **launched** an online store “selling” protection of one square meter of the Andean forest for the price of a bottle of water, through actions such as constructing fencing around the forest, planting native species, and educating the Páramo community about good agricultural practices.
- On World Environment Day 2021, a second campaign **invited** Colombians to invest in the Páramo ecosystem. The brand placed advertisements on real estate websites inviting people browsing property to donate to save this valuable landscape.



### Reuse & Resell: Circular Economy

**Weber Shandwick** worked with Mattel to launch a **program** to collect used Barbie, Matchbox and MEGA toys for reuse in future products. Customers can mail their toys to the company, which will sort them for recycling or conversion from waste to energy.

**McCann London** in partnership with **Craft** created a **campaign** positioning eBay as a staple of the circular economy. “When you buy a thing, sell a thing,” urges the campaign, reminding consumers to extend the life of a product beyond one owner.

# Climate Action

IPG 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 IPG network to take action to address both causes and impacts of climate change.



In 2021, IPG announced an ambitious climate action plan, with a goal to reach net-zero carbon by 2040, with intermediate emission reductions targets set for 2030.



## Oversight of Climate Strategy

IPG's Board of Directors, including our CEO and our Chairman, has overall responsibility for oversight of the company's risk management related to climate change. Climate-related issues are considered in the Board's review and guidance of risk management policy, review of annual budgets and oversight of progress against commitments for addressing climate change.

Within the Board of Directors, the Corporate Governance and Social Responsibility Committee has primary oversight for IPG's ESG-related policies and practices, including those specific to climate change. This Committee - and specifically its Chair - is responsible for overseeing and making recommendations to the overall Board regarding the company's policies and practices on ESG-related issues, including climate change. Meanwhile, the Board's Audit Committee holds primary responsibility for the company's management of risks, including those caused by climate change.

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

- The CFO is the executive sponsor of IPG's ESG programs and oversees the ESG Steering Committee. The CFO collaborates with our General Counsel on climate action, and reports to the CEO.
- The CSO is designated with overseeing IPG's efforts on climate change at the consolidated corporate level. Her responsibilities include monitoring climate action performance, while assessing and managing climate-related risks and opportunities. She regularly meets with IPG's ESG Steering Committee and ESG Task Force, and formally reports to the Board annually, with written updates quarterly. The CSO also reports to the Senior Vice President of Communications, where the ESG team sits, while managing its own financial budget related to ESG strategy, including the implementation of GHG reduction practices.



In addition to the ESG Steering Committee, an enterprise-wide ESG Task Force coordinates climate action across IPG companies. The ESG Task Force is composed of individuals throughout the IPG network who are charged by their CEOs with oversight for sustainability at their respective companies; it includes chief financial officers, executives, managers and facility representatives.

**IPG's ESG Steering Committee is a management-level committee, which meets quarterly and is responsible for:**

- Identifying and remediating operational, financial and regulatory risks to IPG and its companies that may be posed by climate change and other ESG issues;
- Assessing and managing climate-related opportunities, including financial impacts; and
- Coordinating and promoting IPG's efforts on climate-related issues, including the review of our annual sustainability budgets and monitoring progress toward our climate targets and other commitments.

This ESG Steering Committee is overseen by the CFO and includes representatives from IPG's various business functions, such as Human Resources; Diversity, Equity & Inclusion; Communications; Information Technology; Real Estate; Procurement; Investor Relations; Travel; Legal; Finance and Controllers. This mix of individuals and departments enables IPG to monitor and identify climate-related risks across all areas of our operations. The Committee's work ensures that climate-related issues are integrated into a multi-disciplinary, company-wide risk identification, assessment and management process.



# IPG Climate Oversight

## Interpublic Group of Companies Board of Directors

Our Board, including our Chairman and our CEO, has overall responsibility for the oversight and management of the company's risks, including those caused by climate change. The Board is kept informed on climate change through several direct avenues, such as reports from the Board's Audit Committee, its Corporate Governance and Social Responsibility Committee, our CFO and our CSO.

**Board of Directors  
Audit Committee**

This Committee has primary responsibility for the Company's risks, including those caused by climate change.

**Chief Financial Officer**

Our CFO is the Executive Sponsor of IPG's ESG programs, and oversees the ESG Steering Committee. The CFO also collaborates with our General Counsel on climate-related issues. Our CFO reports to the CEO.

**ESG Steering Committee**

This Committee monitors and oversees IPG's climate action performance and its progress toward our targets and other commitments. This management-level committee includes representatives from various business functions. It is overseen by the CFO, and meets with the CSO quarterly.

**Board of Directors  
Corporate Governance & Social Responsibility Committee**

This Committee has primary responsibility for the Company's ESG-related policies and practices, including climate change.

**Chief Sustainability Officer**

Our CSO is designated with overseeing the Company's efforts on ESG and climate action at the consolidated corporate level. Her responsibilities include monitoring climate action performance, and assessing and managing climate-related risks and opportunities. She regularly meets with IPG's ESG Steering Committee and ESG Task Force, and formally reports to the Board on an annual basis, with written updates quarterly. Our CSO also reports to the Senior VP of Global Communications.

**ESG Task Force**

This Task Force coordinates climate action across the IPG network with representatives from our various companies. The Task Force meets with the CSO.

Chief Financial Officer	SVP, Global Communications	Global Chief Creative Officer, R/GA
Chief Sustainability Officer	SVP, Investor Relations	
Chief Information Officer	SVP, Corporate Services	President, Powell Tate and Global Lead, Social Impact, Weber Shandwick
Chief Human Resources Officer	SVP, Global Business Transformation & Operations Management	Chief Financial Officer, McCann Worldgroup
Global Chief Diversity & Social Impact Officer		
General Counsel	VP, Global Assistant Controller	Global Chief Client Officer & Chief Sustainability Officer, McCann Worldgroup
SVP, Chief Commercial Officer	VP, Associate General Counsel	

## Measurable Commitments & Targets

IPG is committed to tracking performance against our targets and reporting on progress annually to our stakeholders. In 2021, IPG built upon our previous Scope 2 intensity target to establish a new set of climate action and emissions reduction commitments.

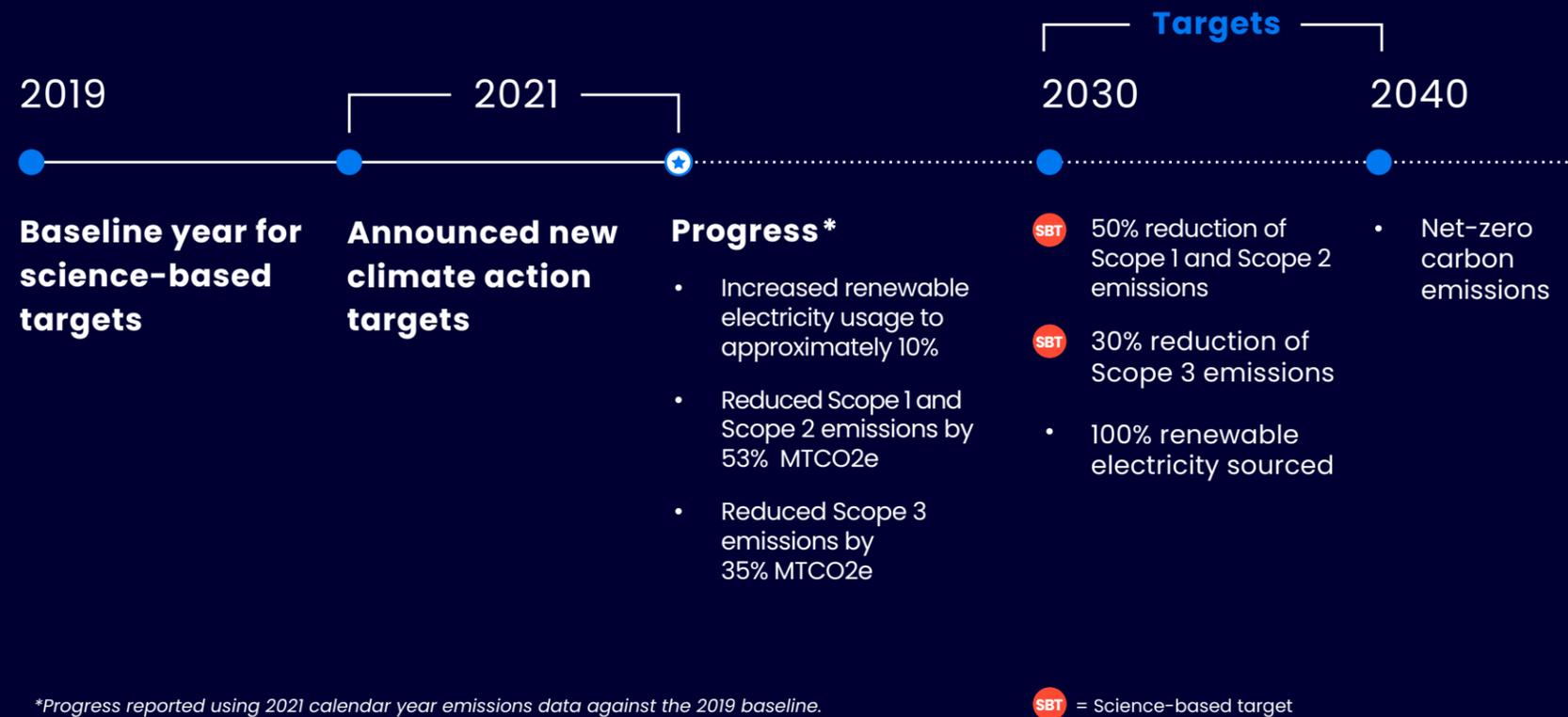
### Our climate targets include:

- **Science-based targets:** To achieve our long-term climate goals, we set the following science-based targets to reach by 2030:
  - 50% reduction of Scope 1 and Scope 2 emissions (2019 baseline)
  - 30% reduction of Scope 3 emissions (2019 baseline)
- **Net-zero emissions:** IPG is a signatory of **The Climate Pledge**, joining 400 companies and organizations in 35 countries who have committed to reach net-zero carbon emissions by 2040.
- **100% renewable electricity:** IPG has committed to sourcing 100% renewable electricity across our portfolio by 2030.



These commitments are aligned with limiting global temperature rise to 1.5°C above pre-industrial levels, which makes IPG a signatory to the **Business Ambition for 1.5°C** and a member of the UN-backed **Race to Zero** campaign. We have submitted our targets for validation with the **Science Based Targets initiative (SBTi)**.

## IPG's Climate Commitments



In 2021, we saw 106% progress toward reaching our Scope 1 and Scope 2 emissions target and increased our renewable electricity usage to approximately 10%. By the end of 2022, our renewable electricity usage is expected to reach 20%.

Considering our 2019 baseline, IPG recognizes the impact the pandemic has had on our progress toward our emissions reduction targets. As our in-person work gradually resumed in 2021, we intentionally adopted additional policies and solutions to continue to minimize our emissions.

Read more about these under [Programs & Initiatives](#) below.

## Tracking & Reporting

In line with our commitment to transparency and accountability, IPG regularly monitors our global energy and emissions data for 100% of our operations. We publicly report on this data on a yearly basis through our annual ESG report and our annual CDP Climate Change response, both of which can be found on our [website](#).

More details on our methodology and approach to Scope 1 and Scope 2 emissions calculations are contained in the management assertion in the back of this report.

In 2021, IPG expanded our Scope 3 inventory beyond our historical air travel emissions reporting. We performed our Scope 3 inventory on the calendar years 2019, 2020 and 2021, including **these relevant Scope 3 categories**:

*Additional GHG data is provided in the [Appendix](#) of this report.*

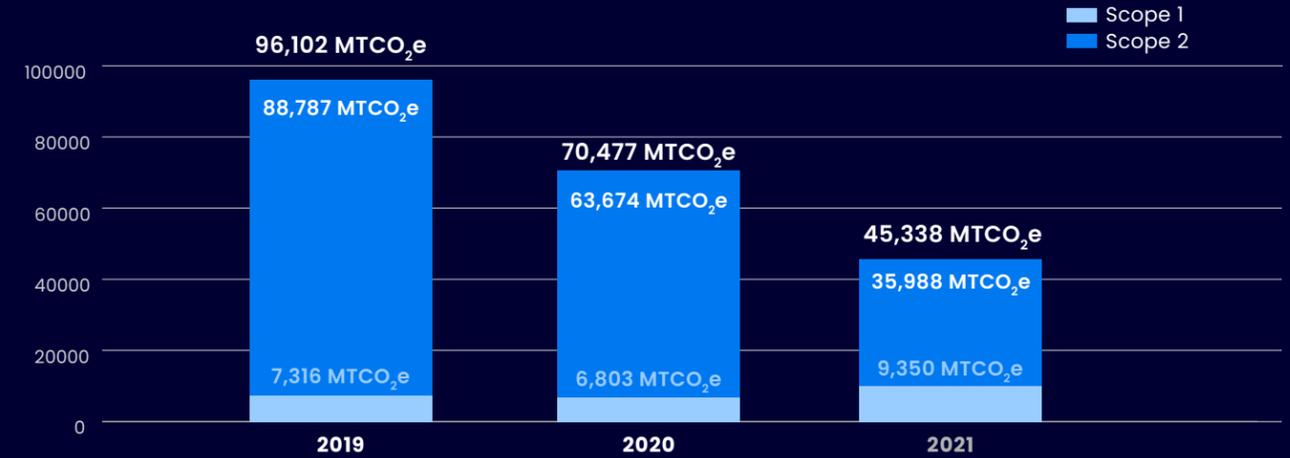
**External Assurance:** PricewaterhouseCoopers LLP (PwC) performed a limited assurance engagement on certain greenhouse gas emissions and certain employee diversity metrics for the year ended or as of December 31, 2021.

See PwC's *Report of Independent Accountants* on [page 154](#).

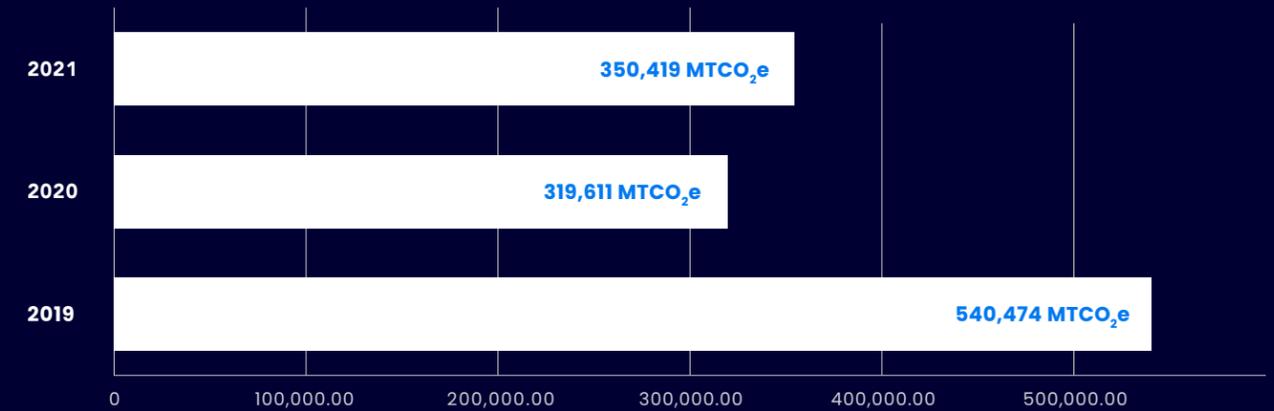
- Cat 1: Purchased goods and services
- Cat 2: Capital goods
- Cat 3: Fuel-and energy-related activities
- Cat 4: Upstream transportation and distribution <sup>2</sup>
- Cat 5: Waste generated in operations
- Cat 6: Business travel
- Cat 7: Employee commuting

- Cat 8: Upstream leased assets
- Cat 9: Downstream transportation and distribution
- Cat 10: Processing of sold products
- Cat 11: Use of sold products
- Cat 12: End-of-life treatment of sold products
- Cat 13: Downstream leased assets
- Cat 14: Franchises
- Cat 15: Investments

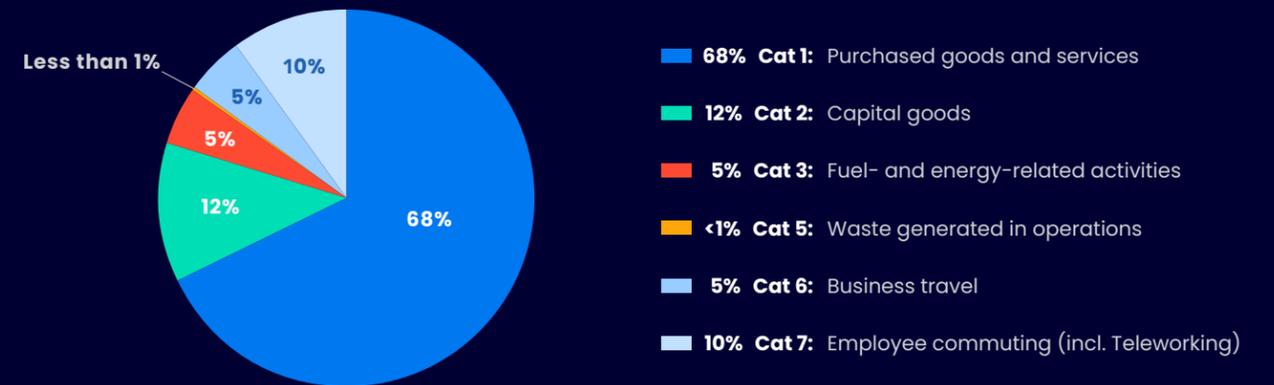
## IPG's Global Scope 1 and Scope 2 Emissions <sup>1</sup>



## IPG's Global Scope 3 Emissions



## IPG's 2021 Global Scope 3 Emissions by Category <sup>2</sup>



*The 2020 GHG emissions used an updated methodology which may cause some variation in comparing year-over-year data. Additional details on our updated methodology can be found in the management assertion letter at the back of this report.*

<sup>1</sup> - Scope 2 data here represents market-based emissions.

<sup>2</sup> - Category 4: Upstream transportation and distribution is included under Category 1: Purchased goods and services.

## Climate-related Risks & Opportunities

IPG has a robust framework for evaluating a wide range of risks and opportunities, including those related to climate change, and whether they have a substantive financial impact. At IPG, climate-related issues are integrated into multi-disciplinary company-wide risk management processes, including monitoring and overseeing progress against related goals and targets.

*Our approach to risk management is described further in the [Corporate Governance & Risk](#) chapter of this report.*

**Physical Climate-related Risks:** IPG incorporates the short-term and long-term physical risks of climate change into our business continuity planning. These risks include the increasing likelihood of extreme weather events and rising sea levels, which might affect IPG's offices particularly in locations expected to be most affected by sea-level rise, such as New York City and Miami.

IPG's crisis preparedness approach includes emergency and incident management and is based on three priorities: safety of employees, protection of company and client assets, and continuity of business operations. For example, if a building in New York City was to be rendered unusable by an extreme weather event, nearby offices have plans and

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.

**Transitional Climate-related Risks:** IPG also considers transitional risks, such as shifting market preferences and changing legal conditions associated with climate change. IPG remains proactive in our climate action strategy because we recognize the short-term and medium-term reputational risk for lack of action on climate due to our clients' and other stakeholders' increased emphasis on climate-related risks.





**Climate-related Opportunities:** Aside from climate-related risks, IPG has also identified opportunities related to climate change.

- **Shift in consumer and market preferences:** Consumer and business interest has been growing in technologies related to climate change mitigation and adaptation. IPG companies are actively identifying and pursuing opportunities presented by clients' responses to climate change-related challenges and their development and marketing of new products and services. In partnership with forward-thinking clients, the creative talent at IPG's companies is driving sustainability efforts by developing campaigns that create new markets for sustainable products. These marketing efforts can shift demand toward more environmentally responsible products and catalyze consumer behavior changes that reduce environmental and social pressures on a meaningful scale.
- **Resource efficiency:** By relocating our offices into more energy-efficient buildings, IPG is investing in opportunities that we expect will lower operating costs associated with electricity, heating and air conditioning. Since 2016, all new tenant buildouts are required to conform to LEED-certified or better, wherever possible.
- **Talent:** Employees are increasingly interested in working at companies that share their values, especially when it comes to climate change and other ESG issues. IPG expects these changing preferences to affect the talent pipeline and is proactively communicating our climate commitments, performance and employee engagement on these issues to our employees, clients, investors and the general public.

*IPG discusses climate-related risks and opportunities in more detail in our 2022 CDP Climate Change response, available on our ESG reporting website [here](#).*

## Programs & Initiatives

Both as a holding company and at the company level, IPG is focused on environmental protection and action to address climate change. This takes place on three levels: reducing the environmental impact of our operations; supporting our clients' progress to reduce their own emissions; and driving public consensus around the urgency of achieving a net-zero world.

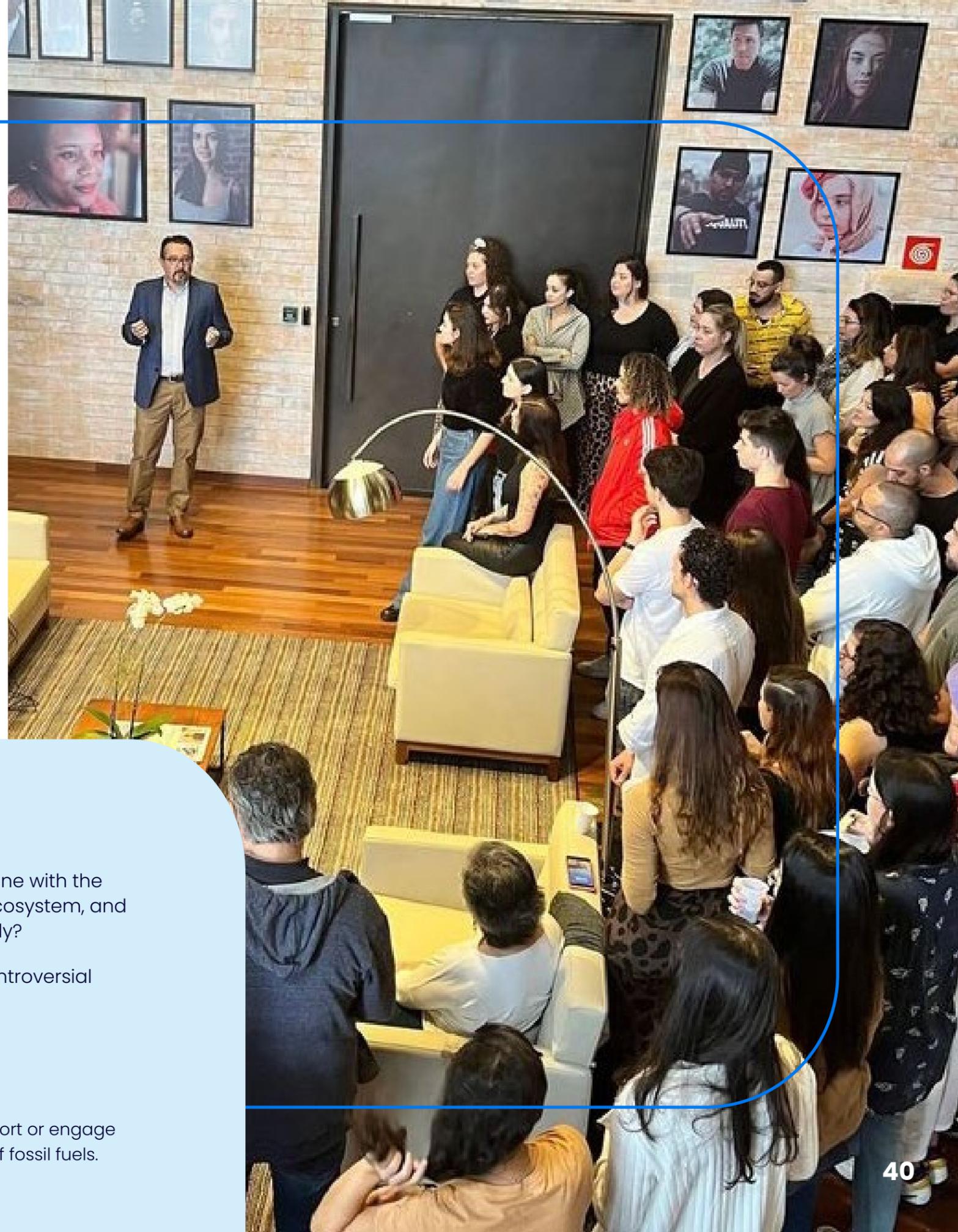
**Reviewing Prospective Clients:** IPG and our companies now **proactively review** the climate impacts of prospective clients that operate in the oil, energy and utility sectors before accepting new work. We have worked with a third-party expert in the area of climate change to develop a set of questions that we expect prospective clients to affirm before we enter a new partnership.

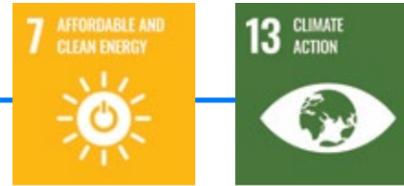
Since putting this review policy in place, we have, on multiple occasions, turned down potential new business opportunities.

### IPG's review of prospective clients in the oil, energy and utility sectors is based on a set of questions including:

- Has the potential client set specific emission reduction goals that are aligned with the 1.5°C ambition to achieve net-zero carbon by 2050 or sooner with no greater than 10% off-setting?
- Is the company publishing clear climate reporting, including scope, baseline, timeline, and the tracking of Scopes 1, 2 and 3 emissions?
- Are the potential client's goals in line with the goals IPG has made in our own ecosystem, and are their goals reported on publicly?
- Has the company ceased any controversial form of oil and gas production?

In 2022, IPG also became the first advertising holding company to publish its decision not to support or engage in marketing or communications aimed at influencing public policy that seeks to extend the life of fossil fuels.





**Promoting Low-Carbon Business Travel:**

Launched by the IPG travel department several years ago, our program to track travel-related carbon emissions was among the first to be instituted at a Fortune 500 company. This program provides a way for IPG employees to be mindful about the impact of their business travel on the environment.

Since the pandemic began, IPG has encouraged the use of virtual meetings, telepresence applications and other technologies when possible and practical from a business perspective. As a professional services company, our work will continue to require travel, but the changes we are implementing around sustainable travel choices have led to a reduction in Scope 3 emissions.

In 2021, IPG revamped our domestic and international travel policies to specifically address sustainability and reduce our carbon emissions associated with business travel and commuting. These policies aim to strike a balance between the importance of in-person communications and relationship-building with the urgency of slowing global warming.

Our travel policies are available for review on our [website](#).

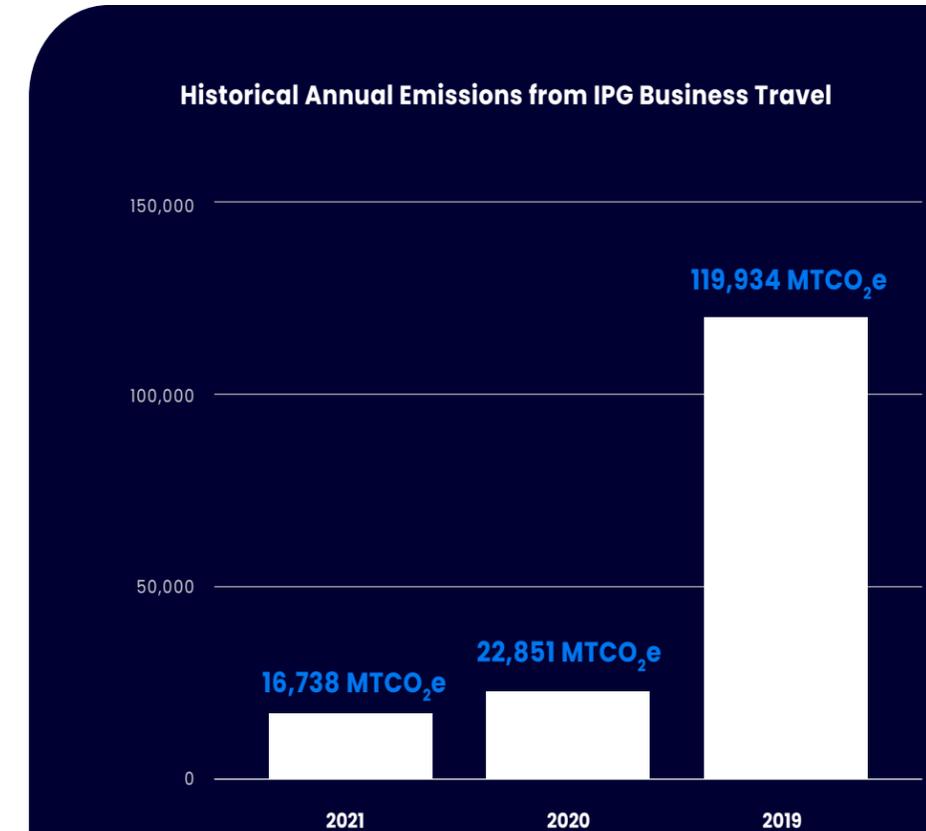
These policy updates are aided by a new enhancement to our online booking application, which allows our employees to make business

travel choices that are less damaging to the environment, including the consideration of rail travel over air and carefully selecting air travel class.

In early 2022, we introduced the Tripkicks platform to provide IPG travelers as much information as possible before booking a trip, ensuring they can align their plans with our updated sustainable travel policies. The platform sorts air travel options by carbon emissions, in addition to schedule and cost. It displays a variety of actionable travel insights, including entry and quarantine restrictions, COVID-19 data, eco-friendly booking options and hotel health/wellness amenities. The tool, which is available in almost all countries globally, works with SAP Concur and presents the information within air and hotel search results. IPG’s travel department has produced a reference guide with a training video and sessions for employees.

As a client services business, IPG 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, and we have begun to support the development of sustainable aviation fuels (SAFs).

**Increased Use of Renewable Energy:** In line with our commitment to source 100% renewable electricity by 2030, we intend to incrementally increase our renewable electricity usage on an annual basis. IPG is purchasing Energy Attribute Certificates (EACs) and Renewable Energy Certificates (RECs), as well as exploring opportunities to join power purchase agreements (PPAs). In 2021, we increased our renewable electricity usage to approximately 10%, and remain on track to reach 20% in 2022.



This data represents the total annual global emissions from IPG business travel (including air, hotel, rail and car travel).



**Energy Efficiency:** IPG's gross global emissions have decreased due to energy efficiency programs and the implementation of sustainable standards in the management of our real estate portfolio. Initiatives that have also reduced operating costs include:

- **Minimum standards for new office spaces:** It is the policy of IPG Real Estate to seek the most energy-efficient tenant spaces and office buildings. Since 2016, all new tenant occupancies are required to be in buildings that are LEED-certified, whenever possible.
- **Relocating for better resource use:** By moving our offices into more energy-efficient buildings, we have the opportunity to save on operating costs such as electricity, heating and air conditioning. When IPG's Central IT (information technology) location moved from New York City, NY to Jersey City, NJ, it was able to achieve Gold-level LEED certification for its new IT headquarters.
- **Energy conservation:** In addition to working in ENERGY STAR and LEED-certified buildings whenever possible, our Environmental Sustainability Policy encourages employees to save resources as they work by switching off all energy-consuming equipment when not in use and installing low-energy lighting when bulbs expire, including upgrading to those that use 75% less energy.
- **Efficiency through sharing space:** Sharing facilities is another component to reducing our energy usage and carbon footprint. IPG's real estate policies require our companies to seek real estate solutions within the existing portfolio before leasing additional office space. The policies provide a benchmark of square footage needed per person.
- **Green design and green spaces:** We encourage IPG companies to employ "green designs" and to proactively seek, and obtain whenever possible, LEED certification for any 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.
- **IT efficiencies:** To improve our IT operational efficiencies and reduce energy consumption, IPG consolidated four of our Global IT Data Centers by migrating IT infrastructure and applications operations to the state-of-the-art Scott Technology Center facilities in Omaha, Nebraska, in 2008. Since this consolidation, IPG expanded the use of virtualization technologies by 80%, which has reduced power consumption in IT operations by 66%. IPG has been able to

continue to reduce the number of server racks and power required to run our enterprise infrastructure and applications, while continually adding new feature functionality. In 2020, IPG reduced its primary enterprise data center square footage by 60%, and in 2021, with increased use of cloud solutions and virtualization technologies, we reduced power consumption in the primary data center by an additional 5.73%.

Over the next three to five years, IPG will continue to roll out a company-wide IT strategy where moving to the cloud is a priority. This approach begins with a review of the timing of hardware and software systems at the end of useful life and/or end-of-contract terms. We will migrate to approved suppliers that have been vetted to assess their commitments to reduce impacts of climate change including energy efficiency and sourcing of alternative energy. Moving our hardware and software systems from corporate locations to our providers' energy-efficient data centers will significantly reduce our carbon emissions and help achieve IPG's climate commitments.

As of year-end 2021, we have reduced our global occupied office space by:

**2.2M** square feet,  
since 2019

**~22%**  
since 2019

## IPG Company Spotlight

### Progress at U.S. Data Centers

**Acxiom**, which operates several data centers in the U.S., is undertaking targeted projects to improve the efficiency of its data centers and reduce its overall environmental impact. The company is making significant progress in three key areas: consolidating data centers; shifting to virtualized environments; and converting to air cooling.

Between 2018 and 2022, Acxiom phased out three of its eight owned data centers, significantly reducing energy consumption across the company's footprint. The company also closed one of its leased facilities in the Chicago area.

In addition, Acxiom's cloud-first approach means a move to dynamic virtualized environments, which in turn enables consolidation to a smaller number of servers. This means there are fewer devices in

the data centers that require power and cooling. Over the last three years, the Acxiom Private Cloud has enabled considerable migration to dynamic virtual environments, with an almost four-fold increase in virtual instances in 2021 alone.

As a result of these initiatives, Acxiom's annual electricity consumption dropped by approximately 38% over the last four years, using 30,000 kilowatts less each year than it did in 2018.

Acxiom continues to minimize the footprint of its data centers and is planning to exit another facility in 2023. In addition to making data centers more sustainable, the company is addressing its wider carbon footprint across the organization by reducing waste and optimizing power usage across all of its facilities.





## Client & Industry Partnerships

IPG is proud to support our many clients who are reducing their own emissions, while also working with organizations to drive public consensus around the urgency of achieving a sustainable world.

We support our clients' climate action strategies by working together to reduce our own emissions as well as the emissions associated with the work we do for clients.

IPG also engages with our clients by informing them of our environmental impact and climate commitments through commonly utilized annual reporting questionnaires, such as CDP and EcoVadis.

Additionally, IPG is exploring opportunities to evaluate the environmental impact of the advertising and marketing services we offer to clients.

**IPG is a signatory and/or member of the following alliances and campaigns to reinforce our own climate commitments:**

**1 UN Global Compact:** IPG was the first U.S.-based advertising holding company to join the world's largest corporate sustainability initiative. A participant in the UN Global Compact since 2015, IPG is committed to upholding its 10 principles on human rights, fair labor practices, environmental sustainability and anti-corruption. IPG submits an annual communication on progress (CoP) on the action we take to advance these goals.

**2 Science Based Targets initiative (SBTi):** IPG has submitted our science-based emissions reduction targets to SBTi and is currently undergoing the validation process.

