PUBLICIS GROUPE SA

Meeting Date:	Wed, 28 May 2014 10:00am	Type:	AGM	Issue date:	Thu, 15 May 2014
Meeting Location:	PublicisCinémas, 133 Avenue des Champs-élysées, (75008)				
Current Indices:	FTSE EuroFirst				
Sector:	Advertising				

	PROPOSALS	ADVICE
O.1	**Approve Financial Statements and Statutory Reports** The financial statements were made available to shareholders sufficiently before the meeting. Acceptable proposal.	For
O.2	**Approve Consolidated Financial Statements and Statutory Reports** The consolidated financial statements were made available to shareholders sufficiently before the meeting. Acceptable proposal.	For
O.3	**Approve Allocation of Income and Dividends** The Board proposes a dividend of EUR 1.10 per share. The dividend is covered by earnings. Acceptable proposal.	For
O.4	**Approve Stock Dividend Program** It is proposed to allow shareholders to choose between a dividend in cash or shares. The issue price of shares distributed as payment of the dividend will be set at 95% of the average closing price of Publicis Groupe SA shares on the Euronext Paris over the 20 trading days preceding the date of this shareholders' meeting, less the net amount of the dividend proposed (EUR 1.10 per share). Shareholders electing to receive the dividend in shares will benefit as the shares will be sold to them at a 5% discount. However, as all shareholders can elect to take cash or shares and also have the option to elect shares and subsequently sell them on the market, the proposal is considered acceptable.	For
O.5	**Approve Transaction with BNP Paribas Re: Loan Agreement** Approval to renew the syndicated credit agreement between the Company and BNP Paribas. Mrs. Hélène Ploix is a Director of BNP Paribas and serves on the Company's Supervisory Board. The Supervisory Board at its meeting of July 17, 2013 authorized the early renewal of the four existing credit lines of euro 100 million each, with BNP Paribas, Société Générale, Crédit Agricole Corporate and Investment Bank and Citibank International Plc, which expire on June 30, 2014. The Company does not state that the conditions in this agreement were the same as with the other banks or that they were on normal commercial terms. Triodos supports this resolution.	For
O.6	**Approve Transaction with Societe Generale Re: Loan Agreement** Approval to renew the syndicated credit agreement between the Company and Société Générale. Mr. Michel Cicurel is a Director of Société Générale and serves on the Company's Supervisory Board. The Supervisory Board at its meeting of July 17, 2013 authorized the early renewal of the four existing credit lines of euro 100 million each, with BNP Paribas, Société Générale, Crédit Agricole Corporate and Investment Bank and Citibank International Plc, which expired on June 30, 2014. The Company does not state that the conditions in this agreement were the same as with the other banks or that they were on normal commercial terms. Triodos supports this resolution.	For
O.7	**Re-elect Claudine Bienaime** Non-Executive Director. Not independent by the Company, not considered independent as has previously held an executive position at the Company. There are concerns over her potential aggregate time commitments. There is insufficient independent representation on the Board.	Oppose
O.8	**Re-elect Michel Halperin** Independent Non-Executive Director.	For

O.9 **Approve Remuneration of Supervisory Board Members** **For**

It is proposed to set the maximum annual amount of the directors' fees at EUR 1.2 million, which is an increase of 20%. Fees have not been increased since 2010. The Board states that the increase is needed due to increased board meetings. The allocation of directors' fees is exclusively based on each member's actual participation in Supervisory Board meetings and Committees. The amount to be paid per meeting EUR 5,000 was not increased in 2013, though the company does not state whether it will be increased in 2014.

While more disclosure on the part of the Company would be welcomed, Triodos supports this resolution.

O.10 **Advisory Vote on Compensation of Maurice Levy, Chairman of the Management Board** **Abstain**

Shareholders have an advisory vote on the remuneration paid to Mr. Maurice Lévy, the CEO. Maurice Lévy's remuneration can range from 0 to 5 million euros, depending on performance only. One third of the award is based on qualitative performance and two thirds on the following financial criteria. The qualitative criteria will be set by the committee on an annual basis. It is noted that the maximum award determined by this part of the award is EUR 1.65 million, which exceeds his former fixed salary (2011) of EUR 900,000. In 2013, his total remuneration for the year was EUR 4.8 million. For 2013, the quantitative criteria are organic revenue growth, consolidated net income, earnings per share and total shareholder return. The balance between the four criteria were disclosed for 2012, but are not disclosed for 2013 or going forward. They are evaluated in comparison with a three company peer group. For organic revenue growth and EPS, minimum awards are made for performance equal to 80% of the peer group average and maximum awards are made for performance equal to 120% of peer group average. For consolidated net income, this is compared to the highest rate rather than the average rate. TSR is not evaluated on a comparative basis. The maximum payout is available for positive TSR, which is not considered challenging. In addition, as the amounts of the award available at minimum vesting are not disclosed for any of the criteria, it is not possible to evaluate whether they are sufficiently challenging.

He will receive no other forms of remuneration. He does not have a severance agreement or pension plan. However, there is a related party agreement in place with Mr. Levy with respect to non-compete compensation which exceeds one year's base salary and benefits.

As there is no disclosure on the amount of the award which vests for threshold performance, Triodos abstains on this proposal.

It is noted that in 2013 21.2% of votes cast were not in favour of his remuneration.