**3 Race to Zero:** This United Nations-backed campaign is the world's largest alliance for achieving net-zero carbon emissions by 2050. The coalition includes thousands of businesses, hundreds of the largest investors, many cities and regions, as well as higher education institutions.

**4 Business Ambition for 1.5°C:** This campaign, led by SBTi in partnership with the UN Global Compact and the **We Mean Business Coalition**, calls on companies to commit to setting ambitious, science-based emissions reduction targets. By setting a net-zero target in line with a 1.5°C future, businesses can help limit the worst impacts of climate change.

**5 America Is All In:** This is the most expansive coalition of leaders ever assembled in support of climate action in the U.S. Alongside the federal government, members work 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, in alignment with the Paris Agreement on climate change.

**6 The Climate Pledge:** Co-founded by Amazon and Global Optimism, a growing list of 400 companies and organizations have become signatories to The Pledge committing to net-zero operations by 2040. The Pledge calls for regular reporting on emissions, decarbonization strategies and utilizing credible carbon offsets.

*Continued on the next page*



**7 Ad Net Zero:** This is an advertising industry initiative to reduce to net zero the carbon impact of developing, producing and running advertising. With IPG as a founding member, Ad Net Zero was launched in the UK in November 2020 by the Advertising Association, IPA and ISBA, with a five-point action plan to reduce carbon emissions from UK advertising operations to net zero by 2030, with businesses committing to robust, verified plans to reduce their emissions. It also pledges to use the power of advertising to accelerate the switch to more sustainable products and services for consumers. IPG's CSO is a member of Ad Net Zero's Global Leadership Group, which is working to globalize the initiative. The U.S. chapter was launched in February 2023.

**8 AdGreen:** This Advertising Association initiative, of which IPG is a founding member, was established in 2021 to provide tools to help advertisers track and mitigate the environmental impacts of production to advance a zero-waste and zero-carbon future. The hallmark of the initiative is a carbon calculator and certification process. These tools provide data-driven insights for agency producers, and the industry at large, to set goals and assess progress. The U.S. chapter was launched in February 2023.

**9 IPA Media Climate Charter:** This initiative provides media agencies with resources to transition to a zero-carbon future, including a carbon calculator that determines carbon emissions associated with media plans. **Initiative** and **UM** are founding members and supporters.

**10 isla: Jack Morton** is a founding member of this initiative – the event industry's sustainability body. isla has developed a calculator called TRACE that offers real-time measurement of carbon impacts of physical and virtual advertising, and can help reduce businesses' carbon footprint.

**11 American Association of Advertising Agencies:** The 4As works with the industry to advance social and civic goals, and facilitates *pro bono* efforts on the part of its members to support social and community causes. Our CSO is a member of the 4As' Sustainability Task Force, which was established in 2021 to help agencies develop solutions for climate action.

**12 Green The Bid:** This is an industry initiative aimed at shifting commercial advertising productions to zero-waste, carbon-neutral and other sustainable and regenerative practices.

## Creative Work in Support of Climate Action

A **McCann** report from 2021 found that 82% of people globally say climate change is the biggest challenge facing the world in the next 20 years, on par with the threat of a growing number of pandemics. In this context, our clients are increasingly interested in marketing and communications that address the climate crisis and provide possible solutions.



### Truth

Sustainability is not separate from our lives; sustainability is us.



### Provocation

Every company should be a sustainability company as the issue profoundly affects every human being on the planet.



### Climate & Health

To help raise awareness of the effects of climate change on human health, **McCann Health London** and **McCann Health New Jersey** created “The EnvironMental Issue,” an eight-page special edition newspaper, for charity EpiCC. The printed result used ink grown from algae, pulp from sustainable forests and wind-powered energy.

### Climate & Food Production

**Weber Shandwick’s** “Team N” partnered with Nestlé USA to announce that a Carnation dairy farm will pilot technology and practices to achieve carbon neutrality for Nestlé within the next five years.

Weber Shandwick also announced the results of Horizon’s carbon footprint as part of the company’s carbon-positive by 2025 commitment.

**Mediahub** brought a Chipotle ad to the Super Bowl for its first time, with a spot showcasing how the restaurant chain’s Food with Integrity standards save water, reduce carbon emissions and support local and organic farmers.



### Encouraging Activism

**FCB Chicago** partnered with Google, Global Citizen and 360i on a [video](#) to motivate viewers to protect the planet from climate change. The spot shows a photo of a house being burned down by wildfire and creates a realistic, 360-degree audio experience.

**Rapport** launched a [campaign](#) for a fictitious insurance company to protect the Earth. The website reveals that insurance for the planet does not exist, and its protection rests on people's action. People were asked to share their plans using the hashtag [#InsureTheEarth](#), and social media accounts for the campaign offer tips on how they can help prevent climate change.

### Climate & Personal Finances

**FCB Inferno** and NS&I's Green Savings Bonds [campaign](#) helps savers invest in a more sustainable future.





## Social

**Our people do work that makes a difference and are valued for their contributions – all in an inclusive environment.**

### Sections:

Diversity, Equity & Inclusion

Human Capital Management

Employee Health & Safety

Responsible Supply Chain

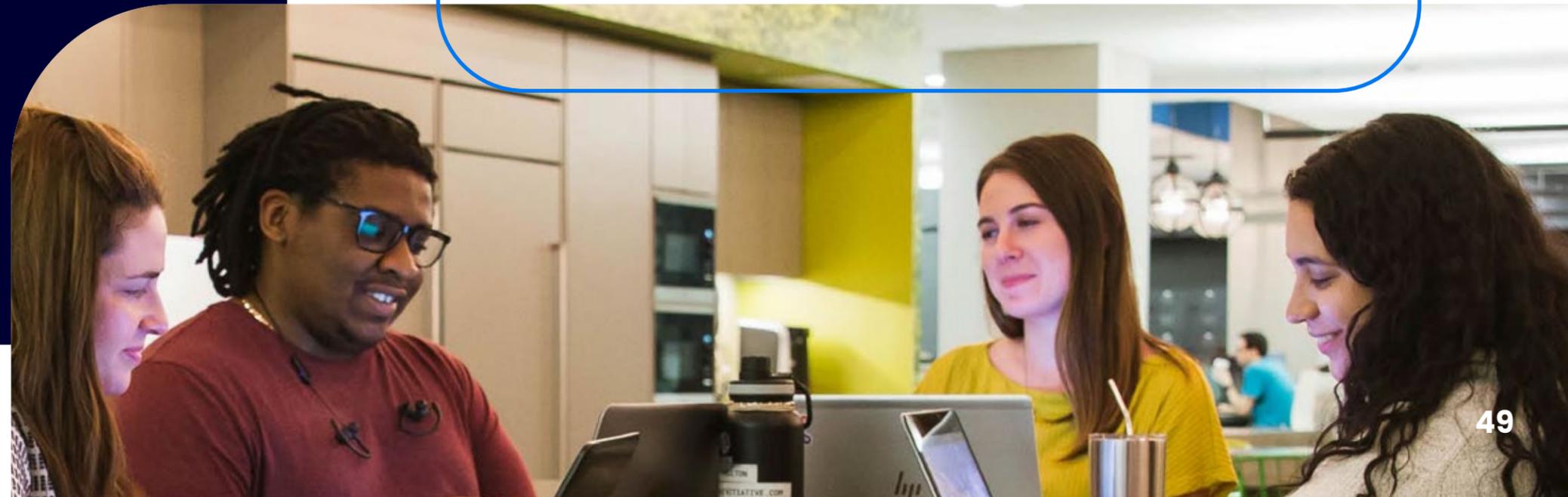
Community Engagement

# Diversity, Equity & Inclusion

Ensuring a diverse, equitable and inclusive workplace is a business imperative for our company. Our commitments are backed by policies, programming and accountability. We aim to be one of the world's most diverse and inclusive companies, to foster a workplace that is open to new ideas and fully supportive of our colleagues across all dimensions of diversity, and to ensure fairness, opportunity and access for all of our people.

**IPG is a values-based company, and we act on these values in ways that include:**

- Being intentional and consistent in our focus on diversity, equity and inclusion (DEI);
- Transparently reporting our progress on increasing the participation rates for under-represented groups across IPG;
- Ensuring that our agency cultures are inclusive and that our practices support opportunity in equal measure for all of our colleagues; and
- Ridding the work that we do for clients of stereotypes and biases, whether it is creative messages or audience identification and data strategies.



## Oversight

IPG's Board of Directors reviews progress on diversity metrics using measurable goals to assess performance each year. The Board is actively involved in talent management and is regularly updated on diversity as a key talent indicator for the workforce. The Board has designated overall responsibility for DEI oversight to our Corporate Governance and Social Responsibility Committee.

Over a decade ago, IPG was the first company in our industry to appoint dedicated leadership on DEI when we hired a Director of Diversity and Inclusion and established the industry's first office of global diversity and inclusion. Today, IPG's DEI programs and strategy are overseen by our Global Chief Diversity and Social Impact Officer.

IPG supports the Global DEI Group with staffing, resources and investments in vital measurement tools and programs to help our companies succeed on diversity-related priorities and objectives. In 2021, our DEI Group was awarded the 2021 Diversity Team Award from *Profiles in Diversity* journal.

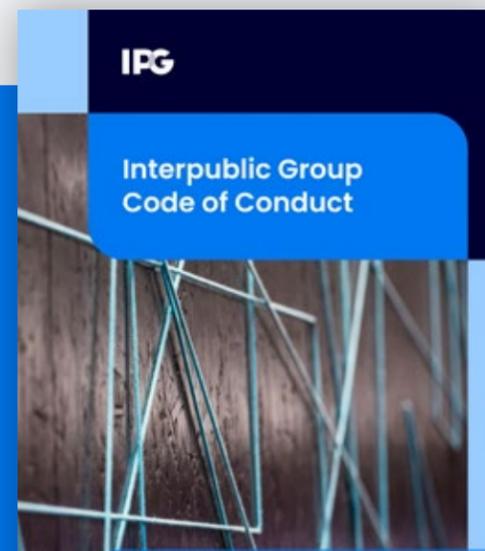
IPG executives are also held accountable via compensation tied to diversity metrics.

## Policies

**Our policies help ensure equal opportunities and a fair culture for all of our employees:**

- IPG's **Code of Conduct** sets expectations for a work environment that embodies respect and dignity for all employees globally. The Code makes clear our policies that prohibit discrimination based on gender identity, race, ethnicity, nationality, religion, age, sexual orientation, disability and other dimensions of diversity. The Code also sets out our zero tolerance policies against harassment of all types including sexual and racial harassment.
- Our detailed **Anti-Harassment & Equal Employment Opportunities Policy** aims to ensure a fair, ethical and respectful work environment for all employees. This Policy states that IPG and its subsidiaries will provide equal pay for equal work. It prohibits discrimination or harassment on the basis of any protected characteristic, details the methods for employees to make complaints regarding any such conduct and protects them from retaliation. The Policy also covers other priorities such as preventing sexual harassment.
- Our **Human Rights Policy** details how IPG implements its policy on diversity and non-discrimination, including through reasonable accommodation for disabilities, promoting from within the organization and prohibiting all forms of harassment. The Code of Conduct and Human Rights Policy both express our respect for the International Labour Organization (ILO) conventions on discrimination and equal pay.
- IPG's Board of Directors considers diversity when seeking and reviewing candidates to join the Board. In 2021, IPG published our first official **Policy on Board Diversity**, which is included in our Corporate Governance Guidelines. The Policy aims to combat the underrepresentation of women and people of color on corporate boards. It supports IPG's efforts to have Board members who have not only broad professional experience – looking beyond membership on corporate boards – but also diverse perspectives fostered by varying gender, ethnicity, skills, experience and functional, geographic or cultural background.

These policies are available on our [Corporate Governance](#) website.



## Reporting a Concern

Everyone at IPG can help ensure that our workplace is free from discrimination or harassment. Employees are encouraged to report known or suspected discrimination or harassment to a trusted manager, their local human resources director, the Corporate Human Resources Officer, the IPG legal department or the [Alertline](#).



## Training

IPG is committed to implementing regular training programs to eliminate discrimination, harassment or other unfair treatment in our workplaces.

IPG employees are trained regularly on many of the diversity-related policies discussed on the prior page. Our annual IPG Code of Conduct training, required of all full-time and part-time employees, reinforces our diversity and inclusion expectations and has included content on harassment, unconscious biases and subtle forms of discrimination that might not be egregious violations of the law, but that are outside our Code and could have discriminatory or biased impact. Additionally, IPG provides anti-harassment training to all new hires in the U.S., and all employees are re-trained on the topic regularly (depending on local regulations).

*More information on anti-harassment training is provided in the [Ethics & Integrity](#) chapter of this report.*

### 2021 Completion Rates from Required Employee Groups\*

#### Code of Conduct Training

New Hires:

**89%**

Current Employees:

**90%**

#### Anti-harassment Training

Employees & Supervisors:

**92%**

California - Employees & Supervisors:

**88%**

*\*During 2021 we experienced significant technical challenges following a switch in learning management systems, which resulted in a delayed rollout of some courses across the organization.*

## IPG Company Spotlight

### Learning to Build an Inclusive Culture

The starting point in building a more inclusive culture is having a shared language. This provides the foundation for conversations that move us forward. In 2021, **IPG Mediabrands** launched {Inclusion Matters}, a global education program that offers a learning journey for every employee, customized by their role and level within the organization.

The program includes immersion sessions for executive leaders and “Inclusion Catalyst” initiatives to amplify key messages, share news about the program and spread insights and inspiration. New courses are offered each year, tailored to the unique needs of each region where Mediabrands operates.

## Targets & Objectives

For many years, IPG's Global DEI Group has set strategic and measurable goals for our business leaders to incentivize behavior that will increase equity in our company for Black, Indigenous and People of Color (BIPOC) talent.

In 2006, IPG became the first in our industry to tie the compensation of CEOs to diversity hiring, promotions and representation. We have set annual High Priority Objectives (HPOs) for diversity and representation increases globally. This process includes standards and expectations for hiring, promoting and retaining BIPOC talent.

We apply a scorecard that holds CEOs formally accountable for: a DEI lens on succession planning; retention and sustained progress with representation of Black talent; and improving mobility as measured by representation between levels. CEOs are also held accountable for survey results of their employees that focus on: their actions as role models; perceptions of fairness; intent to stay; and ensuring all employees' wellbeing is supported.

At the end of each year, the performance of each IPG company is assessed against these diversity HPOs. Today, IPG's senior executives and most agency network CEOs have formal goals tied to their annual incentive compensation.

"We can only create meaningful change for clients in diverse markets when we are intentionally diverse. Public relations professionals must play a more prominent role in social progression, including paying more attention to marginalized communities and understanding their views of reality."

– Kristofer Zhu, Golin China



## Programs & Initiatives

Diversity and inclusion are key elements in how IPG delivers value to our stockholders, our clients and our people. We are creating a representative and highly talented workforce at every level, with a culture that drives belonging, well-being and growth for all our people and fosters the cultural insights and sensitivity to help our clients make authentic and responsible connections with their customers.

IPG CEO Philippe Krakowsky sent an all-staff communication noting that “violence against women continues to be a pandemic in its own right,” and announced donations from IPG to organizations promoting racial justice and bolstering actions to call out hate, such as the Asian American Legal Defense and Education Fund, Stop AAPI Hate and Peace One Day. He also affirmed that IPG would continue to support organizations working to end violence against women by providing financial contributions, *pro bono* work and volunteerism.

In 2021, IPG’s Global DEI Group supported approximately 40 programs or events, many in partnership with our employee resource groups. Initiatives include topics such as violence and invisibility affecting the LGBTQIA+ community, people of color and women across many dimensions of diversity and religious minorities.

When the U.S. Supreme Court overturned the constitutional right to abortion, IPG announced that it would provide travel funding for employees or their family members to access reproductive healthcare, as part of the company’s commitment to equity and inclusion.

### Workshops from outside experts and not-for-profits covered:

- Bystander intervention to address anti-AAPI (Asian American and Pacific Islander) hate;
- Allyship for queer communities of color;
- Sensitivity to religious needs; and
- The nuances of mental health and wellbeing needs for people of different ages, genders, cultural backgrounds, sexual orientation and other factors.

“We are taking this decision as relates to our benefits in order to ensure that an option that an individual deems best for them and that is legally available to some among us remains available to all.”

– IPG CEO Philippe Krakowsky

## IPG Company Spotlight

### Allyship with Asian Americans

UM’s employee town hall in April 2021 featured a panel discussion on the rise in anti-Asian sentiment, the history of anti-Asian racism in the U.S. and how we can drive meaningful change through education, action and allyship.



IPG announced its support for the UN's International Day for the Elimination of Racial Discrimination and invited all IPG employees to join the [online event](#). Additionally, IPG made a [donation](#) to the George Floyd Memorial Foundation on the one-year mark of his death, in support of efforts to challenge the root causes of racial inequity and end the systemic violence that affects Black Americans.

In 2021, IPG became a signatory to the [Business Coalition for the Equality Act](#), which unites U.S. employers in support of federal legislation to grant the same basic protections to LGBTQ people that are provided to other protected groups under federal law. The legislation would prohibit discrimination on the basis of sexual orientation and gender identity in employment, among other spaces such as housing and public service.

**Pay Equity:** We remain committed to our work to ensure pay equity for women and underrepresented groups. This includes an annual review with an independent expert, and addressing any discrepancies we find.

We annually conduct pay equity reviews in conjunction with an external consultant to compare compensation on the basis of gender and race between employees who are similarly situated with respect to factors such as job function, experience and geography. Our analysis covers the U.S. and several key international markets, and we are gradually expanding to cover our full population. Based on our analyses to date, there were no findings of widespread pay inequalities. Any individual anomalies that have been identified have been corrected.

In 2021, IPG renewed its support for the [UN Global Compact's Women's Empowerment Principles](#) (WEPs), a program guiding businesses to promote gender equality and women's empowerment in the workplace, marketplace and community. The WEPs are comprised of seven actionable principles and aim to push businesses to achieve the UN Sustainable Development Goals and targets related to gender equality, such as SDG 5.

## IPG Company Spotlight

### Remembering Trans Peers

For the 2021 Transgender Day of Remembrance, Bruno Cetira, an **IPG DXTRA** leader for diversity and inclusion in Brazil, shared his perspective on the importance of creating a safe haven for the transgender community in Brazil, including youth and people of color.

He called for building a support system for them *"in our families, in our social circles and in our workplaces [to ensure] they achieve their full potential and be remembered while they are still alive."*

Beginning in 2020, IPG included Juneteenth as a formal holiday as a matter of policy and created a [resource guide](#) about the milestone date in U.S. history.



**2021 Outstanding Company  
for Working Mothers**



## IPG Company Spotlight

### Diverse-Owned Businesses

**Mediahub's** DE&I Taskforce announced *The Ultimate Inclusive Gift Guide* ahead of the 2021 holiday season. The [sharable resource](#) supports businesses that are owned by BIPOC, LGBTQIA+ people, veterans and people with disability.



### Inclusive Sourcing & Business Partner Diversity:

Business diversity is a strategic corporate initiative at IPG and a core element of our overall commitment to diversity. IPG is committed to working with suppliers and partners who reflect the diversity of our world, our stakeholders and our clients' customers. A diverse supplier base gives IPG a competitive advantage and helps to improve lives in our communities and around the world. To that end, we actively seek out and provide opportunities for companies owned by women, racial and ethnic minorities, veterans, LGBTQIA+ people and people with disability.

In 2021, the certified diverse third-party vendor spend in the U.S. was \$171 million representing over 6.6% of our total third-party vendor spend. Since launching our new supplier management platform in 2021, 145 certified diverse vendors have been onboarded with their supporting certification documentation.<sup>1</sup>

Several of our companies are involved with Free the Work, a not-for-profit increasing opportunities for women and people of color in directing and producing.

Supplier diversity is also discussed in more detail in the [Responsible Supply Chain](#) chapter of this report.

<sup>1</sup> - As we continue our efforts around supplier diversity, this year IPG has transitioned our ESG reporting on this number to include only certified diverse suppliers so that we can better track our progress. We expect this number to increase as additional suppliers complete the on-boarding process.

In 2021, **IPG Mediabrands** launched a first-of-its-kind [Equity Upfront™](#) initiative to raise industry awareness of the importance of investing in diverse-owned media. IPG Mediabrands made the industry's first spending commitment in this area – to invest at least 5% of the total advertising spend of its clients with Black-owned media businesses by 2023. Equity Upfront also includes an annual event to accelerate support of Black-owned media businesses and media partners with Asian, Hispanic and LGBTQIA+ ownership.

Throughout 2021, **MAGNA** hosted a series of [Equity Sessions](#). These ongoing webinars have featured nearly 100 diverse-owned media partners, and viewership has surpassed 2,000 attendees. Sessions have highlighted both the strategic significance of diverse audiences as well as the need for brands to connect with them in authentic, culturally resonant ways on platforms with diverse ownership. This work is informed by MAGNA's signature research, which continues to reveal the indisputable value of multicultural audiences. The sessions continue quarterly in 2022.

**Learning & Culture:** IPG is committed to cultivating more inclusive leadership and management by investing in learning and practical experiences to ensure we are allies and consistent advocates for each other.

Through events, trainings and curated content, research and tools, IPG fosters awareness and action on issues related to the recruitment, retention, advancement, well-being and belonging for people who are part of underrepresented groups.

**Our programming addresses topics including:**

- Support for employees or their family members with disabilities
- Mental health and physical well-being
- Cultural and historical explorations
- Inclusive behaviors and meeting practices
- Culturally sensitive and authentic marketing and advertising
- Allyship behaviors
- Managing, mentoring and sponsoring diverse talent

We have also sponsored clinical group counseling on stress and trauma related to racism, hate speech and violence.

## IPG Company Spotlights

### Connecting with Indigenous Community

**FCB Canada** invited the head of the Toronto Aboriginal Support Services Council to speak with employees about truth and reconciliation regarding the legacy of residential schools in Canada.

FCB has Indigenous representation on staff and an **outreach program** with advertising colleges to provide internships for people from the Indigenous community.

### A Decade of Diversity Scholarships

For the last decade, **Acxiom's Diversity Scholarship** has been providing \$5,000 funding to U.S.-based students from diverse backgrounds who are enrolled in a full-time post-secondary degree programs on topics such as computer science, computer information systems, management information systems, information quality, information systems, engineering, mathematics and statistics or related areas of study.

### Recipes for Change

**Golin Singapore** collected its employees' favorite recipes and published "RACEipe for Change." The **compiled recipes** reflect the Golin team's interest in diverse cuisine and breaks stereotypes, with an Indian employee sharing her favorite pasta recipe and a salsa dip from a Malay team member.

The collection was designed by Golin's creative team and published as an eBook on Instagram. The cookbook was officially launched in line with Racial Harmony Day and Singapore's National Day.



### Anti-Racism and Data-Driven Advertising

**Kinesso** produces a regular podcast called **All Jargon Aside**. On a recent episode, leaders from IPG and ViacomCBS discussed anti-racism, sharing their personal experiences watching the industry evolve, and explaining how data-driven advertising is shaping the conversation.



## Employee Engagement

IPG has conducted a survey of its U.S. employees, as well as some in Canada and the UK, to assess our “Climate for Inclusion.” The survey covered employee perceptions about their work experiences and environments, including the impact of our diversity and inclusion activities. It assessed responsiveness to differences and other important levers for innovation, growth and belonging.

IPG’s **Business Resource Groups** (BRGs) bring together employees across geographies and companies. They provide a positive forum for development, education and idea exchange, particularly pertaining to dimensions of diversity. These groups also address career development and management training, executive presence and the importance of mentors and sponsors.

### Our global BRGs include:

- Asian Heritage Group (AHG)
- Black Employee Network (BEN)
- Women’s Leadership Network (WLN)
- SOMOS (Hispanic/Latino Heritage Group)
- PLUS (LGBTQIA+ Community & Allies)

Asian  
Heritage  
Group



**THURSDAY, JUNE 3 | 4:00 - 5:00 PM EST**

In response to the rise in Anti-Asian/American and xenophobic harassment, Hollaback! has partnered with Asian Americans Advancing Justice to offer bystander intervention training and de-escalation training adapted to support the AAPI community.

Join IPG’s AHG for the free one-hour, interactive training where attendees will learn the five strategies for intervention: distract, delegate, document, delay, and direct; and how to prioritize your own safety while intervening.

The **Asian Heritage Group** (AHG) promotes the professional and personal development of IPG’s Asian employees. We present programs that enhance careers and increase awareness of issues and opportunities related to cultural, social and economic diversity.

In 2021, the AHG and IPG’s Global DEI Group convened a “neighborhood call” for AAPI employees. Participants raised questions about protecting children and teens in multi-racial families, support available for the AAPI community, and opportunities for IPG advocacy.

AHG also held a panel discussion titled “Action Against Hate: Amplify, Interrupt and Activate,” and created programming for AAPI Heritage Month. Activities included a social media campaign to share identities, experiences and stories from IPG’s AAPI community and a free bystander intervention training to stop hate-based harassment.



The **Black Employee Network** (BEN) strives to facilitate the success of IPG's Black employees by enriching their professional lives, creating connections, promoting environments that welcome, value and leverage diversity, and contributing to our communities. Our activities seek to drive results and contribute to the business success of our companies.

In 2021, BEN activities included an event on Black artists in Detroit called "Bold. Brave. Black. Art in Detroit," convened with **MRM's** Diversity & Inclusion Committee. For Black History Month we continued the "Black Business Icons" series by holding a national conversation with iconic leaders. We also held our annual observation of Juneteenth with a global town hall event featuring Imani Perry, Princeton University Professor of African American Studies.



The **Women's Leadership Network** (WLN) leverages new findings on gender equality to advocate for every colleague to contribute to creating a more inclusive workplace. The WLN has chapters in 14 U.S. locations as well as Japan, London, Mumbai, Shanghai, Singapore and Sydney.

In 2021, WLN's activities included a collaboration with The Female Quotient and industry leaders on career-building and self-branding, job-search best practices, and strategies to re-ignite marketing, advertising and creative careers.

On International Women's Day, WLN invited employees to share their stories on challenging gender bias by posting to the "Choose to Challenge" **social media campaign**. Stories came from 211 employees in nine countries – including IPG C-suite executives – and collectively received 103,309 video views and 9.7K engagements.



Also on International Women's Day, **FutureBrand** facilitated an **employee discussion** about the impact of language in the workplace, and what phrases employees feel are inappropriate among colleagues.

*"Phrases like 'that's our man' may seem innocuous, but they all contribute to an unequal workplace environment."* – FutureBrand blog

FutureBrand plans to use the feedback as an internal resource and conversation starter about language in all cultures and across all levels of the company.

WLN also hosted a program featuring Amisha (Amy) Padnani, the creator of "Overlooked," a *New York Times* series that tells the stories of remarkable historical figures whose obituaries and life stories were excluded because they were women or people of color.



**SOMOS** is a dedicated group of Hispanic and Latino leaders within IPG. The purpose is to help employees access programs that provide skills development, networking opportunities, mentoring and career enrichment.

In March 2021, SOMOS co-hosted a virtual **event** with IPG's Women's Leadership Network (WLN) on 'Women and the Notion of Risk.' The featured speaker was Emmy-winning journalist Maria Hinojosa, who brings unsung heroes to light through The Futuro Media Group for community-based journalism, giving voice to those not reached by the mainstream news.

In October 2021, SOMOS National hosted a Hispanic Heritage Month program on the importance of understanding the Hispanic consumer and shared a **strategic framework** for marketers in the 21st century.

SOMOS also collaborated with IPG's Black Employee Network (BEN) and **Axiom** for a program on psychological safety at work.



**LGBTQIA+  
COMMUNITY  
AND ALLIES**

**PLUS** – LGBTQIA+ Community & Allies – works to ensure that IPG policies and practices are inclusive of our lesbian, gay, bisexual, transgender, queer and more (+) employees. As an open group, we work with our allies and community to educate and inform all employees about issues facing the LGBTQIA+ community. We also aim to provide our teams with the resources to attract and retain LGBTQIA+ talent, while championing the power of our work to accurately reflect the needs and interests of LGBTQIA+ consumers.

## IPGLBTQ+ PLAYING GAMES:

Why the Attacks on Trans Youth Have Little to do with Sports

June 24, 2021



IPG  
Diversity &  
Inclusion | **IFGLBTQ+**

The name "PLUS" was adopted in 2021 to demonstrate the inclusive nature of this community and the group's dedication to our expansive and diverse members.

For Pride Month 2021, PLUS organized a virtual **panel discussion** on the state of transgender civil rights and highlighted the trend of state legislation restricting access to medical care, public facilities, participation in sports and more for transgender people. Panelists addressed the particular need to protect trans youth.

## Partnerships



IPG supports numerous community-based organizations and is actively involved in partnerships with leading coalitions that bring together companies to advance DEI. IPG is a founding member and Vice Chair of **Unstereotype Alliance**, convened by the UN Women to eradicate harmful stereotypes in all media and advertising content, and collectively use the advertising industry as a force for good to drive positive change around the world.

IPG is a member of the **30% Club**, a global coalition aimed at ensuring a minimum of 30% representation of women on corporate boards. IPG has endorsed this objective and has consistently exceeded it, with a total of 40% women members in 2021, making us a standout among Fortune 500 companies.



Additionally, to promote increased representation of women in client organizations and media and technology industry organizations, IPG has partnered with organizations like Free The Bid and The Female Quotient. **Free The Bid's** pledge calls for ad agencies, production companies and brands to have at least one woman director on every commercial production job. **The Female Quotient** is an "equality services company" supporting organizations committed to closing the gender gap in the workplace.



## Other partnerships include:



**CEO Action for Diversity & Inclusion™** is the largest CEO-driven business commitment to advance diversity and inclusion in the workplace.



**Tanenbaum Center for Interreligious Understanding** is a not-for-profit dedicated to creating workplaces that support employees' religious differences.



**PFLAG** is an organization helping parents, families, friends and co-workers support people who identify as LGBTQIA+.



**Coqual** is a global thinktank, formerly known as The Center for Talent Innovation. We partner with Coqual on research studies to inform our objectives and learn about effective processes to improve representation, retention, advancement and inclusive workplace culture.



**Catalyst** is a leading international research organization, which works to advance equality and inclusion for women from all backgrounds, as well as people who are cultural and racial minorities, living with disabilities, non-conforming gender identities and all sexual orientations.

## IPG Company Spotlight

### Industry Leadership on DEI

**UM's** Chief Marketing Officer & Global Head of Culture, Deidre Smalls-Landau, and other Black executives in the ad industry have formed a cross-agency, grassroots community for people of color, **We All Rise Together**. Smalls-Landau leads branding and communications work for the group of over 150 people across the ad industry.

UM also produces a webinar series on diversity, equity and belonging called "The Room," which is in its **second season**.

## Creative Work in Support of DEI

IPG uses a major lever available to us to affect change and advance DEI: our professional expertise to create campaigns that speak out against bias and foster inclusivity.

Our companies perform *pro bono* work and other creative initiatives for our clients that are supportive of diversity, equity and inclusion.

### IPG Company Spotlight

#### Helping Clients with DEI in Entertainment

In 2021, **IPG Mediabrands** engaged with an expert in inclusion analytics to provide its clients more insight into the diversity of the talent appearing in their programming. The metrics cover share of screen, inclusion opportunity index and share of audience.

All Mediabrands agencies can use the analytics to help their clients advance their own DEI initiatives by understanding not only the make-up of their viewers, but also of the cast members appearing in their programming, in comparison with the general population.



**Accessible by Design:** Inclusion and access for people with disabilities is a key element of IPG's diversity and inclusion work. For example, access was incorporated into the redesign of IPG's website, with each image accompanied by a description for visually impaired users.

To further this commitment, **Current Global** established the **Accessible by Design** campaign in 2020 to ensure that every piece of communication created for the company and its clients meets the highest accessibility standards to be inclusive of people of all abilities. Clients can also request an Accessible by Design audit, helping to chart a path to increased accessibility.

Current Global believes it is the first global PR agency to launch such an offering, and hopes to encourage increased accessibility across the marketing industry. Accessible by Design was created alongside a company commitment to meet these standards, a set of guidelines, and an accessibility toolkit drawing on existing technology to create and consume accessible content. The toolkit has been embedded into Current Global's best practices, processes and workflows.

The following recent client campaigns are examples of utilizing our creative expertise as a powerful force for inclusion:

**Veterans**

**Performance Art New York** created a series of short documentaries for Veterans United Home Loans about how 11 veterans make life better in their communities.



**Accessibility**

**FutureBrand** worked alongside Guide Dogs to develop their brand to address a broader audience and service offering.



**Racial Justice**

**MullenLowe U.S.** and **Mediahub** created a virtual museum gallery experience about the traditions, triumphs and struggles of Asian Pacific Americans.



**Indigenous Rights**

**FCB Canada** developed an unbranded Instagram filter to help marketers and other Canadians educate people about the country's first National Day for Truth and Reconciliation and the eighth annual Orange Shirt Day. FCB's Instagram page also brings people to resources on the legacy of residential schools and how to contribute to the aims of Reconciliation.

**Trans Rights**

**Golin China** partnered on a *pro bono* basis with independent filmmaker and LGBTQIA+ rights advocate Yennefer Fang to debut her groundbreaking documentary titled "A Day of Trans." The team used the power of public relations to raise public awareness of how transgender people's lives have been transformed as China's economy has grown.



**Economic Diversity**

**FCB Inferno** created a street display with Arts Emergency to showcase work by artists from working-class backgrounds in emergency boxes, calling on people in the arts industry to provide opportunities.





### Women & Girls

**MullenLowe Lintas Indonesia** worked with feminine care brand iFree to celebrate every woman's uniqueness through a [social media campaign](#) launched on International Women's Day 2021. The campaign addressed internalized misogyny, a universal "pain" for women that iFree aims to relieve.

**Future Brand** partnered with Brazilian NGO Think Olga, whose mission is to empower women through [information](#). The collaboration aimed to mature the brand and to convey the diversity and inclusion that Think Olga promotes. Through communication and consciousness-raising, Think Olga is striving for a world where there is no violence against women and where female intelligence and creativity are valued and shared.

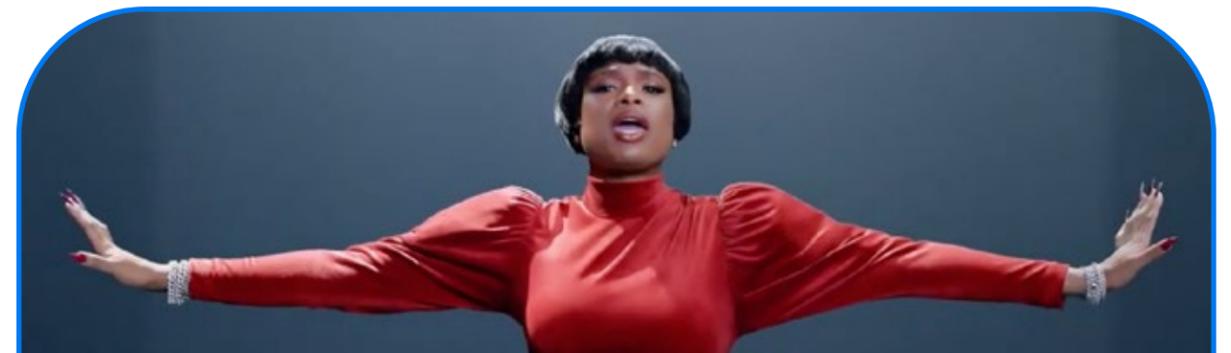
**MullenLowe Lintas** worked with the Indian NGO Child Rights and You (CRY) to advance access to education, launching a [campaign](#) on the importance of India's girls completing their secondary schooling.

Also in India, **FCB Ulka**'s New Delhi office worked with Google India to launch "The Internet Saathi" program to [provide digital literacy](#) to 30 million women across 300,000 villages.



### LGBTQIA+

**Momentum Worldwide Canada** helped International Delight partner with PFLAG Canada on a [campaign](#) featuring drag queen Priyanka. PFLAG is a national charitable organization founded by parents to raise awareness and acceptance of young people who are lesbian, gay, bisexual, trans, queer, questioning or Two Spirit (LGBTQ2S).



### Business Diversity

A [campaign](#) for Mastercard from **McCann** and **R&CPMK** features actor and singer Jennifer Hudson to help promote a platform for Black female business owners.

**Octagon** helped UPS "donate" superstar golf ambassadors Lee Westwood and Louis Oosthuizen to launch a [campaign](#) to support small businesses.

## Tracking & Reporting

IPG was the first advertising holding company to **release** the race and gender composition of our leadership, which we began doing in 2020. Using standards set by the U.S. Equal Employment Opportunity Commission (EEOC), we annually disclose the gender and race composition of our U.S. professionals, managers and leadership.

In 2021, our **U.S. EEOI** data showed an increased representation since 2020 at all levels of the company for all racial groups other than white employees, and increased representation for women at all levels of the company.

These are still just initial steps on a journey to achieving our goals of mirroring the demographics of the countries where we operate within our organization and in our culture.

IPG’s executive statistics regarding women show that IPG has strong gender representation across all ranks of our company. In 2021, IPG exceeded the U.S. National External Workforce Benchmark for women in the categories of senior/executive-level managers, first/mid-level managers and professionals. IPG has increased the proportion of Black or African American employees at senior and executive levels by 11.6% since 2020.

IPG is committed to continuous transparency in this area.

**External Assurance:** PricewaterhouseCoopers LLP (PwC) performed a limited assurance engagement on certain greenhouse gas emissions and certain employee diversity metrics for the year ended or as of December 31, 2021. See PwC’s Report of Independent Accountants on [page 154](#).

### U.S. Equal Employment Opportunity Commission (EEOC) Data

2021 IPG Workforce Representation

Additional diversity data can be found in the [Appendix](#) of this report

BLACK OR AFRICAN AMERICAN			ASIAN			WHITE			HISPANIC OR LATINO			WOMEN		
SR./EXEC. LEVEL MANAGER	FIRST/MID LEVEL MANAGER	PROFESSIONAL LEVEL	SR./EXEC. LEVEL MANAGER	FIRST/MID LEVEL MANAGER	PROFESSIONAL LEVEL	SR./EXEC. LEVEL MANAGER	FIRST/MID LEVEL MANAGER	PROFESSIONAL LEVEL	SR./EXEC. LEVEL MANAGER	FIRST/MID LEVEL MANAGER	PROFESSIONAL LEVEL	SR./EXEC. LEVEL MANAGER	FIRST/MID LEVEL MANAGER	PROFESSIONAL LEVEL
2019 IPG	2019 IPG	2019 IPG	2019 IPG	2019 IPG	2019 IPG	2019 IPG	2019 IPG	2019 IPG	2019 IPG	2019 IPG	2019 IPG	2019 IPG	2019 IPG	2019 IPG
2.6%	4.3%	7.2%	5.5%	9.4%	11.4%	84.9%	76.8%	68.7%	5.2%	7.1%	9.2%	45.4%	58.0%	61.1%
YOY % CHANGE	YOY % CHANGE	YOY % CHANGE	YOY % CHANGE	YOY % CHANGE	YOY % CHANGE	YOY % CHANGE	YOY % CHANGE	YOY % CHANGE	YOY % CHANGE	YOY % CHANGE	YOY % CHANGE	YOY % CHANGE	YOY % CHANGE	YOY % CHANGE
59.3%	6.3%	5.1%	18.1%	1.1%	2.6%	-3.0%	-1.0%	-0.7%	-4.0%	4.6%	-3.5%	5.8%	1.8%	-1.7%
▲	▲	▲	▲	▲	▲	▼	▼	▼	▼	▲	▼	▲	▲	▼
2020 IPG	2020 IPG	2020 IPG	2020 IPG	2020 IPG	2020 IPG	2020 IPG	2020 IPG	2020 IPG	2020 IPG	2020 IPG	2020 IPG	2020 IPG	2020 IPG	2020 IPG
4.2%	4.5%	7.6%	6.5%	9.6%	11.6%	82.3%	76.0%	68.2%	5.0%	7.4%	8.9%	48.1%	59.0%	60.0%
YOY % CHANGE	YOY % CHANGE	YOY % CHANGE	YOY % CHANGE	YOY % CHANGE	YOY % CHANGE	YOY % CHANGE	YOY % CHANGE	YOY % CHANGE	YOY % CHANGE	YOY % CHANGE	YOY % CHANGE	YOY % CHANGE	YOY % CHANGE	YOY % CHANGE
11.6%	14.3%	22.2%	8.7%	6.9%	7.8%	-2.4%	-2.8%	-5.6%	4.7%	7.1%	12.3%	3.2%	1.1%	1.8%
▲	▲	▲	▲	▲	▲	▼	▼	▼	▲	▲	▲	▲	▲	▲
2021 IPG	2021 IPG	2021 IPG	2021 IPG	2021 IPG	2021 IPG	2021 IPG	2021 IPG	2021 IPG	2021 IPG	2021 IPG	2021 IPG	2021 IPG	2021 IPG	2021 IPG
4.7%	5.2%	9.3%	7.1%	10.2%	12.6%	80.4%	73.8%	64.4%	5.2%	8.0%	10.0%	49.6%	59.7%	61.1%

## DEI Honors & Awards

IPG has been recognized for our progress in advancing DEI in our organization, as well as within our industry and in our communities. In 2021, IPG was awarded the following honors and recognitions:

- IPG has been named one of **America's Best Employers for Diversity** by Forbes for two years in a row, ranking in the top 10 in 2021, and top 5 in 2022.
- For the third year in a row, IPG was listed on the **Bloomberg Gender Equality Index**, a premier ranking of global companies that publicly demonstrate their commitment to equality and advancing women in the workplace.
- For the 13th year in a row, IPG received a perfect score of 100% on the **Human Rights Campaign Corporate Equality Index**, which is used to measure inclusive benefits, policies and activities that support LGBTQ+ employees. This ranking once again earns IPG a designation as one of the **Best Places to Work for LGBTQ Equality**.
- IPG's Global DEI Group was awarded the **2021 Diversity Team Award** by *Profiles in Diversity* journal.
- Five women from IPG companies were among the honorees in Campaign's **U.S. 2021 Female Frontier Awards**. The award celebrates bold, ground-breaking women across all areas of advertising, marketing and communications.



# Human Capital Management

IPG is dedicated to caring for and investing in our 55,600 employees across the globe. We invest in training at all levels to help ensure that each of our people has a visible career path. We recognize that people also want to be involved in work that makes a difference and to be appreciated for their contributions and valued as part of an inclusive environment. We seek to fill these needs in several ways, such as engagement with our companies and accountability tools for talent practices throughout the organization.

We believe that employee satisfaction rises when a company publicly upholds ethical standards, communicates in clear and timely ways about changes and is tangibly committed to improving diversity, equity and inclusion. IPG is working at all levels of the organization to continually strengthen our practices in these areas.



## Oversight

IPG's Board of Directors is actively involved in talent management. Each year the Board reviews how well our personnel and succession strategy aligns with our overall business strategy, including through detailed discussions of the company's global leadership bench and succession plans with a focus on key positions at the senior officer level.

The Board seeks opportunities for interaction with potential leaders through formal presentations and by periodically holding meetings of the Board and its committees at various IPG operating units. In addition, the Board receives regular updates on key talent indicators for the overall workforce, including work environment, diversity, recruiting and development programs.

A standing Board Committee on Compensation and Leadership Talent is responsible for reviewing the Company's initiatives to attract, develop and retain key employees. This includes establishing performance measures and goals and verifying their achievement.

This Committee is also responsible for: establishing IPG's compensation philosophy and monitoring adherence to it; recommending compensation of the CEO; approving other

compensation awards and overseeing equity performance incentive plans; and reviewing succession plans for key executive positions (with the full Board).

IPG's Chief Talent Officer leads the global human resources team, working with the senior corporate team and all of IPG's companies to assess needs, ensure top talent is in place and further enhance our systems to support talent initiatives.

*More information on succession planning can be found in the [Corporate Governance & Risk](#) chapter of this report.*



## Flexible Working Arrangements

IPG expanded its flexible working arrangements during 2020 and 2021, with nearly all employees working from home during the initial phases of the pandemic and many transitioning to hybrid working arrangements as the pandemic unfolded.

IPG's flexible approach pairs the best advantages of in-person interactions among colleagues and clients with the benefits of remote work. As this approach evolves, we are striving to ensure consistency and fairness across job types to ensure that as many employees as possible can enjoy the benefits of a combination of remote and in-person work.

IPG is working with managers to ensure that remote teams are led effectively and inclusively. IPG's Global DEI Group developed a Strategies for Managers guide to managing virtual teams in an inclusive way. It offers strategies for day-to-day routines and reminders for building inclusion.

The human resources team also released a short guide to "Managing for Work-Life Flexibility." The guide is part of the *Managing@IPG* webcast series produced by IPG's Corporate Learning & Development team beginning in the early phases of the COVID-19 pandemic. The programs were well attended and received positive feedback. In 2021, webcast topics included: Delivering Constructive Feedback; Coaching@IPG; and Managing Hybrid Teams.



"The new way of working will clearly not be the way that we worked before this happened. We're going to be in a permanent flexible model. It will be a question of figuring out the right balance, and that won't be static."

– IPG CEO Philippe Krakowsky during town hall with corporate employees, December 2021

8 DECENT WORK AND ECONOMIC GROWTH



### Strategies for Managers: Inclusive Teams Amid Remote Work

**A guide provided to IPG managers offers tips for all team members and those leading teams, such as:**

- Respect how much or how little people want to share about their identities, as work and home life blend (i.e. an LGBTQ+ colleague who is not out at work or not out to their families).
- Proactively share hours available (i.e. child nap times).
- Signal and respect availability by letting others know when you need "heads down" time.

## Employee Engagement

IPG is committed to building an inclusive culture, and this priority continues as we adjust work routines on an ongoing basis. Employee surveys are an important engagement tool as IPG continues to evolve our work model.

IPG's Climate for Inclusion Survey has assessed employee perceptions about their work experiences and covered performance management, psychological safety, responsiveness to differences and other levers for innovation, growth and belonging.

An employee survey in late 2021 took stock of U.S. employees' views on returning to the office. Results reflected that employees missed the informal, spontaneous interactions that inform collaboration when working in person, as well as the social benefits of being together in person.

Other employee engagement initiatives have included: ensuring open communication channels through employee newsletters; regular CEO communication; team wellness events sponsored at the department level; and fostering a culture of diversity and inclusion through networking and educational events.

Employee virtual "town halls" with IPG leaders in 2021 included a conversation with IPG Health and epidemiologist Anna Yaffee on COVID-19 vaccinations. A year-end town hall for corporate employees provided an update on IPG and shared 2021 highlights as well as an opportunity for employees to ask questions.



### IPG Company Spotlight

#### What's More Important than Compensation?

**United Minds** conducted a **study** of 2,700 employees in seven countries around the world to understand what's most important to them today. The study, titled 'The Contribution Effect,' found that "what employees give is just as important as what they get." While competitive compensation is important, companies cannot rely on it alone. Three other factors actually score higher than compensation: a positive and fun work environment, feeling valued and work-life balance.

**Caregiving & Bereavement Support:** Throughout the pandemic, IPG and its companies worked to be supportive and responsive whenever our employees suffered a loss or needed to tend to ill family members. Our executive and senior management have emphasized expectations of compassionate responses to our employees' needs.

**Support for Employee Veterans:** In mid-2021, a memo to employees addressed the escalation of violence in Afghanistan and highlighted the emotional impacts on U.S. veterans, military service members and their families. Employees who are veterans were invited to a "safe space" conversation hosted by **Matterkind** and **Kinesso**, which highlighted the support available through the Veteran's Crisis Line and The Wounded Warrior Resource Center, as well as IPG's Employee Assistance Program, CCA@YourService. The program provides 24/7 professional consultation, referrals and counseling.

IPG veterans also participated on a panel for National Hire a Veteran Day. IMPACT, an **employee group** at Matterkind, and the not-for-profit organization Frontline for Veterans in Media organized the fireside chat to discuss how IPG veterans transitioned from the military, challenges that veterans face and IPG actions to support the veteran community.





## Programs & Initiatives

**Employment Benefits:** IPG offers eligible employees a comprehensive benefits program, providing a broad range of plans from which each person can choose to meet their needs.

- **Medical benefits:** All full-time and part-time employees working 20 hours or more on a regular basis receive a full range of medical, dental and vision benefits. Temporary employees must work an average of 30 hours per week or more over a 12-month period to be eligible for the IPG Medical plan. We do not distinguish by location; if an employee is on the IPG payroll and meets the requirements, they are offered benefits.

Employee health coverage includes access to “teladoc” services, a way to connect with a doctor by phone or video for physical health needs 24 hours a day, seven days a week

Global medical benefits include insurance coverage for fertility services. The U.S. workforce also receives insurance coverage for egg-freezing, contraception and gender reassignment.

- **Life insurance:** Basic life and business travel accident insurance is provided at no cost to employees, and group rates are available for additional insurance, including for family members.
- **Mental health:** IPG offers access to licensed therapists and other resources for employees and their family members through our CCA@YourService, as well as the Sanvello stress management app and Talkspace online therapy. Behavioral and mental health care is also available via the medical plans offered. The benefit includes counseling and substance abuse recovery services.
- **Employee assistance:** IPG’s Employee Assistance Program, CCA@YourService, provides help with personal, financial and legal issues on a free, 24/7 basis. The professional consultation and referral services cover: legal and financial services, childcare and eldercare, managing personal health and life transitions, and “everyday living” needs such as time management, pet care and volunteer opportunities.



In the U.S., with the long-standing constitutional right to abortion overturned – IPG assured employees of its commitment to fundamental human rights, including women’s health services. The company announced it will provide funding for employees or their family members to travel to gain access to critical medical services including reproductive healthcare.

- **Educational assistance:** IPG encourages and financially supports continuing education and development programs that meet the career goals of our employees and are aligned with the needs of our business. IPG reimburses employees for up to 75% of their tuition and registration fees for approved courses. Employees have used the educational assistance program to complete standalone courses and courses toward a bachelor's or master's degree program.
- **Legal support:** A group legal benefit allows employees to obtain legal services at a discount or be reimbursed.
- **Tax-advantaged payments:** For costs related to health care, dependent care and commuting, plans provide employees with a tax-advantaged way to pay.
- **Transition support:** IPG provides employees with support through transitions throughout the employment life cycle (e.g., starting a new role, returning to work from a leave of absence or transitioning to retirement). Such support might include retirement and financial planning resources, coaching and career guidance, work-life balance resources and flexible work arrangements.
- **Separation pay:** For eligible terminated employees, IPG provides severance pay on a tiered basis, with the amount of pay depending on the length of employment, beginning with two weeks pay for at least three months of service. Continued group health insurance (COBRA) is also available to U.S. employees after leaving IPG.
- **Employee Stock Purchase Plan:** IPG's Employee Stock Purchase Plan (ESPP) is available for all IPG employees.

## Employee Health & Wellness Resources

We placed strong emphasis on health and wellness in 2021 to strengthen employee engagement, with resources including:

- Ongoing support for therapy, both one-on-one and in a group format, and self-care workshops
- Increased communication about IPG's employee assistance program (EAP) and other benefits, with information provided regularly through employee newsletters
- Special webcasts about managing stress/anxiety, parenting and adapting personal goals during changing times
- Management training series (covering how to show empathy, communication and manager best practices for work-from-home arrangements)
- Enhanced COBRA for terminated employees (100% subsidy of the COBRA benefit for 3 months)
- Maintaining pre-salary-reduction benefit levels for employee life insurance and disability benefits
- **Retirement benefits:** IPG's retirement programs include a 401(k) savings plans to which all U.S.-based employees can contribute. For employees with less than ten years of service, IPG matches 50% of the first 6% contributed. For employees with ten or more years of service, the percentage increases to 75% of the first 6% contributed.
- **Work-life balance for families:** For IPG's working parents, we provide employees with back-up childcare and related benefits to further support work-life balance. Other services and benefits for working parents include:
  - On-site lactation rooms
  - Adoption assistance
  - Fertility services
  - Surrogacy support
  - Resources for parents of children with special needs
  - Educational resources for parenting and remote schooling



**Paid Leave:** IPG provides employees with paid time off to ensure opportunities to rest, regroup and/or recuperate. These include:

- **Paid time off:** All employees are offered one to four weeks of paid time off per year. Other time off includes paid holidays and leaves of absence.
- **Family leave:** IPG's network-wide Employee and Family Leave program applies equally to primary and secondary caregivers in the U.S. The benefit can be applied to parental leave as well as to care of a spouse or parent. The minimum leave benefit for U.S. employees is six weeks at 100% pay. Many employees will receive additional paid time off depending on duration of need, tenure with the company and local paid leave provisions.
- **Parental leave:** IPG's parental leave benefit is covered under our Employee and Family Leave program. The program applies equally to primary and secondary caregivers, along with adoptive parents, regardless of gender, making no distinction between "maternity leave" and "paternity leave." Within the U.S., IPG companies may choose to enhance parental leave above the minimum benefit of six weeks.
- **Disability leave:** IPG provides U.S. employees with disability leave for up to 26 weeks. IPG is also committed to identifying and providing reasonable accommodation for disabilities. IPG also provides long-term disability insurance for income protection.
- **Bereavement leave:** Employees can receive up to five days of paid leave in a calendar year in the event of the death or deaths in the family.

**Compensation:** Fair compensation is central to our company's ESG strategy, with balanced compensation programs that are intended to fully recognize employees for their talent and contributions.

Our compensation philosophy is to provide a performance-based, market-competitive total compensation program that supports our talent needs and business objectives, ties a significant portion of pay to sustaining and improving operational performance, and aligns with the interests of our stockholders. The communication and implementation of our compensation programs aim to be clear, specific and transparent.

More information on compensation programs can be found in IPG's proxy statements available on our website [here](#).



## Talent Pipeline

With guidance from IPG's global human resources team, our companies determine their respective talent strategies and recruitment activities.

**Recruitment:** Each company and operating unit creates and runs its own recruitment initiatives based on its hiring needs and existing talent pools. Many of our recruitment programs support IPG's DEI objectives.

*More on this focus is available in the [Diversity, Equity & Inclusion](#) chapter of this report.*

### IPG companies' 2021 talent recruitment initiatives include:

- **DeutschNY Summer CAMP (Creative Advertising & Media Program):** Open to career changers, recent graduates and college students interested in getting to know the advertising world and **DeutschNY** specifically.
- **IPG Mediabrands Equity Career Fair:** A virtual event targeted at diverse talent and advertised through targeted outreach with diversity recruitment organizations.
- **R/GA's Consciously Inclusive Hiring Workshops:** Aimed at hiring managers, interviewers, recruiters and talent partners to ensure the company's interview processes are equitable, inclusive and unbiased.

**Internship Program:** The IPG internship program offers students meaningful projects that provide an introduction to our industry while also developing a highly valued future talent pool. Interns are

provided with tools and guidance that allow their roles to be hands-on educational experiences. Working with knowledgeable mentors, interns gain exposure to a broad range of processes and new technologies as well as substantive knowledge about our industry. Internships are offered during the summer and in a limited number of areas year-round.

**Strategy & Planning:** IPG's global human resources team conducts a review process for senior-level roles in order to establish talent pipelines for key roles across the company. The team makes investments in retaining and developing individuals identified in the review.

For mid- and entry-level roles, IPG companies customize programs to address their hiring needs from within their existing talent pools.

### IPG companies' 2021 talent pool initiatives include:

- **Octagon** launched an internal mobility program that expands existing paths for skill acquisition and development, and provides new avenues for movement, both lateral and promotional, for mid- and junior-level employees; and
- **IPG Mediabrands** created a Career Advancement Program (CAP) for Black talent that recognizes the importance of providing access and visibility. The program focuses on three pillars: growth plans, an advocate program and external coaching.

## Learning & Development

IPG advocates for all employees to actively participate in performance management so we can provide a visible career path. We also conduct programs to recruit, retain and promote great talent at IPG, which is key to our long-term success.

**Performance Reviews:** IPG's performance review process is a structured way for employees to set objectives and understand their contributions to the organization, while also providing insight on how they can improve and develop. Our process creates opportunities for dialogue between employees and managers to facilitate action on career development ambitions and recognition for accomplishments.

The yearly performance management cycle is guided by ePerformance, an online tool that promotes discussion between managers and employees about personal

and business goals, development plans and career aspirations. Approximately 75% of IPG employees utilize the ePerformance tool to set mutually agreed objectives with their managers.

**Skills Training & Education:** Skills training and executive development are important components of how we work with our people to ensure their success and the continued success of IPG. IPG establishes incentives for our companies to create effective training and development for employees and managers.

**Stronger Allies:** In 2021, IPG launched Stronger Allies, a five-week learning series for employees and managers across IPG. The first group of 150 participants experienced a live and interactive program that provides the first step in strengthening allyship and helping build a diverse and inclusive workplace.

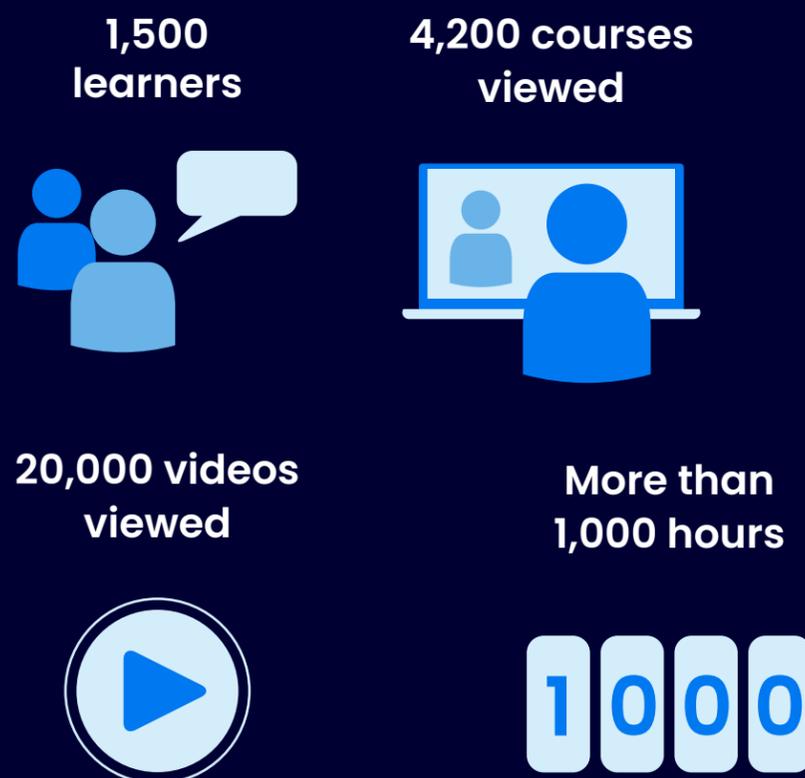
We set annual High Priority Objectives (HPOs) for talent management globally, which include standards and expectations for effective, strategic employee training and development. At the end of each year, company performance is assessed against these training and development HPOs and the results are directly tied to agency compensation.



## Participation in Learning Resources

IPG employees around the world utilize the resources available through our Corporate Learning & Development platform. In 2021, the platform produced 56 programs and provided almost 100 hours of live webcast training.

Learning resources had a total of:



For training and leadership development, IPG often works with specialty firms that partner with recognized academics and other experts in marketing and communications. IPG provides a variety of training and executive development programs:

- **Individual department training:** It is critical for employees to maintain required credentials, gain skills in using new technologies, manage department change, keep up with role-specific information and transition effectively to new roles. Individual departments provide training through staff meetings, global conferences, in-house speakers, online services and colleague-to-colleague instruction.
- **Skills-building training:** IPG offers managers and employees skill-building training via live classroom and live and recorded webcasts. Employees across the globe enhance their foundational skills including coaching, interviewing, project management, workplace respect, unconscious bias, career development, presentation skills, business writing, emotional intelligence, communication, conflict resolution, customer service and performance management. Our training programs aim to educate employees on core competencies and empower participants to bring their skills to bear in the workplace.

A webcast series for all employees globally called *Communicating@IPG* covered several topics in 2021: Receiving Constructive Feedback; Your Conflict Style; Your Part in Conflict; and Finding Common Ground.

- **IPG learning & development site:** This online platform for IPG corporate employees provides courses and resources, including skill-building courses on management and leadership, performance management, writing and communication, diversity and inclusion, customer service, project management and personal development. A wide variety of technical courses are also offered. Many of these courses are offered in multiple languages to meet the needs of our global population.

**Cultivating Leadership:** IPG offers several leadership, mentoring and coaching opportunities for employees at various levels of the company. These programs include:

- **Empowership:** A one-year, remote-access learning and development program that helps professional women thrive by building their leadership competencies. Empowership provides 24/7 access to relevant and dynamic training resources, inspiration, practical how-to guidance and a robust female community. As part of this program, IPG Corporate Learning & Development hosts monthly webinars and group calls that are open to all IPG women globally, with additional Q&A sessions with industry experts, digital resources and a peer forum. In 2021, 500 participants joined the live calls each month.
- **IPG Leadership Lab:** A global executive development program for 30 high-potential leaders within IPG companies. The intensive leadership experience features in-market immersion, engagement with IPG executives, cross-agency peer coaching and personal leadership feedback and planning. The Lab also enhances collaboration across IPG by fostering a collective experience for each cohort of participants.
- **MyLead:** A virtual, enterprise-wide program targeting senior managers at IPG companies taking place over seven weeks and connects participants with a global network of coaches. In 2021, 52 senior managers participated in the program.
- **The Art and Science of Leadership (TASL):** Specialized coaching is provided for first-time managers during a three-week program. In 2021, 86 participants joined TASL from IPG companies around the world.
- **Mentoring:** IPG is committed to mentoring and relies on our mentorship culture to build careers within the company. We believe that mentoring can help all employees gain information, develop skills and make career decisions. Mentoring is also a reciprocal relationship, benefiting both mentor and mentee, and is an important resource for our employees and companies.



## IPG Company Spotlights

### Internship and Mentoring for Overlooked Talent

**FCB Brasil** runs an internship program called FCBrains, and a mentoring program for new professionals called FuturoLab.

*“FCB redesigned its process of hiring interns to meet the demands of diversity and inclusion, avoid any unconscious bias in the selection and thus reach talents that the market was ignoring.” – Sandra Denes, FCB human resources*



### Scholarship for Underrepresented Identities

**Huge Canada** launched a scholarship with George Brown College. “The Experience Exchange” addresses systemic issues facing historically underrepresented identities in the design industry.

### Encouraging STEM Careers for Women of Color

**Acxiom** partners with the **Women’s Foundation of Arkansas** to promote the Girls of Promise® STEM initiative. As part of this partnership to nurture future leaders and encourage careers in STEM, Acxiom hosted six interns from the Foundation’s internship program for women of color.

This was the second year of the program, and Acxiom has also retained and hired interns from the first year.

# Employee Health & Safety

IPG is committed to ensuring the health and wellbeing of our employees, including their safety and protection while at work. This priority is reflected in our policies and employee resources devoted to physical and mental health for employees and their families, and in our investments in a proactive crisis preparedness program.



“The fact that, over the course of the public health crisis, our primary focus has been on the safety of our people is likely the most important reason that our company made it through an extremely challenging year in such strong condition relative to our peers.”

– IPG CEO Philippe Krakowsky in all-staff memo

## Policy

IPG is committed to continuous improvement of health and safety conditions for our employees and to following all applicable laws and regulations promoting workplace safety. As a professional services company, the work-related health concerns of our employees most often relate to ergonomics and stress.

IPG's Code of Conduct covers health and safety issues and requires employees to notify their manager immediately if they become aware of unsafe working conditions. IPG maintains comprehensive policies and procedures for facility-based incident response, medical emergencies, violence and other site-specific incidents. We provide a dashboard planning tool for use by each IPG company's incident management team.

## Returning to the Office

In 2021, the Crisis Preparedness program led IPG through processes on safely returning to the office. We employed the program's guidebook to support our global offices in preparing their customized return-to-office plans.

Throughout the year, we provided employees with updates on office protocols created in response to the pandemic (testing and proof of vaccination, space booking, etc.), business travel options and on-site vaccination clinics. Network-wide announcements also described plans for hybrid workplace features and ongoing flexibility. IPG worked to maintain the benefits of remote work and also to re-discover and redefine the benefits of work time spent together in person.

For more on IPG's flexible approach, refer to the [Human Capital Management](#) chapter of this report.



## Crisis Preparedness

IPG's longstanding global crisis preparedness program takes a comprehensive approach, covering emergency preparations, incident management and business continuity amid health crises and other events, while bolstering employee health and safety.

The program enables IPG's employees to safely continue working and serving our clients even when a crisis or natural disaster occurs, as we had done during the COVID-19 pandemic.

Our approach to preparedness is based on three priorities: safety of employees, protection of company assets and continuity of business operations. Every IPG company is required to create and maintain an approved plan for business continuity. Each year, we aim to have documented business continuity plans for at least 75% of our company.

In early 2020, IPG conducted a global audit of our companies' business continuity plans to ensure all operations were prepared for the pandemic ahead. We used IPG's proprietary business continuity tool to update companies' plans and arrangements. On an ongoing basis, we audit approximately 50-60 individual plans per year.

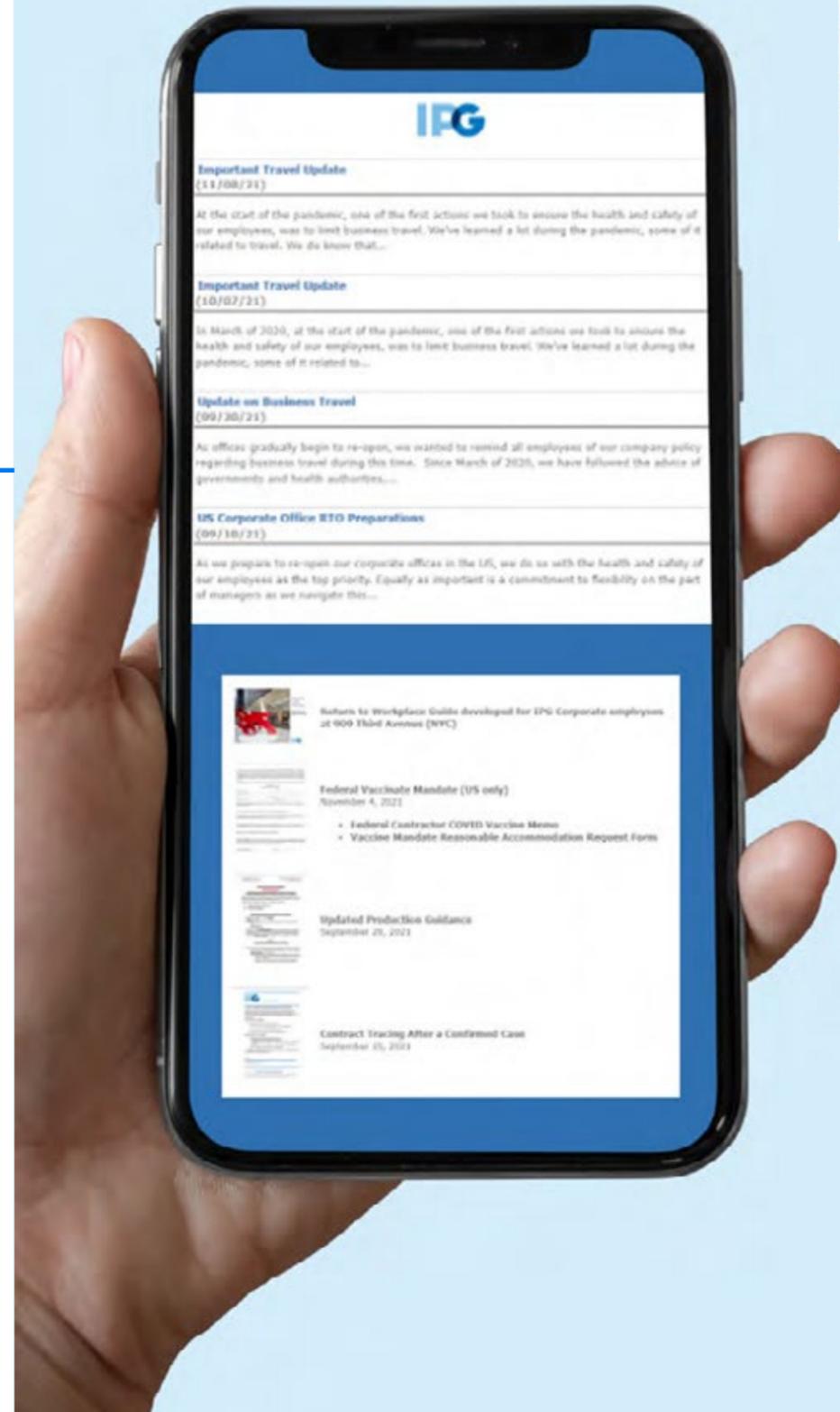


**Communication in a Crisis:** IPG communicates essential health and safety information across our companies and offices in several ways, including ongoing consultation and communication as well as an emergency notification system. The crisis preparedness program has built a culture of consistent awareness and education around IPG's emergency planning and preparedness.

Each office's incident management team is responsible for communicating with employees, clients and other stakeholders to ensure that health and safety guidelines are followed and that effective incident management procedures are in place and ready for use. Our Preparedness web platform allows IPG colleagues and companies to define responsibilities for safety across the entire organization by sharing experiences and best practices in responding to various incidents.

**IPG’s crisis communications systems and tools include:**

- **Interpublic Preparedness:** IPG’s internal employee website providing numerous employee services and resources to support our preparedness program and workforce notification system. This includes issuing information on business travel safety advisory services and business continuity plans, as well as access to IPG’s Crisis Preparedness Handbook.
- **COVID-19 Watch:** IPG maintained a COVID-19 Watch dashboard as a monitoring platform and resource for employees to stay informed on developments.
- **OnSolve – Send Word Now:** This emergency notification service provides mass alerts if other communications fail.
- **Internal Crisis Contact List:** IPG employees are informed of changes to and newly available crisis and safety resources and tools through a focused email list of 1,400 designated crisis contacts throughout the network.
- **Employee Communications:** IPG’s CEO and other IPG executives regularly update employees through all-staff memos. Recent communications related to health and safety have addressed the gradual return to office-based work as well as employee mental health.





Social

Employee Health & Safety

## Health & Safety Risk Assessment

As part of our annual enterprise risk management process, IPG develops a risk assessment for our operations around the world, with health and safety hazards included as types of potential risk. This assessment results in a “heatmap” indicating the risk rating for each IPG office and showing the status of their health and safety plans. Among other functions, this assessment is used to inform the selection of companies to be audited for crisis preparedness compliance.