O.11 **Advisory Vote on Compensation of Jean-Michel Etienne, Jean-Yves Naouri, and Kevin Roberts, Members of the Management Board** **Oppose**

Shareholders have an advisory vote on the remuneration paid to Jean-Michel Etienne, Jean-Yves Naouri, and Kevin Roberts, Members of the Management Board, for the first time. There are specific performance criteria used in determining the variable remuneration of each member. The specific performance targets are not disclosed in any case. The maximum variable remuneration to Mr. Kevin Roberts is 240% of base salary, which is considered excessive. It is noted that the variable remuneration paid to him during the year actually total 248% of base salary, but the figure includes his pension contribution. The pension contribution should be disclosed separately. They can be awarded performance stock and stock options. These are subject to continued employment and relative performance measured by organic growth and operating margin compared to a peer group. The targets are disclosed. There is an additional criteria to limit the theoretical gain of stock options. They can also participate in the LTIP 2013 - 2015 which is subject to the same performance criteria, but only a one year performance period. The conditions of their contracts are not disclosed. Severance agreements for each executive are different, but they all exceed guidelines with the maximum agreement ranging up to a maximum of 120% of base salary and bonus subject to performance conditions. Given potentially excessive variable remuneration and severance, lack of disclosure of the amount vesting for minimum performance, and lack of caps on share based remuneration, Triodos opposes this resolution.

O.12	**Authorise Share Repurchase** Authority limited to 10% of the share capital. It can not be used during a time of public offer. Acceptable proposal.	**For**
E.13*	**Authorize Issuance of Equity or Equity-Linked Securities with Pre-emptive Rights up to Aggregate Nominal Amount of EUR 30 Million** Authority to increase share capital up to EUR 30 million over a period of 26 months. This is equivalent to 34.7% of the issued share capital. The maximum value of debt securities which can be issued pursuant to this authority can not exceed 1.2 billion. This is also an aggregate limit for those issues made under the authorities requested in resolutions 14 to 18, 20 and 21. Acceptable proposal.	**For**
E.14*	**Authorize Issuance of Equity or Equity-Linked Securities without Pre-emptive Rights up to Aggregate Nominal Amount of EUR 9 Million** Authorisation to increase the capital by public offering without pre-emptive subscription rights up to EUR 9 million. This is equivalent to 10.4% of the issued share capital. The maximum value of debt securities which can be issued pursuant to this authority can not exceed 1.2 billion. Acceptable proposal.	**For**
E.15*	**Approve Issuance of Equity or Equity-Linked Securities for up to 20 Percent of Issued Capital Per Year for Private Placements, up to Aggregate Nominal Amount of EUR 9 Million** Authorisation to increase the capital by private placement without pre-emptive subscription rights up to EUR 9 million. This is equivalent to 10.4% of the issued share capital. The maximum value of debt securities which can be issued pursuant to this authority can not exceed 1.2 billion. This kind of authority is not supported as the Company has not justified why this kind of financing is needed. Triodos does not support this resolution.	**Oppose**
E.16*	**Authorize Capitalization of Reserves of Up to EUR 30 Million for Bonus Issue or Increase in Par Value** Authority to increase share capital by up to EUR 30 million by capitalizing premiums, reserves, net income, or other funds, followed by the creation and free allotment of equity securities, or by increasing the par value of existing equity securities, or by a combination of these two methods. Acceptable proposal.	**For**
E.17*	**Authorize Capital Increase of Up to EUR 9 Million for Future Exchange Offers** Authorisation to increase the capital by public offering including an exchange component initiated by the Company up to EUR 9 million. This is equivalent to 10.4% of the issued share capital. This kind of authority is not supported as the Company has not justified why this kind of financing is needed. Triodos opposes this resolution.	**Oppose**
E.18*	**Authorize Board to Increase Capital in the Event of Additional Demand Related to Delegation Submitted to Shareholder Vote Above** A green shoe authorisation enables an authorization of additional shares in the event of exceptional public demand. In this case, the authorization would increase allow the placement of up to 15% additional new shares within a thirty day period at a price equal to that of the initial offer. There are concerns with such authorities as they may potentially represent a discount superior to the discount to which the initial authorisation is limited due to a potential rise in share price in the period between original issuance and secondary issuance. Despite this concern, Triodos supports this resolution.	**For**
E.19*	**Authorize up to 5 Percent of Issued Capital for Use in Restricted Stock Plans** Authorisation to issue free shares to employees, including shares issued on the basis of performance conditions to employees and members of the Management Board. The authority would be valid for 38 months and is limited to up to 5% of issued capital. The vesting period is two years plus a two year holding period or 4 years. The maximum percentage of the stock capital granted to the members of the Management Board is 0.5% and performance criteria will apply to shares awarded to these executives. However, the performance criteria and specific targets are not disclosed. Based on the lack of disclosure, Triodos does not support this resolution.	**Oppose**

E.20*	**Authorize Capital Issuances for Use in Employee Stock Purchase Plans** Authority to issue shares to members of a company savings plan, for a maximum nominal amount of EUR 2.8 million or 3% of the share capital. All employee plans are supported, but the dilution is deemed to be excessive for such a plan. Triodos does not support this resolution.	**Oppose**
E.21*	**Authorize Capital Issuances for Use in Employee Stock Purchase Plans for International Employees** Authority to issue shares to members of a company savings plan to international employees, for a maximum nominal amount of EUR 2.8 million or 3% of the share capital. All employee plans are supported, but the dilution is deemed to be excessive. Triodos does not support this resolution.	**Oppose**
O.22	**Authorize Filing of Required Documents/Other Formalities** Standard proposal. **** = Special resolution***	**For**

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