IPG is committed to continuing our proactive, global approach to enterprise risk management, including country-specific risk assessments.

*For more information on our enterprise risk management programs, refer to the [Corporate Governance & Risk](#) chapter of this report.*

## Employee Training

IPG’s annual Code of Conduct training includes a review of the Code, which covers health and safety policies. In 2021, we saw a 90% completion rate of our annual Code of Conduct training.<sup>1</sup>

Each office’s incident management team is responsible for pre-incident planning and coordination, including ongoing safety-related activities and training such as first aid training, CPR/AED training, evacuation drills, fire drills and floor warden training.

We have also offered informational trainings on topics like stress reduction and sleep disorders, to assist our employees and managers in reaching and maintaining good health and wellbeing.

*1 - During 2021 we experienced significant technical challenges following a switch in learning management systems, which resulted in a delayed rollout of some courses across the organization.*

### Promoting Occupational Health

IPG provides a range of services to promote employee health and safety. IPG employees have access to a specialist on workspace ergonomics, whether at home or at the office, to reduce the incidence of repetitive stress injury and conditions like carpal tunnel and other orthopedic issues. IPG employees can also utilize an internal health and wellness website with resources to inform and optimize health and wellness during necessary business travel.



Our employee wellness offerings provide a layer of preventive health and support overall well-being. In 2021, these opportunities included:



Stress reduction trainings



Town halls



Mental health training



Self-care emails and newsletters



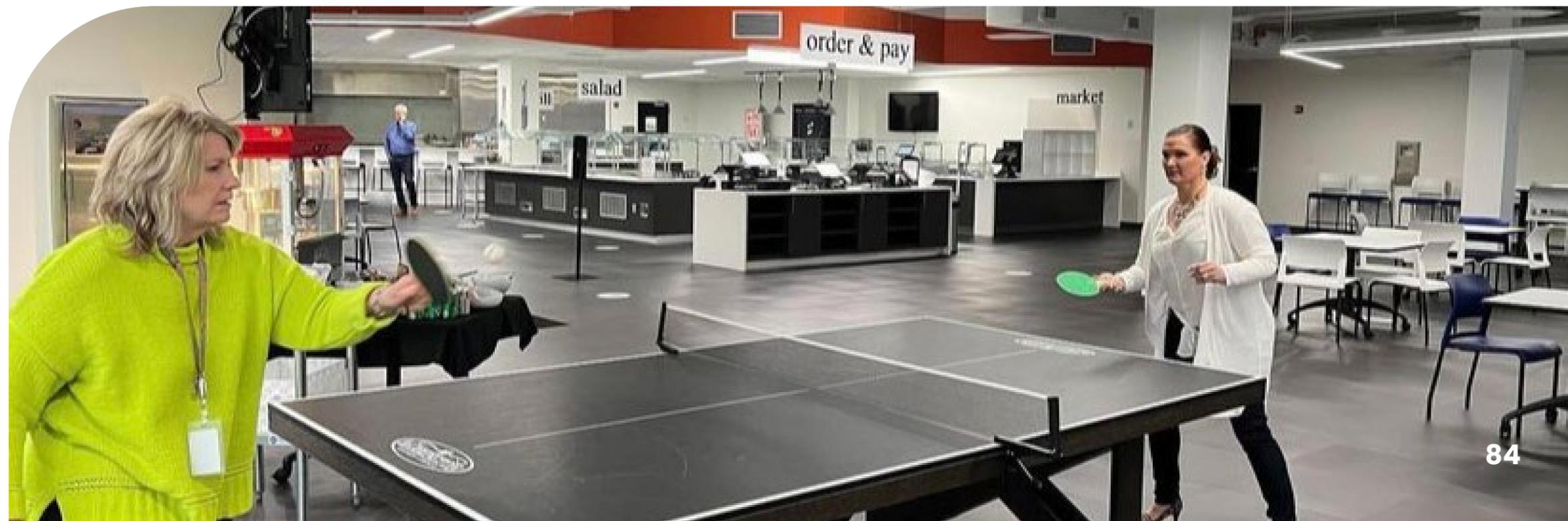
Yoga and other fitness classes



Themed employee awareness campaigns



Lunch and learns





## Promoting Mental Health

IPG recognizes that a safe and healthy workplace includes mental health and psychological safety. We offer customized resources for employees to support them amid specific crises like the COVID-19 pandemic and racially motivated violence.

IPG employees are encouraged to take advantage of their access to on-demand counselling with licensed therapists, who are available to employees and their family members 24/7 through CCA@YourService, IPG’s Employee Assistance Program (EAP), as well as regular online therapy for employees through the Talkspace app.

Services for substance abuse are available through the Behavioral Health Benefit of our employee healthcare coverage.

Additional stress-reduction resources are available through IPG’s internal employee benefits portal. Wellness resources address mindfulness, managing anxiety and the science of happiness. A free tool for employees who enroll in our medical plan, Sanvello, assists with managing symptoms of stress, anxiety and depression.

CEO communications to employees regularly remind our people that we offer comprehensive mental health benefits and **resources**, and that they extend to employees’ families. IPG’s Global DEI Group is assessing needs, resources and tools to help IPG’s people navigate these experiences along with a vision to continue making an impact and ensuring our collective wellbeing.

## IPG Company Spotlights

### New Approaches to Employee Mental Health

In early 2021, **Weber Shandwick** introduced an employee mental and physical wellness program. “Juice” features a hybrid workplace model, discounts for yoga and fitness classes, reimbursements for mental, physical, cultural and lifestyle activities, and YOLO, which provides support for employees to take time off for travel and other interests. Weber Shandwick also offers MyDays, a program allowing employees to swap standard company holidays with cultural and religious holidays meaningful to them, along with access to the Headspace meditation program and ongoing mental health programming at the local level.

In early 2021, **Golin** shared insights and tools for supporting employee mental health as the pandemic continued.

**INTERRUPTIONS**

**remain the top challenge for virtual meetings**

- Encourage shortening meetings to 50 or 25 minutes to allow time for people to transition to the next one
- Show understanding for employees who have uncontrollable home distractions and encourage video-free meetings to help control stress while they are presenting or participating in meetings

## IPG Company Spotlight

### Supporting Clients to Avoid Employee Burnout

Avoiding burnout is a business imperative as U.S. businesses lose a trillion dollars each year due to voluntary turnover. Kate Bullinger, CEO of **United Minds**, said supporting mental health and avoiding burnout requires “truly aligning [perks] with employees’ needs.”

United Minds works with clients to address three areas of employee health and wellness:

- normalizing the discussion of mental health;
- manager training; and
- keeping an open mind to new approaches.

## IPG Company Spotlight

### Industry Leadership for Mental Health

**Weber Shandwick London**’s Managing Director Helen Bennett joined an effort to create a mental health charter for public relations professionals. In 2021, as employee mental health emerged as a pressing concern for employers, industry leaders launched a project to create a Mental Health and Wellbeing Charter tailored to the PR industry. The charter aims to help companies create accountability for mental health and wellbeing.

In 2022, Weber Shandwick announced a partnership with Project Healthy Minds, a not-for-profit organization working to expand access to mental health resources and galvanize the business community to take an active role in supporting mental health. Through the partnership, Weber Shandwick aims to embed mental health into its business strategy.



## Creative Work in Support of Health & Safety

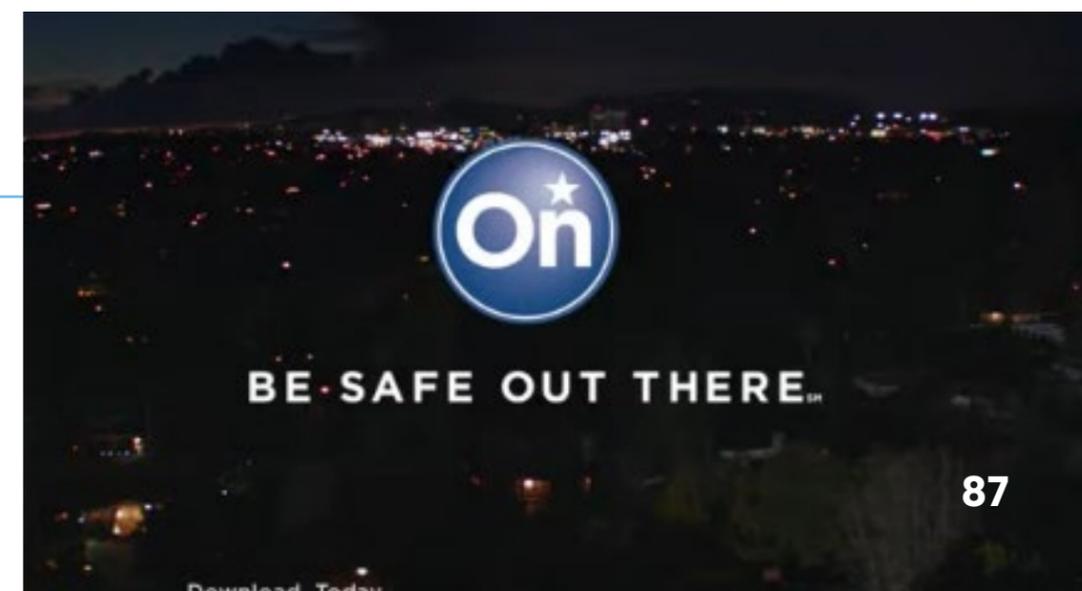
**Mental Health:** A **McCann Enterprise campaign** focused on emergency responders in the UK who, while considered heroes, are not superhuman and still need mental health support. The new website aims to destigmatize asking for help within the emergency responder community.

**R&CPMK** helped AppleTV launch its new docuseries **“The Me You Can’t See”** executive produced by Oprah Winfrey and Prince Harry. The series features discussion with high-profile guests about their personal struggles, aiming to illuminate misunderstood subjects in mental health and let viewers know about different pathways to treatment.

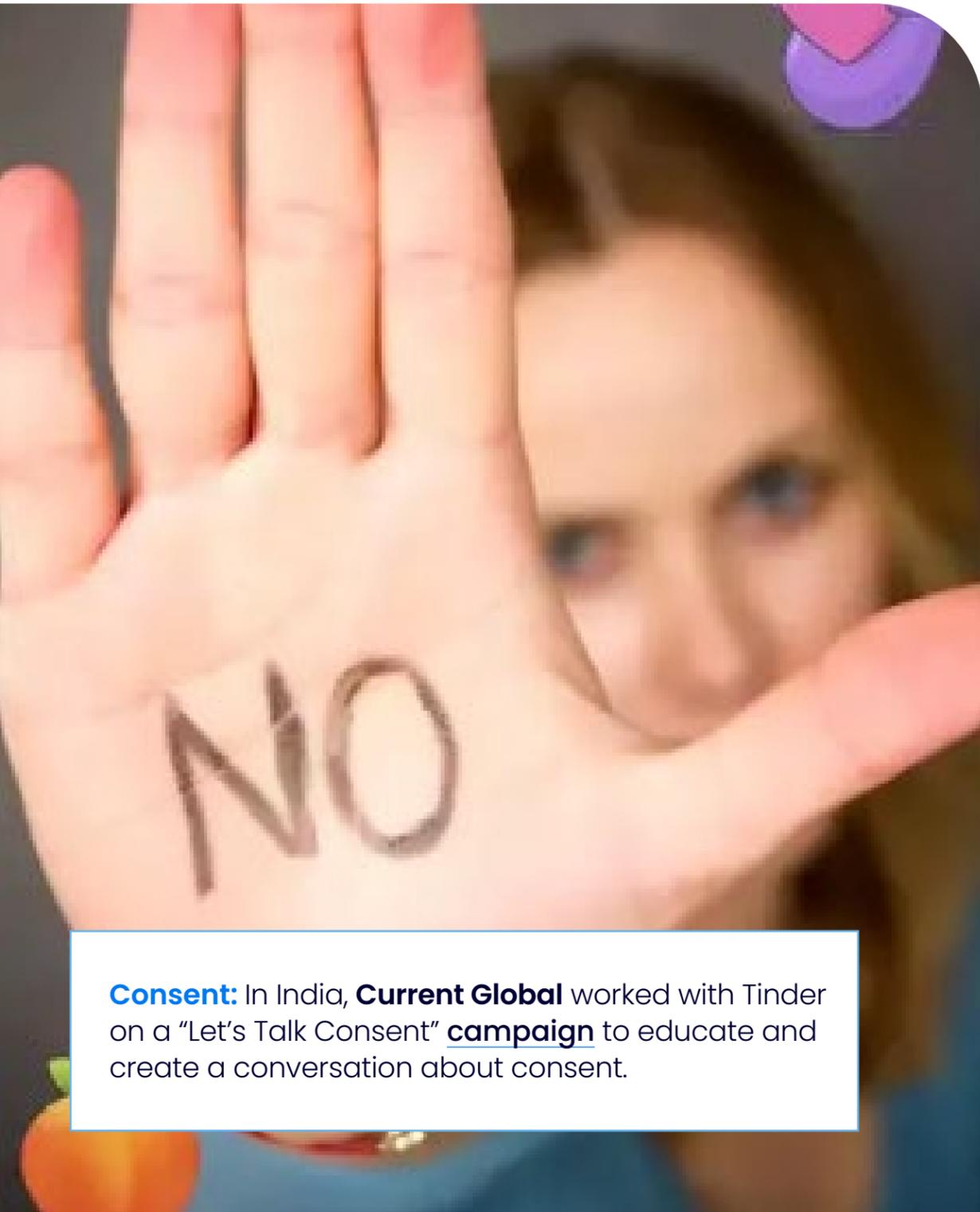
**Gun Violence:** **Area 23** partnered with Change the Ref – an organization founded by the parents of Parkland, Florida, shooting victim Joaquin Oliver – and Team ENOUGH on the national **campaign** “My Last Will.” It features teens and youth who have written a last will in the event of their deaths by gun violence.

**MullenLowe Boston** also worked with Change The Ref on a public service announcement that won Silver at the Campaign US Power of Purpose Awards. Unlike traditional postcards that spotlight regional landmarks, **Shamecards** depict local mass shootings and the devastation they leave in their wake.

**Alzheimer’s:** **Campbell Ewald** created a **campaign** for OnStar Guardian’s partnership with the Alzheimer’s Association. OnStar donates \$1 for every download of its Guardian app to the Alzheimer’s Association.



### Creative Work in Support of Health & Safety (continued)



**Consent:** In India, **Current Global** worked with Tinder on a “Let’s Talk Consent” **campaign** to educate and create a conversation about consent.



**Addiction:** **FCB Montreal** created a national **campaign** for Drug Free Kids Canada that encourages parents to talk to their kids about avoiding prescription drugs not prescribed for them.

**Multiple Sclerosis:** **Momentum UK**'s work with Merck on the “Game On! For MS” experience appeared in The Drum’s 2021 **round up** of the best not-for-profit campaigns.

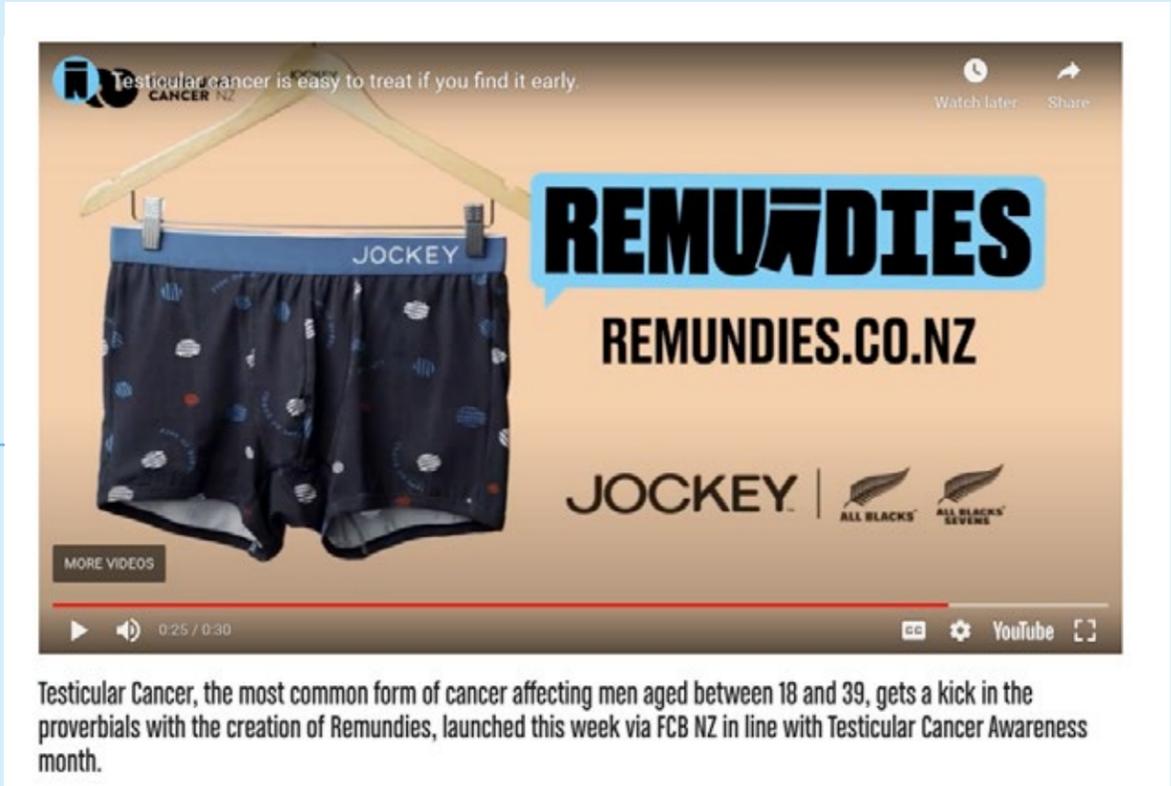
Globally, more than 2.8 million people live with the disease

### Creative Work in Support of Health & Safety (continued)

**Cancer:** In New Zealand, Jockey, Farmers, and Testicular Cancer NZ engaged **FCB New Zealand** on a campaign for Testicular Cancer Awareness Month. **Remundies** is a range of Jockey underwear through which the owner can register for text reminders about checking for signs of testicular cancer.

**McCann Paris** and **Weber Shandwick Paris** won a Grand Prix in the PR Lions category at the Cannes Lions International Festival of Creativity for **"The Bread Exam"** a campaign launched in Lebanon to teach women to perform self-checks to detect early signs of breast cancer.

With client Novartis, **Current Global** created a pop-up **exhibit** to raise awareness of the PIK3CA mutation, which leads to breast cancer.



# Responsible Supply Chain

IPG is committed to operating our business with the highest standards of integrity and with sustainable practices, and we endeavor to work with suppliers and partners who share our values.

<b>5</b> GENDER EQUALITY 	<b>8</b> DECENT WORK AND ECONOMIC GROWTH 	<b>10</b> REDUCED INEQUALITIES 	<b>17</b> PARTNERSHIPS FOR THE GOALS 
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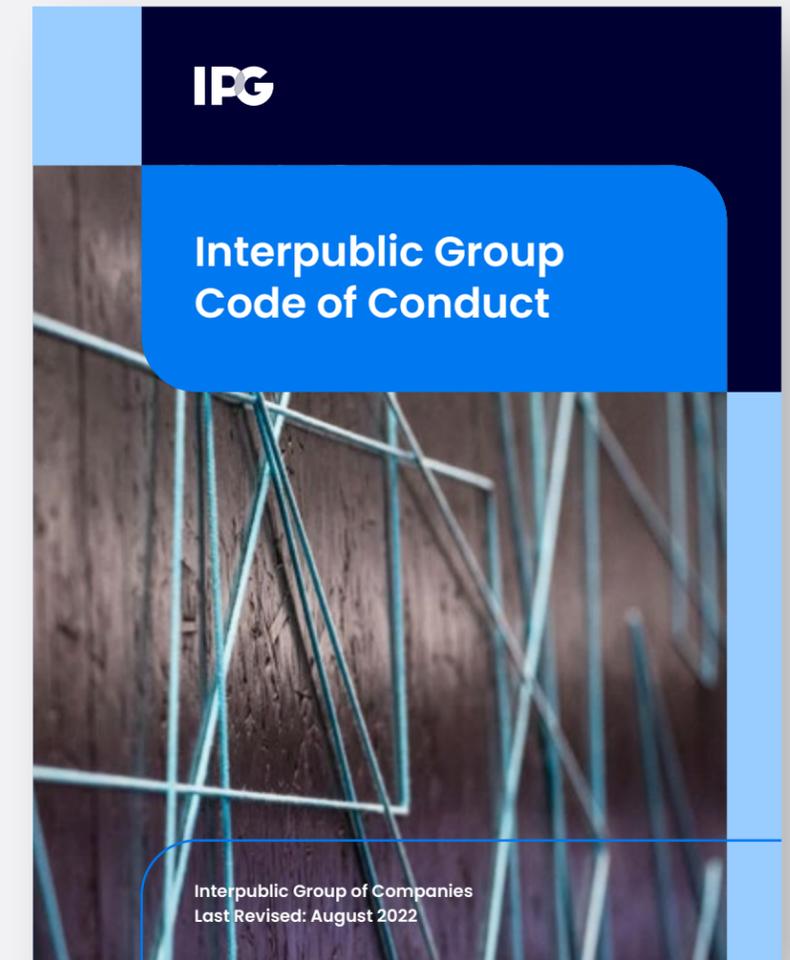
## Policy & Oversight

Each year, IPG purchases products and services from more than 75,000 suppliers around the world, guided by our Strategic Sourcing & Procurement (SS&P) team. IPG's expectations for our suppliers are outlined in our [Supplier Code of Conduct](#). Suppliers are expected to share our commitment to sustainability, adopt an environmental sustainability policy, and comply with all applicable laws and regulations of the supplier's respective country, including laws and regulations governing anti-corruption, antitrust, data protection, environmental protection, data protection, customer privacy and human rights laws prohibiting slavery, forced labor and human trafficking. The Code applies to all suppliers, including their employees, agents and subcontractors.

As stated in our [Human Rights Policy](#), IPG strictly commits to using voluntary labor only. The use of forced labor, whether in the form of indentured labor, bonded labor, prison labor or any other behavior constituting modern slavery or servitude, is prohibited. Engaging in human trafficking is prohibited in any part of our business or supply chain. Suppliers are expected

to adhere to all other provisions in our Human Rights Policy, including, but not limited to, upholding fair working conditions, ensuring health and safety, protecting the rights to organize and vote, and providing a fair and living wage.

IPG expects our suppliers to embrace the letter and spirit of our commitment to sustainability, including environmental protection and employment practices that promote diversity, equal opportunity and a safe and healthy work environment, as outlined in IPG's Code of Conduct, Human Rights Policy and Environmental Sustainability Policy. Our policies can be found on our website [here](#).



### IPG Forms Strategic Sourcing & Procurement Team

In mid-2022, IPG's Global Sourcing & Procurement function merged with our Strategic Sourcing team to form IPG Strategic Sourcing & Procurement (SS&P) as part of the Strategic Program Office. This change brings together our experts in preferred vendor management and supplier diversity with our experts in agency and vendor partnerships. The evolved structure will allow for more collaborative and integrated efforts in sourcing, which is especially important as we begin to focus more on preferred supplier management.

## Supplier Selection & Risk Management Program

The SS&P team at IPG applies a disciplined approach to supplier selection and risk management, particularly in the categories where we have significant spend. Our standard process for strategic sourcing includes due diligence to assess key criteria such as financial strength, capabilities, capacity, quality of products and services, and commitment to diversity and sustainability. With the support of the Board of Directors, IPG also implements a Third-Party Risk Management (TPRM) process to assist in identifying, assessing and managing risks that can arise when conducting business with third parties. With any supplier assessed as high-risk, the TPRM process involves an initial evaluation to assess any inherent risks. The supplier is then required to answer detailed questionnaires and provide supporting documentation, which are used to make a final assessment.

IPG's management initiative around supplier criteria and supplier management has resulted in the creation

of a Preferred Vendor list of vetted third-party suppliers, which is readily available to all of our companies in the U.S. The criteria for selecting preferred suppliers relate to capability, credibility and price, as well as diversity and inclusion, human rights and environmental impact. Our Preferred Vendor list provides vendor analytics, diversity tracking, management of vendors by category, and vendor contacts.

A core part of the program is the implementation of a supplier management platform for non-media suppliers using the SAP Ariba Network which has initially been fully implemented across our U.S. companies. The use of this tool is mandatory across IPG and includes approval of third-party supplier requests to ensure that IPG companies are following IPG's standard onboarding process and leveraging preferred suppliers as appropriate.



## Supplier Selection & Risk Management Program (continued)

IPG's vendor management program continues to expand, with an upcoming onboarding for IPG in the UK. The program is also adding new toolsets, deploying the use of the SAP for guided buying in the U.S. These program components will continue to ensure that IPG companies are following IPG's standard onboarding process and are compliant with purchasing policies.

Our supplier management program is also designed to increase information security and efficiency in the supplier onboarding process, and to simplify and streamline how we assess and manage suppliers. It is expected to deliver sharpened visibility for supplier selection criteria, including diversity and inclusion categorization and other sustainability metrics.

IPG suppliers are expected to self-monitor their compliance with the Supplier Code of Conduct, but IPG retains the right to audit suppliers at our sole discretion. IPG may request the immediate removal of any representative of a supplier who behaves in a manner that is unlawful or inconsistent with the Supplier Code of Conduct.

IPG maintains a variety of resources for reporting questionable behavior or possible violations of the Supplier Code of Conduct, including a 24-hour toll free Alertline maintained by an independent third-party and available in all major languages. Reports made to the Alertline are sent to IPG's legal department for further investigation, and IPG will not tolerate any retaliation against an individual who has in good faith reported a possible violation.

## Business Diversity Program

Supplier diversity is a strategic corporate initiative at IPG and a core element of our overall commitment to diversity. IPG is committed to working with suppliers and partners who reflect the diversity of our world, our stakeholders and our clients' customers. A diverse supplier base gives IPG a competitive advantage and helps to improve lives in our communities and around the world. To that end, we actively seek out and provide opportunities for companies owned by women, racial and ethnic minorities, veterans, LGBTQIA+ people and people with disability.

In 2021, IPG's certified diverse third-party vendor spend in the U.S. was \$171 million, representing over 6.6% of our total third-party vendor spend. Since launching our new supplier management platform in 2021, 145 certified diverse vendors have been onboarded with their supporting certification documentation.<sup>1</sup>

IPG was the first holding company in our industry to have a full-time Supplier Diversity Director. Our Supplier Diversity Director works closely with our companies to encourage participating in regional and national supplier diversity trade fairs, sharing information about qualified diverse suppliers being used across the IPG network, and providing agencies with tools and resources required to help them meet or exceed their clients' supplier diversity expectations. The Supplier Diversity Director also provides education and other support to IPG's suppliers on the importance of third-party certification.

*For information on our commitments on diverse media spend, see the [Diversity, Equity & Inclusion](#) and [Responsible Media & Content](#) chapters of this report.*



<sup>1</sup> - As we continue our efforts around supplier diversity, this year IPG has transitioned our ESG reporting on this number to include only certified diverse suppliers so that we can better track our progress. We expect this number to increase as additional suppliers complete the onboarding process.

## Business Diversity Categories

**IPG tracks diversity spend for the following categories, and we report this spend to clients quarterly:**

- Small Business and Small Disadvantaged Business
- Historically Underutilized Business Zone (HUB Zone)
- Historically Black Colleges and Universities
- Veteran-Owned and Service-Disabled Veteran
- Disabled-Owned
- Woman-Owned
- Lesbian, Gay, Bisexual and Transgender (LGBT and LGBTQ+)
- Minority-Owned including:
  - African American
  - Hispanic American
  - Asian Pacific American
  - Asian-Indian American
  - Native American

**Business Diversity Partnerships:** Several IPG companies partner with **FREE THE WORK**, a not-for-profit organization committed to creating opportunities for women, people of color and members of other underrepresented groups to be hired by companies in the film, television, advertising and media industries. IPG companies, including **FCB, R/GA** and **The Martin Agency**, utilize FREE THE WORK's global talent database and other resources to identify and discover talent.

IPG was the first company in our industry to become a corporate member of the **National Minority Supplier Development Council** (NMSDC) and the **Women's Business Enterprise National Council** (WBENC). IPG is an active participant in the national and regional business opportunity trade fairs of these groups and partners with NMSDC and WBENC regional affiliates to host matchmaker meetings, lunch-and-learn sessions and corporate supplier diversity roundtable discussions.

To support a strong pipeline of diverse suppliers, we have also participated in NMSDC's Centers of Excellence mentoring program in New York, an 18-month program that focuses on fostering minority business development and enhancing successful business relationships between corporations and Minority Business Enterprises (MBEs) by strengthening the corporate minority supplier development processes.

IPG is also an active member of NMSDC's Advertising, Marketing, Entertainment and Sports (AMES) industry group, which focuses on sharing best practices to increase opportunities for minority-owned businesses.

IPG is a member of the **National Gay and Lesbian Chamber of Commerce** (NGLCC), the largest advocacy organization dedicated to expanding economic opportunities and advancement for LGBT people, and the exclusive certifying body for LGBT-owned businesses.



FREE  
THE  
WORK



WBENC



# Community Engagement

IPG is committed to strengthening our communities. As part of this commitment, we promote opportunities at our companies to engage with not-for-profit organizations on issues that matter to the communities where we live and work. We make corporate donations to support initiatives that align with our company's values and focus on issues that align with the UN Sustainable Development Goals (SDGs) such as environmental protection, racial justice, education, the arts, health care, well being and food security.



In early 2022, following Russia's invasion of Ukraine, IPG focused on helping our Ukrainian agencies and our people, eventually deciding to suspend our operations in Russia. During this time, IPG made donations to the International Committee of the Red Cross and to Doctors Without Borders to help people within Ukraine and those being forced to leave. IPG also matched individual gifts from IPG employees to organizations providing assistance to Ukrainians affected by the war.



"We've seen IPG people in nearby countries drive to the border to physically assist and provide transportation to individuals and families as they leave Ukraine. Some among us have offered to help refugees get settled as they arrive in a new country, and still others are hosting displaced Ukrainians in their homes. Several of our agencies in Eastern Europe have made the amazing gesture of opening their doors to anyone fleeing the crisis, so that they have a place to work."

- IPG CEO Philippe Krakowsky, employee memo on March 14, 2022

## Corporate Donations

IPG's corporate donations align with many of the UN SDGs, and in 2021, we supported organizations working for health, education, culture, racial justice, civic support, environmental sustainability and more.

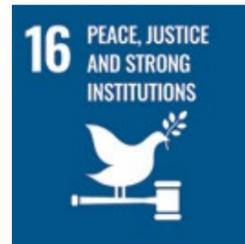
### Organizations to which IPG contributed in 2021 include the following:

- Ad Council
- American Advertising Federation (AAF)
- American Red Cross
- Americares
- ANA Educational Foundation (AEF)
- Asian American Legal Defense and Education Fund (AALDEF)
- Baruch College Fund
- Big Brothers Big Sisters of America
- Catalyst
- charity: water
- Chief Executives for Corporate Purpose (CECP)
- Chinese for Affirmative Action (CAA)
- Columbia University
- Democracy Works
- Direct Relief
- Epilepsy Foundation
- George Floyd Memorial Foundation
- Holy Apostles Soup Kitchen
- Hope for Haiti
- International Rescue Committee
- James Lenox House Association
- Jewish Community Relations Council
- Lifeforce in Later Years (LiLY)
- Lincoln Center Corporate Fund
- Naomi Berrie Diabetes Center
- New York City Center
- NewYork-Presbyterian Hospital
- NYC Outward Bound Schools
- NYWICI Foundation
- Operation Gratitude
- Parkinson's Foundation
- Partnership for New York City
- Partnership to End Addiction
- Peace One Day
- Ronald McDonald House New York
- She Runs It Foundation
- T. Howard Foundation
- The Fund for Public Schools
- The New York Pops
- The Paley Center for Media
- UN World Food Programme (WFP)
- United Way of Midlands
- Unstereotype Alliance
- Whitney Museum of American Art
- Women for Afghan Women



**Focus Issues for IPG 2021 Donations Include:**

Donations on behalf of all corporate employees to bolster actions to call out hate, including to the [Asian American Legal Defense and Education Fund](#), [Stop AAPI Hate](#) and [Peace One Day](#).



A donation to the [George Floyd Memorial Foundation](#) to support efforts to challenge the root causes of racial inequity and end the systemic violence that affects Black Americans. Such efforts keep these issues at the forefront of conversations, which is “what we need to be a more just society, which in turn will benefit us all,” wrote IPG CEO Philippe Krakowsky in announcing the contribution.



Year-end donations to three organizations working to alleviate hunger and provide disaster relief worldwide – the [World Food Programme](#), [Women for Afghan Women](#) and the [United Way](#).



Donation to [Americares](#) supporting tornado response in affected U.S. states.

IPG sent an employee communication addressing both the escalation of violence in Afghanistan and the impacts of an earthquake and other crises in Haiti, and announced that IPG would match employee donations to [Women for Afghan Women \(WAW\)](#), [International Rescue Committee](#) and [Hope for Haiti](#).

## Employee Campaigns



For several years, IPG has taken action on clean water and sanitation to support the advancement of Sustainable Development Goal 6 around the world.

Our efforts are often organized as matching drives for employee contributions. Since 2016, we have partnered with the not-for-profit organization **charity: water**. For Earth Day 2021, IPG matched employee donations to charity: water.

### Among the charity: water projects we supported in 2021 are:

- A piped water system in the rural Amhara region of Ethiopia which brings clean drinking water to the community, and which introduced sanitation and hygiene training that was particularly crucial given the global pandemic.
- A biosand filter and sanitation program at a school in Cambodia. The filter removes bacteria from water, helping students stay safe and healthy in school.
- A piped system in Madagascar, which will help provide more than 1,700 people with access to clean water. This project was the focus of IPG's "Giving Tuesday" campaign in November 2021.

## Access to Clean Water in Madagascar

Only about 54% of the population in Madagascar has access to clean drinking water, a number that drops to 36% in the country's more rural regions.

**54%** Overall population

**36%** Rural population



## Why Clean Water?

Access to water and sanitation sparks a wide range of positive outcomes. In addition to better health, access to water empowers women and girls who, in many areas around the world, are responsible for obtaining water for their communities. By alleviating the task, women and girls are able to tend to other important activities like education and paid work.

charity: water uses 100% of all donations to bring clean and safe drinking water to people around the world.

More information on IPG's partnership with charity: water can be found [here](#).

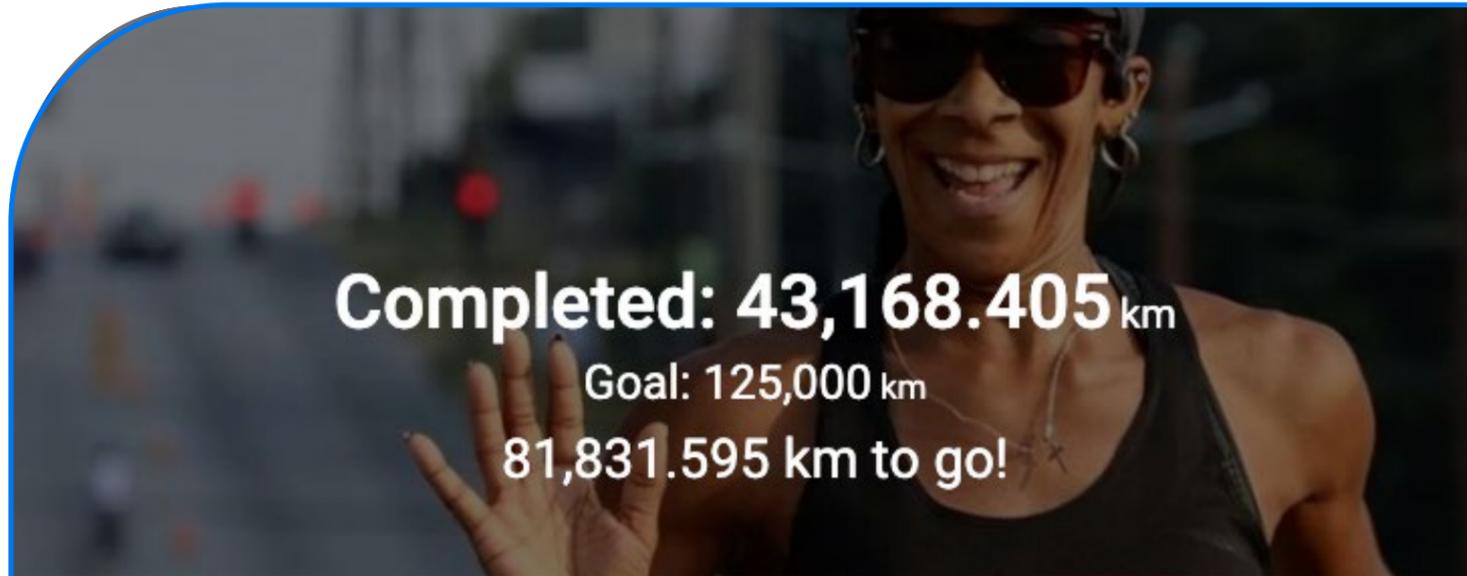
### Pro Bono Creative Work & Community Partnerships

For IPG, caring for our communities includes providing *pro bono* services and partnering with not-for-profit organizations and advocacy groups. In every corner of the globe, people from IPG and our companies are lending their time and talents in their local markets to causes that matter to them. The work that we do with community partners helps build a cleaner, healthier world and more diverse and inclusive workplaces and communities. This work strengthens our organization and helps grow our business while making us an employer of choice.



#### No Poverty

As part of the US Postal Service's **Operation Santa**, **UM** "adopted" letters by shipping gifts and matched the amount spent with a donation to Toys for Tots Native American Program.

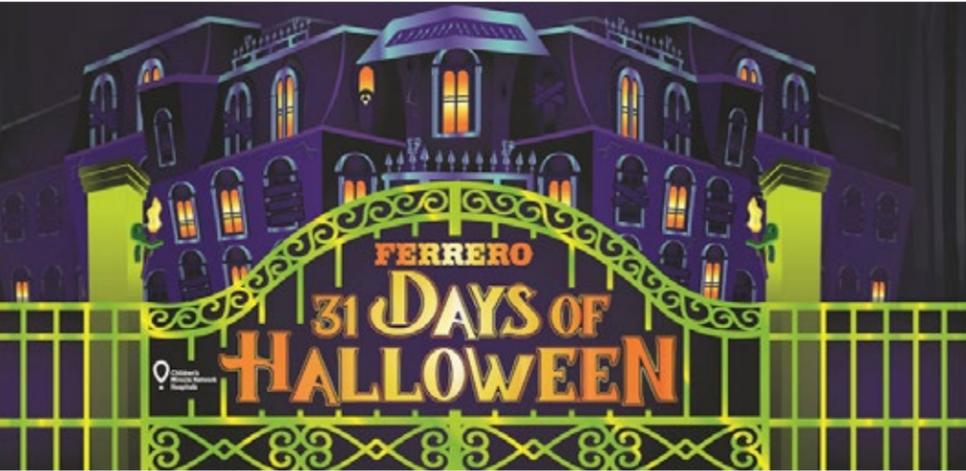


#### Zero Hunger

**Weber Shandwick** worked with Kellogg's® Special K® on the first-ever **Special 5K®**, a **virtual race with Black Girls RUN!** that turns each K logged into donations for Feeding America.



Good Health & Well-Being



Golin supported Ferrero with the launch of 31 Days of Halloween in support of the Children’s Miracle Network Hospitals.

Media Experts continued its decade-long support of NABS West, a charity that supports mental health for people in the advertising industry in Western Canada.



In support of the St. Michael’s Hospital Foundation, **Reprise** set up the digital portion of the annual Urban Angels Charity Auction. The auction had its best year ever, raising over \$1.9 million for the hospital’s COVID-19 needs.



### Quality Education

**Elephant** supported the **Fulfillment Fund** with marketing materials, branding and more, helping students in under-resourced communities to attend college.



**Acxiom**, which is headquartered in Conway, Arkansas, is a long-standing partner of the **Women's Foundation of Arkansas**, helping to promote its **Girls of Promise®** STEM initiative. Women currently make up only 27% of the STEM (science, technology, engineering and mathematics) workforce; this initiative aims to increase the number of women studying and working in STEM. As Acxiom's Chief Information Officer Janet Cinfio notes, "more women in the marketing and technology field translates into better products and solutions that will benefit our community and the global economy."

Acxiom has donated \$100,000, enabling Girls of Promise to significantly increase its reach, and Cinfio serves on the Girls of Promise Steering Committee.

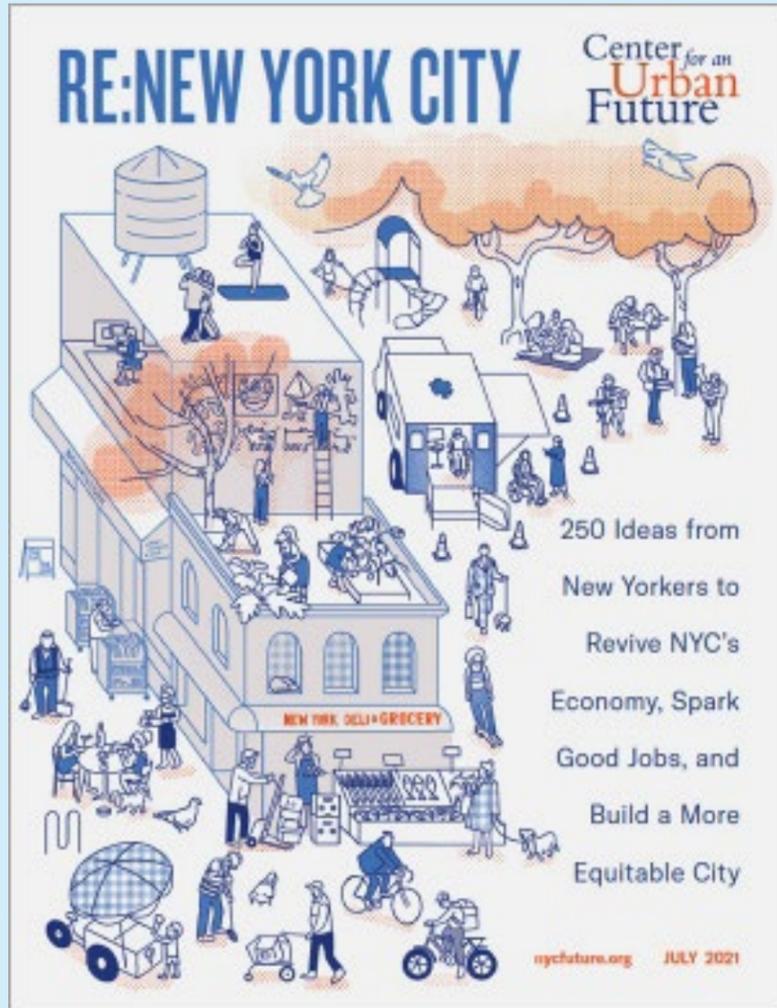
Acxiom also works with the University of Central Arkansas, providing: an IT Careers Camp for high school students; internships that lead to full-time opportunities for graduates; scholarships for majors in management information systems; and the Acxiom Information Systems Student Award, given each year to the top information systems major in the College of Business.



### Gender Equality

As part of the UN's **HeForShe** initiative, **Weber Shandwick** partnered with filmmaker Vibha Bakshi on **a film** featuring the stories of five men who fight gender bias.





### Decent Work & Economic Growth

**Huge** contributed ideas to the [July 2021 report](#) from Center for an Urban Future, featuring a blueprint for economic growth, good jobs and more equity in New York City.



### Reduced Inequalities

**Elephant** partnered *pro bono* with **All Star Code** to help ensure young people of color can acquire financial independence and social mobility through the power of code, fighting inequality in the world of tech.

# BLACKNESS IN FULL BLOOM

**Deutsch LA** hosted a free four-week brand-building program, **Blackness in Full Bloom**, to help local Black-owned businesses succeed. The program offers masterclasses on strategy, media & PR, design and content production.





### Sustainable Cities & Communities

The Home Depot Canada Foundation launched a **campaign** via **FCB Canada** to promote TradeWorx, a targeted investment to combat youth homelessness.



### Climate Action

The **Martin Agency** worked with the climate scientists group Science Moms to collect the voices of 85 million parents in America speaking up for climate action. The group's **ad campaign** is the largest paid climate education initiative in the U.S. in the last decade.



**Initiative** and **Reprise** supported **WWF's Earth Hour** campaign that ran across Meta and Snapchat.





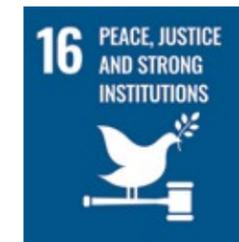
**Life Below Water**

FCB Lisbon created a *pro bono spot* with the Oceans without Plastic Association for World Water Day 2021. The spot was broadcast on social media in Portugal and Brazil.



**Peace, Justice & Strong Institutions**

R/GA launched [Welcome.US](#), a web experience backed by the White House and the U.S. State Department to help American citizens support Afghan refugee resettlement efforts.



Publicidad Comercial MullenLowe launched an [online platform](#) serving people who were victims of sexual abuse as children. In conjunction with Humans for Humans Foundation, the platform is searching for survivors and fundraising to provide them with access to specialized psychologists.





## Governance

**IPG's leadership emphasizes transparency, ethics and human rights. We take responsibility for our data use and our marketing content.**

### Sections:

Corporate Governance & Risk

Ethics & Integrity

Public Policy

Data Ethics & Privacy

Responsible Media & Content

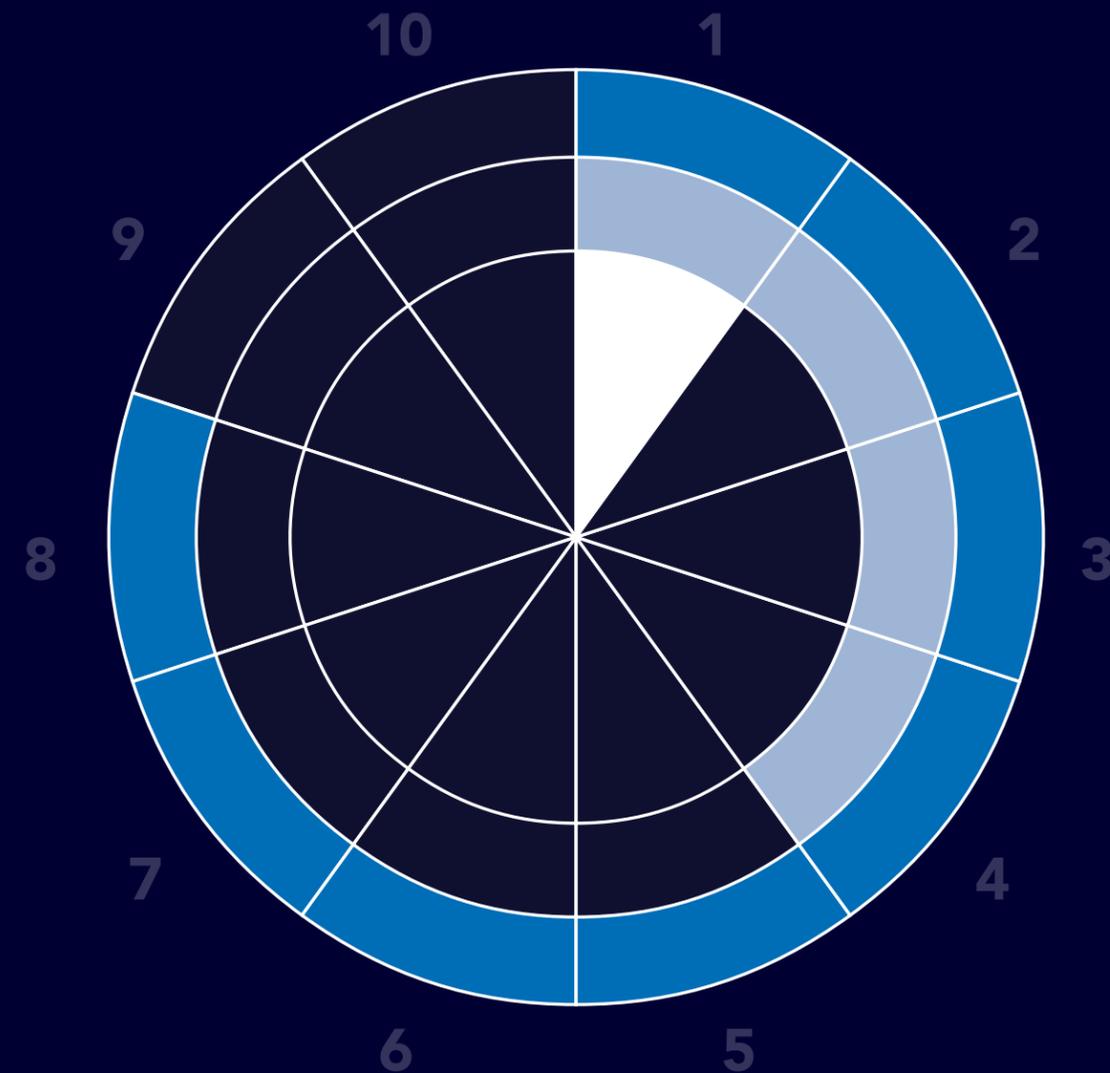
# Corporate Governance & Risk

IPG is committed to operating with comprehensive governance structures and policies that ensure transparency while fostering excellence and accountability for our Board of Directors and management team. Our governance practices also include robust programs to identify and manage enterprise risks.



## 2021 IPG Board Independence & Diversity

- 10 Directors
- 8 Independent <sup>1</sup>
- 4 Women <sup>2</sup>
- 1 Racially/ethnically diverse



1 - As of Jan. 1, 2022, eight of nine directors were independent following the retirement of Michael Roth from the Board. The Board elected David Thomas to serve as non-executive Chair of the Board.

2 - As of Jan. 1, 2022, four of nine directors were women following the retirement of Michael Roth from the Board.



## Board of Directors: Role & Governance

IPG’s Board of Directors is responsible for oversight of the business and directly advises management on development and execution of our long-term corporate strategy.

The governance framework and practices of our Board include: annual election and majority voting for directors; annual self-evaluations of the Board and its committees; and stock ownership guidelines.



**Board Independence:** In 2021, eight out of ten IPG directors were independent, with our CEO and our Executive Chairman being the only members of management who served as directors. In the event that IPG appoints an executive chairman to the Board, our **Corporate Governance Guidelines** state that the Board shall designate an independent Presiding Director who chairs regularly scheduled executive sessions. Moreover, the Board’s standing committees consist entirely of independent directors, as required in our Corporate Governance Guidelines.

To ensure that directors can serve effectively on IPG’s Board, our Corporate Governance Guidelines provide that independent directors shall not serve on more than four other public company boards, and management directors shall not serve on more than two boards of other public companies. The members of IPG’s Audit Committee shall not serve on the audit committees of more than two other public companies.



**Board Diversity:** Our Board members bring a diversity of thought, skills and experience to their roles based on their extensive backgrounds in marketing, media, financial services and technology and their deep understanding of global operations, finance, strategy and management functions.

In 2021, our Board of Directors included four women, comprising 40% of the board, while 10% of the Board was represented by racial/ethnic minority groups. Additionally, 67% of our standing Board committees are chaired by women directors.

In 2021, the Board adopted a Policy on Board Diversity, which is included in the Corporate Governance Guidelines, formalizing its longstanding commitment to having a Board that reflects diverse perspectives, including those related to gender, race and ethnicity. The Board and its Corporate Governance and Social Responsibility Committee are committed to actively include women and ethnically diverse candidates when identifying and evaluating director candidates.

IPG is a member of the 30% Club, which aims to reach at least 30% representation of women on corporate boards. IPG has endorsed this objective informing our commitments and strategy on increasing the diversity of IPG's Board of Directors.

**Board Succession:** Planning for director succession and refreshment is overseen by the Board's standing committee on Corporate Governance and Social Responsibility, which is discussed below. Through these plans, IPG's goal is to maintain a diversity of thought, background and experience on the Board that will support our long-term strategy.



## Board Committees: Roles & Governance

IPG's Board of Directors has three standing committees – Audit, Compensation and Leadership Talent, and Corporate Governance and Social Responsibility. The Board also has an Executive Committee that may act on behalf of the full Board between regularly scheduled meetings when time is of the essence.

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**Audit Committee:** Responsible for appointment and oversight of the independent auditors of the company, including reviewing the quarterly and annual financial statements before filing with the Securities and Exchange Commission, reviewing critical accounting policies and practices, and reviewing the quality, adequacy and effectiveness of the company's internal controls over financial reporting.

The Audit Committee also oversees compliance with the company's Code of Conduct, legal and regulatory compliance, ethics programs and the internal audit function. In addition, the Audit Committee has oversight of the company's enterprise risk management processes and framework. Enterprise risk management is further discussed on [page 113](#).

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**Compensation and Leadership Talent Committee:** Responsible for reviewing and adopting IPG's compensation practices for the executive officers and senior management of the company to ensure that compensation is based on long-term performance and is linked to the long-term interests of stockholders. The Committee annually reviews and approves the goals and objectives relevant to determining the compensation of the company's executive officers, including equity compensation awards, and for the CEO recommends such goals, objectives and compensation for review and approval by the full Board. IPG's executive compensation approach is further discussed on the following page.

The Committee also reviews succession plans for key executive positions and works to ensure that compensation programs support the advancement of talented employees into leadership roles. One of the highest priorities of IPG's Board is oversight of succession planning for our CEO and senior management. This oversight process includes reviews of succession scenarios, potential candidates, planned transitions and timelines. The Board devotes significant attention to identifying and developing talented senior leaders, guided by the Compensation and Leadership Talent Committee.

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**Corporate Governance and Social Responsibility Committee:** Responsible for establishing criteria for membership on the Board and its committees, identifying and recommending qualified individuals to be nominated for election as directors, and planning for director succession and refreshment. The Committee undertakes an annual review of the collective performance of the Board and its committees, and it makes recommendations to the Board regarding the compensation and benefits for non-management directors, ensuring alignment of directors' interests with the long-term interests of stockholders.

The Committee also develops the Corporate Governance Guidelines for the Board, and it reviews and makes recommendations to the Board regarding governance practices generally. The Committee has direct oversight of IPG's policies and practices with respect to issues of global corporate citizenship and social responsibility, including diversity and inclusion, environmental sustainability, data ethics and privacy, charitable matters and political matters.

More information on Board oversight of IPG's sustainability programs can be found in the [ESG Strategy](#) chapter of this report.  
More detailed information about our Board of Directors and our Corporate Governance Guidelines is available in our [2022 Proxy Statement](#).

# 2 of 3

IPG Board Committees are  
chaired by women directors.

## Executive Compensation Approach

IPG's executive compensation philosophy focuses on attracting, developing and retaining talented and high-performing employees. Our compensation programs ensure strong links between the company's performance and total compensation earned. A significant percentage of the compensation paid to our executive officers is performance-based and exposed to fluctuations in the price of our common stock.

IPG maintains robust share ownership guidelines for our directors and senior executives. In addition to more closely aligning the financial interests

of our directors and management with stockholders, these guidelines are intended to communicate the commitment and personal investment of directors and executives in the company. Within five years of initial election to the Board, independent directors are expected to hold shares of stock and/or stock units having a value of at least five times the annual cash retainer they receive. Named executive officers and other senior executives must also satisfy ownership guidelines based on multiples of base salary within five years after joining the company or after promotion into a position to which the guidelines apply.



## Enterprise Risk Management

IPG's Board plays an active role in the oversight of enterprise risk management activities. The Board's Audit Committee oversees many aspects of enterprise-wide risk management and reports on such matters to the Board. The Board's other committees are also involved in risk management. Each Committee regularly informs the Board of any potential issues or concerns arising out of its risk management duties.

IPG has also created committees consisting of personnel from various IPG departments that engage in enterprise risk management efforts, such as:

- The Management Governance Committee reviews anonymous complaints reported via IPG's Alertline relating to alleged violations of company policy and ethical standards.
- The Anti-Bribery Compliance Committee assesses IPG's corruption risk, provides guidance on anti-corruption policies, and establishes priorities for employee anti-corruption training.

On a quarterly basis, IPG conducts a robust risk assessment process using best-in-class software to risk-rank all IPG companies and efficiently allocate internal audit resources. The assessment uses criteria including country corruption perception index, fraud or Code of Conduct violations, total government revenue, percent government revenue, minority interest and other governance issues. Approximately 100 metrics are applied to identify financial, M&A, cybersecurity and crisis preparedness risks that may affect our companies.

With the support of the Board of Directors, IPG has implemented a Third-Party Risk Management (TPRM) process to assist in identifying, assessing and managing risks that can arise when onboarding and conducting business with third parties.

*More information on our TPRM process can be found in the [Responsible Supply Chain](#) chapter of this report.*

### The risk management activities of the Board and its committees include:

- The Board conducts an annual review and assessment of the primary operational and regulatory risks facing IPG, and of management's plan for mitigating those risks.
- The Board and the Audit Committee have oversight of cybersecurity and associated risks, overseeing the strategy, policies and practices to mitigate such risks.
- The Audit Committee has oversight of IPG's compliance with its Code of Conduct, including matters relating to anti-corruption compliance and conflicts of interest, and establishes procedures for receiving anonymous complaints or concerns from employees regarding accounting internal controls and auditing matters.
- The Audit Committee has oversight of IPG's financial risk exposure, including IPG's credit and liquidity position, and regularly discusses with management and internal auditors the steps taken to address and mitigate financial risks.
- The Corporate Governance and Social Responsibility Committee has oversight of IPG's practices and policies to mitigate potential risks related to sustainability and corporate responsibility matters, including climate risk. The Committee also oversees potential risks related to director independence and conflicts of interest.
- The Compensation and Leadership Talent Committee oversees potential risks related to IPG's compensation philosophy, plans and practices to ensure that they do not encourage imprudent risk taking.

# Ethics & Integrity

Operating ethically and with the highest standards of integrity is critical to IPG's continued success. We have a long-standing commitment to sound and equitable business ethics and a set of values shared by all of our companies, agencies, subsidiaries and affiliates. We take pride in the culture we have built by adhering to these values, which are centered around respect for every individual and appreciation for universal principles of human rights.



## Oversight

IPG's commitment to high standards of ethics and integrity comes from the top of the company. Our Board of Directors, CEO and management team oversee a robust compliance program applicable to 100% of our operations.

The Board's Audit Committee has oversight responsibility of our compliance program. IPG also maintains cross-functional management committees to oversee compliance, including an Anti-Bribery Compliance Committee and a Management Corporate Governance Committee. Anti-corruption compliance is implemented by various corporate departments, including legal, internal audit, the regional controllers team and human resources.



## Policies Supporting Ethical Behavior

To ensure that our global operations are carried out with integrity and respect for all stakeholders, all IPG companies around the world are expected to adhere to our corporate policies, in addition to ensuring that their employees and suppliers also comply. IPG will take corrective action (up to and including termination) for any violation of our communicated policies.

IPG regularly communicates the following policies and procedures by a variety of methods. Some messages are intended for a broad audience, while other messages are targeted to specific audiences. Communications are also tailored to specific jurisdictions or in connection with circumstances that may pose increased risks.

IPG's **Code of Conduct** forms the foundation of how we interact with one another, with our suppliers and with our clients. The Code of Conduct is available in 15 languages for our global workforce. It provides guidance on performing our jobs ethically and ensures compliance with all applicable laws and regulations

in the countries where we operate. Our **Corporate Governance Guidelines** explicitly state that IPG's Board of Directors and executive officers must comply with the Code of Conduct, and that the Board may not waive any provision of the Code of Conduct for any director or executive officer.

IPG's **Supplier Code of Conduct** incorporates the principles included in the IPG Code of Conduct, to which we expect all of our suppliers and their employees, agents and subcontractors to adhere to while they are conducting business with or on behalf of IPG. Our expectation that suppliers comply with IPG's Supplier Code of Conduct is referenced in invoices and/or contracts. For business partners that present an elevated risk level, we include detailed provisions relating to anti-corruption in the relevant contracts

*More information can be found in the [Responsible Supply Chain](#) chapter of this report.*



## Policies Supporting Ethical Behavior (continued)

In 2022, IPG adopted our first official **Responsible Media & Content Principles**, which apply to all companies in the IPG network around the world, including our employees and suppliers. Our Principles are designed to ensure that our marketing solutions for clients result in socially and environmentally responsible, non-stereotyped and accessible content for all.

In 2021, IPG adopted our first official **Human Rights Policy**, which outlines our commitment to high ethical standards and to universal principles of human rights. IPG’s Human Rights Policy makes specific commitments regarding modern slavery, forced labor and child labor, providing fair and humane working conditions and living wages, diversity and non-discrimination, the rights to organize and vote, the right to clean water and responsibility for content, among other areas.

Also in 2021, IPG adopted our first publicly available **Tax Policy**, underlining the importance of complying with tax laws, rules and regulations in both the letter

and spirit of the law. This tax strategy is aligned with our Code of Conduct and other Standard Policies & Procedures, and it expresses our continued commitment to acting with transparency and integrity with respect to all direct and indirect tax matters. The policy sets out seven key principles that apply to all tax matters across IPG.

IPG also maintains policies governing specific business practices, including our **Anti-Harassment and Equal Opportunity Policy** and our **Anti-Corruption Policy**. IPG has a zero-tolerance policy with respect to bribery and corruption in any form, and our Anti-Corruption Policy details our policies requiring compliance with all applicable anti-corruption laws and regulations worldwide. IPG has additional relevant policies in place to safeguard against corrupt payments, including a Gifts Policy and Travel and Entertainment Policies.

*Our publicly available policies can be reviewed on [IPG’s Corporate Governance](#) site.*



## Creative Work in Support of Business Ethics

The **Brooklyn Brothers** developed the “Make Money Good” platform for the anti-money laundering company Lucinity. As part of this effort, an initiative was launched around International Women’s Day calling on influential women in banking, government and finance to promote transparency in finance and anti-money laundering technology.

The campaign notes that money laundering – a \$2 trillion business – funds human trafficking and other crimes to which women are more vulnerable. The initiative was sponsored by Iceland’s government.



## Ethics Training & Compliance

IPG understands the importance of ethics training, particularly as it relates to ensuring a workplace that operates ethically and protects human rights for every individual. Consistent with this commitment, all employees worldwide – both part-time and full-time – are advised of and required to complete annual training on our Code of Conduct. This process includes certifying their agreement with the Code and disclosing any potential conflicts. All new hires are required to receive specialized training in the Code, which includes anti-corruption training.

All employees are reminded of specific points in the Code of Conduct through regular communications, such as a reminder upon the release of each quarterly earnings report that the company's policy – included in the IPG Code of Conduct – prohibits insider trading of IPG stock or other IPG securities and tipping others to trade IPG's securities based on material insider information.

# 100%

of our Board receives training on our Code of Conduct, which includes provisions about anti-corruption.

# 100%

IPG assesses 100% of our operations for corruption-related risks

*More information on our compliance programs can be found in the [Corporate Governance & Risk](#) chapter of this report.*

On an annual basis, enterprise-wide audits are performed to ensure that all IPG employees participated in the Code of Conduct training and submitted their acknowledgment, and that conflicts of interest are risk-ranked and reviewed.

IPG's anti-corruption compliance program, overseen by the Board's Audit Committee, is implemented by various corporate departments including legal, internal audit, human resources and our regional controllers team. IPG legal and internal audit personnel regularly conduct live anti-corruption compliance training sessions for key personnel in significant, high-risk markets such as China, India, South Africa and Brazil.

IPG provides anti-harassment training to all new hires in the U.S. and to senior managers outside the U.S. Every two years, we retrain California managers, and every four years, we retrain all U.S. employees. IPG's Chief Executive Officer invites and encourages all employees to take these courses, and we have maintained high levels of employee participation.

If you ever have a concern about unethical or illegal workplace activity, you can talk to us.

## THE INTERPUBLIC ALERTLINE



**1.800.828.0896**

Talk to your manager or call The Interpublic AlertLine, toll-free, 24 hours a day. You do not have to give your name.

SCAN HERE TO COMPLETE A WEB FORM!



**IPG**

## Raising Concerns

IPG seeks to engage employees, suppliers, consultants, freelancers and other business partners who share our values and human rights standards. IPG will not tolerate violations of our ethical standards. If violations to laws, regulations or company policy are suspected, we strongly encourage all IPG employees, contractors, suppliers, clients and business partners, as well as all other stakeholders, to immediately utilize our publicly available reporting mechanisms.

In accordance with IPG policy and local laws, reports can be made by contacting our toll-free **Alertline**, a third-party operated hotline available 24 hours a day, seven days a week in more than 40 languages. Individuals may also report violations through an Alertline website operated by an independent third party.

Reports to the Alertline address topics such as employee relations issues, workplace safety and potential conflicts

of interest. Reports can be made anonymously where allowed by local law, and an individual's identity will not be revealed if that person requests anonymity or confidentiality. IPG has a zero-tolerance policy against retaliation toward anyone who in good faith reports a suspected ethical violation, or who participates in any investigation.

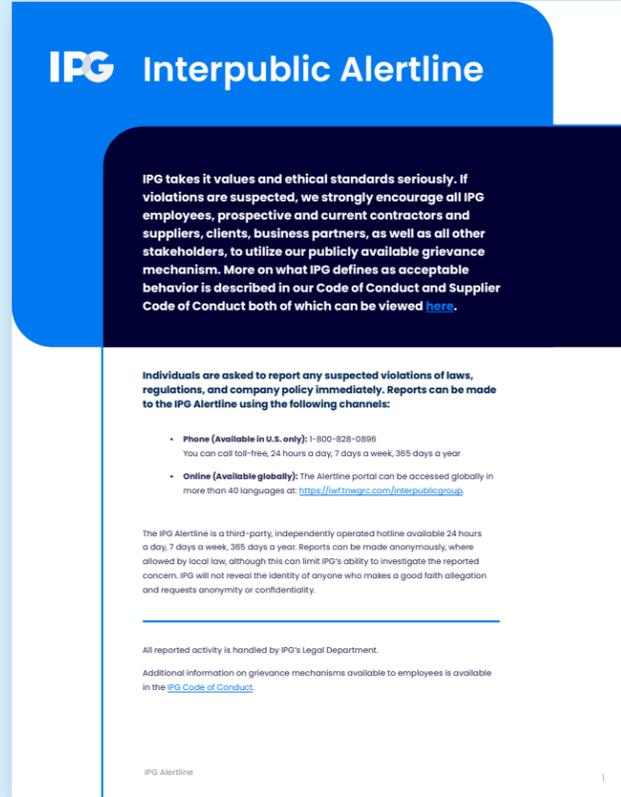
In addition, IPG provides employees with several other means to express concerns about their work environments and seek advice about ethical and lawful behavior. As described in our Code of Conduct, IPG employees may report concerns to their direct managers, local and corporate human resources departments, or the legal department. Employees are expected to participate in an investigation of a report. Those who file a concern may receive follow-up information about the outcome of such an investigation, as allowed by local law.

## Raising Concerns (continued)

IPG takes every single report seriously. All reports are investigated promptly and thoroughly. Appropriate corrective or disciplinary action is applied whenever necessary.

IPG communicates regularly to employees about ethics reporting mechanisms, including through employee onboarding training, the annual Code of Conduct course, regular internal communications and posters describing the Alertline.

IPG employees can also raise ethical concerns or seek advice on ethical standards through our annual employee survey assessing IPG's Climate for Inclusion. While this survey was conducted by a third party, our DEI Team reviewed summaries of responses to identify any common ethical concerns.



**IPG Interpublic Alertline**

IPG takes its values and ethical standards seriously. If violations are suspected, we strongly encourage all IPG employees, prospective and current contractors and suppliers, clients, business partners, as well as all other stakeholders, to utilize our publicly available grievance mechanism. More on what IPG defines as acceptable behavior is described in our Code of Conduct and Supplier Code of Conduct both of which can be viewed [here](#).

Individuals are asked to report any suspected violations of laws, regulations, and company policy immediately. Reports can be made to the IPG Alertline using the following channels:

- **Phone (Available in U.S. only):** 1-800-828-0896  
You can call toll-free, 24 hours a day, 7 days a week, 365 days a year
- **Online (Available globally):** The Alertline portal can be accessed globally in more than 40 languages at: <https://ethicswg.com/interpublicgroup>

The IPG Alertline is a third-party, independently operated hotline available 24 hours a day, 7 days a week, 365 days a year. Reports can be made anonymously, where allowed by local law, although this can limit IPG's ability to investigate the reported concern. IPG will not reveal the identity of anyone who makes a good faith allegation and requests anonymity or confidentiality.

All reported activity is handled by IPG's Legal Department.

Additional information on grievance mechanisms available to employees is available in the [IPG Code of Conduct](#).

IPG Alertline 1



# Public Policy

IPG is committed to the long-term health of communities around the world and to being a responsible citizen of the communities where our people live, work and vote.



## Policy & Oversight

Our Board of Directors' Corporate Governance and Social Responsibility Committee is responsible for overseeing and making recommendations to the Board regarding IPG's policies and practices with respect to issues of global corporate citizenship and social responsibility.

IPG employees are encouraged to support our communities by participating in political activities that interest them. Employees are welcome to participate in political activity in a personal capacity and donate to political causes using their personal funds and in their own names.

IPG's **Code of Conduct** and **Anti-Corruption Policy** provide that IPG and its agencies may not contribute any company funds, facilities or services to any candidate for public office, any political party or official thereof, any political action committee, or any political initiative, referendum or other form of political campaign without prior approval from IPG's General Counsel (other than political marketing and communication services or lobbying activities conducted by an IPG company whose regular business activities consist of such services or activities). All lobbying activities must first be cleared with IPG's legal department, except where the applicable office's regular business activities consist of such lobbying activities.

*Our publicly available policies can be reviewed on [IPG's Corporate Governance site](#).*

## Taking Stands on Important Issues

IPG regularly takes public stands on critical issues affecting our world and our business, with a view to promoting empathy and wellbeing in a changing world.

- **Climate Action**
- **Promoting Democracy**
- **Data Privacy**
- **Health Care Rights**



**Climate Action:** IPG has a long-standing plan to reduce our carbon footprint, as discussed in the [Climate Action](#) chapter, and in 2021 became 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.

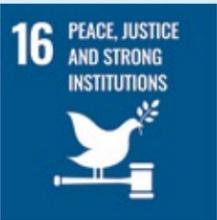
In 2022, IPG became the first advertising holding company to publish its decision not to support or engage in marketing or communications aimed at influencing public policy that seeks to extend the life of fossil fuels. As part of IPG’s review being applied to new clients, IPG and its affiliates now **proactively review** the climate impacts of prospective clients that operate in the oil, energy and utility sectors before accepting new work.



### New Review for Prospective Clients

IPG has worked with a third-party expert in the area of climate change to develop a set of questions that we expect prospective clients to affirm before we enter a new partnership. Our review of prospective clients is based on a set of questions including:

- Has the potential client 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?
- Is the company publishing clear climate reporting, including scope, baseline, timeline, and the tracking of Scopes 1, 2 and 3 emissions?
- Are the potential client’s goals in line with the goals IPG has made in our own ecosystem and reported on publicly?
- Has the company ceased any controversial form of oil and gas production?



**Promoting Democracy:** In the lead-up to the January 6, 2021 congressional session to certify the U.S. presidential election results, IPG signed on to a joint statement with hundreds of companies and the Civic Alliance, a non-partisan coalition of businesses, to call for a peaceful transfer of power.

When the U.S. Capitol building was then attacked on January 6, IPG CEO Philippe Krakowsky reached out to all employees in a memo reiterating the company's "shared commitment to values that run

*directly counter to so much of what we witnessed yesterday at the U.S. Capitol, and to assure you of our support during these tumultuous times."* He noted IPG's action "on the front lines of encouraging civic engagement."

In support of participatory democracy, IPG has signed onto Civic Alliance's **100% In for Democracy Pledge** and gives corporate employees the day off for major elections. In 2021, IPG also joined the **Black Economic Alliance's statement** to defend voting rights.

**Creative Work in Support of Participatory Democracy**

In the Philippines, **MullenLowe TREYNA** collaborated with the Commission on Elections and Dashboard Philippines to create a website for voter registration and mobilization. The #MagpaRehistroKa encourages Filipino voters – especially youth – to exercise their right to vote by participating in the 2022 national elections.

MullenLowe TRENYA wrote the storyline for the website, focusing on national heroes who sacrificed for their country to urge every eligible Filipino to register and vote. The website provides step-by-step guidance on the registration process.

**Golin** launched **The Polarization Index** – the first-ever data science-based measure of political division in the U.S. It leverages social media conversations to assess the polarization across 10 "hot-button" issues – and how much unreliable information is being shared. The tool aims to help organizations make decisions about the positions they take on political issues.

**We're 100% In for democracy.**

Each of our companies is unique. Yet, we are united by these nonpartisan values: Every American has a voice in our democracy. Voting should be safe and accessible to all. Elections should be fair and transparent.

We, the undersigned:

- Call for safe access to the polls for all voters.
- Recognize state and local election officials as the trusted source for certified results.
- Encourage patience as officials count every vote.

America's democracy is strong. Our strength lies in our people – each with the power to shape our country's future.

We celebrate the record number of Americans who are voting in this election. We thank poll workers, the essential workers for our democracy. And, we reaffirm that election outcomes are determined by the will of voters.

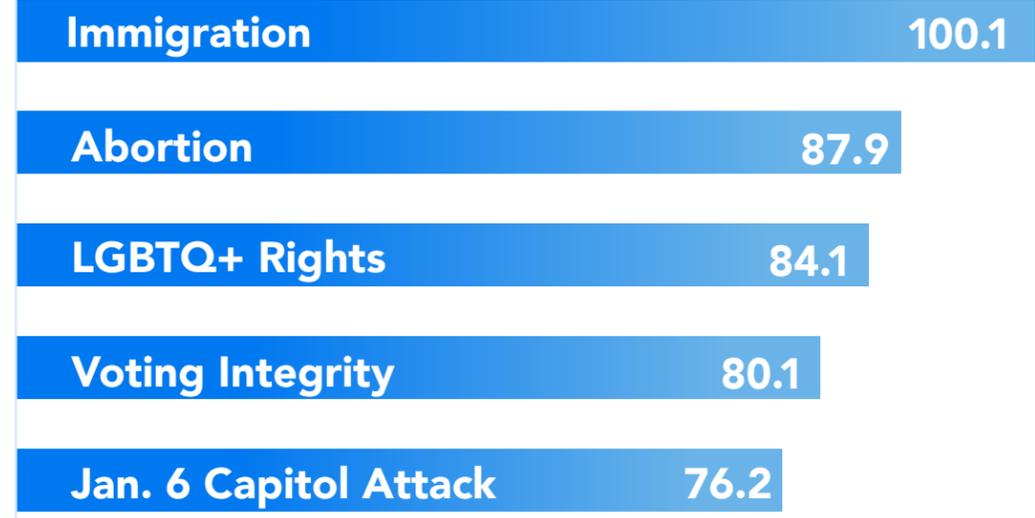
As our country carries out this historic election in the midst of a pandemic, we are confident that America will meet this moment and continue to serve as a beacon of freedom for the world.

Join us, and the hundreds of other business leaders who are 100% in.

[civicalliance.com/100](http://civicalliance.com/100) #fordemocracy

**civic alliance**

**The Polarization Score**



**Data Privacy:** In 2021, the CEO of **Acxiom** **called attention** to the need for a national privacy law that would increase transparency about the use of personal data, and Acxiom’s Chief Privacy Officer publicly applauded the passage of state-level data privacy laws.

**UM** held a discussion for the company’s “The Room” web series to highlight how a responsible, people-first approach to advertising can yield positive outcomes for platforms, brands and people. Speakers touched on expanding privacy legislation and lawmakers’ growing emphasis on protecting vulnerable people from online and real-world harm. They also addressed the demand for greater transparency and choice over data collection and use, “recalibrating the value exchange to be fairer to people,” and creating a safer online experience.

“Acxiom applauds Virginia for bipartisan passage of the Consumer Data Privacy Act (CDPA), which Governor Ralph Northam signed into law. CDPA will equip Virginia consumers with the right to know who has their data, how it is used, and additional control over their personal data, including rights to access, correct, and delete personal data companies process about them... All consumers – regardless of the state they reside in – deserve meaningful privacy protections, which can only be achieved through federal action.”

– **Jordan Abbott, Chief Privacy Officer at Acxiom**



**THE  
ROOM  
WEB SERIES**

**SEASON 2**

EPISODE 2: THE  
FUTURE OF OF WORK

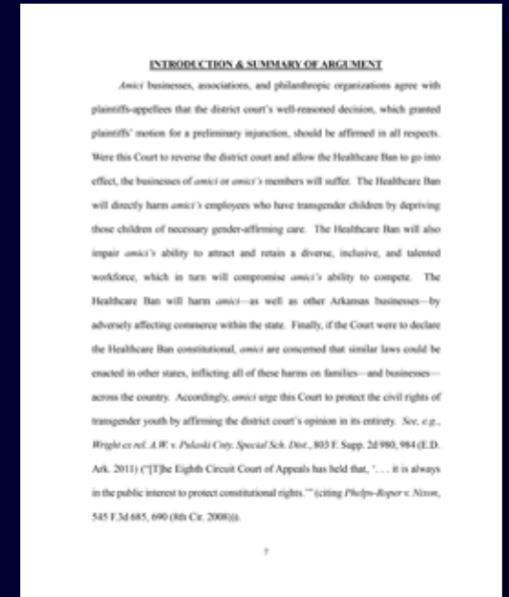
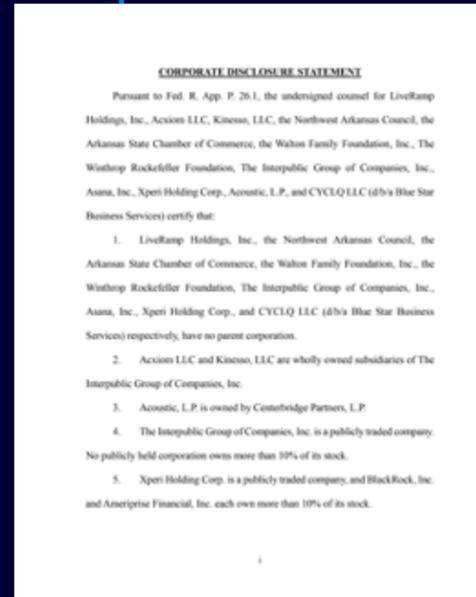


**Health Care Rights:** In 2021, IPG took a leading role in protecting health care for transgender youth in Arkansas. IPG filed an **amicus brief** in support of a lawsuit by the Arkansas American Civil Liberties Union (ACLU) to oppose the state’s recent ban on gender-affirming care. IPG’s General Counsel served as a lead attorney on the brief. **Actixiom** signed onto the brief as well.

In 2021, IPG became a signatory to the **Business Coalition for the Equality Act**, which unites U.S. employers in support of federal legislation to grant the same basic protections to LGBTQ people that are provided to other protected groups under federal law. The legislation would prohibit discrimination on the basis of sexual orientation and gender identity in employment, alongside other spaces such as housing and public service.



**EQUALITY ACT**



**Following the overturning of Roe v. Wade, CEO Philippe Krakowsky noted in an all-staff communication, “It is deeply unfortunate to witness decisions such as this one, that seek to bar access to individuals’ rights to pursue choices that are consistent with the pursuit of their health and happiness,” and noted that “if any among us resides in a state that does restrict your – or your family’s – access to reproductive health care, we will help you continue to have access to those services.”**

## Industry Initiatives

IPG engages with policymakers principally through our membership in trade organizations, such as the [American Association of Advertising Agencies](#) (4As). The 4As works with federal, state and local governments to advance social and civic goals, and facilitates *pro bono* efforts on the part of its members to support social and community causes. IPG's Chief Sustainability Officer (CSO) is a member of the 4As' Sustainability Task Force, which was established in 2021 to help agencies develop solutions for climate action.

IPG is a founding member of [Ad Net Zero](#), an industry coalition focused on reducing the carbon emissions from advertising operations to net zero by 2030. IPG's CSO is a member of Ad Net Zero's Global Leadership Group.

We are an active member in other trade associations and advocacy organizations on issues that affect our business and our

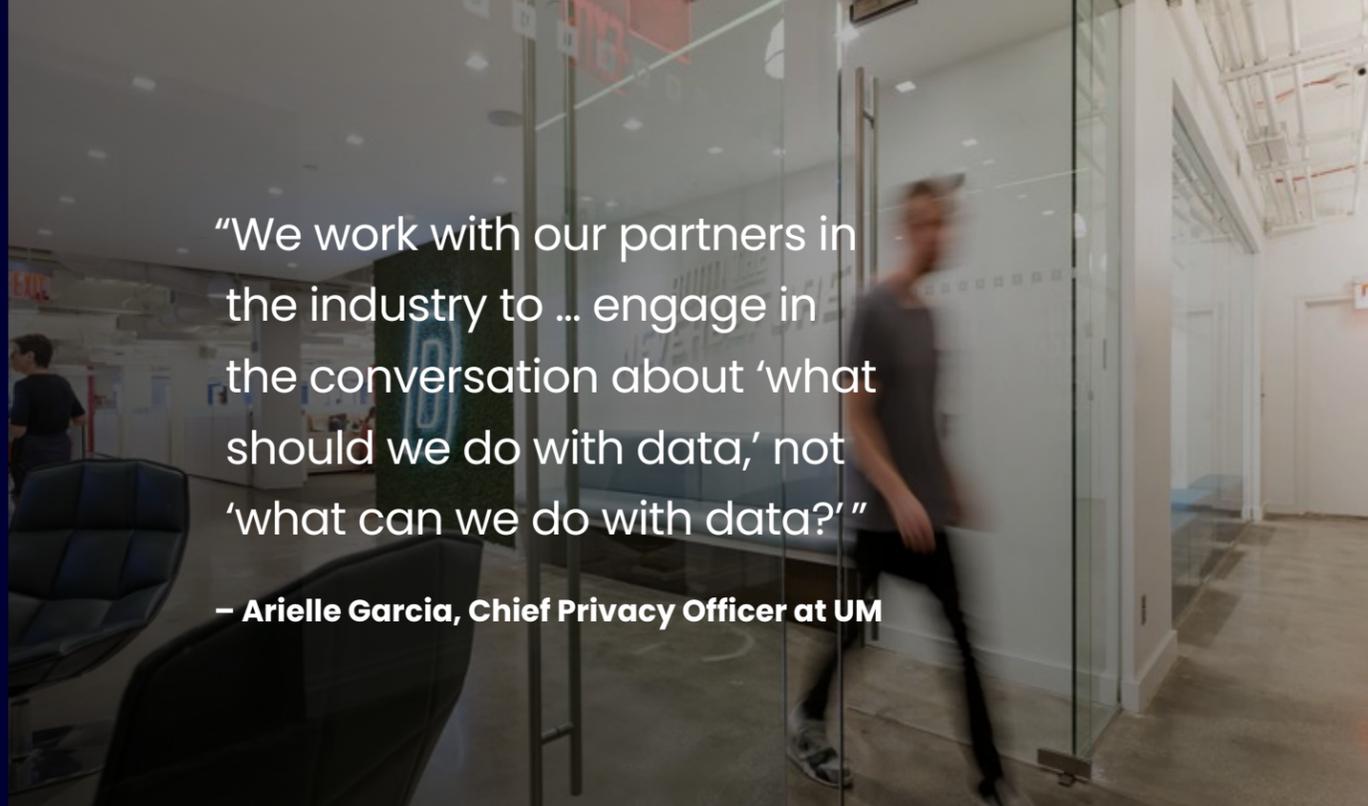
industry. Among these trade associations are the [American Advertising Federation](#) (AAF), which focuses on protecting and promoting the well-being of advertising through a unique, nationally coordinated grassroots network of advertisers, agencies, media companies, local advertising clubs and college chapters.

IPG is also a member and supporter of the [Advertising Educational Foundation](#) (AEF), a not-for-profit foundation that creates and distributes educational content to improve the understanding and appreciation of the societal role of advertising and marketing through programs on college campuses across the country. The AEF's programs have continuously played a role in attracting high-achieving college graduates to our industry.



# Data Ethics & Privacy

The fundamental tenets of respectful and responsible data use are core to IPG's principles and to our offerings in advertising and marketing services and solutions. Beyond our commitment to complying with privacy-related laws and regulations, IPG approaches privacy as a business imperative, and we aim to be the lead advertising holding company in providing privacy-compliant services to ensure the ethical use of personal information. This applies to our stewardship of our clients' customer data, our partners' data, third-party data, business contact data, and our employee and applicant data.



"We work with our partners in the industry to ... engage in the conversation about 'what should we do with data,' not 'what can we do with data?'"

– Arielle Garcia, Chief Privacy Officer at UM

IPG is committed to ensuring the data privacy and security of our clients. We build privacy into our business strategies, allowing our network to create better solutions to help clients address their privacy needs.

To ensure that our clients' customers also enjoy control over their data when we process it on behalf of our clients, IPG has policies and programs in place to protect this data and assure appropriate use, including using it only for our clients' specified and permitted uses. We do not use client data for secondary purposes without appropriate permission. In addition, we promote policies within the industry that do the same.

IPG companies **Acxiom**, **Kinesso** and **Matterkind** develop and activate data and technology-enabled marketing and advertising solutions that help our clients recognize, understand and connect with people across connected channels. These companies are built on applied data ethics and digital responsibility, leveraging proprietary technology to enable confident, respectful, safe and secure uses of a wide variety of data and technology capabilities.

Many of these technologies and data assets have been engineered and evolved over the past several decades to ensure the ethical use of data. Additionally, we complement our proprietary technology capabilities with a select array of partners to help activate and measure advertising performance. We perform due diligence and ongoing oversight of these partnerships and the solution functionality to ensure our ethical standards are upheld. As an organization, we are committed to transparent, people-first and ethical data use to power our marketing intelligence services.

## Data Ethics at Acxiom, Kinesso, and Matterkind

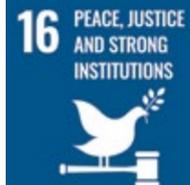
**Acxiom** is a pioneer and thought leader in managing first-party data, with 50 years of expertise and leadership in ethical data use and best-in-class ethical standards on gathering data and respecting consumer privacy. Acxiom's strong programs, coupled with IPG's long-standing commitment to transparency in media practices, provide a differentiated offering for clients. Acxiom supports brands via its compliance with data ethics and privacy regulations, including GDPR and CCPA. Acxiom is trusted by clients to go above and beyond what is legally required to ensure that clients' customer data and additional data Acxiom collects and makes available to clients is kept safe and used fairly. Acxiom believes that ethical collection and management of data are both a legal and moral responsibility.

**Kinesso** was established to serve as a responsible advertising technology, data sciences and addressable media

company, with best-in-class, people-centered solutions that are ethical, accountable, safe and secure from engineering through activation. Kinesso uses Acxiom's ethically sourced data, and other permissible third-party data, in the development of its Kinesso Intelligent Identity services and audience solutions. These capabilities are provided to clients to enable conscious marketing and advertising across connected channels, including for addressable advertising. Kinesso provides transparency and honors people's rights regarding their data in the [Privacy Center](#) for Kinesso and Matterkind, and provides additional helpful information in our [Kinesso People Care Center](#).

**Matterkind** was created by Kinesso in 2020 to focus on addressable advertising based on "conscious audience design." Matterkind leverages the strategic data assets of Acxiom and the market-leading technology applications of Kinesso to deliver an audience-centric set of addressable activation and management solutions across the media ecosystem.





## Oversight

IPG's Chief Information Officer (CIO), Chief Information Security Officer (CISO), and Global Privacy and Data Protection Legal Team have oversight of our efforts in information technology security, data protection and privacy. The Global Privacy Team also conducts vendor assessments, drafts and negotiates privacy and data protection agreements with clients and vendors, and conducts training and awareness at IPG and its companies.

## Security

To ensure oversight of IPG's information technology (IT) security, our CIO and CISO provide periodic cybersecurity updates to the Audit Committee of IPG's Board of Directors. This is followed by an annual status update and strategy discussion for the full Board of Directors.

Our IT Security team conducts regular exercises including: technical simulations to test people, processes and tools; threat hunts to scan for missing secure configuration; and tabletop exercises to prepare staff who are involved with incident response.

## Privacy & Data Protection

Oversight of policies and programs on data privacy is the responsibility of IPG's Global Privacy and Data Protection Legal Team, led by the Global Chief Privacy Counsel. The Team's other members are:

- EMEA Regional Privacy Counsel, Senior Counsel, Global Privacy
- Counsel, Global Privacy
- UK/EU Data Protection Officer
- GDPR Systems Manager

This Team develops regulatory compliance materials and relevant policies and procedures, which are discussed at length below. IPG complies with privacy and data security laws and regulations across the markets in which we operate, including the General Data Protection Regulation (GDPR) in the EU and UK, the General Data Protection Law (LGPD) in Brazil and the California Consumer Privacy Act (CCPA).

The Team also advises IPG's Privacy Champions at each company on their compliance obligations and requirements. The Privacy Champions are responsible for implementing data privacy policies at their companies and for managing compliance efforts. They bring privacy and data protection inquiries to the attention of the Global Privacy Team for guidance as needed.

IPG leverages our internal audit team to help gauge compliance with our data privacy policies. The team conducts additional reviews at IPG's individual business units, as determined through a risk assessment model that covers a variety of metrics. The review covers data privacy among other items.

External attack and penetration testing is performed by a third party on an annual basis, and vulnerability scans are run on all assets within the IPG Internet Protocol range on a monthly basis. In addition, agents on all workstations and servers report back daily on the state of vulnerabilities and patching status.

## Privacy Leadership

IPG has made significant investments in privacy leadership by creating roles at several of our companies, including an IPG Corporate Privacy Office led by the Global Chief Privacy Counsel. In 1991, **Acxiom** became the first company in the world to appoint a Chief Privacy Officer. Our commitment to responsible data use has steadily grown to become a central aspect of IPG's identity and competitive advantage.

In support of our commitment to stewardship of client and partner data, and to providing our clients with advanced services and trustworthy technology in data privacy, we have expanded our leadership roster to include a Chief Digital Responsibility Officer at **Kinesso**, along with a Senior Privacy Counsel and Expert Privacy Engineer, and a Chief Privacy Officer at **UM**. In addition, **IPG Mediabrands** has created a privacy task force. **Reprise**, IPG's global performance marketing agency and part of IPG Mediabrands, has formed an Artificial Intelligence group and appointed a Global Chief AI Officer.

## Policy

### Protecting Personal Information (PI):

Our use of data must be transparent, fair, appropriately permissioned and respect individuals' preferences. The IPG **Code of Conduct**, which applies to all our companies and their employees, expresses IPG's respect for individuals' privacy, underlining the duty to protect PI in accordance with applicable privacy and data protection laws wherever IPG conducts business. The Code underscores that PI should only be used for relevant and appropriate business purposes. In addition, IPG's companies are individually responsible for formulating policies that address their unique activities regarding data privacy and management.

IPG's commitment to protecting the PI of our employees, our clients and their customers is expressed in our

comprehensive **Privacy Policy** (SP&P 605), which provides a detailed explanation of our privacy practices, including the type of PI that may be collected, used, disclosed and stored. Agencies are advised to delete customer PI of clients as soon as it is no longer needed. The policy also discusses certain data protection requirements, including organizational, physical and technical controls, as well as how to report violations of the policy. IPG's internal **data classification policy** (SP&P 625) pertains to data that is accessed, processed or stored by IPG or its companies. This policy defines the responsibility of IPG's employees, companies and service providers to classify information into one of four categories (restricted, confidential, proprietary and public), and then to properly use and safeguard the information according to its classification.



IPG's [Website Privacy Notice](#) describes the types of information IPG and its companies collect about individuals on IPG websites, how the information is used and shared, and the choices available regarding IPG's use of the information. The Website Privacy Notice also describes the measures IPG takes to safeguard PI, how long IPG retains it, and how individuals can contact IPG about its privacy practices and to exercise their rights. IPG has a dedicated team of experts that defines the requirements of each of our companies' websites and ensures that IPG standards are implemented consistently. IPG provides guidance and support to our companies to help them with their specific website practices and policies.

**Client Confidentiality:** All employees are prohibited from sharing proprietary or confidential information belonging to IPG, an IPG company, our clients or our partners. Confidentiality obligations on all employees are set out in the IPG Code of Conduct and internal policies including those related to responsible use of social media (SP&P 421). This means that employees may not share non-public client work, product developments, upcoming campaigns, financial or employee information, or proprietary methodologies of IPG or its companies.

**Data Security:** IPG's data security program has prioritized seven requirements regarding the data lifecycle. These requirements cover

data inventory, application criticality (for structured data that resides in apps), data classification, data treatment (includes security architecture, encryption and configuration expectations), retention/destruction, backup and data loss prevention.

IPG Corporate maintains policies and operational procedures to promote effective privacy protection and data management, including data protection impact assessments (DPIA) and privacy impact assessments (PIA), vendor assessments and additional data governance procedures. Our DPIA and PIA programs align with the U.S. Office of Management and Budget's (OMB) M-03-22 and include processes to evaluate and document the use of data and technology against applicable laws and ethical standards to determine the impact to people and to ensure the responsible and respectful uses of data and technology.

**Reporting Concerns:** Any violations of IPG policies on privacy and data security are required to be reported to IPG's Global Chief Privacy Counsel, other members of the legal department or IPG's [Alertline](#). IPG's CISO and our Global Privacy Team jointly investigate incident reports involving PI.

#### Employees can contact

[ESD@interpublic.com](mailto:ESD@interpublic.com) or call **888-IPG-8778** to report suspected violations of laws, regulations or company policy.

IPG's Physical & Environmental Security Policy (SP&P 640) requires removing sensitive data by using a secure file deletion utility before disposing, selling or donating used computers and electronic storage equipment. Employees also must ensure that commercial software is removed from the machine to ensure they are not violating the terms of any software license agreements.

#### IPG has additional internal policies and procedures covering the following topics:

- Incident Response
- Information Security
- Data Classification
- Cloud Security
- Access Controls
- Remote Access
- Acceptable Use of IPG Information & Systems
- Information Exchange & Electronic Communications
- Internet of Things (IoT)
- Social Media

## Employee Engagement & Training

Employee training on data protection and information security is covered in our mandatory annual Code of Conduct training. In 2021, IPG had a 90% completion rate for this employee training.<sup>1</sup>

Employees are also trained in this area through simulated phishing attacks. If an employee fails these exercises, they receive additional training, and repeated failures are addressed by managers through performance reviews or other means. Reports on phishing campaign results are sent to IPG and agency leadership on a quarterly basis.

**Acxiom** also utilizes the Forge Institute, a cybersecurity training center, to increase employees' cyber defense skills.

<sup>1</sup> - During 2021 we experienced significant technical challenges following a switch in learning management systems, which resulted in a delayed rollout of some courses across the organization.

## Industry Initiatives

IPG companies are active participants in several industry initiatives focused on advancing data privacy, including: Data Privacy Week, held each January; Privacy for America, advancing fair and balanced U.S. federal data privacy legislation; I-COM Data Ethics Council; and Digital University for Regulator series advancing fair and balanced regulatory approaches to data privacy and protection.

IPG companies are also affiliated with several organizations addressing privacy and information policy, including:

- Privacy for America Steering Committee
- The Information Accountability Foundation
- The Center for Information Policy Leadership
- The Future of Privacy Forum Advisory Board
- Global Privacy Assembly
- Global Privacy Alliance
- Business Roundtable's Privacy Working Group



# Responsible Media & Content

As a leading provider of marketing solutions for clients around the world, IPG aims to use our resources and reach to help make our world more just and sustainable. We seek to ensure responsible content through initiatives that result in socially and environmentally responsible, non-stereotyped and accessible content.



## Policy & Oversight

IPG has established **Responsible Media & Content Principles**, which apply to all companies in the IPG network around the world, including all our employees and suppliers.

In addition to these principles, all marketing communications and services should be prepared in compliance with local customs and laws regulating these activities. IPG will take appropriate action to address any violation of these principles.

On a global basis, our operating policies require campaigns to adhere to industry guidelines for truthfulness in advertising and many other significant matters relating to advertising integrity.

### Responsible Media & Content Principles



Truth in Advertising



Promote Respect



Promote Diversity & Representation



No Hate Speech



Promote Accessibility



Protect Personal Information



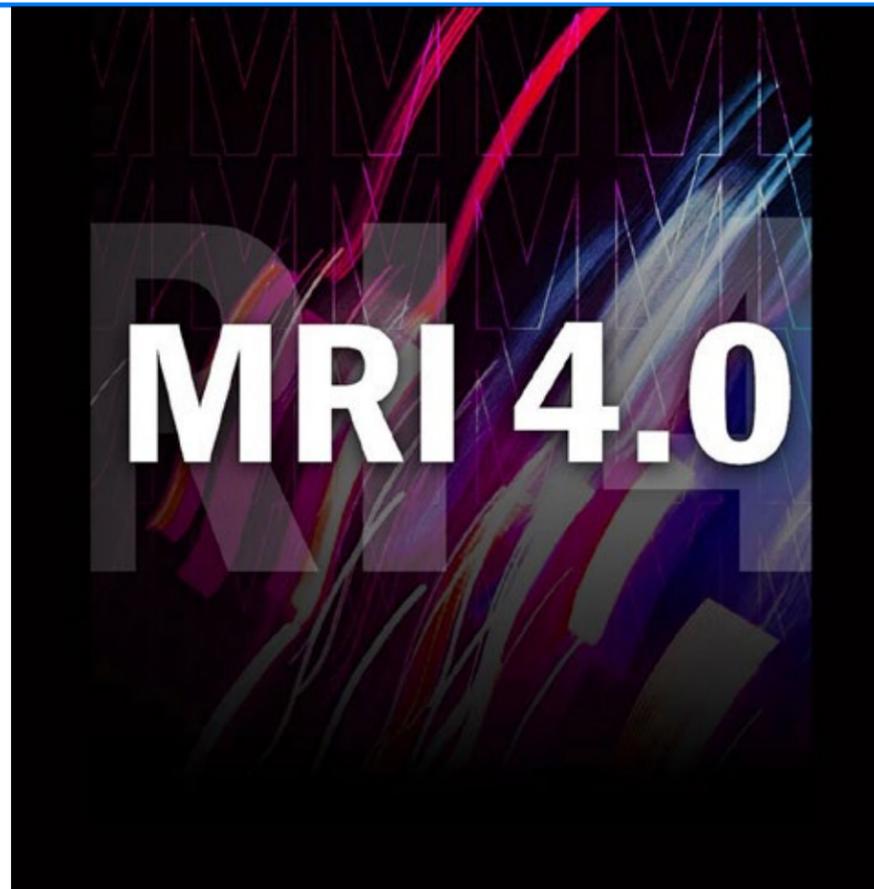
Protect Children's Well-being

## Programs & Initiatives

### Tracking Media Responsibility: IPG

**Mediabrand**s issued the Media Responsibility Index (MRI), a quantitative report that raises industry awareness and standards around harm reduction for brands and consumers in advertising. The MRI report allows clients to identify and invest in media outlets that support their values.

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).



### IPG Company Spotlight

#### Leadership for Responsible Media

**MAGNA** – IPG Mediabrand's media investment and intelligence company – created in 2021 the role of EVP, Global Digital Partnerships and Media Responsibility. Elijah Harris, formerly of Reprise, was appointed to this executive role. MAGNA now leads the production of the Media Responsibility Index, a quantitative report released twice per year.

“With each iteration, the MRI is becoming more robust and establishing itself as a mainstay in driving industry accountability and powering responsible advertising investment.”

– **Elijah Harris, MAGNA**

“Our clients are increasingly pursuing ESG criteria within their own businesses and we are providing a resource to support these goals along with advocating for stronger, safer standards in media.”

– **Eileen Kiernan, Global CEO of Mediabrand**s

25%

Clients who adjusted their media mix based on MRI findings, according to a Mediabrands survey

90%

Clients who were interested in finding new methods to assess media value beyond price efficiency alone



The MRI has been **endorsed** by the **Global Alliance for Responsible Media (GARM)**, the leading industry body on media responsibility governance.

### Media Responsibility Index: Key Findings

The MRI 4.0 report **released in October 2022** found improvement across the four priorities for social media platforms, and flagged children’s safety as a priority for broadcast and cable.

#### Findings also noted that:

- Digital-first connected TV partners are driving higher performance on data ethics than their traditional-first counterparts; and
- Online video platforms showed strength in their ad-business emissions measurement and setting net-zero goals.

“Our Media Responsibility efforts, which were the first in our industry, have made a significant impact on how the platforms are operating.”

– **Joshua Lowcock, Chief Digital Officer, UM, and Global Brand Safety Officer, IPG Mediabrands**



**Ensuring Reliable Media:** A key element of media responsibility is fighting misinformation. In 2021, **Weber Shandwick** launched a Media Security Center to advise clients on potential risks associated with misinformation, disinformation and manipulated media. The Center partners with Blackbird.AI for threat detection. Its services include client solutions as well as training for media executives and teams in how to mitigate the spread of disinformation and misinformation.

In 2021, **IPG Mediabrands** issued a **report** on “The Dis/Misinformation Challenge for Marketers.” It explains how brands can ensure a more brand-safe environment for their advertising, recommending that platforms explicitly ban disinformation in their policies and report on how the ban is enforced.

**Partnering for Responsible Addressable Media:** IPG is a member of the governing group of the **Partnership for Responsible Addressable Media**, launched in 2020 to protect critical functions of media and advertising while safeguarding consumers’ privacy.

**Eliminating Stereotypes & Bias:** IPG is a founding member and Vice-Chair of the **Unstereotype Alliance**, an organization convened in 2017 by UN Women, the United Nations’ entity for gender equality.

The Unstereotype Alliance seeks to eliminate harmful stereotypes in all media and advertising content. IPG has asked our companies to avoid using such stereotypes in marketing campaigns.

Additionally, IPG participates in and sponsors industry initiatives to highlight, celebrate and promote increased representation of women in client organizations and in media and technology industry organizations. IPG has partnered with organizations like Free The Bid and The Female Quotient. **Free The Bid’s** pledge calls for ad agencies, production companies and brands to have at least one female director on every commercial production job. **The Female Quotient** provides advisory solutions and global exchanges to help organizations close gender equality gaps.

“Each of us has a role to play in making change. This includes ridding the work that we do for clients of stereotypes and biases.”

– IPG CEO Philippe Krakowsky

**Promoting Diverse Media:** In 2021, **IPG Mediabrands** launched **Equity Upfront™**, an initiative to raise visibility for Black-owned media businesses, at a time when less than 2% of total ad spend in the U.S. was going toward Black-focused media despite Black consumers making up over 13% of the U.S. population.

The first **Equity Upfront™** event in March 2021 resulted in new industry precedents and increased industry awareness of the importance of investing in diverse-owned media. IPG Mediabrands committed to spending a minimum of 5% of the total advertising spend of its clients with Black-owned media businesses by 2023. This was the first industry commitment to set a minimum spending pledge for diverse and Black-owned media. As part of delivering on this commitment, by December 2021 IPG Mediabrands had tripled client spend in Black-owned media properties.

**Equity Upfront™** is now an annual event, with the second event taking place in April 2022 aiming to accelerate support of Black-owned media businesses as well as media partners with Asian, Hispanic and LGBTQIA+ ownership.



**MAGNA**, IPG Mediabrands' media investment and intelligence company, hosts the Equity and Equality Strategic Initiative (EESI), a long-term program to increase sustained investment in and inclusion for underrepresented media partners.

#### **Improving Accessibility: Current**

**Global** is educating clients on making communications fully accessible to people of all abilities. In February 2021, Current Global, MAGNA and the **IPG Media Lab** commissioned a study of over 800 people with disabilities in the U.S. and UK to explore their experiences in accessing media and content. The report, "Digital Accessibility: The Necessity of Inclusion," revealed that the majority struggle with accessibility, and even those who use assistive technology encounter significant problems accessing content comfortably or with ease, often because the content itself is the problem.



#### **ACCESSIBLE BY DESIGN**

As part of the **Accessible by Design** initiative, the Public Relations and Communications Association (PRCA) published the industry's first **Accessible Communications Guidelines**, pointing to tools and standards to make content inclusive for all.

**Protecting Democratic Ideals:** The day after the U.S. Capitol was attacked on January 6, 2021, IPG CEO Philippe Krakowsky wrote to all employees to underline the importance of responsible media and communications amid political crises.

"For some time now, we have been focused on ensuring that IPG is not only a place where people come to work together, and in which we are supportive of diversity, but also one in which we approach our work with integrity. Because doing what we do in a way that's ethical and moral matters – recent events in the political and public health spheres demonstrate how very powerful information and communication can be."

– IPG CEO Philippe Krakowsky

10 REDUCED  
INEQUALITIES

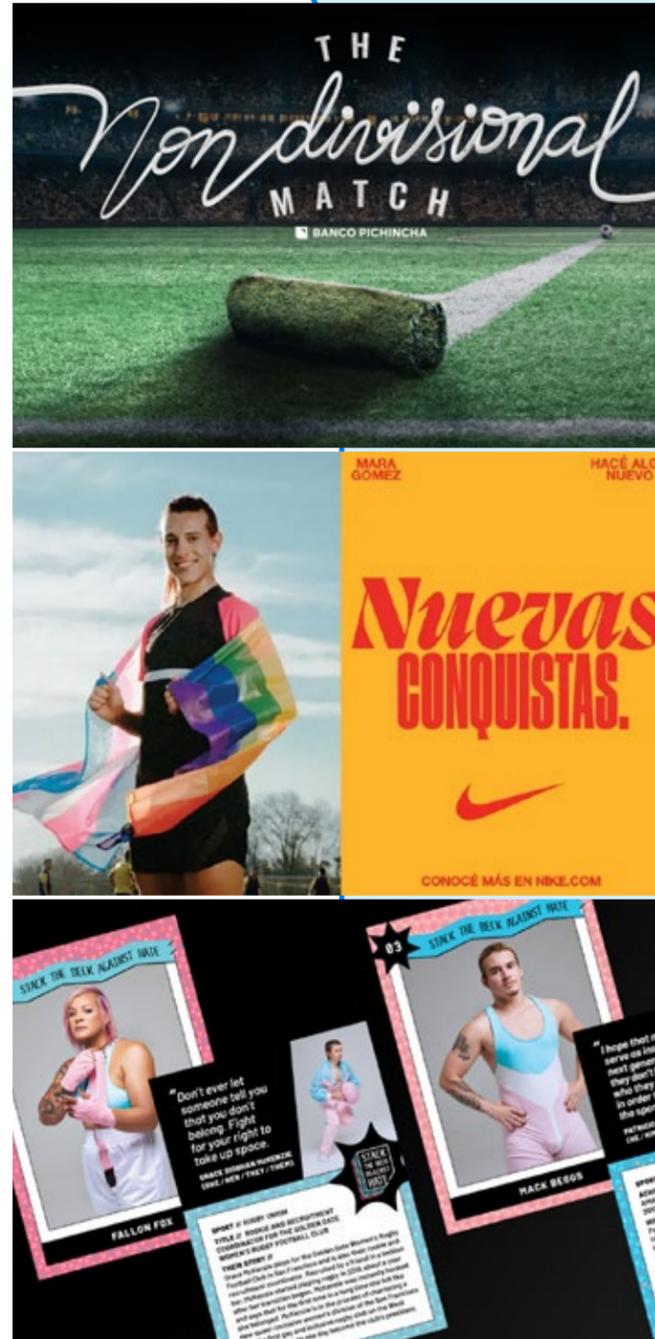


## Creative Work in Support of Responsible Media & Content

IPG encourages our companies around the world to support public education campaigns on a wide variety of issues, partnering with not-for-profit organizations and advocacy groups. People from IPG and our companies lend their time and talents in their local markets to promote causes that help build a cleaner, healthier world and more diverse and inclusive workplaces and communities. As a matter of policy, our companies are encouraged to undertake *pro bono* work and other partnerships with organizations working to advance environmental protection.

IPG companies work with partners and clients on campaigns focused on eliminating stereotypes, fostering inclusion, promoting the empowerment of women and combatting discrimination and sexual violence.

Examples of our *pro bono* work can be found in the [Community Engagement](#) chapter of this report.



## Gender Equality

MullenLowe Delta and Banco Pichincha staged an invisible soccer match in front of a full crowd to spotlight the importance of gender inclusion and equality in sports.

With the stadium at full capacity for a men’s game in Quito, Ecuador, the game restarted after half time but with only three referees and a ball on the field, which was controlled by a remote device to look as though it was being kicked by invisible players.

Data showed MullenLowe Delta that most of Liga Deportiva Universitaria de Quito supporters are women, which gave the agency the idea to showcase the women’s team to a new audience.

R/GA Buenos Aires debuted two pieces for Nike’s “Play New” global campaign that promotes sport as a platform for change, not just competitiveness. “New Conquests” features Mara Gómez, Argentina’s first transgender professional soccer player, and “New Goals” features Chilean sprinter Coti Echeverría.

In the lead-up to the 2021 Summer Olympics, **Campbell Ewald, Octagon** and **Rapport** worked with Lambda Legal to launch the “Stack the Deck Against Hate” campaign, celebrating the achievements of transgender athletes and aiming to combat anti-transgender legislation within sports. The campaign recycles printed copies of discriminatory bills into sports trading cards that tell the stories of trans athletes.





### Anti-racism

The Premier League and **FCB Inferno** launched a new spot for the “No Room for Racism” **campaign**. The piece highlights fans’ power to fight against discrimination.

Matchday stewards were trained in responding to discriminatory abuse and gathering evidence to ban perpetrators. All Premier League matches for one week were dedicated to No Room For Racism, calling on fans to challenge and report discriminatory behavior wherever they see it.

**R/GA’s** latest **campaign** for Sephora asked “What is beauty without black beauty?”, and paid homage to the Black community’s historical and cultural contributions to beauty.

### Inclusion

**Weber Shandwick** worked with client Voltaren to create the first **arthritis-friendly website**, accessible to those with difficulty navigating websites due to pain in their hands. The website – featuring the company’s prescription-strength gel for arthritis pain relief – was awarded a gold distinction from the Shorty Awards, which honors purpose-driven work in social media and digital communications.

The site uses voice search, a voice-enabled chatbot, large tap targets, scalable font sizes and the ability to view hands-free content via videos and head-gesture capabilities. The Arthritis Foundation recognized VoltarenGel.com as the first arthritis-friendly website and provided accreditation on the site.



### Trauma Healing

**Publicidad Comercial** **MullenLowe** and Humans for Humans Foundation created a **fundraising campaign** for “Survivor’s Manuals,” which helps young people and adults who were victims of sexual abuse during their childhood find guidance and resources to overcome their trauma. Resources include access to a directory of psychologists who specialize in post-traumatic treatment free of charge or at affordable rates, either in person or online. The fundraising campaign features 12 original short films illustrated by Salvadoran artists.



**Client Due Diligence:** IPG also proactively works with clients to advance environmental sustainability. When IPG adopted new climate commitments and targets in mid-2021, our CEO **emphasized** that “each of us has an important part to play – from our role as consumers and as thought partners to our clients.”

Additionally, IPG is the first advertising holding company to publish its decision not to support or engage in marketing or communications aimed at influencing public policy that seeks to extend the life of fossil fuels.

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

In addition, in 2022 IPG **announced** a review process for prospective clients that operate in the oil, energy and utility sectors before accepting new work. The review is based on a set of questions including:

- Has the potential client 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?
- Is the company publishing clear climate reporting, including scope, baseline, timeline and the tracking of Scopes 1, 2 and 3 emissions?
- Are the potential client’s goals in line with the goals IPG has made in our own ecosystem and reported on publicly?
- Has the company ceased any controversial form of oil and gas production?

Since putting this review policy in place, we have, on multiple occasions, turned down potential new business opportunities.





[About this Report](#)

**Details behind our  
2022 ESG Report can  
be found here.**

**Sections:**

[About this Report](#)

# About this Report

This 2022 ESG Report provides an annual update on our sustainability journey. IPG pursues continuous improvement of our programs by contributing to the global development of sustainability practices and reporting on those initiatives. Therefore, we recognize the importance of transparency and are committed to reporting on our ESG disclosures on an annual basis.

*IPG has been reporting on our sustainability performance and publishing related reports since 2015. Our historical sustainability-related reporting can be found [here](#).*

This report primarily covers data and metrics related to the calendar year from January 1, 2021, to December 31, 2021, unless otherwise noted. IPG also made great strides in our sustainability journey during 2022, and some of this progress is highlighted throughout the report where indicated. Please note that many images used in this report were taken before the COVID-19 pandemic began.

As a global holding company, IPG has worked diligently to increase our GHG inventory monitoring and reporting boundary to include our entire network of operations. This multi-year project has included incremental scope increases every year since 2014. In 2020, we officially achieved an emissions inventory with a 100% boundary coverage covering all of our locations and offices worldwide – representing over 350 facilities. As a result, our disclosed energy and emissions data covers our entire operations for the reporting years 2018 through 2021. Our historical energy and emissions inventories prior to 2018 are based on a reduced scope of operations.

*Additional energy and emissions disclosures can be found in our [2022 CDP Response](#).*

IPG is continually exploring opportunities to improve workforce and employee data tracking across our 100 companies globally. The scope of our reporting around

workforce data is indicated throughout the report, where relevant. For example, our gender diversity data is available for our entire operations globally, while minority and ethnicity data are provided for our U.S. operations only. Some workforce data may only be available at the corporate level.

Amid the global pandemic, IPG's workforce shifted to working from home and to the implementation of flexible work schedules. In 2020, IPG launched a business restructuring initiative to reduce our office space, which in turn helps to reduce our overall carbon footprint. As of year-end 2021, this initiative has resulted in a total reduction of 2.2 million square feet globally, representing an approximate 22% cut of our occupied spaces.

This report was prepared in alignment with various reporting frameworks including the **Global Reporting Initiative (GRI) Standards** – Core option, **Sustainability Accounting Standards Board (SASB) Advertising & Marketing Standards**, the **Task Force on Climate-**

**related Financial Disclosures (TCFD)** recommendations, and the Ten Principles of the **UN Global Compact**. Our disclosures and initiatives are also mapped by relevance to specific **UN Sustainable Development Goals (SDGs)**. As a participant of the **UN Global Compact**, this report acts as our annual Communication on Progress.

*Specific alignment with these reporting frameworks can be found in the [Appendix](#) of this report.*

PricewaterhouseCoopers LLP (PwC) performed a limited assurance engagement on certain greenhouse gas emissions and certain employee diversity metrics for the year ended or as of December 31, 2021.

*See PwC's Report of Independent Accountants on [page 154](#).*

We welcome your review and engagement on IPG's ESG reporting practices, as we look to continue enhancing our work in this area. Please send inquiries to [Jemma Gould](#), IPG's Chief Sustainability Officer.



## Appendix

# Alignment with GRI, SASB, TCFD, UN Global Compact and the SDGs

### Sections:

Data Performance Tables

TCFD Table

SASB Table

External Assurance

GRI Content Index

Environmental Data Table <sup>1</sup>

Environmental Data	Unit	2021	2020	2019	GRI Link
<b>Operational Data</b>					
<b>Total Revenue</b>	\$ in Millions	\$10,241	\$9,061	\$10,221	-
<b>Total Employees</b>	#	55,600	50,200	54,300	
<b>Total Locations</b>	#	360	408	368	
<b>Total Square Footage</b>	sq ft	10,035,188	11,116,946	10,443,054	
<b>GHG Emissions Data</b>					
<b>Total Scope 1 Emissions</b>	MTCO <sub>2</sub> e	9,350	6,803	7,316	305-1
Natural Gas	MTCO <sub>2</sub> e	5,884	4,672	4,669	
Other Fuels <sup>2</sup>	MTCO <sub>2</sub> e	140	32	204	
Refrigerant Losses	MTCO <sub>2</sub> e	3,326	2,099	2,443	
<b>Total Scope 2 Emissions (location-based)</b>	MTCO <sub>2</sub> e	38,854	60,385	85,205	305-2
Electricity	MTCO <sub>2</sub> e	36,146	58,723	83,673	
District Heat (Steam)	MTCO <sub>2</sub> e	2,464	1,662	1,483	
Chilled Water	MTCO <sub>2</sub> e	244	0	50	
<b>Total Scope 2 Emissions (market-based)</b>	MTCO <sub>2</sub> e	35,988	63,674	88,787	305-2
Electricity	MTCO <sub>2</sub> e	33,280	62,012	87,254	
District Heat (Steam)	MTCO <sub>2</sub> e	2,464	1,662	1,483	
Chilled Water	MTCO <sub>2</sub> e	244	0	50	
<b>Total Combined Scope 1 + 2 Emissions (location-based)</b>	MTCO <sub>2</sub> e	48,204	67,188	92,521	305-1
<b>Total Combined Scope 1 + 2 Emissions (market-based)</b>	MTCO <sub>2</sub> e	45,338	70,477	96,102	305-2
<b>Total Scope 3 Emissions<sup>3</sup></b>	MTCO <sub>2</sub> e	350,419	319,611	540,474	305-3

1. In 2020 an enhanced methodology was implemented which may cause some variation in comparing data from 2019 to 2020. Additional details on our methodology can be found in the management assertion letter at the back of this report.

2. "Other Fuels" includes emissions from diesel, gasoline and petrol.

3. Category 4: Upstream transportation and distribution is included under Category 1: Purchased goods and services.

**Note:** Reported data has been rounded to the nearest whole number, except for intensity metrics. Currency-related data is reported in USD.

Environmental Data	Unit	2021	2020	2019	GRI Link
<b>GHG Emissions Intensity <sup>4</sup></b>					
<b>GHG Emissions (Scope 1 + 2) per employee</b>	MTCO <sub>2</sub> e per employee	0.82	1.40	1.77	305-4
<b>GHG Emissions (Scope 1 + 2) per square feet</b>	MTCO <sub>2</sub> e per sq ft	0.0045	0.0063	0.0092	
<b>GHG Emissions (Scope 1 + 2) per total revenue</b>	MTCO <sub>2</sub> e per \$	0.0000044	0.0000078	0.0000094	
<b>Energy Data</b>					
<b>Total Energy Consumption</b>	MWh	150,155	191,049	253,288	302-1
<b>Total Direct Energy Consumption</b>	MWh	31,903	25,887	26,585	
Natural Gas	MWh	31,354	25,781	25,764	
Other Fuels <sup>2</sup>	MWh	549	106	821	
<b>Total Indirect Energy Consumption</b>	MWh	118,252	165,162	226,703	
Electricity	MWh	103,610	155,533	217,940	
Chilled Water	MWh	898	0	342	
District Heat (Steam)	MWh	13,744	9,629	8,421	
<b>Energy Intensity</b>					
<b>Energy Consumption per employee</b>	MWh per employee	2.70	3.81	4.66	302-3
<b>Energy Consumption per square feet</b>	MWh per sq ft	0.015	0.017	0.024	
<b>Energy Consumption per total revenue</b>	MWh per \$	0.000015	0.000021	0.000025	

1. In 2020 an enhanced methodology was implemented which may cause some variation in comparing data from 2019 to 2020. Additional details on our methodology can be found in the management assertion letter at the back of this report.

2. "Other Fuels" includes emissions from diesel, gasoline and petrol.

4. GHG Intensity metrics were calculated using Scope 2 market-based emissions.

**Note:** Reported data has been rounded to the nearest whole number, except for intensity metrics. Currency-related data is reported in USD.

## Workforce Productivity Data Table

Workforce Productivity Data	Unit	2021	2020	2019
<b>Total Global Employees</b>	#	55,600	50,200	54,300
Total U.S. Employees	#	23,300	21,100	22,400
<b>Total Assets</b>	\$ (USD)	\$19,909.2	\$18,042.7	\$17,751.9
<b>Total Revenue</b>	\$ (USD)	\$10,240.7	\$9,061	\$10,221.3
<b>Net Revenue</b>	\$ (USD)	\$9,107.9	\$8,064.5	\$8,625.1
Domestic	\$ (USD)	\$5,763.1	\$5,211.4	\$5,386.1
United Kingdom	\$ (USD)	\$781.5	\$664.3	\$727
Continental Europe	\$ (USD)	\$799.7	\$683.6	\$742.4
Asia Pacific	\$ (USD)	\$791.4	\$710.5	\$858.3
Latin America	\$ (USD)	\$396.4	\$323.4	\$389.9
Other	\$ (USD)	\$575.8	\$471.3	\$521.4
Net Revenue per FTE	\$ (USD)	\$163,811.15	\$160,647.41	\$158,841.62
<b>Adjusted Net Income</b> <i>(Available to IPG Common Stockholders)</i>	\$ (USD)	\$1,036.9	\$680.2	\$756
Adjusted Net Income per FTE	\$ (USD)	\$18,649.28	\$13,549.80	\$13,922.65
<b>Adjusted Operating Expenses</b> <sup>5</sup>	\$ (USD)	\$7,661.1	\$7,062.3	\$7,507.2
<b>Total Employee-related Expenses</b> <sup>6</sup>	\$ (USD)	\$5,975.4	\$7,062.3	\$5,568.8
<b>Salaries as a % of Adjusted Operating Expenses</b>	%	78%	76%	74%
USD amounts presented in Millions, except "per FTE" amounts				

5. In 2020 an enhanced methodology was implemented which may cause some variation in comparing data from 2019 to 2020. Additional details on our methodology can be found in the management assertion letter at the back of this report.

6. IPG's reported 'Total Employee-related Expenses' includes base salaries, benefits and payroll tax, incentive expense, severance expenses, temporary help and all other salaries and related expenses.

## Employee Training Data Table

Employee Training Data			
Training Course	2021 Employee Completions	2021 Training Hours	2021 Completion Rate: from required employee groups
<b>Code of Conduct</b>			
New Hires	4,502	2,421	89%
Current Employees	49,043	35,311	90%
Data Protection & Information Security	49,043	35,311	90%
<b>Anti-Harassment Training<sup>7</sup></b>			
Employees & Supervisors	14,836	23,737	92%
California Employees & Supervisors	1,357	2,876	88%
More information on training, learning and development are available in the <a href="#">Human Capital Management</a> chapter of this report.			

7. IPG provides anti-harassment training to all new hires in the U.S. and to senior managers outside the U.S. Every two years, we retrain California managers, and every four years, we retrain all U.S. employees.

## IPG 2022 TCFD Table

SDG MAPPING: 13

This is IPG’s second publication utilizing the reporting recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). The below 2022 TCFD Table discloses information from the 2021 calendar year, and has been published in conjunction with IPG’s 2022 ESG Report and 2022 CDP Response. These report publications are supplementary to one another, disclosing on the same calendar year.

TCFD Disclosure	IPG Reference Location	Response
<b>Governance</b>		
<p>a) Describe the board’s oversight of climate-related risks and opportunities.</p>	<p><b>2022 ESG Report</b> Climate Action, pages 33-35</p> <p><b>2022 CDP Climate Response</b> C1. Governance, pages 3-5</p>	<p>IPG’s Board of Directors, including our CEO and Chairman, has overall responsibility for the oversight and management of the company’s risks, including those caused by climate change and other implications of climate change as it affects IPG. Within the Board of Directors, the Corporate Governance and Social Responsibility Committee has primary responsibility for IPG’s ESG-related policies and practices, including those specific to climate change. Our Board and its committees are kept informed on climate-related issues through direct communication with our CFO and the CSO.</p> <p>The CFO is the executive sponsor of IPG’s ESG programs and oversees the ESG Steering Committee, described below. The CFO collaborates with our General Counsel, reports to the CEO on related risks and strategy, and communicates regularly with the Board.</p> <p>The CSO is designated with reviewing, coordinating and promoting IPG’s efforts on ESG-related issues at the consolidated corporate level. Their responsibilities include monitoring climate action performance, while assessing and managing climate-related risks and opportunities. The CSO formally reports to the Board on an annual basis, with written updates quarterly. The CSO also reports to the SVP of Communications.</p> <p>IPG’s ESG Steering Committee, a management-level committee, comprises representatives from IPG’s various business functions, including Human Resources; Diversity, Equity and Inclusion; Communications; Information Technology; Real Estate; Procurement; Investor Relations; Travel; Legal; Finance; Controllers; and more. This mix of individuals and departments enables IPG to monitor and identify climate-related risks across all areas of our operations. The Committee ensures that ESG-related issues are integrated into multi-disciplinary, company-wide risk identification, assessment and management processes. The ESG Steering Committee meets monthly with the CSO.</p> <p>In addition to the ESG Steering Committee, an enterprise-wide ESG Task Force coordinates ESG action across IPG companies. The Committee regularly meets with the CSO.</p> <p>Refer to our <a href="#">2022 CDP Response</a>, and the <a href="#">Climate Action</a> chapter of this report for more details.</p>
<p>b) Describe management’s role in assessing and managing climate-related risks and opportunities.</p>		

TCFD Disclosure	IPG Reference Location	Response
<b>Strategy</b>		
<p><b>a)</b> Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</p>	<p><b>2022 ESG Report</b> Climate Action, pages 38-42</p> <p><b>2022 CDP Climate Response</b> C2. Risks &amp; Opportunities, pages 5-11 C3. Business Strategy, pages 11-13</p>	<p>IPG's has identified a wide range of climate-related risks with the potential to impact our business. At the center of our climate strategy, we have set a net zero carbon commitment supported by science-based reduction targets aligned with a 1.5°C scenario. The disclosures in our <a href="#">2022 CDP Response</a> and the <a href="#">Climate Action</a> chapter of this report discuss both our physical and transitional risks, as well as climate-related opportunities in more detail.</p>
<p><b>b)</b> Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.</p>		
<p><b>c)</b> Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>		
<b>Risk Management</b>		
<p><b>a)</b> Describe the organization's processes for identifying and assessing climate-related risks.</p>	<p><b>2022 ESG Report</b> Climate Action, pages 32-42</p> <p><b>2022 CDP Climate Response</b> C2. Risks &amp; Opportunities, pages 5-11 C3. Business Strategy, pages 11-13</p>	<p>IPG has a robust framework for evaluating a wide range of risks and opportunities, including risks and opportunities related to climate change, and whether they have a substantive financial impact. At IPG, climate-related issues are integrated into multi-disciplinary company-wide risk management processes, including monitoring and overseeing progress against related goals and targets.</p> <p>This approach to climate risk is described more in our <a href="#">2022 CDP Response</a>, and the <a href="#">Climate Action</a> chapter of this report.</p>
<p><b>b)</b> Describe the organization's processes for managing climate-related risks.</p>		
<p><b>c)</b> Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.</p>		

TCFD Disclosure	IPG Reference Location	Response
<b>Metrics and Targets</b>		
<p><b>a)</b> Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</p>	<p><b>2022 ESG Report</b> Climate Action, pages 36-37 Environmental Data Table, pages 143-144</p> <p><b>2022 CDP Climate Response</b> C4. Targets &amp; Performance, pages 13-19 C6. Emissions Data, pages 23-30 C7. Emissions Breakdowns, pages 30-31 C8. Energy, pages 32-48</p>	<p>In 2021, IPG made great strides in our climate action strategy. Our overall climate goal is to become net-zero carbon across our global operations by 2040. To ensure we reach this goal, we are committed to reaching a number of targets by 2030, including sourcing 100% renewable electricity, and our science-based targets of reducing 50% of our Scope 1 and Scope 2 emissions (2019 baseline), and reducing 30% of our Scope 3 emissions (2019 baseline).</p> <p>IPG is committed to tracking our performance against these targets and reporting on our progress annually to stakeholders. IPG monitors the following metrics to track performance against these targets: Scope 1, Scope 2, Scope 3 emissions, along with related energy usage. Refer to <a href="#">Climate Action</a> chapter of this report for more details.</p> <p><b>2021 Data:</b>  <b>Scope 1:</b> 9,350 MTCO<sub>2</sub>e  <b>Scope 2 (market-based):</b> 35,988 MTCO<sub>2</sub>e  <b>Scope 3:</b> 350,419 MTCO<sub>2</sub>e</p> <p>More detailed GHG emissions data is available in our <b>Environmental Data Performance Table</b> in the <a href="#">Appendix</a> of this report.</p>
<p><b>b)</b> Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p>		
<p><b>c)</b> Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</p>		

## IPG 2022 SASB Table: Advertising and Marketing Standard

This is IPG’s third year reporting using the Sustainability Accounting Standards Board (SASB) Standards for the Advertising and Marketing Industry. The below 2022 SASB Table discloses information from the 2021 calendar year, and has been published in conjunction with IPG’s 2022 ESG Report. These report publications are supplementary to one another, disclosing on the same calendar year.

SASB Topic: Data Privacy						SDG MAPPING: 16
SASB Code	SASB Accounting Metric	2021	2020	2019	IPG’s Detailed Response	
SV-AD-220a.1	Discussion of policies and practices relating to behavioral advertising and consumer privacy		-		Information on this disclosure can be found in the <a href="#">Data Ethics &amp; Privacy</a> chapter of our <b>2022 ESG Report</b> .	
SV-AD-220a.2	Percentage of online advertising impressions that are targeted to custom audiences		-		<p>IPG does not track this data across all areas of its business in a manner conducive to a precise and verifiable response to this metric at this time.</p> <p>IPG believes understanding data and our related obligations and responsibilities is critical to the current and future success of our Company. The incorporation of data expertise and responsibility into the core of the Company has been and continues to be a key market strategy of the Company. IPG’s approximately 100 companies operate in all major world markets. These companies include our Media, Data and Technology offerings, comprised of Mediabrands’ global media services, Acxiom’s data and technology capabilities, Kinesso’s data-driven marketing solutions, and Matterkind, an innovative media investment offering. We intend to continue to enhance the data and technology layer within all of our offerings and to build data and tech-enabled marketing solutions, informed by a holistic understanding of audiences. This will allow us to deliver personalized user experiences and more accountable marketing for brands. As a fundamental part of this strategic vision, we believe in an ethical and conscious approach that respects consumer privacy and promotes brand safety.</p> <p>While the data we presently collect might permit estimates of targeted digital spend as a percentage of total spend across certain digital specialist agencies or groups, any such calculation would not capture total digital spend across all IPG companies and the geographies in which they operate, nor would such calculations of spend necessarily correspond to impressions. We continue to explore methods to expand our reporting boundary of this calculation.</p>	
SV-AD-220a.3	Total amount of monetary losses as a result of legal proceedings associated with consumer privacy	No material monetary losses.			In light of the global scope and scale of operations, IPG, and its clients, are at times involved in various legal proceedings, and subject to investigations, inspections, audits, inquiries and similar actions by governmental authorities, arising in the normal course of business. Although uncommon, these may include proceedings related to consumer privacy. IPG management evaluates all such proceedings for materiality, whether individual or in the aggregate, and when appropriate records liabilities and makes public disclosures.	

## SASB Topic: Advertising Integrity

SDG MAPPING: 16

SASB Code	SASB Accounting Metric	2021	2020	2019	IPG's Detailed Response
SV-AD-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false, deceptive, or unfair advertising	No material monetary losses.			<p>In light of the global scope and scale of operations, IPG, and its clients, are at times involved in various legal proceedings, and subject to investigations, inspections, audits, inquiries and similar actions by governmental authorities, arising in the normal course of business. Although uncommon, these may include proceedings related to allegations of false, deceptive, or unfair advertising. IPG management evaluates all such proceedings for materiality, whether individual or in the aggregate, and when appropriate records liabilities and makes public disclosures.</p> <p>For each of the periods presented, IPG recorded no monetary losses as a result of legal proceedings associated with allegations of false, deceptive, or unfair advertising that it believes were material.</p>
SV-AD-270a.2	Percentage of campaigns reviewed for adherence with the Advertising Self-Regulatory Council (ASRC) procedures, percentage of those in compliance	-	-	-	<p>On a global basis, our policies require campaigns to adhere to industry guidelines for truthfulness in advertising and many other significant matters relating to advertising integrity. We are not aware of any incidents, material to IPG and its companies, of non-compliance by IPG or its companies with regulations and/or voluntary codes regarding marketing communications, including advertising, promotion, and sponsorship occurring in 2021.</p>
SV-AD-270a.3	Percentage of campaigns that promote alcohol or tobacco products	2.2%	2.0%	2.2%	<p>Alcohol clients make up the majority of this percentage, while revenue associated with tobacco products was negligible and focused on transitioning current smokers to smoke-free tobacco products.</p>

## SASB Topic: Workforce Diversity & Inclusion

The below diversity data is focused on the required SASB disclosures. For more information around IPG's workforce diversity and inclusion data, disclosures, strategy and initiatives can be found in the [Diversity, Equity & Inclusion](#) chapter of this report.

SDG MAPPING: **5** **10**

SASB Code	SASB Accounting Metric	2021		2020		2019	
SV-AD-330a.1	<b>Percentage of gender representation for:</b>						
	<b>Global Employees</b>	<b>Female</b>	<b>Male</b>	<b>Female</b>	<b>Male</b>	<b>Female</b>	<b>Male</b>
	(1) management	56%	44%	55%	45%	54%	46%
	(2) professionals	59%	41%	58%	42%	58%	42%
	(3) all other employees	66%	34%	66%	34%	61%	39%
	<b>U.S. Employees</b>	<b>Female</b>	<b>Male</b>	<b>Female</b>	<b>Male</b>	<b>Female</b>	<b>Male</b>
	(1) management	58%	42%	58%	42%	56%	44%
	(2) professionals	61%	39%	60%	40%	61%	39%
	(3) all other employees <sup>1</sup>	69%	31%	70%	30%	57%	43%
	<b>Percentage of minority <sup>2</sup> representation for: <sup>3</sup></b>						
	(1) management	25%		23%		22%	
	(2) professionals	36%		32%		31%	
	(3) all other employees	28%		26%		24%	

1 - In 2020, our IPG company, Acxiom, underwent a restructuring of EEO job categories, including the professional and technician job codes. The company moved a large group of employees from technicians to professionals. This resulted in reducing the overall count of male employees in the "Other" EEO category, causing a large change in our female to male ratio from the prior year (2019).

2 - Minority data includes all racial / ethnic group representation excluding "White" employees.

3 - Our reported racial / ethnicity data represents the IPG U.S. workforce only.

SASB Code	SASB Accounting Metric					
SV-AD-330a.1	Percentage of 2021 racial/ethnic group representation of U.S. employees: <sup>4</sup>					
		Asian	Black or African American	Hispanic or Latino	White	Other
	(1) management	9.8%	5.1%	7.6%	74.8%	2.8%
	(2) professionals	12.6%	9.3%	10.0%	64.4%	3.8%
(3) all other employees	4.8%	12.7%	7.9%	71.5%	3.0%	

### SASB Topic: Activity Metrics

SASB Code	SASB Accounting Metric	2021	2020	2019
SV-AD-000.D	Number of full and part-time employees, globally <sup>5</sup>	51,416	46,688	50,233
	Number of U.S. full and part-time employees <sup>5</sup>	23,161	21,139	22,359

4 - Our overall diversity data is in accordance with the Equal Employment Opportunity Commission's (EEOC) Employer Information EEO-1 report (EEO-1 Survey). "Other" includes the following EEO classifications: American Indian or Alaska Native, Native Hawaiian or Other Pacific Islander, and "Two or More Races".

5 - Our SASB workforce reporting metrics encompass approximately 99% of our U.S. workforce, and approximately 92% of our global workforce. Due to this scope the data reported here differs from other references throughout the ESG Report.



### Report of Independent Accountants

To the Board of Directors of The Interpublic Group of Companies, Inc.

We have reviewed the accompanying management assertion of The Interpublic Group of Companies, Inc. (IPG) that the greenhouse gas (GHG) emissions and employee diversity metrics for the year ended or as of December 31, 2021 (collectively, the “metrics”) in management’s assertion are presented in accordance with the assessment criteria set forth in management’s assertion. IPG’s management is responsible for its assertion and for the selection of the criteria, which management believes provide an objective basis for measuring and reporting on the metrics. Our responsibility is to express a conclusion on management’s assertion based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) in AT-C section 105, Concepts Common to All Attestation Engagements, and AT-C section 210, Review Engagements. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to management’s assertion in order for it to be fairly stated. The procedures performed in a review vary in nature and timing from, and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether management’s assertion is fairly stated, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

Our firm applies the Statements on Quality Control Standards established by the AICPA and, accordingly, maintains a comprehensive system of quality control.

The procedures we performed were based on our professional judgment. In performing our review, we performed inquiries, read policies to understand terms related to relevant information about the metrics, performed tests of mathematical accuracy of computations on a sample basis, and reviewed supporting documentation in regard to the completeness and accuracy of the data comprising the metrics on a sample basis.

GHG emissions quantification is subject to significant inherent measurement uncertainty because of such things as GHG emissions factors that are used in mathematical models to calculate GHG emissions, and the inability of these models, due to incomplete scientific knowledge and other factors, to accurately measure under all circumstances the relationship between various inputs and the resultant GHG emissions. Environmental, energy use and business travel-related data used in GHG emissions calculations are subject to inherent limitations, given the nature and the methods used for measuring such data. The selection by management of different but acceptable measurement techniques could have resulted in materially different amounts or metrics being reported.

As discussed in management’s assertion, IPG has estimated GHG emissions for certain emissions sources for which no primary usage data is available.

Only the GHG emissions metrics, percentage of gender representation for U.S. employees metric, and the information included in the “Racial/ethnic group representation of U.S. employees (self-reported)” column for the percentage of 2021 racial/ethnic group representation of U.S. employees metric are part of our limited assurance engagement. The

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information in the “Racial/ethnic group representation of U.S. employees as reported on pages 152-153 in the IPG ESG Report” column for the percentage of 2021 racial/ethnic group representation of U.S. employees metric has not been subjected to the procedures applied in our limited assurance engagement, and accordingly, we do not express a conclusion or provide any assurance on such information.

Based on our review, we are not aware of any material modifications that should be made to IPG’s management assertion in order for it to be fairly stated.

New York, New York  
February 28, 2023

**Management Assertion**

With respect to the greenhouse gas (GHG) emissions and employee diversity metrics for the year ended or as of December 31, 2021 (collectively, the "metrics") presented in the tables below, management of The Interpublic Group of Companies, Inc. (IPG) asserts that such metrics are presented in accordance with the assessment criteria set forth below. Management is responsible for the selection of the criteria, which management believes provide an objective basis for measuring and reporting on the metrics, and for the completeness, accuracy, and validity of the metrics.

The metrics include the office and data center locations of IPG and its operating subsidiaries (collectively referred to as "locations") unless otherwise defined in the assessment criteria.

**Table 1- Metrics - GHG Emissions**

Metric	Definition of Metric and Assessment Criteria <sup>1,2,3,4</sup>	Metric Quantity <sup>5</sup>
Total Scope 1 GHG emissions	Direct emissions from natural gas, diesel, gasoline, petrol, and refrigerant losses. <sup>6</sup>	9,350 MTCO <sub>2</sub> e
Total Scope 2 GHG emissions (location-based)	Indirect emissions from purchased electricity, chilled water, and district heat (steam) (location-based). <sup>7</sup>	38,854 MTCO <sub>2</sub> e
Total Scope 2 GHG emissions (market-based)	Indirect emissions from purchased electricity, chilled water, and district heat (steam) (market-based). <sup>7</sup>	35,988 MTCO <sub>2</sub> e
Total Scope 3, Category 6: Business travel GHG emissions	Indirect emissions from the transportation of employees for business-related activities in vehicles owned or operated by third parties. This includes transportation by air, rail, and car travel, as well as hotel stays. <sup>8</sup>	16,738 MTCO <sub>2</sub> e

**GHG emissions disclosures**

- IPG considers the principles and guidance of the World Resources Institute (WRI) and the World Business Council for Sustainable Development's (WBCSD) *The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition*, *GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard*, and *Corporate Value Chain (Scope 3) Accounting and Reporting Standard: Supplement to the GHG Protocol Corporate Accounting and Reporting Standard* (together, the "GHG Protocol") to guide the criteria to assess, calculate, and report direct and indirect GHG emissions.
- GHG emissions quantification is subject to significant inherent measurement uncertainty because of such things as GHG emissions factors that are used in mathematical models to calculate GHG emissions, and the inability of these models, due to incomplete scientific knowledge and other factors, to accurately measure under all circumstances the relationship between various inputs and the resultant GHG emissions. Environmental, energy use and business travel-related data used in GHG emissions calculations are subject to inherent limitations, given the nature and the methods used for measuring such data. The selection by management of different but acceptable measurement techniques could have resulted in materially different amounts or metrics being reported.
- Carbon dioxide equivalent (CO<sub>2</sub>e) emissions are inclusive of carbon dioxide (CO<sub>2</sub>), nitrous oxide (N<sub>2</sub>O), methane (CH<sub>4</sub>), and industrial gases, which include hydrofluorocarbons (HFCs). The other GHGs of sulfur hexafluoride (SF<sub>6</sub>), perfluorocarbons (PFCs), and nitrogen trifluoride (NF<sub>3</sub>) are not emitted by IPG's locations. Emissions data by individual gas is not disclosed as a majority of CO<sub>2</sub>e in Table 1 relates to CO<sub>2</sub>. The CO<sub>2</sub>e emissions utilize Global Warming Potentials (GWPs) defined by the Intergovernmental Panel on Climate Change's (IPCC) Fifth Assessment Report (AR5 - 100 year). CO<sub>2</sub>e emissions are calculated by multiplying actual or estimated activity by relevant emission factors and GWPs.
- IPG excludes the following from its Scope 1 and 2 GHG emissions reporting per the GHG Protocol definition of operational control: serviced space (e.g., WeWork), apartments, subleased space, storage locations, and parking.
- MTCO<sub>2</sub>e = metric tons of carbon dioxide equivalent.
- Related to total Scope 1 GHG emissions:
  - Annual usage of natural gas, diesel, gasoline, petrol, and refrigerant loss were collected from third-party invoices for a sample of IPG locations across a representative sample of countries through surveys.

- If annual usage data was not collected, the following methodologies were applied to estimate usage:
  - For natural gas, a natural gas average intensity factor was determined for office and data center locations, which was then multiplied by the square footage of each office and data center location.
    - For office locations, IPG's 2020 natural gas average intensity factor (by square footage) was used as a proxy versus determining a natural gas average intensity factor based on natural gas usage for 2021 for a sample of locations. A distribution of heating source use according to the United States (U.S.) Energy Information Administration (EIA) 2012 Commercial Buildings Energy Consumption Survey (CBECS) was used which assumes that 47% of office location floor space uses natural gas.
    - For data center locations, a natural gas average intensity factor (by square footage) was determined based on data from third-party invoices received for 2 data center locations (covering 90% of total data center square footage). It is assumed natural gas is the sole heating consumption source.
  - For diesel, the 2012 CBECS fuel oil intensity factor for office locations was used, which was then multiplied by the square footage of each office location.
    - For office locations, a distribution of heating source use according to the 2012 CBECS survey was used which assumes that 2% of the office location floor space uses diesel.
    - For data center locations, it is assumed that natural gas is the sole heating consumption source and no diesel was estimated.
  - For gasoline and petrol, no consumption was estimated as emissions were only included if actual usage was available.
  - For annual refrigerant loss, losses are estimated for office and data center locations based on their square footage and using the following assumptions:
    - 1 kg of refrigerant charge is used for each 500 square feet
    - There is a 10% annual estimated loss ratio
    - All locations use HFC-134a
- Emission factors:
  - Natural gas & diesel:
    - United Kingdom and Europe: Department for Business, Energy & Industrial Strategy (BEIS) Government conversion factors for company reporting of greenhouse gas emissions 2021
    - Canada: Environment and Climate Change Canada National Inventory Report 1990 - 2020: Greenhouse Gas Sources and Sinks in Canada
    - Australia: Australian Government Department of Industry, Science, Energy and Resources National Greenhouse Accounts Factors 2021
    - New Zealand: New Zealand Government Ministry for the Environment Measuring Emissions: A Guide for Organisations 2020
    - Sweden: Swedish Environmental Protection Agency National Inventory Report Sweden 2021: Greenhouse Gas Emission Inventories 1990-2020 Submitted under the United Nations Framework Convention on Climate Change and the Kyoto Protocol
    - Netherlands: Milieu Centraal, Stimular, Stichting Klimaatvriendelijk Aanbesteden & Ondernemen, and National Government CO<sub>2</sub> Emission Factors 2021
    - All other countries: 2006 Revised IPCC Guidelines for National Greenhouse Gas Inventories: Reference Manual
  - Natural gas:
    - United States: U.S. Environmental Protection Agency (EPA) 2021 Emission Factors for Greenhouse Gas Inventories
    - Switzerland: Swiss Confederation Switzerland's Greenhouse Gas Inventory 1990-2020 National Inventory Report
  - Diesel:

- United States: U.S. EIA Carbon Dioxide Emissions Coefficients by Fuel (2022)
      - Brazil: GHG Protocol Brazil GHG Protocol Tool (version 2022)
      - Japan: Ministry of the Environment, Japan Greenhouse Gas Inventory Office of Japan (GIO), Center for Global Environmental Research (CGER), National Institute for Environmental Studies (NIES) National Greenhouse Gas Inventory of Japan 2020
      - Costa Rica: National Meteorological Institute Greenhouse Gases Emission Factors 2022
      - Ireland: Sustainable Energy Authority of Ireland (SEIA) Emission Factors 2022
    - Gasoline:
      - United States: U.S. EPA 2021 Emission Factors for Greenhouse Gas Inventories
    - Petrol:
      - Europe: BEIS Government conversion factors for company reporting of greenhouse gas emissions 2021
  - Estimated emissions from the sources above account for approximately 79% of reported total Scope 1 GHG emissions.
7. Related to total Scope 2 GHG emissions:
- Annual usage of purchased electricity, chilled water, and district heat (steam) were collected from third-party invoices for a sample of IPG locations across a representative sample of countries through surveys.
  - If annual usage data was not collected, the following methodologies were applied to estimate usage:
    - For purchased electricity, an electricity average intensity factor (by square footage) was determined for office and data center locations based on data from third-party invoices received for 25 office and 3 data center locations, which was then multiplied by the square footage of each office and data center location. It is assumed that all locations use electricity.
    - For chilled water, no consumption was estimated as emissions were only included if actual usage was available.
    - For district heat (steam), the 2012 CBECS district heat (steam) intensity factor for office locations was used, which was then multiplied by the square footage of each office location.
      - For office locations, a distribution of heating source use according to the 2012 CBECS survey was used which assumes that 11% of the office location floor space uses district heat (steam).
      - For data center locations, it is assumed natural gas is the sole heating consumption source and no district heat (steam) was estimated.
  - To calculate its GHG emissions from purchased electricity using the market-based method, IPG procured and retired Energy Attribute Certificates (EACs) to reduce the impact of its emissions at certain locations. Any remaining electricity that is not associated with an EAC was converted to emissions using the market-based emission factors as described below.
  - Emission factors: Location-based:
    - Purchased Electricity:
      - United States: U.S. EPA Emissions & Generated Resource Integrated Database (eGrid) 2020 for the U.S. factors by sub-region
      - United Kingdom and Europe: BEIS Government conversion factors for company reporting of greenhouse gas emissions 2021
      - Australia: Australian Government Department of Industry, Science, Energy and Resources National Greenhouse Accounts Factors 2021
      - Canada: Environment and Climate Change Canada National Inventory Report 1990-2020: Greenhouse Gas Sources and Sinks in Canada
      - Brazil: Government of Brazil Ministry of Science, Technology and Innovations Average CO2 Emission Factors Grid by Month/Year 2022
      - Ireland: Sustainable Energy Authority of Ireland (SEIA) Emission Factors 2022
      - All other countries: Emissions factors are calculated using the Energy Balances and Electricity Production for each country from the United Nations Department of Economic and Social Affairs (UN DESA) Statistics Division - 2020 Energy Balance Visualizations,

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- and emissions factors from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories
    - District Heat (Steam):
      - China: Euroheat & Power District heating and cooling, country by country, 2015 survey
      - All other countries: BEIS Government conversion factors for company reporting of greenhouse gas emissions 2021
    - Chilled Water:
      - Canada: Environment and Climate Change Canada National Inventory Report 1990-2020: Greenhouse Gas Sources and Sinks in Canada
      - All other countries: Emissions factors are calculated using the Energy Balances and Electricity Production for each country from the UN DESA Statistics Division - 2020 Energy Balance Visualizations, emission factors from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories; with kilowatt hours (kWh) converted to ton-hour of cooling using the U.S. EIA Form EIA-1605 Voluntary Reporting of Greenhouse Gases - Emission benchmarks for chilled water
  - Emission factors: Market-Based:
    - Purchased Electricity:
      - United Kingdom and Europe: Association of Issuing Bodies (AIB) European Residual Mixes 2021
      - All other countries: Same as the location-based emissions factors
    - District Heat (Steam):
      - Same as the location-based emissions factors
    - Chilled Water:
      - Same as the location-based emissions factors
  - Estimated emissions from the sources above account for approximately 29% and 32% of reported total Scope 2 (location-based and market-based, respectively) GHG emissions.
8. Related to Scope 3, Category 6: Business travel GHG emissions:
- Annual business-related activity and spend data was collected from the IPG Corporate Travel Reporting and Procurement departments.
    - Air travel: flight routes with origin and destination locations, mileage, and service class
    - Rail and car travel: spend (USD) on rail and car services by region
    - Hotel nights: number of hotel nights by country
  - The following assumptions were used to convert spend data to mileage for rail and car travel.
    - For rail travel, spend (USD) is converted into mileage using the 2020 average passenger fare per mile traveled from the Bureau of Transportation Statistics and Amtrak.
    - For car travel, spend (USD) is converted into mileage using the average cost and distance driven per rental day for rental cars from Smallbizgenius (2022) and Travepulse (2020) and the average cost per mile for taxi and black cars from Uber (2022).
  - IPG excluded GHG emissions related to business travel not booked through IPG Travel systems (except for taxi travel booked directly through vendors), which are estimated to represent approximately 6% of IPG's reported Scope 3, Category 6: Business travel GHG emissions.
  - Emission factors:
    - Air travel (all countries): BEIS Government conversion factors for company reporting of greenhouse gas emissions 2021, Business travel - air emission factors (with radiative forcing) expressed in emissions per kilometers traveled by passengers depending on the flight distance and service class
      - The following assumptions were made to calculate custom emissions factors for the following medium haul class types:
        - The emissions factor for Medium Haul First Class was estimated by multiplying the Medium Haul Business emissions factor by the Long Haul ratio (First/Business).

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- The emissions factor for Medium Haul Economy was used as the emissions factor for Medium Haul Premium Economy Class as a proxy.
- Rail travel:
  - United States: U.S. EPA 2022 Emission Factors for Greenhouse Gas Inventories, Table 10 (emissions per passenger-mile on Intercity Rail – Northeast Corridor)
  - All other countries: BEIS Government conversion factors for company reporting of greenhouse gas emissions 2021, Business travel - land emission factors expressed in emissions per passenger-km for national rail
- Car travel:
  - United States and Canada (rental car travel): U.S. EPA 2022 Emission Factors for Greenhouse Gas Inventories, Table 10 (emissions per mile for a passenger car)
  - All other countries (rental car travel) and global taxi and black car services: BEIS Government conversion factors for company reporting of greenhouse gas emissions 2021, Business travel - land emission factors expressed in emissions per km for an average car with unknown fuel and for taxi
- Hotel nights (all countries): BEIS Government conversion factors for company reporting of greenhouse gas emissions 2021, Hotel stay emission factors expressed in emissions per room per night

Table 2 - Metrics - Employee Diversity

Metric	Definition of Metric and Assessment Criteria	Metric Quantity				
Percentage of gender representation for U.S. employees	The gender representation of IPG's U.S. employees by job category, as self-reported by the employee, and recorded in IPG's Human Resource systems as of December 31, 2021. <sup>9</sup>	(1) <u>Management</u> : Female: 58% Male: 42%  (2) <u>Professionals</u> : Female: 61% Male: 39%  (3) <u>All other employees</u> : Female: 69% Male: 31%				
Percentage of 2021 racial/ethnic group representation of U.S. employees	The racial/ethnic group representation of IPG's U.S. employees by job category, as self-reported by the employee, and recorded in IPG's Human Resource systems as of December 31, 2021. <sup>9</sup>	<table border="1"> <thead> <tr> <th>Racial/ethnic group representation of U.S. employees (self-reported) (subject to assurance)</th> <th>Racial/ethnic group representation of U.S. employees as reported on page 152-153 in the IPG ESG Report (not subject to assurance)</th> </tr> </thead> <tbody> <tr> <td>(1) <u>Management</u>:<sup>10</sup>                              Asian: 8.4%                              Black or African American: 4.3%                              Hispanic or Latino: 6.7%                              White: 58.6%                              Other: 2.4%                              Did not self-report: 19.5%</td> <td>(1) <u>Management</u>:<sup>10</sup>                              Asian: 9.8%                              Black or African American: 5.1%                              Hispanic or Latino: 7.6%                              White: 74.8%                              Other: 2.8%</td> </tr> </tbody> </table>	Racial/ethnic group representation of U.S. employees (self-reported) (subject to assurance)	Racial/ethnic group representation of U.S. employees as reported on page 152-153 in the IPG ESG Report (not subject to assurance)	(1) <u>Management</u> : <sup>10</sup> Asian: 8.4% Black or African American: 4.3% Hispanic or Latino: 6.7% White: 58.6% Other: 2.4% Did not self-report: 19.5%	(1) <u>Management</u> : <sup>10</sup> Asian: 9.8% Black or African American: 5.1% Hispanic or Latino: 7.6% White: 74.8% Other: 2.8%
Racial/ethnic group representation of U.S. employees (self-reported) (subject to assurance)	Racial/ethnic group representation of U.S. employees as reported on page 152-153 in the IPG ESG Report (not subject to assurance)					
(1) <u>Management</u> : <sup>10</sup> Asian: 8.4% Black or African American: 4.3% Hispanic or Latino: 6.7% White: 58.6% Other: 2.4% Did not self-report: 19.5%	(1) <u>Management</u> : <sup>10</sup> Asian: 9.8% Black or African American: 5.1% Hispanic or Latino: 7.6% White: 74.8% Other: 2.8%					

		(2) <u>Professionals</u> : <sup>10</sup> Asian: 10.4% Black or African American: 7.9% Hispanic or Latino: 8.9% White: 49.8% Other: 3.4% Did not self-report: 19.5%	(2) <u>Professionals</u> : <sup>10</sup> Asian: 12.6% Black or African American: 9.3% Hispanic or Latino: 10.0% White: 64.4% Other: 3.8%
		(3) <u>All other employees</u> : Asian: 3.3% Black or African American: 7.6% Hispanic or Latino: 6.8% White: 33.8% Other: 2.4% Did not self-report: 46.1%	(3) <u>All other employees</u> : <sup>10</sup> Asian: 4.8% Black or African American: 12.7% Hispanic or Latino: 7.9% White: 71.5% Other: 3.0%

Employee Diversity disclosures

9. Related to the employee diversity metrics, the workforce includes full-time (employees working at least 35 hours per week) and part-time (employees working less than 35 hours per week) U.S. employees.

- IPG's employee diversity metrics include the following U.S. employees by job category: (1) management, (2) professionals, and (3) all other employees.
  - Management includes executive/senior-level officials and managers and first/mid-level officials and managers as defined within IPG's Human Resource systems.
  - Professionals include professional level employees as defined within IPG's Human Resource systems.
  - All other employees include personnel other than management and professionals as defined within IPG's Human Resource systems.
- Racial and ethnic diversity
  - The other race/ethnicity category includes the following classifications: American Indian or Alaska Native, Native Hawaiian or Other Pacific Islander, and Two or More Races.
  - Racial and ethnic diversity as self-reported by the employee and recorded in IPG's Human Resource systems is included in the column "Racial/ethnic group representation of U.S. employees (self-reported)" for the percentage of 2021 racial/ethnic group representation of U.S. employees metric. The information included in this column is subject to the limited assurance engagement.
  - For the purposes of Equal Employment Opportunity (EEO) Component 1 reporting (EEO-1) included in column "Racial/ethnic group representation of U.S. employees as reported on pages 152-153 in the IPG ESG Report" for the percentage of 2021 racial/ethnic group representation of U.S. employees metric, the racial and ethnic diversity was identified by IPG Human Resources following an internal process aligned with the 2021 EEO-1 Component 1 Data Collection Instruction Booklet, which allows use of employment records or observer identification to identify an employees' race and ethnicity if an employee declines to self-report. The information included in this column is not subject to the limited assurance engagement.

10. The percentages in this job category do not equal 100% due to rounding.

GRI Disclosure	IPG Reference Location	SDGs	UN Global Compact
<b>GRI 102: General Disclosures 2016</b>			
<b>Organizational Profile</b>			
<b>102-1 Name of the organization</b>	Interpublic Group of Companies, Inc. (IPG)		
<b>102-2 Activities, brands, products, and services</b>	<b>2022 ESG Report</b> About IPG, pages 6-10 Responsible Media & Content, pages 132-139		
<b>102-3 Location of headquarters</b>	909 Third Avenue, New York, NY 10022		
<b>102-4 Location of operations</b>	<b>2022 ESG Report</b> About IPG, pages 6-10  <u>2021 Annual Report</u> Our People, page 5		
<b>102-5 Ownership and legal form</b>	<u>2021 Annual Report</u> Business, pages 2-11 Security Ownership of Certain Beneficial Owners & Management & Related Stockholder Matters, page 101		
<b>102-6 Markets served</b>	<b>2022 ESG Report</b> About IPG, pages 6-10 Responsible Media & Content, pages 132-139		
<b>102-7 Scale of the organization</b>	<b>2022 ESG Report</b> About IPG, pages 6-10 Workforce Productivity Data Table, page 145  <u>2021 Annual Report</u> Business, pages 2-9 Financial Statements & Supplementary Data, pages 51-61		
<b>102-8 Information on employees and other workers</b>	<b>2022 ESG Report</b> About IPG, page 8 Diversity, Equity & Inclusion, page 64 Workforce Productivity Data Table, page 145 SASB Table, pages 152-153	 	<b>Principle 6:</b> Labour
<b>102-9 Description of the organization's supply chain</b>	<b>2022 ESG Report</b> Responsible Supply Chain, pages 90-95		
<b>102-10 Significant changes to the organization and its supply chain</b>	<b>2022 ESG Report</b> About this Report, page 141  <u>2021 Annual Report</u> Acquisitions, pages 76-77		

GRI Disclosure	IPG Reference Location	SDGs	UN Global Compact
102-11 Precautionary Principle or approach	The precautionary approach generally applies to manufacturing, rather than service companies. Since IPG is a provider of marketing services, we do not consider the precautionary approach.		
102-12 External initiatives	<b>2022 ESG Report</b> ESG Strategy, pages 16-17, 21-22		
102-13 Membership of associations	<b>2022 ESG Report</b> ESG Strategy, pages 16-17, 21-22 Sustainable Operations, page 28 Climate Action, pages 44-45 Diversity, Equity & Inclusion, pages 54, 60 Responsible Supply Chain, page 95 Public Policy, page 125 Data Ethics & Privacy, page 131 Responsible Media & Content, page 135		
<b>Strategy</b>			
102-14 Statement from senior decision-maker	<b>2022 ESG Report</b> CEO Letter, pages 3-5		
<b>Ethics and Integrity</b>			
102-16 Values, principles, standards, and norms of behavior	<b>2022 ESG Report</b> ESG Strategy, pages 12-15 Ethics & Integrity, pages 114-117		Principle 10: Anti-Corruption
102-17 Mechanisms for advice and concerns about ethics	<b>2022 ESG Report</b> Ethics & Integrity, pages 115-119 <a href="#">AlertLine Document</a>		
<b>Governance</b>			
102-18 Governance structure	<b>2022 ESG Report</b> Corporate Governance & Risk, pages 108-111  <b>2022 Proxy Statement</b> Election of Directors, pages 4-7 Our Corporate Governance Framework, pages 8-16		Principle 10: Anti-Corruption
102-20 Executive-level responsibility for economic, environmental, and social topics	<b>2022 ESG Report</b> ESG Strategy, pages 13-15 Sustainable Operations, page 25 Climate Action, pages 33-35 Diversity, Equity & Inclusion, page 50 Human Capital, page 67 Corporate Governance & Risk, pages 108-113		
102-21 Consulting stakeholders on economic, environmental, and social topics	<b>2022 ESG Report</b> ESG Strategy, pages 19-22		
102-22 Composition of the highest governance body and its committees	<b>2022 ESG Report</b> Corporate Governance & Risk, pages 108-111  <b>2022 Proxy Statement</b> Election of Directors, pages 4-7 Our Corporate Governance Framework, pages 8-16	  	

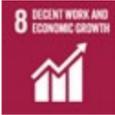
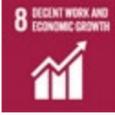
GRI Disclosure	IPG Reference Location	SDGs	UN Global Compact
102-23 Chair of the highest governance body	<a href="#">2022 Proxy Statement</a> Board Leadership Structure, page 14		
102-24 Nominating and selecting the highest governance body	<a href="#">2022 Proxy Statement</a> Election of Directors, pages 4-7 Our Corporate Governance Framework, pages 8-16		
102-25 Conflicts of interest	<b>2022 ESG Report</b> Corporate Governance & Risk, page 113 Ethics & Integrity, pages 117-118  <a href="#">2022 Proxy Statement</a> Board's Role in Risk Oversight & Transactions with Related Persons, pages 15-16		
102-26 Role of highest governance body in setting purpose, values, and strategy	<b>2022 ESG Report</b> ESG Strategy, pages 12-15 Corporate Governance & Risk, pages 109-111, 113  <a href="#">2022 Proxy Statement</a> Board's Role in Risk Oversight, page 15  <a href="#">Corporate Governance &amp; Social Responsibility Committee Charter</a>		
102-27 Collective knowledge of highest governance body	<a href="#">2022 Proxy Statement</a> Election of Directors, pages 4-7		
<b>Stakeholder Engagement</b>			
102-40 List of stakeholder groups	<b>2022 ESG Report</b> ESG Strategy, pages 19-22		<b>Principle 10:</b> Anti-Corruption
102-41 Collective bargaining agreements	<p>In the United States, IPG has not had any labor union organizing activity at our offices, nor do we have employees who are covered by collective bargaining agreements. In Europe, some IPG offices do have employee-led, Works Councils. At these locations, IPG management teams and the Works Councils collaborate and cooperate, as applicable, on labor relations.</p> <p>The percentage of IPG employees covered by collective bargaining is 0%.</p>		<b>Principle 3:</b> Labour

GRI Disclosure	IPG Reference Location	SDGs	UN Global Compact
102-42 Identifying and selecting stakeholders	<b>2022 ESG Report</b> ESG Strategy, pages 19-22		<b>Principle 10:</b> Anti-Corruption
102-43 Approach to stakeholder engagement	<b>2022 ESG Report</b> ESG Strategy, pages 19-22		
102-44 Key topics and concerns raised	<b>2022 ESG Report</b> ESG Strategy, pages 13, 19-22		
<b>Reporting Practice</b>			
102-45 Entities included in the consolidated financial statements	<b>2022 ESG Report</b> About IPG, pages 6-9  <u>2021 Annual Report</u> Business, pages 2-10 Selected Financial Statements, page 25		
102-46 Defining report content and topic Boundaries	<b>2022 ESG Report</b> ESG Strategy, pages 12-13 About this Report, page 141		
102-47 List of material topics	<b>2022 ESG Report</b> ESG Strategy, page 13	 	<b>Principle 10:</b> Anti-Corruption
102-48 Restatements of information	<b>2022 ESG Report</b> About this Report, page 141		
102-49 Changes in reporting	<b>2022 ESG Report</b> About this Report, page 141		
102-50 Reporting period	<b>2022 ESG Report</b> About this Report, page 141		
102-51 Date of most recent report	IPG's 2021 ESG Report was published in June 2022.		
102-52 Reporting cycle	Annual basis		

GRI Disclosure	IPG Reference Location	SDGs	UN Global Compact
102-53 Contact point for questions regarding the report	<a href="#">IPG Chief Sustainability Officer</a>		<b>Principle 10:</b> Anti-Corruption
102-54 Claims of reporting in accordance with the GRI Standards	In Accordance - Core		
102-55 GRI content index	<b>2022 ESG Report</b> GRI Content Index, pages 158-167	 	
102-56 External assurance	<b>2022 ESG Report</b> External Assurance, pages 154-157		
<b>Economic Topics</b>			
<b>GRI 201: Economic Performance 2016</b>			
201-1 Direct economic value generated and distributed	<b>2022 ESG Report</b> About IPG, pages 6-10 Performance Data Tables, pages 143-145  <a href="#">2021 Annual Report</a> Business, pages 2-10 Selected Financial Statements, page 25		<b>Principle 10:</b> Anti-Corruption
201-2 Financial implications and other risks and opportunities due to climate change	<b>2022 ESG Report</b> Climate Action, pages 38-39 TCFD Table, pages 147-149  <a href="#">2022 CDP Climate Response</a> C2. Risks & Opportunities, pages 5-11		<b>Principle 7:</b> Environment
201-3 Defined benefit plan obligations and other retirement plans	<b>2022 ESG Report</b> Human Capital, pages 71-73  <a href="#">2021 Annual Report</a> Consolidated Statements of Operations, page 55		<b>Principle 6:</b> Labour
<b>GRI 205: Anti-corruption 2016</b>			
103-1; 103-2; 103-3: Management Approach 2016	<b>2022 ESG Report</b> ESG Strategy, pages 12-22 Corporate Governance & Risk, pages 108-113 Ethics & Integrity, pages 114-119 About this Report, pages 141		
205-1 Operations assessed for risks related to corruption	<b>2022 ESG Report</b> Corporate Governance & Risk, pages 108-113 Ethics & Integrity, pages 114-117		<b>Principle 2:</b> Human Rights  <b>Principle 10:</b> Anti-Corruption
205-2 Communication and training about anti-corruption policies and procedures	<b>2022 ESG Report</b> Corporate Governance & Risk, page 113 Ethics & Integrity, pages 114-119		

GRI Disclosure	IPG Reference Location	SDGs	UN Global Compact
<b>GRI 206: Anti-competitive Behavior 2016</b>			
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	In 2021, IPG did not have any legal and/or regulatory fines, penalties, or other legal action associated with violations of anti-competitive behavior, anti-trust, or monopoly practices. Additionally, in 2021, IPG did not have any legal and/or regulatory fines, penalties, or other legal action associated with violations of bribery or corruption standards.		<b>Principle 10:</b> Anti-Corruption
<b>GRI 207: Tax 2019</b>			
103-1; 103-2; 103-3: Management Approach 2016	<a href="#">Tax Strategy</a>		<b>Principle 10:</b> Anti-Corruption
207-1 Approach to tax	<a href="#">Tax Strategy</a>		
207-2 Tax governance, control, and risk management	<a href="#">Tax Strategy</a>		
<b>Environmental Topics</b>			
<b>GRI 302: Energy 2016</b>			
103-1; 103-2; 103-3: Management Approach 2016	<b>2022 ESG Report</b> ESG Strategy, pages 12-22 Sustainable Operations, pages 24-31 Climate Action, pages 32-47 About this Report, page 141		<b>Principle 8:</b> Environment <b>Principle 9:</b> Environment
302-1 Energy consumption within the organization	<b>2022 ESG Report</b> Environmental Data Table, pages 143-144		
302-3 Energy intensity	<b>2022 ESG Report</b> Environmental Data Table, pages 143-144		
302-4 Reduction of energy consumption	<b>2022 ESG Report</b> Climate Action, pages 36, 41-43 Environmental Data Table, pages 143-144		
<b>GRI 305: Emissions 2016</b>			
103-1; 103-2; 103-3: Management Approach 2016	<b>2022 ESG Report</b> ESG Strategy, pages 12-22 Sustainable Operations, pages 24-31 Climate Action, pages 32-47 About this Report, page 141		<b>Principle 8:</b> Environment <b>Principle 9:</b> Environment
305-1 Direct (Scope 1) GHG emissions	<b>2022 ESG Report</b> Climate Action, pages 36-37 Environmental Data Table, pages 143-144		

GRI Disclosure	IPG Reference Location	SDGs	UN Global Compact
305-2 Energy indirect (Scope 2) GHG emissions	<b>2022 ESG Report</b> Climate Action, pages 36-37 Environmental Data Table, pages 143-144		
305-3 Other indirect (Scope 3) GHG emissions	<b>2022 ESG Report</b> Climate Action, pages 36-37, 40-41 Environmental Data Table, pages 143-144	 	<b>Principle 8:</b> Environment
305-4 GHG emissions intensity	<b>2022 ESG Report</b> Environmental Data Table, pages 143-144		<b>Principle 9:</b> Environment
305-5 Reduction of GHG emissions	<b>2022 ESG Report</b> Climate Action, pages 36-37, 40-45 Environmental Data Table, pages 143-144		
<b>GRI 307: Environmental Compliance 2016</b>			
103-1; 103-2; 103-3: Management Approach 2016	<b>2022 ESG Report</b> ESG Strategy, pages 12-22 Sustainable Operations, pages 24-31 Climate Action, pages 32-47 About this Report, page 141	 	<b>Principle 8:</b> Environment
307-1 Non-compliance with environmental laws and regulations	In 2021, IPG did not have any significant fines, violations, or other non-monetary sanctions for non-compliance with environmental laws and/or regulations.		<b>Principle 9:</b> Environment
<b>GRI 308: Supplier Environmental Assessment 2016</b>			
103-1; 103-2; 103-3: Management Approach 2016	<b>2022 ESG Report</b> ESG Strategy, pages 12-22 Responsible Supply Chain, pages 90-95 About this Report, page 141	  	<b>Principle 6:</b> Labour
308-1 New suppliers that were screened using environmental criteria	<b>2022 ESG Report</b> Responsible Supply Chain, pages 90-93		
<b>Social Topics</b>			
<b>GRI 401: Employment 2016</b>			
103-1; 103-2; 103-3: Management Approach 2016	<b>2022 ESG Report</b> ESG Strategy, pages 12-22 Human Capital, pages 66-78 About this Report, page 141		
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	<b>2022 ESG Report</b> Human Capital, pages 71-73	   	<b>Principle 6:</b> Labour
401-3 Parental leave	<b>2022 ESG Report</b> Human Capital, page 73		

GRI Disclosure	IPG Reference Location	SDGs	UN Global Compact		
<b>GRI 403: Occupational Health and Safety 2018</b>					
103-1; 103-2; 103-3: Management Approach 2016	<b>2022 ESG Report</b> ESG Strategy, pages 12-22 Employee Health & Safety, pages 79-89 About this Report, pages 141				
403-2 Hazard identification, risk assessment, and incident investigation	<b>2022 ESG Report</b> Employee Health & Safety, pages 80-84				
403-3 Occupational health services	<b>2022 ESG Report</b> Employee Health & Safety, pages 84-86	 	<b>Principle 1:</b> Human Rights		
403-4 Worker participation, consultation, and communication on occupational health and safety	<b>2022 ESG Report</b> Employee Health & Safety, pages 80-82, 84				
403-5 Worker training on occupational health and safety	<b>2022 ESG Report</b> Employee Health & Safety, pages 80, 83-84				
403-6 Promotion of worker health	<b>2022 ESG Report</b> Employee Health & Safety, pages 84-89				
<b>GRI 404: Training and Education 2016</b>					
103-1; 103-2; 103-3: Management Approach 2016	<b>2022 ESG Report</b> ESG Strategy, pages 12-22 Human Capital, pages 66-78 About this Report, pages 141				
404-1 Average hours of training per year per employee	<b>2022 ESG Report</b> Human Capital, pages 75-77 Employee Training Data Table, page 146	 	<b>Principle 1:</b> Human Rights		
404-2 Programs for upgrading employee skills and transition assistance programs	<b>2022 ESG Report</b> Human Capital, pages 75-78				
404-3 Percentage of employees receiving regular performance and career development reviews	<b>2022 ESG Report</b> Human Capital, pages 75-77				

GRI Disclosure	IPG Reference Location	SDGs	UN Global Compact
<b>GRI 405: Diversity and Equal Opportunity 2016</b>			
103-1; 103-2; 103-3: Management Approach 2016	<b>2022 ESG Report</b> ESG Strategy, pages 12-22 Diversity, Equity & Inclusion, pages 49-65 Human Capital, pages 66-78 About this Report, page 141		
405-1 Diversity of governance bodies and employees	<b>2022 ESG Report</b> Diversity, Equity & Inclusion, page 64 Corporate Governance & Risk, pages 108-111 SASB Table, pages 152-153		<b>Principle 6:</b> Labour
405-2 Ratio of basic salary and remuneration of women to men	<b>2022 ESG Report</b> Diversity, Equity & Inclusion, page 54		
<b>GRI 413: Local Communities 2016</b>			
103-1; 103-2; 103-3: Management Approach 2016	<b>2022 ESG Report</b> ESG Strategy, pages 12-22 Community Engagement, pages 96-106 About this Report, page 141		<b>Principle 1:</b> Human Rights  <b>Principle 8:</b> Environment
413-1 Operations with local community engagement, impact assessments, and development programs	<b>2022 ESG Report</b> Community Engagement, pages 96-106		
<b>GRI 414: Supplier Social Assessment 2016</b>			
103-1; 103-2; 103-3: Management Approach 2016	<b>2022 ESG Report</b> ESG Strategy, pages 12-22 Responsible Supply Chain, pages 90-95 About this Report, page 141		
414-1 New suppliers that were screened using social criteria	<b>2022 ESG Report</b> Responsible Supply Chain, pages 90-95		<b>Principle 1:</b> Human Rights  <b>Principle 2:</b> Human rights  <b>Principle 6:</b> Labour
414-2 Negative social impacts in the supply chain and actions taken	<b>2022 ESG Report</b> Responsible Supply Chain, pages 90-95		

GRI Disclosure	IPG Reference Location	SDGs	UN Global Compact
<b>GRI 415: Public Policy 2016</b>			
103-1; 103-2; 103-3: Management Approach 2016	<b>2022 ESG Report</b> ESG Strategy, pages 12-22 Public Policy, pages 120-125		<b>Principle 10:</b> Anti-Corruption
415-1 Political contributions	<b>2022 ESG Report</b> Public Policy, pages 120-125		
<b>GRI 417: Marketing and Labeling 2016</b>			
103-1; 103-2; 103-3: Management Approach 2016	<b>2022 ESG Report</b> CEO Letter, pages 3-5 ESG Strategy, pages 12-22 Responsible Media & Content, pages 132-139 About this Report, page 141	 	<b>Principle 2:</b> Human Rights  <b>Principle 10:</b> Anti-Corruption
417-3 Incidents of non-compliance concerning marketing communications	<b>2022 ESG Report</b> SASB Table, page 151		
<b>GRI 418: Customer Privacy 2016</b>			
103-1; 103-2; 103-3: Management Approach 2016	<b>2022 ESG Report</b> CEO Letter, pages 3-5 ESG Strategy, pages 12-22 Data Ethics & Privacy, pages 126-131 About this Report, page 141		<b>Principle 2:</b> Human Rights  <b>Principle 10:</b> Anti-Corruption
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	<b>2022 ESG Report</b> SASB Table, page 150		
<b>GRI 419: Socioeconomic Compliance 2016</b>			
103-1; 103-2; 103-3: Management Approach 2016	<b>2022 ESG Report</b> ESG Strategy, pages 12-22		<b>Principle 2:</b> Human Rights  <b>Principle 10:</b> Anti-Corruption
419-1 Non-compliance with laws and regulations in the social and economic area	In 2021, IPG did not have any significant fines or non-monetary sanctions for non-compliance with laws or regulations in the social and economic area.		



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